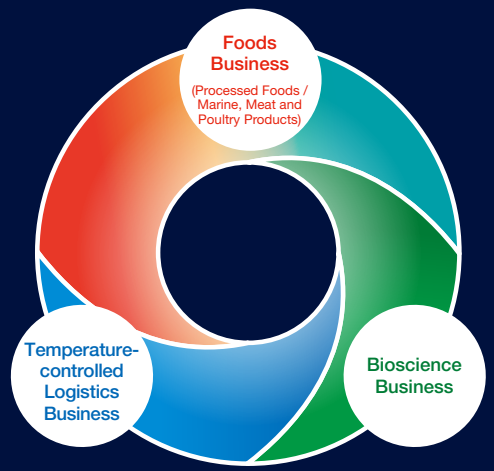
NICHIREI

Nichirei Group

INTEGRATED REPORT 2025

Creating Savory Moments

The Nichirei Group conducts business with the universal desire to “deliver delicious moments.”
Combining the Foods Business, Temperature-controlled Logistics Business, and Bioscience Business, we will continue to be a company that provides true satisfaction.



Nichirei Group Corporate Philosophy

Mission

Focus on Lifestyles,
and Provide True Satisfaction

Vision

We will continue to support good eating habits and health by leveraging our state-of-the-art manufacturing practices that optimize nature’s bounty, along with our leading-edge logistics services.

Sustainability Policy
https://www.nichirei.co.jp/english/corpo/management/responsibility.html

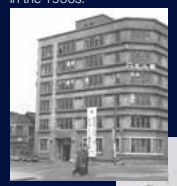
Milestones of Value Creation (Nichirei Group's History)

The Nichirei Group, a True Satisfaction Provider

We have provided true satisfaction by identifying the needs of individuals and society, enabling us to create the products and services required in each era.
The Nichirei Group will continue to support eating habits through business activities covering a wide range of foods.

1945–

Nippon Reizo was established to take over the marine products, refrigeration, and ice-making businesses. With a mission to provide a stable food supply after World War II, diversified our businesses during the consumer boom in the 1950s.


Headquarters building at the time of establishment

Provided frozen foods and other products to the Antarctic expedition

1960–

The spread of electric refrigerators made frozen foods more available. Contributed to the government-led creation of a cold chain logistics network to maintain food freshness during transport from producing areas to stores.

Rotating poultry house at the Kamagaya Laboratory

Opened *Terrace Nichirei* (a restaurant) at the Osaka Expo

1980–

Increasing interest in frozen foods as more women began working outside the home. Actively developed biotechnology and other new businesses.

Entered the acerola business

Newspaper advertisement announcing the change in the Company's name to Nichirei Corporation

2000–

Addressing diversifying eating habits and consumer concerns about food safety.Accelerating business operations by converting to a holding company structure.

Japanese pure-bred *Jurwakei* chicken

Initial *Honkaku-Itame-Chahan* (fried rice)

2010–

Conducting management with a medium- to long-term perspective that addresses simplifying food preparation, increasing health consciousness, Japan's labor shortage, and globalization

Global Innovation Center

Began frozen foods operations in North America

2020–

Becoming a company that creates new customer value and helps resolve social issues to achieve a sustainable society

Nagoya Minato DC

COVID-19 antigen test kit

Nichirei Group Net Sales

*Consolidated net sales since FY2005.

1946 1951 1961 1971 1981 1991 2001 2011 2025 (FY)

FY2025

Net sales	702.1 billion
Operating profit	38.3 billion
Overseas sales ratio	23.6%
ROIC	7.4%
ROE	9.6%

Processed Foods

Sales of frozen foods in Japan[1]

No.1

Ranking of *Honkaku-Itame-Chahan* (fried rice) sales in the frozen fried rice category for 24 consecutive years since its launch[2]

No.1

Temperature-controlled Logistics

Share of refrigerated warehouse capacity in Japan[3]

No.1

Share of global refrigerated warehouse capacity[4]

No.5

Marine, Meat and Poultry Products

Number of countries for food procurement

Approx. 30

Bioscience

Number of countries to which *N-Histofine* brand molecular diagnostic products are shipped

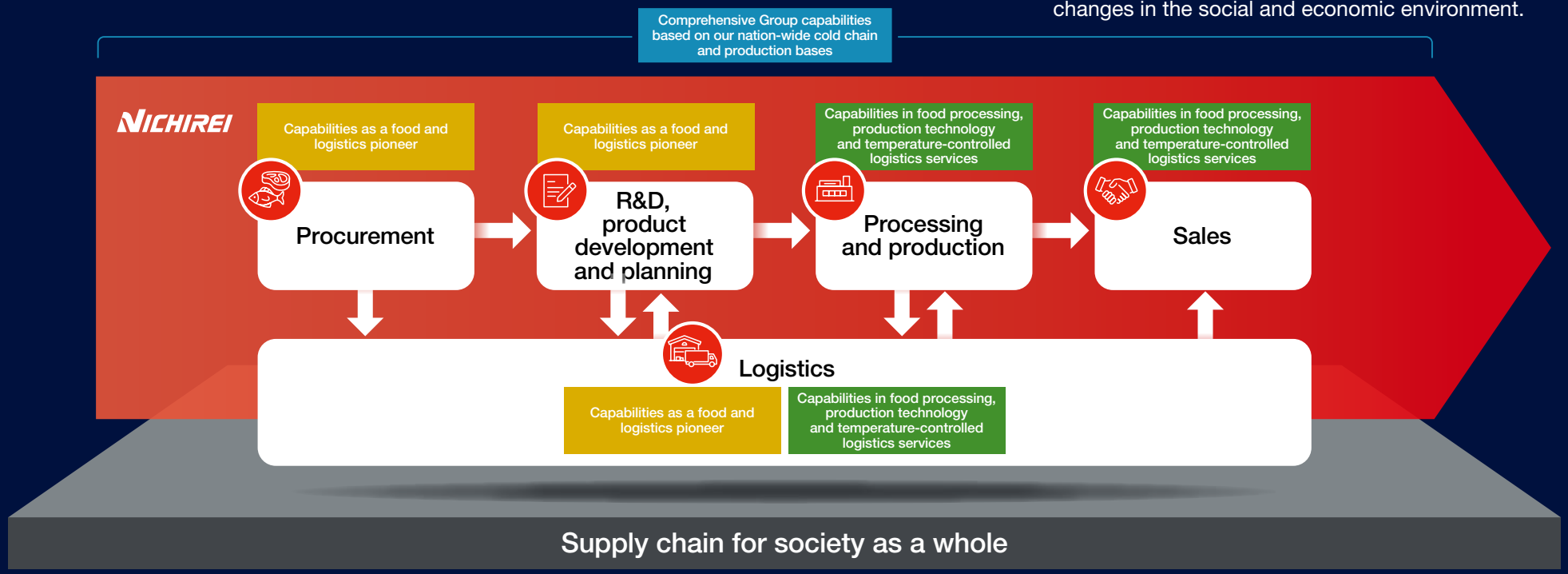
More than 25

1 Source: From a July 31, 2025 article in *Reishoku Nippo*, published by Shokuhin Sangyo Shimbunsha Co., Ltd. 2 Source: INTAGE SRI+ Frozen Prepared Fried Rice Market, Mar 2017 - Feb 2025, cumulative sales amounts for each year / INTAGE SRI Frozen Prepared Fried Rice Market, Mar 2001 - Feb 2017, cumulative sales amounts for each year 3 Source: *Refrigerated Warehouse Statistics 2023* by the Japan Association of Refrigerated Warehouses (Figures include warehouse capacity for each Group company.) 4 Source: *The Global Top 25 List, April 2025* materials by the Global Cold Chain Alliance (GCCA)

Refined Unique Competitive Advantages

Unique Value Chain Deeply Connected to Foods

The Nichirei Group responds to diverse customers' needs by operating businesses in a wide range of areas, including food procurement, processing, logistics, and sales.
Since its establishment, the Group has leveraged its comprehensive capabilities of the functions in store as a group, developed a number of new fields, and achieved sustainable growth while adapting to changes in the social and economic environment.



Capabilities as a food and logistics pioneer

A history and heritage of continuing to take on challenges to help resolve social issues

Capabilities in food processing, production technology and temperature-controlled logistics services

Unique materials procurement network

Japan's leading advanced low-temperature logistics services

Development and production technology capabilities to reproduce deliciousness

Human resources with a high level of expertise and experience

Comprehensive Group capabilities based on our nation-wide cold chain and production bases

Leveraging scale advantages in the two core businesses through transportation and delivery network functions and production bases covering all across Japan

Refined Unique Competitive Advantages

Procurement

Sustainable procurement capabilities built up over the long history

Working with suppliers, we have undertaken the production of ingredients. Starting with the procurement of herrings caught in Hokkaido, we have spent 80 years increasing the number of suppliers who share the same values of freshness, taste, safety, security, health, and sustainability. The Group now provides a variety of ingredients to restaurants, food companies, etc. via procurement networks spanning approximately 30 countries. Our desire to spread special selected ingredients to the world is also reflected in our “ingredients with future-oriented value," such as shrimp farming that coexists with mangrove forest ecosystems and beef production that contributes to reducing methane gas emissions. As a result of the integration of the foods business, we should be able to diversify the gradation of the degree of processing by using ingredients, which have been sold externally, as raw materials in the processed foods business. Our attachment to special selected ingredients has led to collaboration within the Nichirei Group.

Amani-no-Megumi Beef (▸Pages 55-56)

Inochi-no-Mori-Project
A project for sustainable supply of shrimp and coexistence with the global environment
https://www.nichireifresh.co.jp/inochinomori/

R&D, product development, and planning

Capabilities for marketing and reproducing deliciousness for the future of the frozen food industry

The frozen food industry is expected to grow further in the future, and the number of new entrants is increasing accordingly.

Under these circumstances, our competitive advantages lie in our marketing capabilities, which enable us to create products that accurately capture market trends and needs, and in our ability to design the desired deliciousness of our products and reproduce it with our own production lines.

Product Line & Marketing Strategy, a division to promote the entire process from product strategies planning to development, consists of members with diverse experience in development and sales, featuring a structure to encourage ideas from multilateral perspectives. Our expertise in each product category is enhanced through collaboration among R&D and production divisions and has become the source of Nichirei’s unique competitive advantages.

We will continue to pursue our passion for foods and enhance the future potential of the frozen food industry with our capabilities for marketing and reproducing deliciousness.

Processing and production

Production sites that realize deliciousness

In pursuit of large-scale production and deliciousness at the same time—production divisions produce many products on a daily basis, while we promote efficiency and systematization. But our most important priority is to pursue delicious flavor. Equipment is the key to achieving deliciousness through mechanization. A part of it has been developed internally, with adjustments made by factories' engineers on a daily basis. We are proud of these as one of our strengths that are hard for other companies to copy. Production divisions get excited and challenged when new product lines are introduced. For the equipment for new products, operations/instructions are not written in a textbook. Bringing together all of our capabilities, including accumulated experience and knowledge and cooperation among divisions, while taking on new challenges, we play an important role to “create savory moments” in the supply chain.

Refined Unique Competitive Advantages

Logistics

A sense of mission as a food infrastructure company that can handle all the temperature-controlled logistics

Customs clearance, storage, transportation and delivery, thawing and freezing, facilities engineering, and 3PL[1]—we are unparalleled in offering one-stop temperature-controlled logistics services.

As a company with the largest share of cold storage capacity in Japan, we have played a role as a social infrastructure supporting the food cold chain. Our customers need us to: “not only store but also collect and deliver products;” “thaw frozen foods at chilled temperatures;” and “sort products delivered from multiple manufacturers by destination and deliver them to supermarkets.” Since our foundation, we have acted as a “brain” for customers to develop logistics strategies and carefully respond to their requests. Thereby, we have continued to refine our operational capabilities and ability to develop superior quality and valuable services. In this process, we have created a logistics service of choice that meets the needs of society: a one-stop service[2], “*SULS*,” and logistics platform for frozen foods.

We are particular about product storage, which restricts people from entering and leaving the warehouse to prevent the temperature inside from rising, and arrange vehicles and work with delivery drivers to deliver products at the temperatures specified by customers. Temperature control is the most important quality standard because the products we handle are foods. At the root of our emphasis on quality is our sense of mission to support social infrastructure. This sense of mission is carried through both in Japan and overseas.

A remote monitoring system for chillers that was developed utilizing the expertise of our engineers (▸Page 39)
Evaluation of social impact of the *SULS* next-generation transportation and delivery system (▸Pages 52-54)

Sales

Proposal-based sales capabilities that leverage feedback from the frontline

In addition to our ability to reproduce deliciousness, one of our features is the wide range of food products that we handle. The integration of foods business will also expand the range of processing levels for commercial use such as food services (restaurants), delicatessen items in supermarkets, and school lunches, as well as for household-use. This wide range of products is an advantage, but it is not the only reason why we are the leading frozen food company in Japan. Different customers have different challenges and goals, so it is essential to propose products that suit them. The Sales Department, from new employees to top management, pays frequent calls on customers. This is because we can directly listen to customers’ voices about whether there are any concerns or problems with operations after the product is introduced. The feedback we receive is used in collaboration with Product Line & Marketing Strategy Division to develop our next proposals. We hope you will enjoy our products, which are displayed in stores carrying the hopes and thoughts of many people and support the backyard of commercial kitchens.

1 3PL: Third-party logistics
2 One-stop services: A comprehensive end-to-end service from ocean transportation to customs clearance, storage, value-added services, and transportation.

Realization of Group Synergies

Each Company's Strengths Open Up New Markets

Integrating Processed Food Business and Marine, Meat and Poultry Products Business into Foods Business

Since its reorganization in 2005, the Nichirei Group has focused on accelerating management decision-making and business development within each operating company.
By combining the strengths of each company, we now have reached a stage of "expanding earnings by leveraging group synergies." By combining the strengths and networks of the processed foods business and the marine, meat and poultry products business, we will integrate all functions from procurement to sales by April 1, 2026, with the aim of taking the Nichirei Group to a new stage.

Processed Foods Business

Marine, Meat and Poultry Products Business

Strengths	Common strengths	Strengths
Capabilities for reproducing deliciousness and developing	Diverse sales channels	Ability to procure materials

Synergy Effects

FY2028 Plan
(Compared to FY2025 results)

Net sales
+¥14.5 billion

Operating profit
+¥1.5 billion

Interview about the integration of foods business (▸Pages 46-48)

Creating global business opportunities

- Expanding sales of marine products for commercial use in North America
- Strengthening export functions

Reducing risks by strengthening raw material procurement capabilities

- Securing stable procurement of raw materials with a focus on chicken

Enhancing customer acquisition capabilities

- Strengthening the sales structure by utilizing mutual sales channels
- Expanding product lineup with different degrees of processing (ingredients, lightly processed products, and finished products)

Realization of Group Synergies

Foods Business × Temperature-controlled Logistics Business

Expanding Nichirei's Unique Synergies

Strengths of each business

Refined Unique Competitive Advantages

▸Pages 3-5

Leveraging the respective scale advantages to achieve group synergies

Foods Business
- Locating food factories and refrigerated warehouses in vicinity helps improve the efficiency of logistics from a factory to a refrigerated warehouse

Temperature-controlled Logistics Business
- Using cargoes of the foods business as a base (base cargo) to achieve more efficient and stable delivery operations
- Leveraging the trunk-line infrastructure to acquire more customers

Future strategy

Strengthen synergies through the locations of food factories and refrigerated warehouses in vicinity

Areas planned under the new medium-term business plan (Tokyo metropolitan area, Kansai, and Kyushu)

Towards 2035 (Long-term management goal)

How Should We Proceed for the Next 10 Years?

What the Nichirei Group wishes to be in the future and how to get there. We put this together as "N-FIT (Nichirei Future Innovative Tactics) 2035." In order to establish long-term competitive advantages and continue to support good eating habits and health of people around the world, we will leverage competitive advantages and group synergies we have cultivated, expand overseas business, and reinforce the base to sustain those. Combining these multiple innovative tactics for promotion, we will aim to strengthen profitability and improve capital efficiency to achieve N-FIT 2035. Based on a desire to "create savory moments," the whole Nichirei Group will advance to become an indispensable part of the world.

FY2026 to FY2028

New Medium-term Business Plan

Compass × Growth 2027

Material Matters (Materiality)

New Long-term Management Goal

N-FIT 2035

Nichirei Future Innovative Tactics

Further realization of competitive advantages and synergie	• Strengthen core categories and build differentiated food supply chains • Logistics platform for frozen foods that is highly aligned with the foods business • Achieve automation and labor saving through the introduction of new technologies and higher capital efficiency based on an asset-light model
Acceleration of overseas business expansion	• Establish a foods business base utilizing an integrated production-sales model in Japan • Establish a business base with one-stop services and cross-border transportation • Establish a unique business model through advanced collaboration between food and logistics businesses
Strengthening our global business foundation	• Maximize highly diversified human capital • Build a management system with a strong and lean management platform • Expand a corporate brand that embodies Nichirei's identity, tailored to each country
Reduction of environmental impact to enhance corporate value	• Make efforts to reduce environmental impact throughout the supply chain • Realize GX to boost competitiveness • Secure and procure sustainable resources
Establishing a business model that contributes to solving social issues	• Create unique values to resolve social issues • Establish a business model utilizing logistics big data • Strengthen R&D functions to create new foods/logistics technologies

FY2036 Targets

Operating profit/Net sales	ROIC
10%	10%
Overseas sales ratio	**Operating profit CAGR**
40%	8% or higher

*Compared to FY2025 results

Message from the President

Based on the Nichirei Group long-term management goal, we will persistently enhance corporate value by leveraging group synergies and expanding overseas business with an emphasis on speed.

Kenya Okushi
Nichirei Corporation
Representative Director,
President & Chief Executive Officer

Message from the President

Six-Year Results and Medium-term Business Plan "Compass Rose 2024" in Review

Six years have passed since I was appointed to the post of President, and this year will be my seventh year. In terms of the medium-term business plan, two plans have been completed: "WeWill 2021," launched at the time of my appointment as President in April 2019, and "Compass Rose 2024," launched in April 2022. During these six turbulent years, we experienced the unprecedented environmental change, the COVID-19 pandemic, which forced us to navigate through considerable business hardships. Our revenue targets were achieved as planned, a CAGR of 5.2% in sales and 6.8% in operating profit, and an ROIC of 7.4% under Compass Rose 2024. Looking at these figures, as the top management, I recognize that we have achieved a steady outcome.

Over the past six years, the Nichirei Group has consistently worked on business structural reforms. In addition to enhancing profitability through domestic business reforms, we were also committed to accelerating overseas business operations. Bold capital expenditures were made for this purpose: ¥93.0 billion under WeWill 2021 and ¥96.2 billion under Compass Rose 2024, a total of ¥189.2 billion. We are confident that these upfront investments should lead to future earnings growth, without fail.

During the three years of Compass Rose 2024, we focused on the themes of solving social issues through business operations and pursuing higher capital efficiency. As a result, capital efficiency improved in Japan and sales grew and surpassed the plan overseas, which led us to a record-high performance. As for "grow core businesses and improve low-profit businesses" of the priority measures, in our view, one of our major achievements was the successful price revisions and receipt of proceeds at reasonable rates, against rising costs. Price revisions often trigger an industry-wide price war, which often ends up in a futile fight over the share. However, being aware of our position as a front-runner in the fields of processed foods and temperature-controlled logistics, we took the lead as an industry advocate and had an exchange of views with customers tenaciously. It was the fruit of hard work by our employees who negotiated with each of our business partners on site. Thanks to these efforts, we could make contributions to the earnings of the entire industry, which should be highly commended as a great outcome. In this sense, we emphasize giving detailed explanations about our profitability and capital efficiency to external parties. By region, in Japan, we concentrated resources for processed foods in strategic categories and promoted the operations of new value-added products. As to overseas sales expansion, we boosted the processed foods business in North America and the temperature-controlled logistics business in Europe. In Asia, the inclusion of certain affiliates as a consolidated subsidiary in Thailand and Malaysia also contributed to earnings growth. The overseas sales ratio increased to 23.6% in FY2025, but we are not necessarily satisfied in terms of the speed. In addition, misconduct by a former employee of the Chinese subsidiary of Nichirei Foods was found in FY2025. We made efforts to reinforce our management base, including the improvement of governance, but they were not adequate. Taking this seriously, we will take thorough preventive measures. Under the new medium-term business plan "Compass × Growth 2027" (hereinafter, the "New Medium-Term Plan"), launched in the wake of the foregoing, we intend to accelerate the speed of overseas business operations, improve profitability, as well as bolster our management base.

In terms of business portfolio, we successfully instilled the concept of capital efficiency in each division by

Compass Rose 2024: Initial Plan and Status of Achievement

	FY2025 (Actual)	Initial Plan	Status of Achievement
Net sales	¥702.1 billion	¥660.0 billion	✔
Overseas sales	¥165.8 billion	¥130.0 billion	✔
Operating profit	38.3 billion	37.0 billion	✔
ROIC	7.4%	7% or higher	✔
ROE	9.6%	10% or higher	

Message from the President

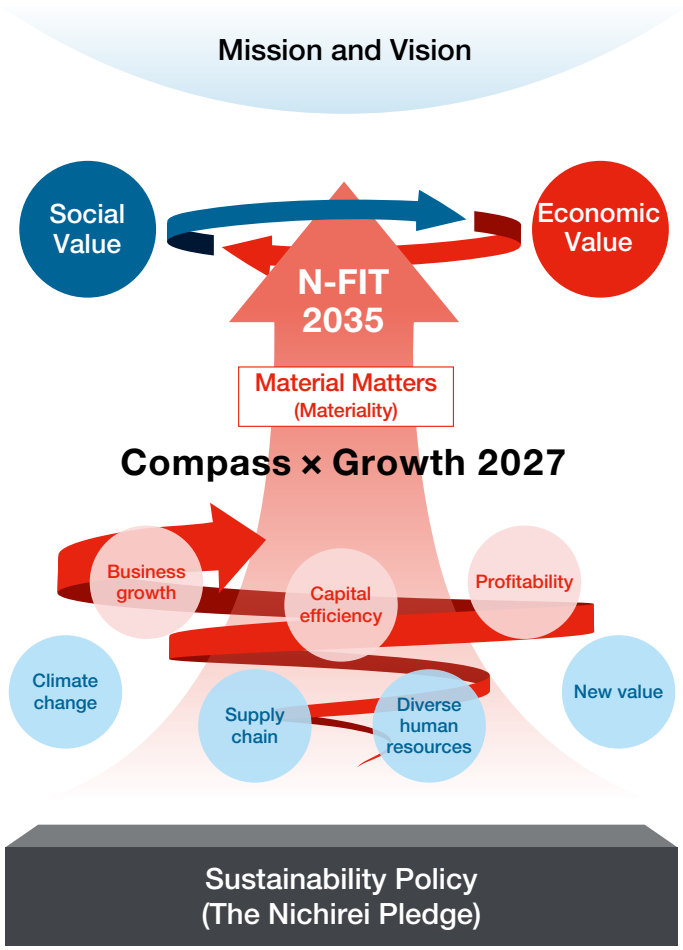
Making Efforts to Enhance Profitability and Improve Capital Efficiency in Order to Achieve Financial Targets in Ten Years from Now

—Setting New Long-Term Management Goal—

On December 1, 2025, the Nichirei Group will mark its 80th anniversary. With this milestone year as a starting point, we have formulated the new long-term management goal, “N-FIT (Nichirei Future Innovative Tactics) 2035.” We have worked to attain the long-term management goal “Toward 2030” since 2019 with an aim to continuously increase corporate value through a wide range of businesses supporting food and health. However, in light of changes in the business environment in Japan and overseas, we decide to set a new long-term management goal of “strengthening profitability and improving capital efficiency.” With a strategic target of 2035, which is 10 years from now, the Nichirei Group, as a company that constantly supports good eating habits and health of people across the globe, will aim to become one that is trusted by stakeholders from all over the world. The financial targets for 2035 are: 10% operating profit/ net sales; 10% ROIC; 40% overseas sales ratio; and 8%* or higher operating profit CAGR. No financial target is set for sales, then we will focus on improving profitability and capital efficiency to enhance the quality of our business activities.

It is also important to achieve the 2030 targets, as a introducing target ROIC for each business to be reflected in business strategy development, budget planning, monitoring, etc. When discussing future strategies with each division, we are now able to discuss not only earnings targets but also capital efficiency. This is a great achievement. In the marine products and meat and poultry products businesses, we have also worked on structural reforms based on ROIC management. However, efforts to maximize synergies in the integration of foods business will remain a continuous issue under the New Medium-Term Plan.

Management System



*Compared to FY2025 results

milestone for achieving the 2035 financial targets. The economic environment, including geopolitical risks, is hard to predict even for 2030, but at least rising costs should continue for some time in different areas. Under these circumstances, the best-case scenario at the moment is that people's living standards will rise in Japan in a manner that is greater than the increase in costs, mainly due to improving real wages. This is my personal opinion, but we should establish a business structure by 2030, which can continue to generate a certain amount of cash company-wide, including overseas operations, even if the economy does not improve as expected or we are unable to generate as much cash as we want in Japan. In the domestic market, headwinds are expected to intensify due to expected population decline, and it is important to raise capital efficiency by improving productivity in the indirect sector. However, I also feel that there are plenty of opportunities to cover through technological innovation and so forth. In this sense, we would like to return some of the cash we earned from expanded overseas business to Japan, in an effort to further improve labor productivity and create new businesses.

Strengthening Profitability and Improving Capital Efficiency Domestically and Globally

—Basic Strategy under New Medium-term Business Plan—

Aiming to achieve N-FIT 2035, we have launched a new Medium-term Business Plan called "Compass × Growth 2027." As with N-FIT 2035, the theme is "strengthening profitability and improving capital efficiency." We will work to build a management and business base that supports sustainable growth. Specifically, we have formulated to work on the following three Group Medium-term Business Strategies: "deepening areas of competitive advantages and leveraging Group synergies;" "overseas business expansion based on regional strategies;" and "promoting human capital management and developing global governance."

In Japan, we will continue to deepen competitive advantage areas further and implement strategies with a focus on synergies as the Nichirei Group. As a measure of deepening competitive advantage areas, we will first address the maximization of profits in strategic categories in the foods business, such as processed chicken and rice products. In particular, we will raise capacity utilization of the production that we invested in during the previous medium-term plan period to maximize the investment effect. We will also expand sales of health value products and other value-added products. In the temperature-controlled logistics business, we will expand our customer base by enhancing the logistics platform for frozen foods, which is a growth area, as well as widening customer segment, to which we provide value as a retail business, to include midstream services. To leverage group synergies, our focus will be on pursuit of synergies within the foods business and between the foods business and the temperature-controlled logistics business. In the former case (within the foods business), we will integrate all functions, from procurement to sales including those overseas, and create synergies across the business. In the latter case (between the foods business and the temperature-controlled logistics business), we will pursue efficient logistics and efficient and stabilized delivery operations to gain more customers, by drawing on the features and number of the locations of food factories and refrigerated warehouses, which are the assets of both businesses. These assets are significant as developed by our forerunners over time, with high entry barriers. For the future, we are considering making capital expenditures in the Tokyo metropolitan area, Kansai region, and Kyushu region, in order to enhance synergies by strategically locating food factories and refrigerated warehouses in vicinity.

In overseas business, we will aim for business growth in Europe, ASEAN, and North America, by utilizing both organic and inorganic strategies by region as well as by business. In the foods business, we will ramp up development capabilities in North America and production functions. In particular, we will combine our marketing

capabilities in North America with product and equipment development capabilities in Japan to expand our lineup. In Thailand, we will straighten production functions in an effort to stabilize profitability. In the temperature-controlled logistics business, we aim to further expand our business base and enhance profitability in Europe. In ASEAN, we aim to steadily meet the growing needs for low-temperature logistics and build a cross-border transportation network similar to that in Europe.

Tangible and intangible assets that we have accumulated over the past 80 years will be a driver in strengthening profitability and improving capital efficiency domestically and globally. Human resources are particularly important, and we will establish a structure that enables the Group human resources to deliver maximum performance. Firstly, for the expansion of overseas business, we will develop international human resources and clarify the compensation system. For example, employees who are transferred from Japan to other countries often face various problems depending on where they are transferred. We are working to resolve these issues that are unique to each region, ensure that employees and their families can lead normal lives in any region, and establish a compensation system based on employee skills. We also will work to build a global governance system, including the promotion of local employees to executive positions. Another action is the renewal of competency assessment. The system itself has been in place for some time, but we have updated it to make it easier to operate and useful for promotions and personnel transfers. As a company-wide project, we have begun switching the system.

From a human resources perspective, we would like to strengthen our efforts in digital technology and creating an organizational culture. The key to increasing productivity through technological innovation is digital technology initiatives, including AI technology.I have been keenly aware of this point since I became president, but we faced a lack of human resources to plan and formulate strategies partly because we have outsourced system updates and other activities. Currently, we are actively investing management capital in this area, bringing in external personnel to plan our future information strategies. For sustainable corporate growth, we will also focus on building an organization in which each employee can think for themselves and come up with ideas and solutions. Giving top-down directions may be faster in the short term, but there is no continuity. In securing and developing human resources, a challenge is to link them with management strategies, but we intend to create an organizational culture in which human resources are mobilized across departments, and diverse human resources, including mid-career hires, can thrive and express their ideas. In the future, we will also reform indirect departments and head office functions, as well as restructure our personnel system in connection with digitalization and DX strategies.

Customer relationship assets acquired through long years of honest business activities are also important. We continue to conduct stable business operations by utilizing our extensive network of customers. In addition, manufacturing assets such as refrigerated warehouses and food factories that cover the entire country and intellectual assets such as knowledge and know-how that support highly efficient logistics are also important growth drivers. These assets do not work individually but rather work by being organically connected with each other. This is our strength and the reason why we continue to be a company of choice.

Financial Targets and Strategies

The New Medium-Term Plan sets out financial targets based on financial indicators related to growth, profitability, and efficiency. In terms of growth potential, we have set a sales CAGR of 4.4% and an overseas sales ratio of 30%. For profitability, we have set an operating profit CAGR of 13.5%, an operating profit/net sales of 7.0%, and ROIC of 8% or higher.

As I mentioned earlier, the key to achieving our sales target of ¥800 billion and operating profit target of ¥56 billion is to expand our overseas business and achieve a return on investment in our domestic business. We plan to increase the overseas sales ratio by 6.4 percentage points over three years, by accelerating global expansion. Domestic capital expenditures need to be reaped by factoring in the recent rise in prices of construction materials and raw materials, as well as rising labor costs. Given that costs should continue to rise, it is also

important to narrow down investments to projects with high growth potential. As for capital expenditures during the New Medium-Term Plan, we plan to invest ¥127 billion, which is more than that made under Compass Rose 2024, with operating cash flow of ¥170 billion to be accumulated over three years. However, the current investment environment is challenging. In addition to volatile exchange rate fluctuations, a rise in the prices of raw materials and energy is also seen globally. In Japan, risks such as a shortage of human resources and rising personnel costs are becoming apparent. Even in this environment, we will stick to our strategy of concentrating resources on high-quality investment projects with high recoverability and achieve high investment returns, by making thorough investment decisions that emphasize capital efficiency based on ROIC. In addition, shareholder returns of ¥36.5 billion over three years is projected, which is only the total amount of dividends, and the acquisition of treasury stock will be considered separately.

For inorganic growth strategy investments such as M&A, we have set a new line of ¥30-50 billion. M&A deals are difficult to plan, but it is set as we are committed to allocating more resources than ever before for further overseas expansion. By making effective use of these investment lines, we will maintain and improve our growth potential.

Thoughts and Prospects for the Future

Going forward, we will establish a long-term competitive advantage by steadily implementing the measures we have newly set as our long-term management goal. We are now starting our efforts to become an indispensable existence in the world.

Initiatives to develop future management human resources are also in progress. I hope that the managers who pave the way for the Nichirei Group's future can conceive the vision for management and business and clearly articulate their ideas to get those around them involved. As president, I have come to realize that it is difficult but important for a manager to be capable of drawing a picture of what one wants to do in the future based on past achievements and experiences and conveying that in words. In addition, if a company is led by human resources who not only can put the strategies drawn up into action but also can build a workplace that encourages people to work independently and autonomously in line with those strategies, it should be able to become a sustainable company.

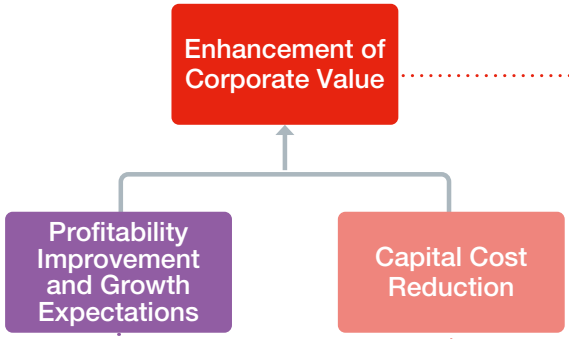
As a company that supports the food industry, which is essential for people to live, there are still many things we can do and much we must challenge. The value created by food will continue to diversify in the future. I believe that we should also provide new value that goes beyond the framework of simply being a provider of food and provide categorized food that individuals can choose according to their preferences and circumstances. When I look back on my own memories, food always comes to mind, for instance, where and what I ate with my parents, friends, or partners. We are working to convey such values through our business of manufacturing and delivering products.

If we achieve a 40% overseas sales ratio by 2035 and are recognized worldwide as a global company in both name and reality, this ratio should continue to rise thereafter. However, even with such an overseas business-centered structure, we should not forget that we are a company born in Japan. We will continue to take pride in being a Japanese company that maintains a high-quality food culture and pays careful attention to food, and we hope to be a corporate group that contributes to the food of the world, with roots put down all over the globe.

We look forward to your continued support for Nichirei's efforts to resolve issues one by one toward our larger vision.

Editing Policy of This Report/Contents

Integrated Report 2025 was created as a tool that facilitates meaningful dialogue with stakeholders, including shareholders and investors, by clearly communicating both financial and non-financial information along with our management strategies.



Point 1 We will explain our **competitive advantages** established by Nichirei Group, which will mark its 80th anniversary on December 1, 2025.

Point 2 In order to achieve the long-term management goal "N-FIT2035," we have set **the new Medium-term Business Plan "Compass × Growth 2027,"** which will start from FY2026.

Point 3 **Intangible assets**, which are the source of growth, are indispensable for the long-term enhancement of corporate value.
In this Report, we focus in particular on **human resources** who will implement our strategies, and on **strengthening corporate governance**.

How to use this Report

This Report provides navigation features that allow users to move between pages and access external sites.

Go to Table of Contents. (▸Pages XX-XX) Go to the relevant page. XXXXXXXXXX Go to the website.

Clicking a title in the index at the top of each page will take you to the corresponding page.

Section 1 Our Advantages and Aims

1 Mission and Vision
2 Milestones of Value Creation (Nichirei Group's History)
3 Refined Unique Competitive Advantages Point 1
6 Realization of Group Synergies Point 2
8 Towards 2035 (Long-term management goal) Point 2
9 Message from the President

Section 2 Enhancement of Corporate Value

15 Editing Policy of This Report/Contents
16 Value Creation Process
17 Group Material Matters (Materiality)
19 Overview of Medium-term Business Plans
20 Medium-term Business Plan Compass × Growth 2027 Point 2

Section 3 Profitability Improvement and Growth Expectations

22 Financial Strategy
26 Overseas Strategy
28 Intangible Assets
28 Human Resources Strategy Point 3
37 Intellectual Capital
40 DX Strategy
42 Business Portfolio
44 Business Strategy: Processed Foods
45 Business Strategy: Marine, Meat and Poultry Products
46 Dialogue on the Integration of the Foods Business (Processed Foods × Marine, Meat and Poultry Products) Point 2
49 Business Strategy: Temperature-controlled Logistics
50 History of Our European Business Point 1
51 Business Strategy: Biosciences
52 Helping to Resolve Social Issues through Our Business
52 Evaluation of Social Impact of *SULS*
55 *Amani-no-Megumi Beef*
57 Antigen Test Kit

Section 4 Capital Cost Reduction

58 Promotion of Sustainability Management
59 KPIs for Group Material Matters (Materiality)
60 Climate Change
68 Providing Safe Products and Services (Quality Assurance)
70 Stakeholder Engagement
72 Message from Outside Directors Point 3
75 Officer Career Summaries
78 Corporate Governance Point 3
87 Internal Control/Compliance/Risk Management

Section 5 Results of Initiatives (Data Section)

89 Financial Highlights
91 Non-Financial Highlights
92 Global Network
94 External Evaluation
95 Investor Information
96 Declaration of Authenticity/Company Information/Overview of Nichirei Communication

Value Creation Process

Group Material Matters (Materiality)

- Creating new value in food and health
- Strengthening food processing and production technology capabilities; enhancing logistics services
- Realizing sustainable food procurement and a circular economy
- Climate change initiatives
- Securing and developing a diverse array of human resources

External Environment

Opportunities

- Stable procurement of sustainable raw materials
- Enhanced food traceability
- Higher expectations for frozen storage, supply and control functions for food
- Rising demand for frozen foods
- Rising demand for health conscious products
- Promotion of personalized diets and medical care
- Providing new products and services in response to labor shortages and legal regulations
- Providing value through products and services that recycle resources

Risks

- Depletion of food and water resources due to climate change
- Labor shortage
- Disruption in passing down know-how
- Disruption or difficulty in maintaining a sustainable supply chain
- Increase in raw material procurement costs
- Increase in environmental investment due to shift to renewable energy
- Market changes spurred by changes in demographics
- Stricter regulations on imports and exports in each country

Input

Note: Data as of March 31, 2025, with some exceptions

Financial Capital

- Total assets: ¥499.2 billion
- Equity ratio: 52.1%
- Free cash flow (before dividends): ¥20.8 billion

Manufactured Capital

- Production facilities: 20 in Japan, 7 overseas
- Refrigerated warehouse storage capacity: 1.6 million tons in Japan, 0.9 million tons overseas

Intellectual Capital

▸ Pages 37-39

- Production expertise
- Technological strengths in cooking and processing
- Logistics expertise
- Brand strength

Human Capital

▸ Pages 28-36

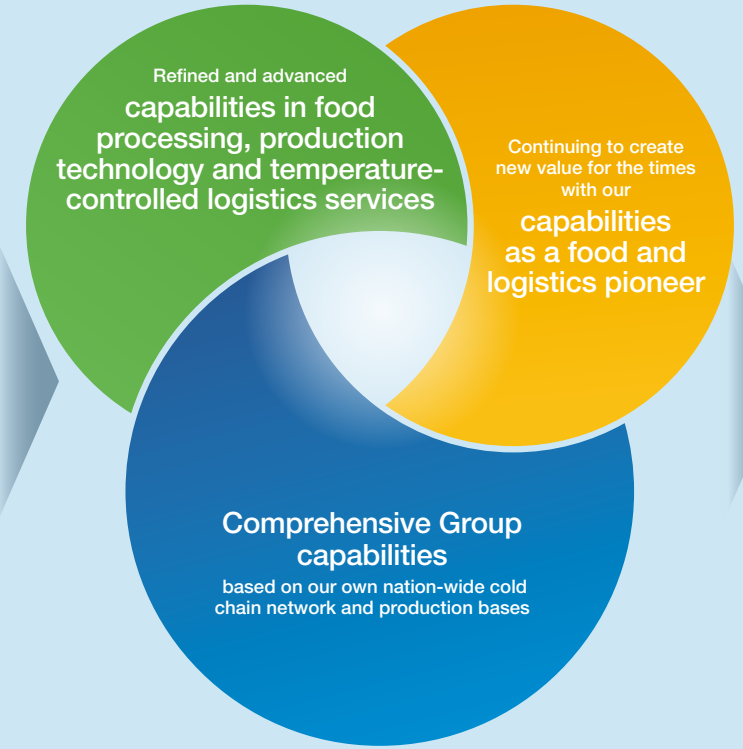
- Number of employees (consolidated): 16,626
- Expert human resources
- Average length of service: (Men) 18.2 years, (Women) 15.9 years

Social and Relationship Capital

- Sales network
- Logistics network
- Donations to social causes: ¥670 million

Natural Capital

- Global procurement network for agricultural, meat, poultry and marine products: Approximately 30 countries



Our Unique Competitive Advantages (▸ Pages 3-5)

Output

Processed Foods

Financial result

Improvement in capital efficiency

Specific products and services

Strengthening of strategic categories such as rice products and processed chicken products

Temperature-controlled Logistics

Financial result

Expansion of overseas business

Specific products and services

Strengthening of one-stop services

Marine, Meat and Poultry Products

Financial result

Promotion of structural reform

Specific products and services

Expansion of the handling of high-value-added, future-oriented materials

Biosciences

Financial result

Improvement in profitability

Specific products and services

Expansion of sales of molecular diagnostic reagents and testing equipment

Outcomes

Co-creation with Stakeholders

- Customers
- Shareholders and Investors
- Business Partners
- Employees
- Local Communities
- Trade Organizations, NGOs, NPOs, and Related Initiatives

Stakeholder Engagement (▸ Pages 70-71)

Economic Value

	FY2036 Targets
Operating profit/Net sales	10%
ROIC	10%
Overseas sales ratio	40%
Operating profit CAGR	* Compared to FY2025 results 8% or higher

Social Value

	Details/FY2031 Targets
Creation of new value	▸ Pages 46-48 and 55-56
Reduction in environmental impact	Reduction in CO_2 emissions Scope 1+2 –42% Scope 3 –25% ▸ Pages 60-62
Sustainable procurement of raw materials and water resources	▸ Page 63
Reduction of human rights risks	Implementation rate of ESG due diligence: 100% ▸ Pages 65-67

Realize a Sustainable Society

Sustainability Policy

Management Principles

Group Material Matters (Materiality)

Material Matters (Materiality)

In 2020, the Nichirei Group identified five material matters (materiality) and set a vision for each of them in order to achieve its previous long-term management goals for 2030. We are carrying on the materiality concept in our new long-term management goal "N-FIT 2035." In addition, the new medium-term business plan, "Compass × Growth 2027," sets goals for each business as well as group targets to integrate business and sustainability strategies, positioning this period as a phase for deepening our sustainability management toward 2035.

Process for Identifying Material Matters (Materiality)

Please refer to the *Nichirei Group Integrated Report 2020* for details of the identification process of material matters.

Nichirei Group Integrated Report 2020
https://www.nichirei.co.jp/sites/default/files/inline-images/english/ir/integrated/pdf/nichirei_IntegratedReport2020_all.pdf

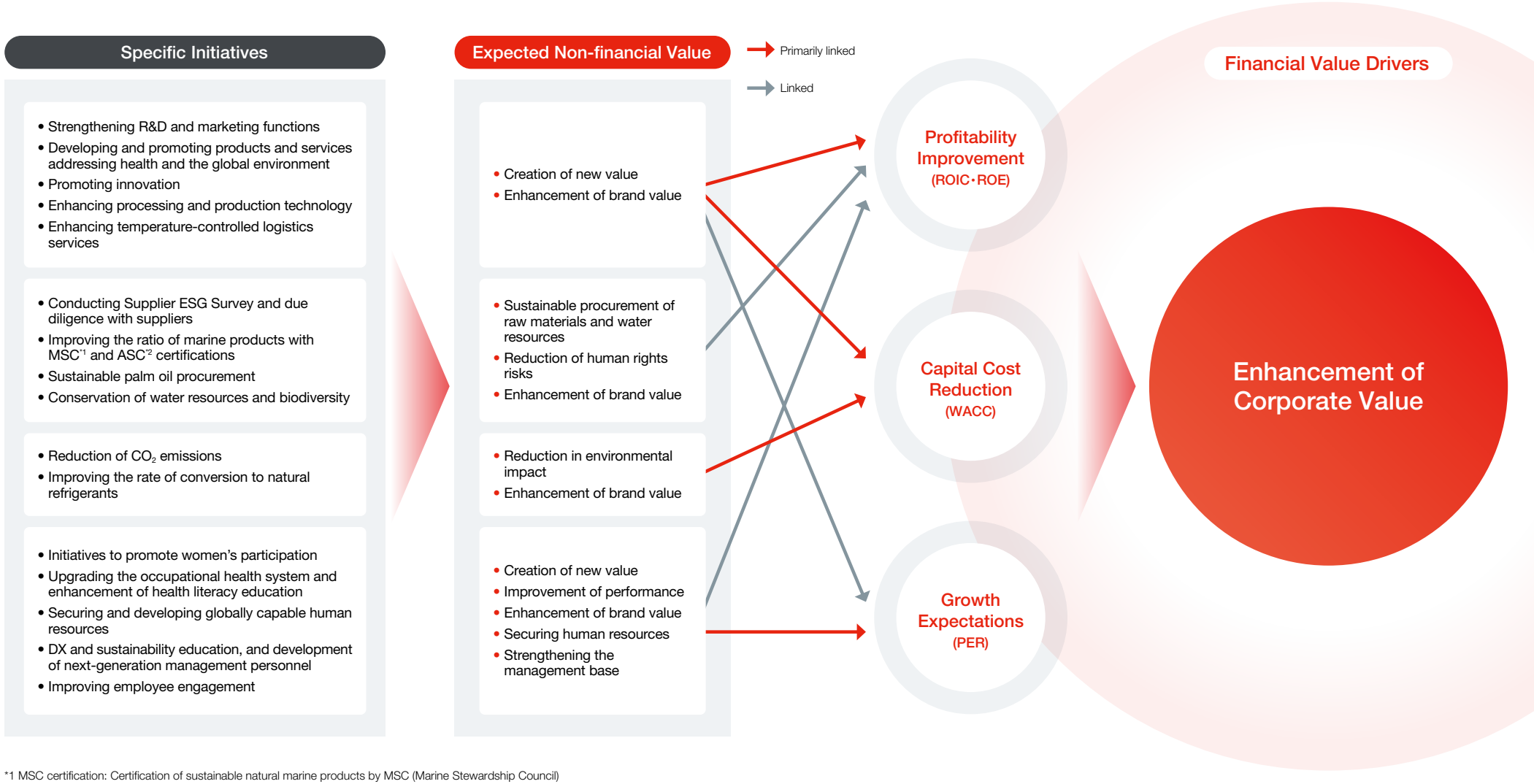
Identifying stakeholders	Since our business domain is food provision, we have a tremendous social responsibility, being involved, as we are, with many stakeholders and impacting their lives and society at large. For this reason, we have identified stakeholders based on the level of their demands and the extent of our impact on society.
Identifying social issues (risks and opportunities)	After identifying our stakeholders, we delineated social issues from future and global perspectives.
Evaluating social issue criticality	We then evaluated the importance of those social issues, based on the fact that proactive measures result in business growth, and reactive ones are focused on minimizing damage to corporate value.
Mapping material matters	We mapped material matters that would require proactive and reactive steps, and in November 2019 we held initial deliberations on the details of mapping during the Nichirei Group Strategy Committee meeting, at which we usually discuss overall management strategies.
Creating drafts	We created separate drafts for those issues that would require a proactive or reactive approach.
Dialogue with experts	In December 2019, outside experts evaluated the validity of the drafts under consideration and exchanged opinions with Company corporate officers, including the president.
Integration and narrowing down	Based on opinions received from experts, we integrated and narrowed down material matters as proactive or reactive.
Finalizing the draft	In February 2020, at the second Group Strategy Committee meeting, after repeated deliberation on both the evaluation of validity by experts and opinions on distinctive Nichirei features, an agreement was reached, resulting in a draft containing five material matters.

	Material Matters (Materiality)		Vision for 2030
1	**Creating new value in food and health**	Create new markets and customer value by taking on challenges outside existing areas in both food and health	Discover the potential of materials and cooling power to contribute to the future of the Earth and people's mental and physical health through food
2	**Strengthening food processing and production technology capabilities; enhancing logistics services**	Further refine core competencies in food processing, production and logistics to resolve social issues and improve profitability through competitive advantages in global markets	Ability to generate cash improved by concentrating management resources on core businesses Overseas business as a new pillar of earnings
3	**Realizing sustainable food procurement and a circular economy**	Resolve various social issues related to the supply chain, which is the foundation of our business, and contribute to sustainable food procurement and the realization of a circular economy	All raw materials and ingredients are procured from suppliers and partner companies that comply with the Nichirei Group Supplier Code of Conduct and Supplier Guidelines Promoting a circular economy by creating new business models Understanding risks to natural capital and improving resilience related to biodiversity and water resources
4	**Climate change initiatives**	As a food and logistics company that is greatly affected by climate change, we will work with stakeholders to counter global warming and reduce energy consumption throughout the supply chain	Efforts under way to reduce CO_2 emissions both inside and outside the Group toward the goal of becoming carbon neutral by 2050 Elimination of CFCs progressing at production and logistics facilities as a global warming countermeasure
5	**Securing and developing a diverse array of human resources**	Secure and develop diverse human resources and foster an inclusive corporate culture to achieve sustainable growth	Diverse human resources with various characteristics and skills, maximizing their potential to improve their job satisfaction and support the sustainable growth of the Group

Group Material Matters (Materiality)

Connection between Non-financial Measures and Corporate Value Enhancement

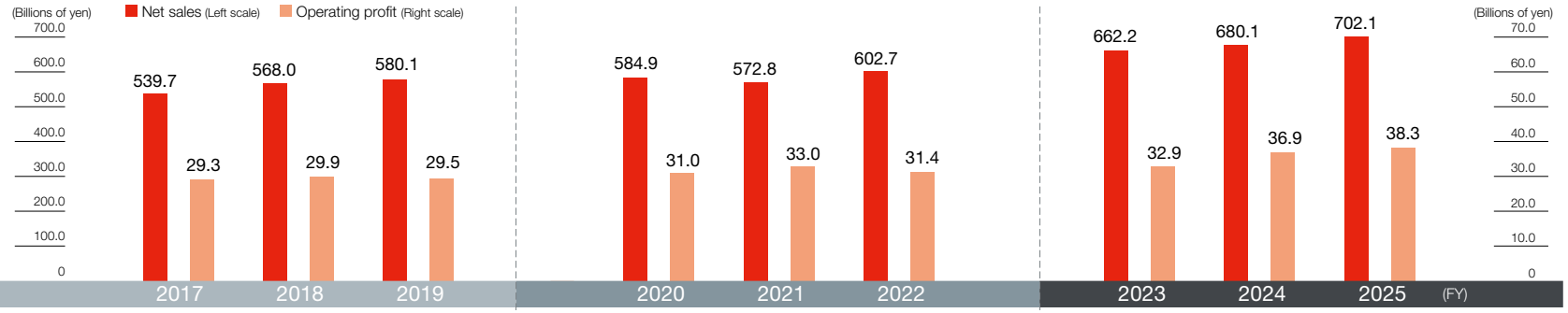
Nichirei believes that enhancing corporate value requires initiatives that improve profitability (ROIC, ROE), reduce capital costs (WACC), and promote growth expectations (PER). We view the execution of measures to address our material matters as contributing to the improvement of these three types of economic value, thereby enhancing corporate value. By continuing to promote non-financial measures that address our material matters, we will create both social and economic value, which will ultimately enhance corporate value.



*1 MSC certification: Certification of sustainable natural marine products by MSC (Marine Stewardship Council)
*2 ASC certification: Certification of sustainable aquaculture products by ASC (Aquaculture Stewardship Council)

Overview of Medium-term Business Plans

The Nichirei Group has created new value and achieved growth in Japan and overseas. By organizing the achievements and issues of each medium-term business plan, we are ready to take on the next challenges.



		2017	2018	2019	2020	2021	2022	2023	2024	2025
	ROIC	—	—	—	—	—	—	6.9	7.5	7.4

		POWER UP 2018	WeWill 2021	Compass Rose 2024
Summary	Priority Measures	**1.** Ensure sustainable earnings growth and raise capital efficiency. **2.** Pursue continued expansion in scale for overseas business. **3.** Further enhance the Nichirei Group's capabilities for quality assurance. **4.** Continue to strengthen corporate governance and other ESG-related efforts. **5.** Focus more intently on utilizing diverse personnel.	**1.** Realize sustainable profit growth. **2.** Improve capital efficiency and increase shareholder returns. **3.** Create new value that supports good eating habits and health, helping to resolve social issues through our business.	**1.** Grow core businesses and improve low-profit businesses **2.** Conduct business portfolio management **3.** Create new value **4.** Strengthen ESG response
Review	Achievements	Processed Foods • Improved profitability in Japan on expanded sales of mainstay products. Logistics • Expanded cargo pickups mainly in metropolitan areas and improved balance of transport income.	Processed Foods • Increased sales of household-use products by capturing demand for eating at home. Logistics • Enhanced operating conditions by ensuring appropriate collection of fees, promoting business innovation, etc.	• Price revisions and collection of appropriate fees • Higher net sales in overseas business • Building a transportation and delivery infrastructure to address the logistics industry's 2024 problem
Review	Actual Figures			
Review	Issues	Further improvement in profit levels and swift response to changes in the external environment and rising costs	Improvement of low-profit businesses and capital efficiency	Improvement in profitability of overseas business

POWER UP 2018

	FY2019 (Results)	Initial Plan	Status of Achievement
Net sales	¥580.1 billion	¥560.0 billion	✔
Operating profit	¥29.5 billion	¥23.6 billion	✔
ROE	11.7%	9% or higher	✔

WeWill 2021

	FY2022 (Results)	Initial Plan	Status of Achievement
Net sales	¥602.7 billion	¥657.0 billion	
Operating profit	¥31.4 billion	¥35.0 billion	
ROE	11.3%	10% or higher	✔

Compass Rose 2024

	FY2025 (Results)	Initial Plan	Status of Achievement
Net sales	¥702.1 billion	¥660.0 billion	✔
Overseas sales	¥165.8 billion	¥130.0 billion	✔
Operating profit	¥38.3 billion	¥37.0 billion	✔
ROIC	7.4%	7% or higher	✔
ROE	9.6%	10% or higher	

Medium-term Business Plan: Compass × Growth 2027

Basic Policies

"Compass × Growth 2027" expresses the Nichirei Group's desire to achieve growth as an indispensable presence in society by enhancing social and economic value, which was addressed in the previous medium-term business plan "Compass Rose 2024" toward the realization of the new long-term management goal "N-FIT 2035."

In "strengthening profitability and improving capital efficiency," we will build management and business foundations that will support sustainable growth in order to achieve our long-term management goal "N-FIT 2035."

Group Medium-term Management Strategy

— Strengthening Profitability and Improving Capital Efficiency —

1 Deepening areas of competitive advantages and leveraging Group synergies

- Processed chicken products and rice products/Logistics platform for frozen foods
- Integration of foods business

We will establish a solid position in Japan with strategic categories such as processed chicken products and rice products in the processed foods business and logistic platforms for frozen foods in the temperature-controlled logistics business as our revenue drivers. We will also realize group synergies through the integration of foods business to ensure improved profitability.

2 Overseas business expansion based on regional strategies

- Europe, ASEAN, and North America

We aim to achieve organic and inorganic business growth in Europe, ASEAN, and North America.

3 Promoting human capital management and developing global governance, etc.

- Securing and developing human resources/Employee engagement
- Establishment of regional supervisory function

We will promote human capital management and build global governance as the foundation for sustainable growth.

Financial and Non-financial Targets

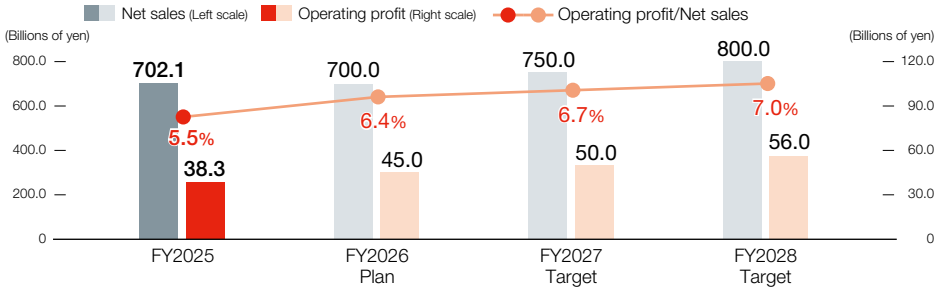
(Billions of yen)

Financial Targets	FY2028 Targets	Compared to FY2025 Results	CAGR
Net sales	800.0	+97.9	4.4%
Overseas sales ratio	30.0%	+6.4 pt	—
Operating profit	56.0	+17.7	13.5%
Operating profit/Net sales	7.0%	+1.5 pt	—
Profit attributable to owners of parent	38.0	+13.3	15.4%
EPS (yen)*	151.7	+54.3	15.9%
EBITDA	83.5	+20.9	10.1%
ROIC	8% or higher		
ROE	10% or higher		

Non-Financial Targets	FY2028 Target
Employee engagement score	75 pt
Human capital expenditures	¥1.6 billion
CO_2 emission reduction rate (Scope 1, 2)	–27%
Renewable energy ratio	53%
Net sales of products and services that create added value for people's mental and physical health and for the global environment	¥80.0 billion

* EPS: The Company conducted a 2-for-1 stock split of common shares on April 1, 2025. Therefore, the amount is calculated assuming that the stock split took place at the beginning of the fiscal year ended March 2025.

Consolidated Net Sales and Operating Profit



Financial Targets by Segment

(Billions of yen)

	FY2028 Net Sales	Compared with Previous Medium-term Business Plan	FY2028 Operating Profit	Compared with Previous Medium-term Business Plan
Foods	445.0	+11.1	28.7	+7.4
Processed Foods	365.0	+53.4	26.3	+7.6
Marine Products	38.0	–20.7	1.3	–0.1
Meat and Poultry Products	45.3	–22.1	1.2	+0.1
Elimination	–3.3	+0.5	0.0	–0.1
Temperature-controlled Logistics	312.0	+33.7	22.6	+6.9
Real Estate	5.0	–0.2	2.0	+0.1
Others	58.3	+51.8	4.6	+3.5
Adjustment	–20.2	+1.6	–1.9	–0.2
Total	800.0	+97.9	56.0	+17.7

* The "Others" segment includes revenue growth from M&A, which is considered inorganic growth.

Medium-term Business Plan: Compass × Growth 2027

Financial Strategy

Operating cash flow will be allocated to investments in core businesses for future growth and shareholder returns. The D/E ratio is targeted at 0.5x from the perspective of financial soundness and capital efficiency, while leveraging and making effective use of debt when the need for large-scale fundraising arises due to inorganic growth.

Cash in

Operating cash flow
¥170.0 billion
(¥153.5 billion)

Increase/decrease in borrowings, etc.

Cash out

Capital expenditures
¥127.0 billion
(¥96.2 billion)

Shareholder returns
¥36.5 billion or higher
(¥39.6 billion)

M&A and other growth strategic investments
¥30.0 billion to ¥50.0 billion

Capital investment for organic growth

- In Japan, continue to invest in growth to accelerate centripetal force in foods and temperature-controlled logistics.
- Overseas, make aggressive investment to increase profitability.
- Continue environmental investments that promote sustainable management.

Capital investment plan by investment category

(Billions of yen)

	Previous medium-term business plan: three-year cumulative total	26/3E	Three-year cumulative total
Growth investment	38.7	25.8	65.8
Environmental investment	12.3	4.4	13.7
Others	45.2	16.2	47.5
Total	96.2	46.5	127.0

Capital investment plan by area and segment

(Billions of yen)

		Previous medium-term business plan: three-year cumulative total	26/3E	Three-year cumulative total
Japan	Foods	27.9	16.6	39.4
	Temperature-controlled Logistics	37.2	7.4	43.6
	Others	6.6	3.2	11.2
	Total	71.7	27.2	94.2
Overseas	Foods	4.0	3.2	7.0
	Temperature-controlled Logistics	20.4	15.9	25.6
	Others	0.0	0.1	0.2
	Total	24.4	19.3	32.8
Total	Foods	31.9	19.8	46.3
	Temperature-controlled Logistics	57.6	23.3	69.3
	Others	6.6	3.4	11.4
	Total	96.2	46.5	127.0

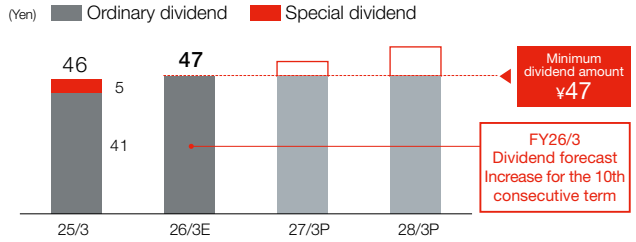
Strategic investment for inorganic growth

- Aiming to accelerate global expansion, conduct M&A overseas with agility.
- In M&A, consider the certainty of maximizing revenue and the degree of affinity with existing businesses.

Note: Figures in parentheses indicate previous medium-term business plan.

Shareholder Returns

We will pay a progressive dividend with a lower limit of DOE (consolidated dividend on equity) of 4.0%, and acquire treasury stock as a flexible means of shareholder return, taking into account capital efficiency and the market environment.



* The Company conducted a 2-for-1 stock split of common shares on April 1, 2025. For comparison purposes, the annual dividend per share for FY25/3 is shown as converted after the stock split (actual annual dividend per share for FY25/3 is ¥92 (common dividend of ¥82 and special dividend of ¥10)).

Financial Strategy

We will increase corporate value by conducting management that is conscious of the cost of capital and stock price, and by further increasing the value of intangible assets.

Kenji Suzuki

Director, Senior Executive Officer, Chief Financial Officer, Executive General Manager of Corporate Management Headquarters, in charge of Accounting & Tax Division, Finance Division, Public Relations & Investor Relations Division, Human Resources Development Division, Legal Department Division, Corporate Internal Audit Division, Quality Assurance Division, and Real Estate Division

1 Overview of Medium-term Business Plan "Compass Rose 2024"

Our previous medium-term business plan "Compass Rose 2024" (hereinafter, the previous medium-term plan), is considered to have largely achieved its profitability targets. Operating profit in FY2025 (the fiscal year ended March 31, 2025) reached a record high of ¥38.3 billion, an increase of ¥6.9 billion from FY2022, the final year of "WeWill 2021." Profit attributable to owners of parent increased from ¥23.4 billion to ¥24.7 billion, and profit per share (EPS) calculated after the stock split was ¥97.35, both exceeding the initial plan. Operating cash flow for the three years in the previous medium-term plan was ¥153.5 billion, an increase of ¥33.9 billion from FY2022. Ability to generate cash is steadily increasing due to initiatives such as price adjustments and appropriate collection of fees, as well as reduction of operating funds. Overseas sales were ¥165.8 billion, an increase of ¥68.2 billion from "WeWill 2021." The acquisition of a warehouse company in the United Kingdom and the construction of new refrigerated warehouses in the Netherlands and Poland contributed to significant growth in the temperature-controlled logistics business in Europe. We achieved the ROIC (return on invested income) target of at 7% or higher, which was introduced starting in the previous medium-term plan. This is a result of the return of capital investment in strategic categories in the processed foods business and progress in structural reforms in the marine products business.

On the other hand, issues remained in terms of capital efficiency and growth potential. While net assets increased by ¥58 billion over the past three years, interest-bearing debt remained flat, resulting in a decline in ROE (return on equity) from 11.3% to 9.6%. Capital investment was ¥96.2 billion over three years, a significant shortfall from the initial plan of ¥120 billion. The main reason for this was that the planned expansion of new warehouses in Japan did not materialize, and the environmental investment also fell short of the initial plan of ¥29.2 billion. Based on these achievements and issues, the new medium-term business plan clarifies the policy of resource allocation and strives to create more value while balancing financial soundness and capital efficiency.

2 Long-term Management Goal "N-FIT 2035" and Medium-term Business Plan "Compass × Growth 2027"

In the newly formulated long-term management goal, we set our basic policies of strengthening profitability and improving capital efficiency, and set numerical targets for 2035 of an operating profit/net sales of 10%, ROIC of 10%, and overseas sales ratio of 40%.

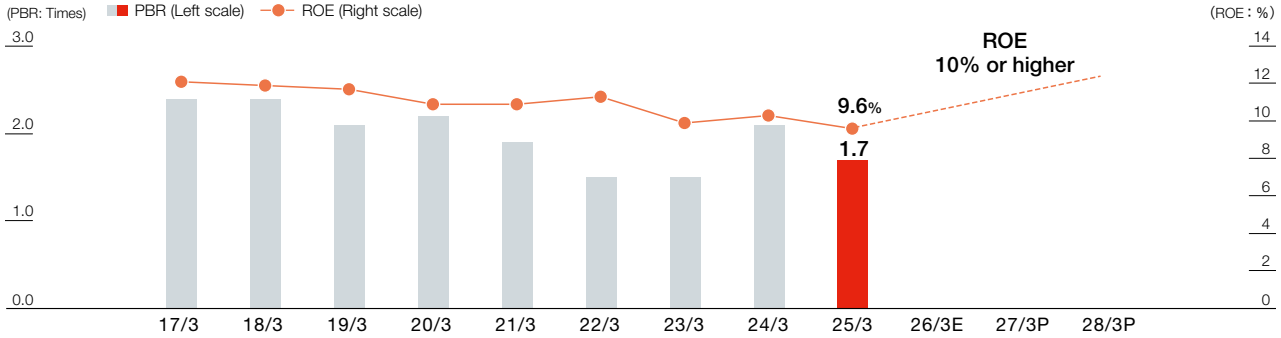
In "Compass x Growth 2027" (hereinafter, the new medium-term plan), we aim to further enhance our corporate value by placing the highest priority on leveraging group synergies, expanding overseas businesses, and establishing global governance. We have set ROIC of 8% or higher and ROE of 10% or higher as our key financial numerical targets, and will accelerate our efforts to achieve sustainable growth and earn the trust of capital markets. We are also keenly aware of market evaluation indicators such as price-to-book ratio (PBR) and price-to-earnings ratio (PER). By investing in intangible assets such as human capital and intellectual capital, and by continuing to focus on capital costs, we aim to achieve a PBR of 2.0 times or more. The operating profit target includes the impact of a change in accounting policy in line with global standards, such as a change in the depreciation method from the declining-balance method to the straight-line method and a review of the useful life. We will strengthen profitability and improve capital efficiency as a company listed on the Prime Market by improving profit structure in our core businesses and instilling ROIC management.

ROIC Trends by Business Segment

		17/3	18/3	19/3	20/3	21/3	22/3	23/3	24/3	25/3	26/3E
Overall Group ROIC (%)		**8.0**	**8.1**	**7.8**	**7.6**	**7.5**	**7.8**	**6.9**	**7.5**	**7.4**	**8.0**
NOPAT ratio (%)		3.7	3.7	3.7	3.6	3.9	4.1	3.5	3.9	3.9	4.4
Capital employed turnover (Times)		2.2	2.2	2.1	2.1	1.9	1.9	2.0	1.9	1.9	1.8
WACC (%)		—	—	—	—	—	—	4.0	4.0	4.0	4.5
Processed Foods	**Simple ROIC* (%)**	**15.3**	**14.4**	**13.3**	**15.1**	**13.9**	**10.3**	**8.5**	**10.8**	**11.0**	**11.6**
	Operating profit after tax/Net sales (%)	4.7	4.6	4.5	4.9	5.3	4.0	3.5	4.1	4.2	4.7
	Main capital employed turnover (Times)	3.3	3.2	3.0	3.1	2.6	2.6	2.4	2.6	2.7	2.5
Temperature-controlled Logistics	**Simple ROIC (%)**	**6.9**	**7.0**	**7.1**	**7.2**	**7.8**	**7.7**	**7.7**	**7.2**	**6.5**	**7.7**
	Operating profit after tax/Net sales (%)	3.9	4.0	3.9	4.0	4.3	4.5	4.3	4.2	3.9	4.7
	Main capital employed turnover (Times)	1.8	1.8	1.8	1.8	1.8	1.7	1.8	1.7	1.7	1.6
Marine Products	**Simple ROIC (%)**	**2.7**	**1.0**	**0.6**	**1.5**	**2.0**	**3.3**	**3.5**	**2.9**	**8.0**	**8.2**
	Operating profit after tax/Net sales (%)	0.8	0.3	0.2	0.5	0.6	1.0	1.0	0.7	1.7	1.8
	Main capital employed turnover (Times)	3.4	3.4	3.5	3.3	3.4	3.4	3.7	4.4	4.8	4.6
Meat and Poultry Products	**Simple ROIC (%)**	**29.4**	**16.3**	**16.8**	**13.6**	**21.5**	**20.2**	**13.8**	**12.4**	**21.9**	**8.3**
	Operating profit after tax/Net sales (%)	1.3	1.0	1.1	0.7	1.1	1.0	0.8	0.9	1.1	0.8
	Main capital employed turnover (Times)	23.3	16.4	15.1	19.1	20.0	20.1	17.9	14.1	19.8	11.0
Bioscience	**Simple ROIC (%)**	**9.5**	**9.4**	**2.4**	**-2.2**	**-3.2**	**-3.0**	**8.9**	**12.5**	**10.7**	**11.9**
	Operating profit after tax/Net sales (%)	11.1	11.4	4.5	-4.5	-6.6	-6.1	12.0	15.2	12.2	11.7
	Main capital employed turnover (Times)	0.9	0.8	0.5	0.5	0.5	0.5	0.7	0.8	0.9	1.0

*Simple ROIC= Operating profit after tax / Main capital employed (Operating funds + Non-current assets)

PBR and ROE



*The figures are prior to the stock split at the ratio of 2 shares for 1 share of common stock on April 1, 2025.

Financial Strategy

3 Expansion of Overseas Business and Strategic Resource Allocation

Under the new medium-term plan, we will expand our overseas business based on regional strategies. Europe, ASEAN, and North America account for approximately 85% of the Group's overseas sales, and further organic growth is expected in processed foods and temperature-controlled logistics. We will strengthen resource allocation to these three areas. From the perspective of monitoring, we are looking into managing and disclosing financial indicators such as invested capital and ROIC, not only by business segment but also by regional segment.

Our target overseas sales ratio for FY2028 (the fiscal year ending March 31, 2028) is 30%, a significant increase from the current 23.6%, incorporating expected advancement due to M&As. The temperature-controlled logistics business in Europe has a history of expansion through M&A, and we have established a system to promote PMI (post-merger integration, an integration process following M&A) by function.

Strengthening our management base is an important issue for ensuring growth in overseas business. In FY2025, a Chinese subsidiary was involved in a misconduct. Going forward, we will work as a Group to prevent recurrence of such cases and strengthen overseas governance.

FY2026 Net Sales Target by Segments and Regions

(Unit: Billions of yen)

	Net sales								
	Japan	Overseas total	North America	Europe	Southeast Asia	East Asia	Others	Interregional eliminations, etc.	**Total**
Foods	336.1	118.5	46.6	—	59.9	8.0	3.9	-42.6	**412.0**
Processed Foods	255.5	114.0	46.6	—	58.9	4.6	3.9	-40.0	**329.5**
Marine Products	38.1	4.5	0	—	1.1	3.4	—	-2.7	**40.0**
Meat and Poultry Products	45.8	—	—	—	—	—	—	—	**45.8**
Elimination	-3.3	—	—	—	—	—	—	—	**-3.3**
Temperature-controlled Logistics	194.1	91.3	—	81.3	3.7	6.3	—	5.6	**291.0**
Real Estate and Others	11.2	1.2	1.2	—	—	—	—	-0.3	**12.0**
Adjustment	-14.7	-0	—	—	0	-0	—	-0.4	**-15.1**
Total	**526.8**	**211.0**	**47.8**	**81.3**	**63.7**	**14.3**	**3.9**	-37.8	**700.0**

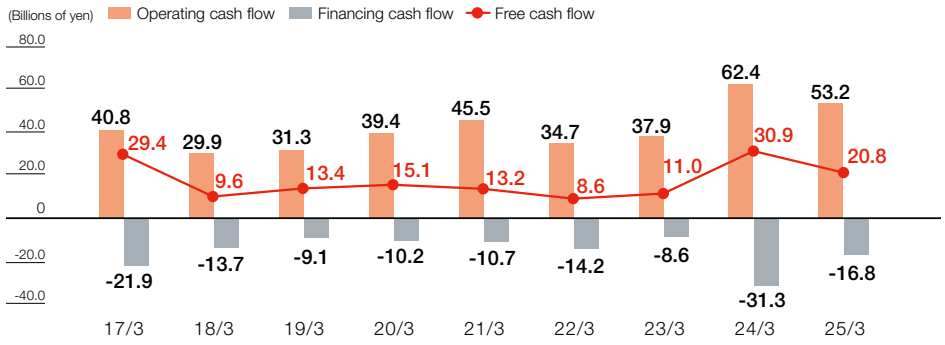
4 Cash Allocation and Shareholder Returns Policy

Cash generated from operating activities and asset securitization will be used for growth investments and shareholder returns. In the new medium-term plan, in addition to capital investment of ¥127 billion, we anticipate M&A of ¥30 billion to ¥50 billion, making the total amount of growth investment to be ¥160 billion to ¥180 billion. We assume debt financing for large-scale M&A projects, but considering the current debt-to-equity (DE) ratio and borrowing capacity, we assess that the impact on financial soundness is minimal.

Our basic policy for shareholder returns is to pay a progressive dividend with a dividend on equity (DOE) ratio of 4% as the lower limit, with an emphasis on stable and sustainable dividends. The total return ratio, including a stock buyback, was 56% during the previous medium-term plan period, achieving a level that meets investor expectations. We aim to enhance shareholder returns by continuously increasing dividends and flexibly conducting stock buybacks.

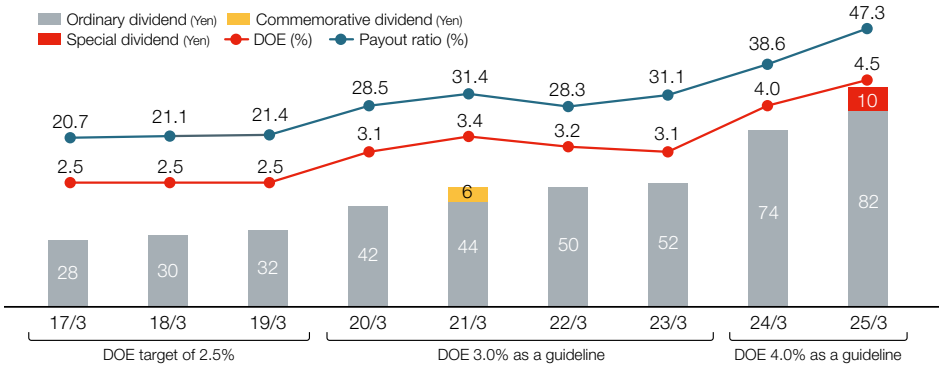
Please refer to the medium-term business plan "Compass × Growth 2027" for the shareholder returns policy after the fiscal year ending March 2026. (▸Pages 20-21)

Cash Flows



Shareholder Returns

*The figures below are prior to the stock split at the ratio of 2 shares for 1 share of common stock on April 1, 2025.



Financial Strategy

5 Investment in Intangible Assets and Strengthening the Foundation for Value Creation

Considering intangible assets as a source of corporate value expansion, we will promote initiatives to increase the value of intangible assets along with investments in tangible assets. Interest in intellectual capital and human capital, which form intangible assets, is growing year by year and is the key to supporting the medium- to long-term growth of companies. Among them, the appropriate allocation of management resources to human capital is particularly emphasized.

Investment in human resources in our domestic operations, including expenditures for education and training and mid-career hiring, is currently around ¥1.1 billion, with a target of increasing to ¥1.6 billion in three years. We view this as a strategic investment to foster future competitiveness. Strengthening the human resource base that supports global expansion is also an extremely important issue. As the overseas sales ratio increases, there is an urgent need to develop human resources to take on management responsibilities at overseas locations. We plan to increase the number of staff transferred overseas from the holding company from the current eight to 15 by FY2028 (the fiscal year ending March 31, 2028) through systematic human resources development and personnel deployment.

Another important issue is improving the engagement of employees who are responsible for value creation. We will enhance employee engagement and strengthen the foundation for future expansion of corporate value by providing appropriate feedback to employees, such as the introduction of global job grading and increasing opportunities for direct dialogue with management.

6 Toward Constructive Dialogue with Shareholders and Investors

We will continue to strengthen our IR activities. In particular we have been promoting to create opportunities for dialogue with our management and enhancing information disclosure. We reflect the insights gained through discussions with investors in our management.
In the previous medium-term plan, we disclosed trends in ROIC (return on invested capital, turnover of assets) by segment. We have been setting up opportunities for dialogue between Outside Directors and capital markets to ensure a better grasp of the state of our governance. We also have been organizing facility tours to food factories and refrigerated warehouses and holding business briefings for major segments to make our business thoroughly understood.

Strengthening relationships with overseas investors is also an important issue. We have developed an investor targeting list to increase opportunities for strategic dialogue. In FY2025 (the fiscal year ended March 31, 2025), we held 80 meetings with overseas institutional investors, 11 meetings increased from the previous year. We aim to increase to 100 meetings in FY2026.

In our IR activities, we recognize that we further need to communicate a clear overseas growth story and explain the link between intangible assets, such as human capital and intellectual capital, and corporate value enhancement. We will continue to strive to ensure that Nichirei's corporate value is appropriately evaluated in the market through constructive dialogue with domestic and overseas investors and feedback to management.

Engage in Dialogue and Disclose Information

Overview of investors with whom we held dialogue		FY2024	FY2025
Analysts and institutional investors	One-on-one meetings	Approx. 190	Approx. 220 (incl. 63 meetings by a Director in charge of IR)
	Small meetings	4	4
	Overseas IR activities	3	3
	Financial results briefings (incl. telephone conferences)	4	4
	Conferences held by securities companies	3	3
Individual investors	Briefings for individual investors	1	2

Dialogue topics

New medium-term business plan, medium- to long-term strategies, capital policy and shareholder returns, business portfolio management, capital expenditures, strengthening profitability, and overseas growth

Reflection in management strategies and measures (Details incorporated based on dialogue)

Expanded disclosure in financial results briefing materials
(Breakdown of sales growth by unit price and volume in the processed foods business, net sales by function in the temperature-controlled logistics business in Europe, etc.)

Overseas Strategy

Foundation to support overseas business expansion

Resource allocation (▸Pages 22-25)
Globally capable human resources (▸Page 31)
Global governance (▸Page 86)

Expanding our overseas business is the core of the Company's growth strategy. Under the new medium-term business plan "Compass x Growth 2027," we will implement growth strategies by region and business. We aim to increase our overseas sales ratio from 23.6% to 30%, or **approximately 1.5 times** in terms of the amount from the end of the previous fiscal year.

Regional Business Strategies

▸ Europe

Foods business
- Expand business into regions where synergies with the temperature-controlled business can be expected

Temperature-controlled logistics business
- Further expand one-stop services at major ports and increase earning capacity by strengthening the base for the storage, transport and delivery business

▸ North America

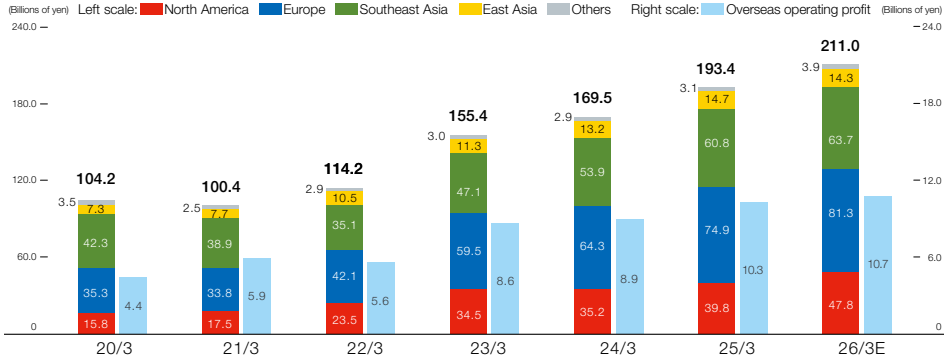
Foods business
- Strengthen the foundation for development and production functions
- Expand sales channels for marine products through foods business integration

▸ ASEAN

Foods business
- Stabilize earnings by putting the production function in place

Temperature-controlled logistics business
- Expand one-stop services for storage, transport and delivery, and establish cross-border transports for future business growth

Net Sales and Operating Profit by Region



*Figures have been restated to reflect the change in regional classification.
*Figures are accumulated for each area excluding Japan and interregional eliminations, etc.

▸ASEAN Temperature-controlled logistics business Building a Cross-border Network

Nichirei Logistics Group aims to differentiate itself in ASEAN by obtaining halal certification* and conducting freezing and thawing services, accelerate one-stop services combining storage and transportation within each country, and build a cross-border network within ASEAN.

When viewed by country, in Thailand, a new facility started operation in northern Bangkok in March 2025 to store chicken, beverages and ingredients and products from dairy products manufacturers, and to capture demand for transportation by taking advantage of its location near the capital Bangkok. In Malaysia, in July 2025, an affiliated company with strong transportation capabilities became our consolidated subsidiary to promote the provision of one-stop services combining with our existing storage functions. In Vietnam, a new warehouse built in 2024 is fully operational. In response to the country's thriving three-country business of processing foodstuffs imported from North America and other countries and exporting them to third countries, we will strengthen the storage and transportation business of raw materials for production facilities and processed products for third countries.

We will increase our presence in ASEAN, where the importance of building a cold chain network is increasing, with an eye to non-continuous growth through the consideration of new M&As and future expansion into ASEAN countries where we have yet to enter.

Navanakorn Logistics Center, Thailand (Operation started in March 2025)

*A system to prove that a product or service does not contain anything prohibited in Islamic countries. Certification standards vary from country to country.

Click here for European Business (▸Page 50)

Overseas Strategy

North America Foods business Asian Food Business with Competitive Advantage to Support Robust Growth

In North America, there is growing awareness of Asian culture due to the increasing Asian population. In 2012, the Company acquired InnovAsian Cuisine Enterprises Inc., which plans and sells frozen foods in the United States. Rather than selling Japanese foods such as yakitori and tempura, we have expanded customer support and accelerated business growth by selling Asian foods, as imagined by the targeted local people, with the strategy to sell products using names and flavors familiar to them. By accurately grasping market needs, we increased sales from about ¥4.3 billion before the acquisition to about ¥13 billion in FY2019 and about ¥37.3 billion in FY2025.

We believe that this strategy is supported by the Company's marketing and sales capabilities as well as organizational strength and collaboration with Japan.

Marketing

We are working to expand brand recognition while maximizing cost-effectiveness by implementing marketing and advertising methods and detailed analysis and improvement in accordance with the changing times and markets. For example, in 2012 at the time of the acquisition, the mainstream of advertising was vouchers in newspaper inserts, but now it has changed to SNS such as YouTube, and the Company conducts marketing by catching up with the trends of the times. Digital marketing is also becoming more important because of the increase in e-commerce sales at our clients. We are committed to working on details on a daily basis, such as video advertisements to promote brand awareness and examination of product descriptions to encourage buying decisions. In addition, an approximate sales forecast is made through sales promotion analysis, which is reflected in the product ordering plan.

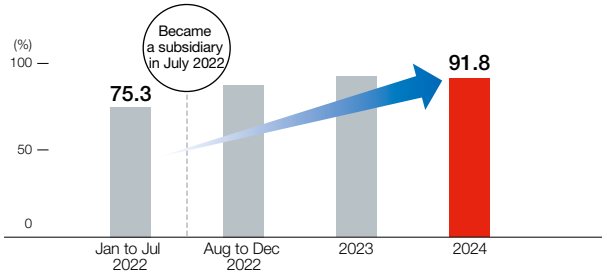
Sales Capabilities and Organizational Strength

In order to expand market share in the U.S., it is important to build a network in the industry. Our local management members, who are well-versed in customers, distribution, and business practices, lead the sales team and each division to earn the trust of the industry and consumers and to enhance the brand value. Through these efforts, we have been gradually increasing the range of the Company's products handled and expanding their introduction.

Collaboration with Japan

It is our strength that our core products, such as rice products and processed chicken products, are the same in the businesses of Japan and the Asian Foods Business. In particular, in the field of rice products, we are making use of the knowledge and know-how we have cultivated in Japan to promote initiatives to improve productivity, such as the introduction of production technologies and process improvements, supported by Japanese staff posted overseas on site.

Yield Rate (Period Average) at Nichirei Sacramento Foods, Our Production Base for Rice Products



Toward Further Growth

We believe that there is still room for expansion in the Asian food market, and that increasing production capacity will be critical to reap the benefits. We have our own production function for rice products, one of our main products. We are also considering having our own production function for processed chicken products, which are another main product. By combining our marketing and sales capabilities, as well as collaboration with Japan, as described above, we can demonstrate a competitive advantage that cannot be easily imitated by competitors, and we can expect significant business expansion. Specifically, we will utilize our marketing expertise cultivated over many years to raise awareness among new customer segments and utilize our production technologies developed in Japan to differentiate ourselves from competitors in terms of both taste and productivity. In addition, we believe that collaboration with Japan will contribute to improving production management and strengthening development capabilities.

Rice products

Video advertising

President Takenaga of Nichirei Foods Inc. and CEO Joe of InnovAsian Cuisine Enterprises Inc. address industry stakeholders and business partners at the 25th Anniversary Ceremony of InnovAsian Cuisine.

Intangible Assets

Human Resources Strategy

Emi Kataoka

Executive Officer
In charge of General Affairs Division
and Human Resources Planning Division,
General Manager of Diversity Promotion Division

We aim to swiftly delve into issues through the reorganization of the Human Resources Division and improve diversity and reform the organization through dialogues

Promote Diversity throughout the Group

In FY2025, with the aim of accelerating the planning and implementation of human resource initiatives, the holding company's Human Resources Division was reorganized into three divisions: Diversity Promotion Division, Human Resources Development Division, and Human Resources Planning Division. In the beginning, there were some points where coordination was not sufficient, but as cooperation between the divisions has progressed, the accuracy and speed of implementing measures have improved. I feel that the effects of the reorganization are starting to show. In order to achieve our long-term management goal "N-FIT 2035" and the current medium-term business plan, we need to promote globalization and perform group synergies. We can only proceed with the plan with the active participation of our employees. We will further strengthen cooperation among the human resources divisions and pursue reforms with a forward-looking perspective. In addition, we believe it is necessary to quantitatively grasp the link between these activities and financial indicators going forward, and will proceed with analysis based on employee engagement survey.

We believe that promoting diversity is one of the key measures in our human resources strategy. In this rapidly changing environment, in order to respond to the needs of customers and consumers, in addition to developing individual capabilities, it is necessary for each individual to freely express opinions and for organizations to respect such opinions, to turn them into organizational capabilities. To this end, strengthening management capabilities is essential. Also, from the perspective of risk management, we believe that the diversity of decision-making platforms is becoming increasingly important.

The promotion of diversity tends to be linked to the elimination of gender disparities, and in fact the Company has been focusing on the promotion of women's empowerment. However, as I mentioned earlier, we regard diversity as an essential part of corporate culture reform to achieve our management goals, and will promote diversity from various angles.

Conducting Employee Engagement Survey and Identifying Issues

Since 2023, we have conducted an annual employee engagement survey of all Group companies. It makes the relationship of employees' awareness, work satisfaction and the organization visible, and is used in the PDCA cycle of organizational development. The results of the second survey showed improvements in many categories compared to the first survey, but we found there are issues in leadership, business promotion structure, and performance management.

Human Resources Strategy

For example, with regard to performance management*, we have heard that the connection of goals is not well established in the process of integrating organizational goals into individual goals, leading to insufficient evaluation and feedback of work performance. Surveys give us scores, but we do not only follow numerical results. What we are going to achieve is to listen to the voices of the workplace, understand the essential issues, and run the PDCA cycle to solve them, so that both the Company and employees can grow.

Foster a Culture of Dialogue

There are a number of tools, such as the employee engagement survey, that can help us understand the state of employees. It is essential to use them effectively to solve human resources issues. On the other hand, as the sense of values diversifies, this is not enough to obtain honest feedback. I believe it is important to create opportunities for a face-to-face dialogue as much as possible. For example, I have been engaging in dialogue with women candidates for management positions in the Group. Through these discussions, I have been able to learn that they are concerned about their own management skills and that they have a strong desire to be listened to by their superiors. This led to the introduction of a training program and a mentor system. In addition, when we interviewed employees in their 40s about their career-related concerns, we were surprised to find that, in addition to problems in balancing career path formation and child-rearing, they also worry about nursing care for parents. In order to understand the real needs of the workplaces, we recognize the renewed importance of dialogue and are actively promoting one-on-one meetings at each group company. At various meetings within the Company we are increasingly having opportunities to discuss how to create an organizational culture that encourages dialogue, and are experiencing more occasions where we can feel the culture taking root. In addition to these efforts, going forward, we intend to take on the challenge of further instilling a culture of dialogue throughout the Group, for example, by producing a dialogue guidebook.

We strive to make a culture of dialogue takes root for employees with diverse values to express and implement new ways of thinking and ideas without hesitation. We will also promote fostering leaders and developing an environment that encourage challenges centered on such a culture.

*Performance management: A series of activities focused on maximizing individual work performance while supporting career development

Processed Foods

Temperature-controlled Logistics

Marine, Meat and Poultry Products

Bioscience

Human Resources Strategy

Themes	Initiatives and Themes	Measures	2030 Targets
1 Human resources that lead the Nichirei Group	Securing and developing management personnel	Introduction of a Group-wide evaluation system	Group-wide management of competencies and a pooling system of human resources for management
	Securing and developing human resources for overseas operations	Establish a pool of human resources for overseas operations and implement systematic recruitment and development	22 (number of human resources capable of dealing with governance for overseas out of the total)
2 Recruitment and education	Developing hiring activities and an education system linked to the management strategy	Recruitment of new graduates and mid-career hires	Investment in human resources ¥2.0 billion
		Personalized learning opportunities	
3 Enhancing engagement	Addressing issues identified in the employee engagement survey	Management training and IT utilization for efficiency improvement, etc., promoted at each operating company	Employee engagement survey 80 pt
4 Promotion of diversity	Dissemination and education	Initiatives to promote the advancement of women employees	Ratio of women employees in management positions (in major Group companies in Japan) 30%
	Establishment of a framework	Strengthening of dialogue	Ratio of women directors and Audit & Supervisory Board Members (Holding company) 30% or higher
5 Health management	Enhancing mutual understanding as the basis for the promotion of organizational health (well-being)	Implementation of health measures (care for women's health, measures against passive smoking, support for work-life balance, etc.) that lead to mental health, ease of working, and work satisfaction	Absenteeism 1.0 day Presenteeism 90%

1 Human Resources that Lead the Nichirei Group

Securing and developing human resources for the Group management

In order to achieve sustainable growth in corporate value, it is essential to develop next-generation management personnel who can gain a deep understanding of the value of the Group's various tangible and intangible assets, enhance their value, and link them to future earnings.

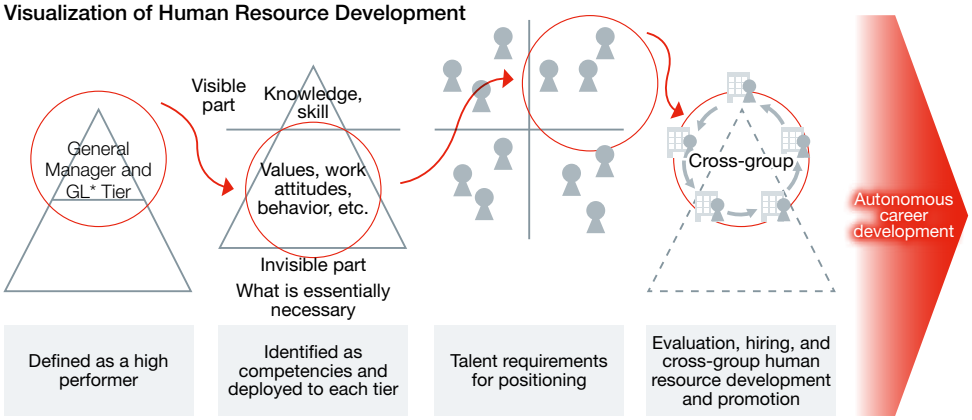
The Group operates a diverse range of businesses. In order to achieve the growth of the entire Group, it is important for each business unit not only to achieve its own growth, but also to explore how business units can spark chemistry among them and create new products.

Introduction of a Group-wide personnel evaluation system (new competencies)

In order to develop human resources who will lead the Nichirei Group in the future, we will "visualize" human resource requirements and build a system that enables cross-group human resource development and promotion. This is to identify and visualize what is required for Nichirei Group management (values, work attitudes, behavior, etc.) as new competencies common to the entire Group.

The new competencies will be applied not only to evaluation but also to hiring, human resource development, promotion, and other areas to promote employees' autonomous career development.

Visualization of Human Resource Development



*GL=Group Leader

Human Resources Strategy

1 Human Resources that Lead the Nichirei Group

Securing and developing human resources for overseas operations

In line with our long-term management goal N-FIT 2035, we need to accelerate the pace of overseas business expansion. In order to achieve this, we believe there is an urgent need to expand the business itself, including the realization of group synergies through such measures as the integration of food businesses, and to build and strengthen a global governance system.

As part of our human resources strategy, we clarify the areas where collaboration is needed and where responsibilities should be divided between the holding company and operating companies, and are making investments focusing on the development of human resources that will be key players. In addition, in order to ensure further progress, we have identified the job descriptions of personnel for governance of overseas operations that should be strengthened, and have set a KPI of the number of such human resources required by 2030 under the new medium-term business plan “Compass x Growth 2027.” In order to achieve the KPI, we are expanding the pool of candidates for human resources capable of dealing with governance for overseas and systematically developing them based on their individual career goals. Specifically, we have systematized and implemented measures to develop human resources, in such subjects as language skills and cross-cultural understanding and mindset, based on the human resource requirements that have been identified along with the nature of work. Furthermore, by strengthening the hiring of experienced personnel from outside the Company, we will quickly build a system to accelerate overseas business.

In addition, the realization of business strategies is an essential element for human resources to lead the business. Specific business strategies include strengthening operations in North America through integration of production and sales, stable procurement of raw materials in Southeast Asia, and expansion of global sales channels in the food business, and business expansion in Europe and infrastructure development and sales expansion in each country in Southeast Asia in the temperature-controlled logistics business. Aiming to develop human resources to carry out these activities, we are implementing measures such as providing young employees with opportunities to learn about the work directly on-site. We also systematically secure human resources for business operations by strengthening recruitment from outside the Company, in the same way as for human resources for governance.

KPI of Human Resources Capable of Dealing with Governance for Overseas

Operating companies	Securing and developing human resources in accordance with the program The number of people working overseas will be adjusted according to the business strategy			
Holding company (Human resources capable of dealing with governance for overseas)	Human resources capable of dealing with governance for overseas by region	FY2025 Results	FY2028 Target	FY2031 Target
	North America	3	15	22
	Europe	1		
	Southeast Asia	1		
	Others	4		

*Definition of human resources capable of dealing with governance for overseas: General term for managerial personnel responsible for overall governance of overseas operations (business management, corporate internal audit, accounting and finance, human resources, sustainability, information, general affairs, etc.) in each area

Problem: Need to strengthen overseas governance

Issues		Measures
Lack of human resources capable of dealing with governance for overseas	As-is To-be GAP (human resource gap) to be filled	Periodic review of the globally capable human resources portfolio, identification of candidates, mid-career hiring, and dissemination of overseas-related information with a view to increasing the number of applicants for overseas assignments.
Strengthening the skills of human resources capable of dealing with governance for overseas	Personalized learning opportunities to be provided for candidates of overseas assignments	Implement tailor-made development measures to enhance the skills required of candidates based on the globally capable human resource portfolio.
Strengthening governance at overseas bases	Necessary for the Company as a whole to strengthen overseas governance and promote appropriate business growth while complying with laws and regulations and internal rules	The Company will restructure its infrastructure by promoting project-based approaches to clarify hiring criteria for executives at overseas subsidiaries and strengthen auditing and monitoring systems.

Selection	MBA (dispatched to overseas universities)	Deepen understanding of management essentials, using English as needed, to acquire practical skills for working in a global business environment.
	Overseas on-site training	Gain firsthand experience with overseas operations for a deep understanding and real sense of the skills required through direct interaction with international business and employees dispatched from Japan.
	Cross-cultural understanding and mindset	Cultivate a mindset for cross-cultural understanding that enables appropriate action in an environment of diversity, and acquire collaborative skills through practical activities in an intercultural setting.
	Language training	Build necessary English proficiency for advancing our overseas operations, progressing to a business level at a pace suitable for each individual.
Open Application	Language learning support	Raise the overall Group level of English proficiency by providing online English conversation lessons and other learning opportunities, partly at the Company's expense, for employees who want to improve their English skills.

Human Resources Strategy

2 Recruitment and Education

Recruitment

We believe that human resources are the source of corporate growth because it is people who work to realize management strategies. We define our "vision and organization" as follows.

Group Human Resources Policy	Encourage empathy; use business to resolve social issues	Generate value by linking knowledge and digital technologies	Cultivate a safe, secure corporate culture to tackle challenges

In order to secure and develop these human resources, each Group company individually implements recruitment activities that match the business and organizational culture of each company, rather than applying uniform recruitment standards.

Initiatives by Nichirei Foods

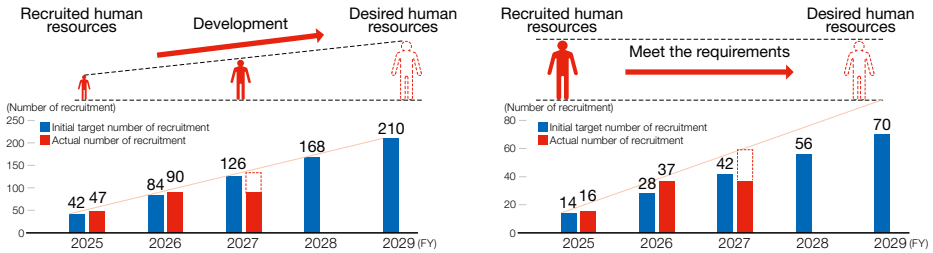
■ Issues and Measures in Recruitment

The long-term issues in recruitment can be summarized as follows:
(1) Shortage of candidates for the next generation of leaders (in their 30s and 40s) due to uneven age structure within the Company; (2) Increase in the turnover rate of young employees due to the rising mobility of human resources; (3) Shortage of specialist human resources required in an increasingly complex social environment (Business Administration Division, Legal, Human Resource, International, etc.); and (4) Shortage of women managers.

In order to resolve these issues, we have formulated and implemented a policy to significantly increase the hiring of new graduates and mid-career personnel from FY2024 to FY2031. As part of the promotion of job-specific recruiting activities, we organize job-specific recruitment teams to communicate the attractiveness of each job, and work with the human resources divisions to develop and implement strategies.

Recruitment of new graduates: Status of initiatives	**Recruitment of mid-career personnel:** Status of initiatives
• Job-specific recruitment teams are established and their recruiting activities are conducted in cooperation with the human resources divisions • Formulate a long-term hiring plan (10 to 15 years from now) • Strengthen follow-up before and after interviews to deepen understanding of the job and the Company	• Implement a highly skilled professional system • Acquire women human resources for managerial positions through affirmative actions • Assign responsibilities to each job category and develop recruitment strategies with each division

Recruitment of new graduates = Membership-based recruitment + Recruitment of mid-career personnel = Job-based recruitment



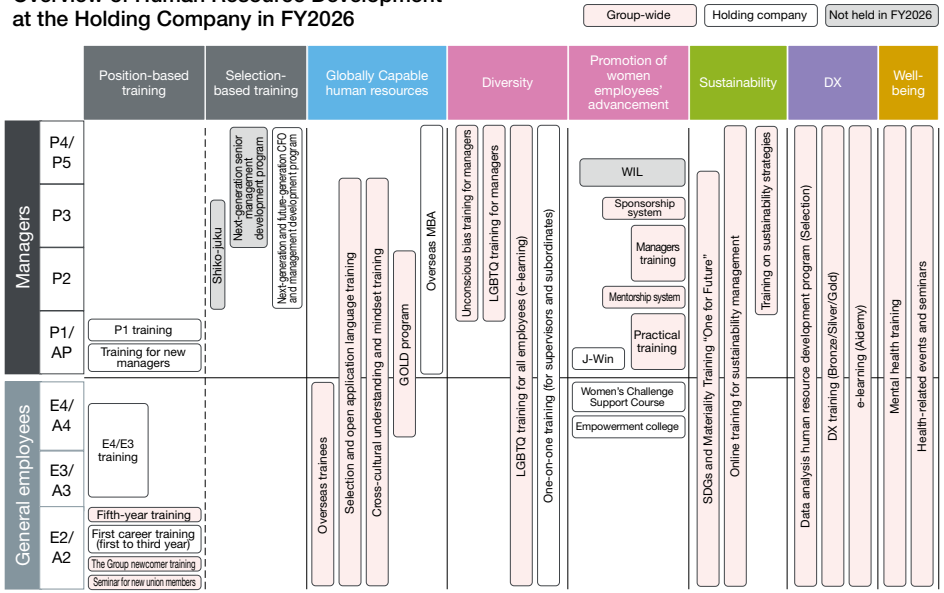
Education

We provide a variety of learning opportunities so that employees can acquire the skills necessary to respond to the new era and implement management strategies. In addition, information of training records, various qualifications, and language skills are consolidated and managed in the talent management* system to help formulate training plans tailored to individual employees.

As for specific training programs, we establish training systems for the entire Group and for each operating company in accordance with the characteristics of each business. In FY2023, the Group as a whole began full-scale efforts to develop human resources for DX and sustainability. In addition, we have positioned the development of globally capable human resources and the education of DE&I as important management issues, and are focusing on them. Our operating companies provide specialized training programs tailored to their business characteristics, such as sales, production, and logistics.

*Talent management: A series of activities, including recruitment, education and dispatch, through which a company secures and cultivates the human resources necessary for its business

Overview of Human Resource Development at the Holding Company in FY2026



*Trainings conducted by individual operating companies are not included in the above table

Human Resources Strategy

2 Recruitment and Education

Education

Shiko-juku: Comments from a participant

Eriko Uchida
Professional, Innovation Planning & Development Division

Shiko-juku is a training program conducted by the holding company for the purpose of developing human resources that contribute to the enhancement of the corporate value of the Nichirei Group. In addition to having input on diverse themes such as management strategy, sustainability management, global strategy, and M&A, we work in cross-departmental groups to envision the Nichirei Group's ideal form 10 years from now and the future vision of each division, and finally present them as recommendations to management.

I belong to the division that has a role in "value creation," and have been thinking about its significance while pursuing my efforts. In this training, I could further deepen my thoughts by bringing together diverse perspectives and exchanging opinions with my colleagues and mentors from other divisions about the source of value, the direction of initiatives, and the challenges to be addressed for realization. In particular, it was of great significance that we were able to discuss how the Company's business foundation can be used to contribute to solving social issues such as food disparity, which derives from unequal access to food and poor nutritional balance and is thought to be further expanding in the future. At the same time, it gave us an opportunity to reconsider how we should cooperate as a Group.

Through our six-month discussions, we could come into contact with common points of view and new perspectives, and I feel that it was a time of great learning for each group member. I would like to continue taking on the challenge of continuously increasing corporate value in my daily work by making use of the awareness gained through this training.

Development of IT and DX Human Resources

DX Bronze training to enhance DX literacy (started in FY2023) was conducted for approximately 4,100 employees. In addition, we provided DX Silver training to about 840 employees, including workshops that focused on "transformation" leveraging digital and data. In FY2025, project management training was launched as DX Gold training to increase the success rate of IT and DX projects, and has been held regularly since FY2026. (DX Gold training officially started in FY2026)

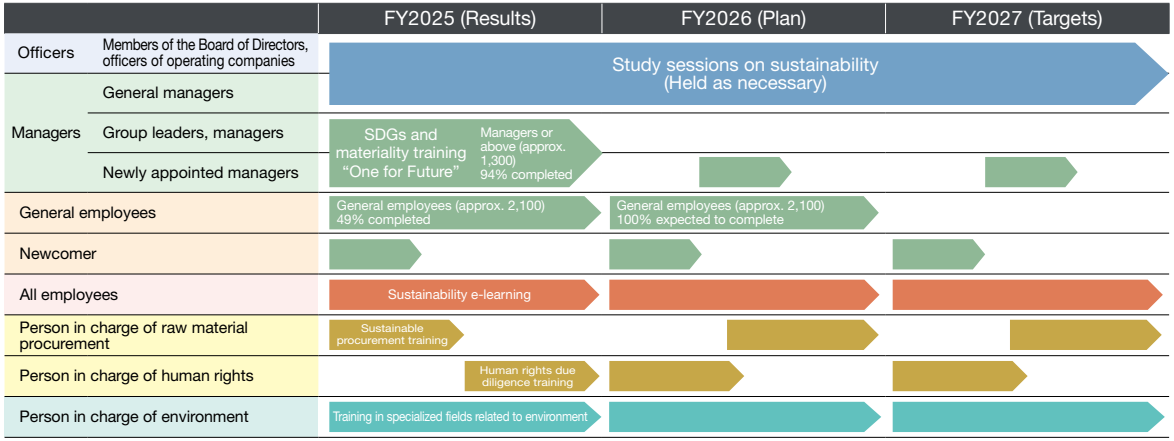
In addition, a total of 35 employees have completed the data analysis human resource development program, which uses data to solve their own operational issues, starting to bring mutual enhancement in the internal community of the Company. We will accelerate the development of human resources that support operational innovation through a variety of training measures, including training on the use of new technologies such as generative AI.

Training graduates		FY2023 through FY2025 Plans	FY2023 through FY2025 Results	Progress (%)	End of FY2028 (Targets)
DX Gold	(People)	150	0	0	150
	(Hours)	—	(Postponed)		—
DX Silver	(People)	600	840	140	150
	(Hours)	—	14,100		—
DX Bronze	(People)	3,500	4,100	117	
	(Hours)	—	38,900		

Click here for the DX strategy (▸Pages 40-41)

Development of Human Resources for Sustainability

In order to realize sustainable management, we conduct position-based education programs for all employees including management. In "One for Future," an SDGs materiality training program held across the Nichirei Group, participants deepen their thoughts on balancing social value and economic value, through the Company's unique online business card game. In FY2024, the program was initiated for managers, and efforts are underway for all employees to complete the program in FY2026.



Human Resources Strategy

3 Enhancing Engagement

In order for employees to act autonomously to achieve their goals, it is necessary to develop various supportive environments, such as encouraging empathy for the Company's vision and fostering an organizational culture where challenges and collaboration among diverse personalities are valued.

Starting with the employee engagement survey, while placing importance on eliciting the thoughts of employees through dialogue, we will identify issues from multiple perspectives and aim to achieve the new long-term management goal "N-FIT 2035" and take action to move forward together as a group of human resources who voluntarily take on challenges.

Kumiko Sugano
Assistant Leader, Human Resources Development Division

KPI of Employee Engagement Score*

FY2024 Results	FY2025 Results	FY2031 KPI
68pt	69pt	80pt

*Employee engagement score: An index measured through a survey of employees' willingness to contribute and sense of belonging, mental and physical health and vitality, and the state of productivity in the workplace environment. A score is calculated based on the percentage of positive responses (two out of five rating scales) to the questions (As defined by Willis Towers Watson (WTW)).

Since issues related to employee engagement differ depending on the type of job and the work environment, we set issues according to the actual situation of each group company, and formulate and implement action plans.

In order to achieve our goals, it is important to have constructive and active communication regardless of position. Therefore, we have taken measures such as establishing a habit of dialogue in the workplace, including one-on-one training, career design training and a review of personnel rotation in order to motivate employees to work actively in the Company into the future. As a result, we have seen improvements in scores on related questions.

Through the accumulation of these initiatives, our employee engagement score in FY2025 improved by 1 point from the previous year, but in order to achieve our KPIs, we must accelerate the improvement cycle. While verifying the effectiveness of these measures, we will further strengthen employee engagement by sharing good practices in the issues common to the Group, as shown on the right.

Issues common to the Group	Policy of initiatives for improvement	Example of initiatives
Strengthening the sense of unity with management	Thorough two-way communication between management and employees, strengthening the skills of supervisors as "communicators"	Message from management, roundtable discussions with management, management training (ability to understand and communicate company policies)
Development of highly productive business promotion systems	Identifying obstacles to operational efficiency (Sorting out tasks to continue, improve, and quit)	Review and organize business issues through questionnaires, efficiency improvement through IT utilization
Improving employees' sense of contribution	Establishing habits and improving the quality of dialogue in the workplace	Management training (relevant and clear goal setting and motivation, regular feedback in daily operations), training for members (mindset to proactively seek feedback), creation of dialogue guidelines, and implementation of one-on-one meetings

This fiscal year, we began analyzing the relationship between employee engagement and financial indicators in the Group. Based on the results of the analysis, we plan to formulate and implement measures to reflect factors that contribute to increasing economic value. We aim to achieve improving both employee engagement and economic value through a PDCA cycle that starts from the survey and focuses on connectivity.

Human Resources Strategy

4 Promotion of Diversity

Instilling the significance and purpose of efforts to promote diversity

Amid the diversifying needs and values of customers and consumers, we consider that promoting diversity is essential for the Company to achieve sustainable growth. We believe that bringing together people from diverse backgrounds and sharing ideas from different perspectives will enhance innovation and improve competitiveness. In order to respect and accept each other's differences and turn them into a strength for the organization, the entire Nichirei Group is working to enhance psychological safety through dialogue and to foster an organizational culture that encourages each employee to take on challenges voluntarily.

Issues and initiatives	• Education and dissemination • Establishment of mechanisms (promotion of the advancement of women employees)

1. Implementation of diversity study sessions for officers

We are strengthening efforts to promote diversity as a group-wide initiative, including conducting a questionnaire survey across the Group. As part of this effort, we hold diversity study sessions for executive officers and above of major domestic Group companies. The themes were “Leadership Essentials and Diversity Management” and “Unconscious Bias” in FY2025, and “Psychological Safety” in FY2026. In addition, based on a recognition that understanding unconscious bias is essential to improve psychological safety, we made the training compulsory for all positions and plan to complete it for all employees at major domestic companies by the end of FY2028.

2. Promotion of the advancement of women employees

■ Revision of the target ratio of women managers

In order to increase the number of women employees involved in various decision-making processes and ensure that the right people are assigned to the right positions throughout the Group, we expanded the target for the ratio of women managers, which used to be applied only to the holding company, to major domestic companies. We will systematically expand management positions by enhancing capabilities, awareness, and motivation through group-wide initiatives in addition to the training unique to operating companies.

Target Ratio of Women Employees in Management Positions (Materiality No.5 KPI)

	FY2025 Result	FY2026 Forecast	FY2028 Target	FY2031 Target
Ratio of women employees in management positions (in major Group companies in Japan) (Group leader equivalent or above)	7.5%	10.2%	15.9%	30.0%

■ Practical leadership program across the Group

In order for women candidates for management positions to be able to demonstrate leadership with confidence, we have introduced a program to acquire the problem-solving techniques necessary for management positions. In addition to repeated learning of monthly training and five months of practice in respective divisions, all participants gained confidence through discussions with employees at the same level in each Group company and completed the course with the motivation to develop their strengths and become a leader. Some of the participants assumed management positions as a result.

■ Project to promote the advancement of women employees across the Group

Women employees working on the front lines of Group companies are engaged in activities aimed at solving problems from a practical point of view and building a network of women employees across businesses. In FY2025, a round-table discussion was held between the project members and the presidents of the holding company and operating companies. The members served as a bridge between management and the workplace and promoted instilling the significance and purpose of women employees’ advancement by providing feedback at their respective workplaces on the passion expressed by management for the advancement of women employees, as perceived by the members. Since April of this year, the membership has been refreshed, and the team is now advancing the initiative with a fresh perspective.

Round-table discussion between President Okushi and members of the project to promote the advancement of women employees

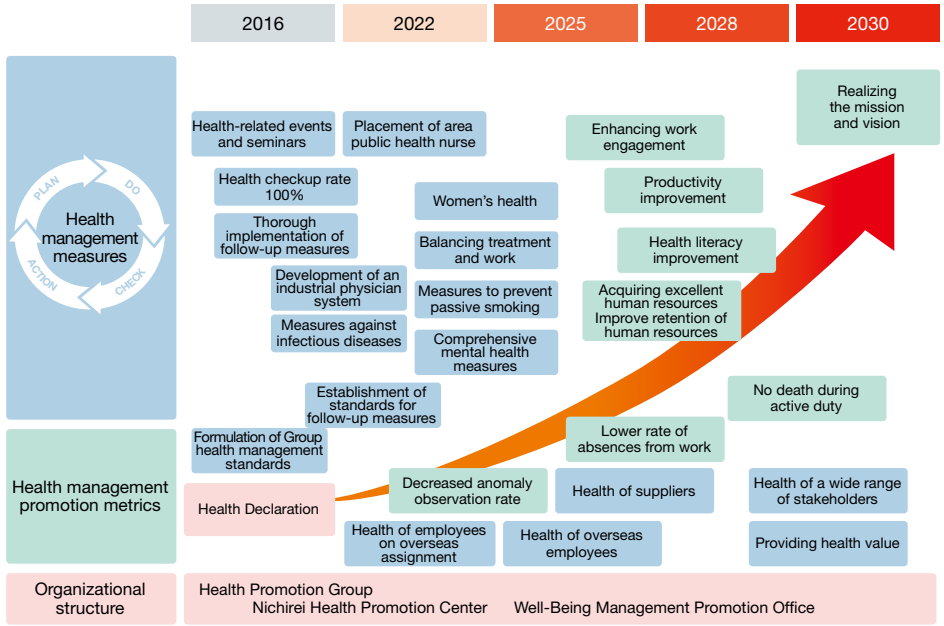
Human Resources Strategy

5 Health Management

The Nichirei Group is engaged in a wide range of food-related businesses from upstream to downstream. In order to respond flexibly to the rapidly changing business and operational environment as the Company grows, we have been continuously engaged in organizational transformation. The foundation for this is health management. The health of each and every employee is the foundation for the Company's sustainable growth.

The first step in health management was to maintain and promote the physical and mental health of employees. Maintaining high levels of engagement and physical and mental health are essential to achieving sustainable growth. Another important issue was the establishment of a system to support the prevention and recovery of employees suffering from mental and physical disorders. The Company quantitatively monitors the health status of its employees, analyzes health checkup data and changes in medical costs over time, and swiftly implements the PDCA cycle.

Roadmap to Promote Health Management



	FY2025 Results	FY2028 Targets	FY2031 Targets
Absenteeism[1]	3.3 days	2.6 days	1.0 days
Presenteeism[2]	79%	85%	90%

1 Lost workdays due to poor physical or mental health. (The average for Japanese companies announced by the Ministry of Economy, Trade and Industry is 2.6 days)
2 Actual performance level, compared with the normal performance level set at 100%. (The average for the University of Tokyo Working Group's Single-Item Presenteeism Question (SPQ) is 85%)

Specific measures cover a wide range of issues, including efforts to increase the rate of getting medical check-ups to 100% and the rate of having detailed examinations, making mental health care training mandatory for managers or above, supporting the balance between treatment and work, women's health, improving health literacy, and managing the health of employees working overseas. As a result, we have achieved remarkable progress in physical aspects, such as an improvement of the ratio of medical follow-up recommendation to 29.9% compared to 36.3% in FY2021. At the same time, health measures that contribute to mental health, ease of working, and work satisfaction are issues to be addressed going forward.

Our efforts in health management have been highly evaluated by society, and we have been recognized under the Certified Health & Productivity Management Outstanding Organization Recognition Program (White 500) for nine consecutive years. In addition, we have been selected as one of the 2025 KENKO Investment for Health Stock Selection. This is the fourth time for us to be selected, following FY2021, 2022, and 2024.

We will continue to expand our health management and further strengthen cooperation with stakeholders. In recent years, we have deepened cooperation with local communities and expanded the scope of our health management to include not only Group employees but also their families and stakeholders by disseminating information and holding joint events for health promotion and holding training for suppliers. In this way, we will strive to realize a sustainable society and enhance our corporate value.

Committing to promote well-being management in line with the Group's Management Principles of "Focus on Lifestyles, and Provide True Satisfaction," we aim to build an organization and society where employees, regardless of age and gender, can always work actively and in good mental and physical health. We will continue to promote health management that supports sustainable development from a long-term perspective.

Intangible Assets

Intellectual Capital

Intellectual Property Management

The Nichirei Group conducts intellectual property activities based on the following basic policies in order to smoothly advance the expansion of existing businesses and entry into new businesses.

Basic Policies	Acquisition of intellectual property rights to ensure business advantage	• We will continue to enable our own implementation and acquire highly exclusive rights.
	Respect for the intellectual property rights of others	• We carry out intellectual property clearance for products and those under development to prevent infringement of intellectual property rights of others.
	Provision of intellectual property information that contributes to business and development	• We provide intellectual property information that is useful for determining the direction of business and development. • We aim to utilize intellectual property information in management decisions (Intellectual Property Landscape).

Promotion of IP Landscape Initiatives

Intellectual property information
- Own intellectual property information
- Competitors' intellectual property information
- IP trends etc.

×

Non-intellectual property information
- Market information
- Strengths and weaknesses of the Company
- Strengths and weaknesses of competitors
- Technology trends etc.

↓

Planning of business strategies
*Deciding the direction of business and development

↓

Recommendations to management and business managers

Protect the development and brand power of long-selling products

The Company has many long-selling products. In order to support sustainable sales, the Company acquires intellectual property rights as necessary to protect its technology and brand power. For example, we have acquired a number of intellectual property rights to protect our *Honkaku-Itame Chahan* (fried rice), which has been No.1 in sales in the frozen prepared fried rice market for 24 consecutive years. As for patents, we file patent applications in line with technological development so that we can continuously retain patent rights. In particular, the Company has obtained multiple patents for its three-step stir-frying process, which is one of our strengths, to ensure the competitiveness of its own technology. We are strengthening brand protection by acquiring trademark rights in a variety of areas, including letters, product logos, packaging, and characters.

Contribute to new businesses by acquiring strategic intellectual property rights

It is important for new businesses to acquire intellectual property rights more strategically. The Company is working to acquire strong rights that can contribute to the success of its business. *Miraikura*, an artificial salmon roe, has started to be sold in refrigerated form. We succeeded in freezing it by taking advantage of the Nichirei Group's refrigeration technology. With an awareness of restraining competitors, we apply for patents that extend to not only frozen products but also refrigerated products so that we can keep a competitive advantage in the market. In order to obtain strong patents that can contribute to our business, we propose additional experiments from the perspective of intellectual property and focus on efforts to obtain supplemental data in development site.

Honkaku-Itame Chahan (fried rice)

ITAMEKUN

Miraikura

Proposed menu using *Miraikura*

Intellectual Capital

Research and Development, Know-How

Example in the Food Business: Recreation of Freshly-made Deliciousness

Technology developed to date

In general, when delicatessen and chilled products are put on a dining table, time has passed since they are freshly prepared. On the other hand, we believe that frozen foods can reproduce freshly-made deliciousness by combining their strength of maintaining freshness with the Company's research and development capabilities and production technologies. We believe that we can reproduce freshly-made deliciousness by comprehensively assembling four key quality factors at a high level, that are aroma, juiciness, texture, and variation of taste.

A system for continuously producing valuable products for consumers

In order to continue producing products that are accepted by consumers, it is necessary to have a structured development system rather than fortuitous factors. Nichirei Foods' research and development has four characteristics to continuously produce original technologies.

❶ Setting targeted quality

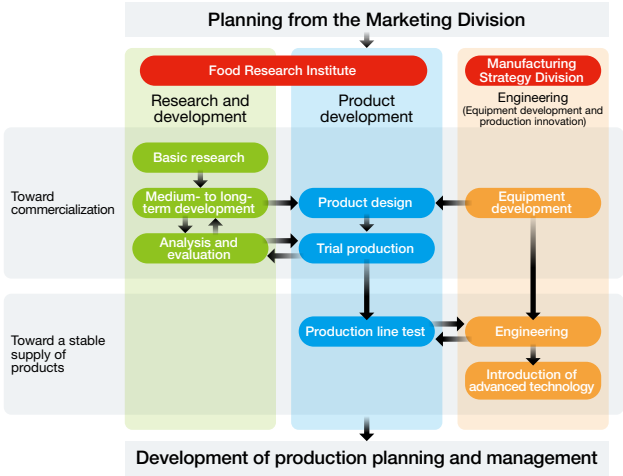
At the start of development, targeted quality (benchmark) is thoroughly discussed by the planning, marketing and product development divisions. By setting goals, we are able to pursue deliciousness, improve development efficiency, and objectively reproduce quality.

❷ Objective assessment

We observe the internal structure of food products and quantify aroma to pursue various quantifications depending on the products. By combining data from these physical and chemical analyses with data from sensory evaluations, we aim to visualize and then reproduce deliciousness.

❸ Three R&D functions work together

Centered on the Nichirei Group Technology Development Center, the three functions of research and development, product development, and engineering (equipment development and production innovation) are working in coordination. In this way, close collaboration between software and hardware aspects leads to the realization of the desired deliciousness.



This three-function collaboration is highly effective in pilot tests using test machines before verification at a production facility. After the introduction of an actual machine into a production facility, the cost and time involved in adjusting and reinstalling the machine are significant. Experiments and improvements on a test machine close to the actual production stage lead to the pursuit of quality.

❹ Data utilization

Since FY2025, we have been organizing and digitizing development data on a new platform. With the introduction of AI in mind, we will use our knowledge and know-how efficiently to develop products with a sense of speed.

Intellectual Capital

Example in the Temperature-controlled Logistics Business

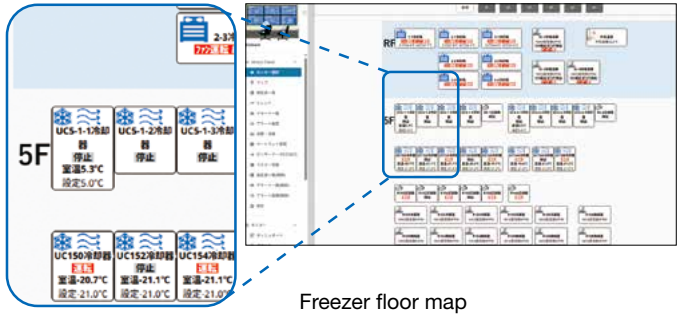
Development of a Remote Monitoring System for a Freezer Leveraging Engineers' Knowledge

Nichirei Logistics Group
Nichirei Logistics Engineering Inc.
Planning and Development Division
(From left) Haruki Noda, Takahiro Sasaki

What is the remote monitoring system for the operating status of freezers?

The remote monitoring system for the operation status of freezers (hereinafter, the remote monitoring system) enables obtaining real-time information on the set temperature, pressure, and current status of freezers installed in each warehouse, regardless of their manufacturer. By incorporating the knowledge of the Nichirei Logistics Group, original system development was promoted with system vendors. Since the introduction in seven sites in 2022, 52 sites are using the system as of 2025.

Overall remote monitoring system



Freezer floor map

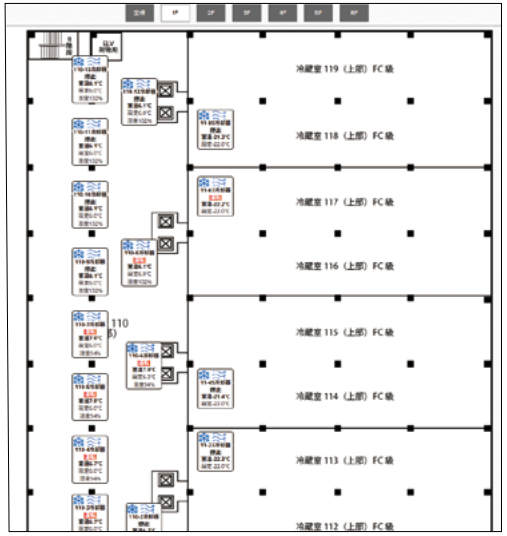


*Image of a demo version
*The two images above: Names and locations of freezers, their operating status, room temperature, and set temperature are displayed.

Getting out of a situation where nothing is clear unless someone is on-site

In the past, it was necessary to visit each warehouse to check the operating status of freezers. There was no standardization in the specifications of the monitoring system and the data collected. In addition, when an abnormality was detected with a freezer and an alert mail came in, regardless of the urgency of the abnormality, engineers in charge were required to rush to the site even during nights and holidays.

The remote monitoring system allows uploading the monitoring data, which used to be inconsistent at each warehouse, to the cloud. This eliminates the need to go to each warehouse and enables anyone to view standardized information anytime, anywhere. As a result, warehouse managers can judge the level of urgency and make instructions to engineers, such as "I received an alert email, but as the temperature does not rise during winter, inspection on the following day will work."

Consolidation of knowledge as an engineer

Standardization was important during development. Because the characteristics and manufacturers vary depending on freezers, the requirements for data management at each warehouse were defined differently. However, engineers worked on developing the system by exchanging opinions to determine the priority of data and, in some cases, by standardizing the maintenance method itself.

In addition, since there are no identifiers attached to freezers, it sometimes took time to grasp the location and clarify the specifications, such as the connection between freezers A and B. However, the remote monitoring system is equipped with information on the installation location and specifications to make the information visible. This has made it easier to compare and analyze different warehouses, and has led to improvements such as utilizing the knowledge obtained for designing the next temperature-controlled facility.

With a view to the optimization of overall warehouse operations

We are studying whether we can add specifications to the remote monitoring system in the future, such as a system that gives warning signs before trouble occurs, or a system that changes the power of a freezer according to the quantity of goods, so that the remote monitoring system and the warehouse inventory management system can be linked together to improve the efficiency of both storage and engineering. Furthermore, we also aim to sell the remote monitoring system to other companies as it will help solve common problems in the refrigerated warehouse industry.

In the engineering of freezers, persons in charge have their own specialized skills that can be recognized only by sound and feel. If we can quantify and standardize such skills, we believe we can make the system even more valuable.

Intangible Assets

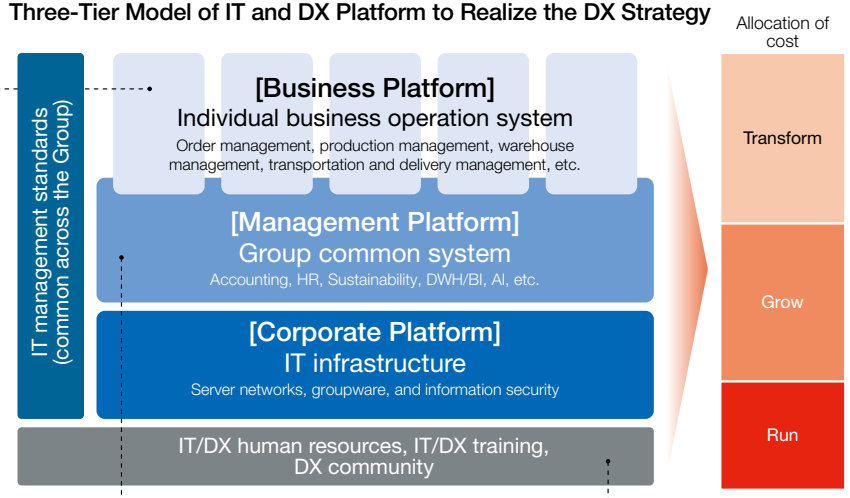
DX Strategy

DX Strategy

Each employee should have a command of data technology to continue providing new value for the Earth and its people.

The Nichirei Group promotes DX with each employee playing a leading role because DX is a business transformation activity that utilizes data and technology and supports the realization of the Group's material matters (materiality). In the previous medium-term business plan, we were able to improve employee digital literacy and address labor shortages, as well as improve operational efficiency and optimize individual businesses. In the current medium-term business plan, we will adopt a global perspective and work on optimization including external stakeholders.

Three-Tier Model of IT and DX Platform to Realize the DX Strategy

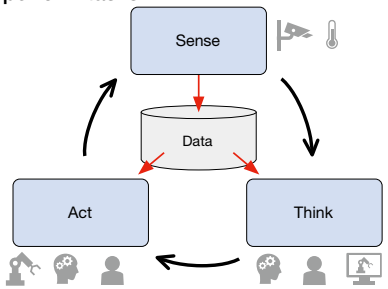


By tiering the infrastructure (platform) into company, management, and business, and dividing it into one that is commonly used by the Nichirei Group and one that is specialized for each business, we strengthen optimal IT governance and information security while enabling operating companies to promote IT and DX proactively. In addition, related costs are classified into Transform, Grow, and Run, and resources are preferentially allocated to Transform and Grow.

On-site operational innovation by utilizing cross-business digital technology

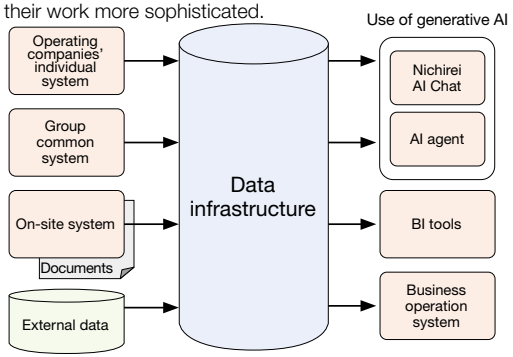
Many facilities of the Nichirei Group, such as production bases and warehouses, are working for efficient operation, coping with labor shortages, and improving the quality of products and services. For example, AI recognizes the image of the data of facilities detected by cameras and sensors for temperature and humidity, etc. and AI-enabled software and hardware robots support quick and effective actions. We are promoting exploration and utilization of technology with the aim of enabling anyone to perform tasks by leveraging digital technology.

Smarter facilities and operation/labor saving/enabling anyone to perform tasks



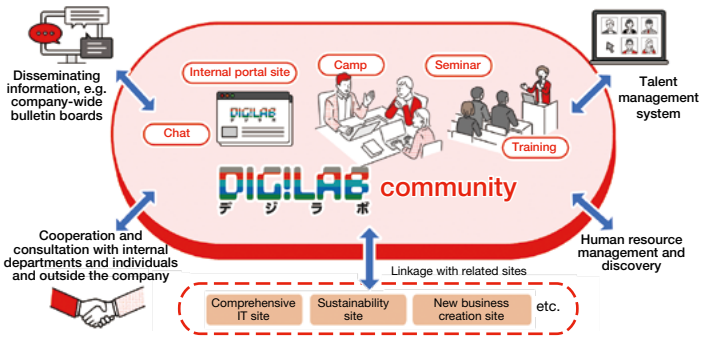
Utilization of generated AI and data proceeded together with development of data infrastructure

In a management and business environment that is changing so drastically every day where past experience is no longer applicable, it is necessary to accelerate the decision-making process by utilizing data. In addition to financial information, the global collection, accumulation, analysis, and disclosure of sustainability information, such as of environment and human rights, are becoming important in order to comply with laws and regulations that are being strengthened year by year. We will develop a data infrastructure that includes not only numerical data, but also documents and other information, so that employees can use generative AI and data as a matter of course to make their work more sophisticated.



DX community *DIG!LAB*

DIG!LAB, the Nichirei Group's DX community, is a place where employees with various skills, regardless of business or department, gather, support each other, and grow together in order to solve various business issues with data and digital. In addition to introducing examples of DX within the Group, providing seminars and training programs, and introducing how to use useful tools and services on a dedicated website, a team called the *DIG!LAB* Camp, which consists of members with a strong passion for DX, is engaging in more active initiatives.



DX Strategy

Introduction and Promotion to Utilize Nichirei AI Chat, Generative AI Exclusively for the Nichirei Group

In February 2024, we started the full-scale introduction of Nichirei AI Chat, an in-house generative AI, with the aim of improving business productivity throughout the Nichirei Group.

As of July 2025, the number of users was approximately 2,000, and the internal usage rate reached 37%.

"Nichirei AI Chat" utilizes a large language model (LLM) on Microsoft Azure,* and supports a wide range of operations such as documentation, summarization, and translation while ensuring the safety in handling internal information. To start using the system, employees are required to complete educational content based on the generative AI guidelines to improve their literacy and build a safe operational structure.

After the introduction of the system, regular training sessions are held to help employees improve their skills. We also set up a dedicated internal site to promote the effective use of generative AI, consisting of tips on how to use it, case studies, and introduction of prompts created by employees.

In the future, we will further strengthen the linkage with internal data to realize more advanced business support. By positioning Nichirei AI Chat as the core foundation of our DX strategy, we will promote the creation of an environment that supports the creativity and productivity of each and every employee.

*Cloud computing services offered by Microsoft Corporation

Nichirei AI Chat

Business Innovation in Temperature-controlled Logistics Using Automated Guided Forklift (AGF)

As part of its business innovation, the Nichirei Logistics Group is working on the use of an automated guided forklift (AGF) that operates unmanned in temperature-controlled warehouses to reduce workload.

In the past, it was difficult to introduce AGF in a temperature-controlled environment due to frost and condensation. However, in June 2021, we had a trial operation of a laser-guided AGF at Nichirei Logistics Kansai, Inc. Osaka Futo DC (below minus 18°C) and conducted a series of tests in cooperation with a forklift manufacturer to verify that AGF can operate stably in a temperature-controlled environment, including the introduction of components suited for a temperature-controlled environment, sensors, and rust-proofed equipment.

In February 2025, the AGF, which links with the factory's production line, began operation at Nichirei Logistics Kansai, Inc. Takatsuki DC (5°C) attached to the Nichirei Foods Inc. Kansai Plant. Sensors detect the arrival of products flowing on the production line, and at the same time, AGF automatically moves to the pickup location. After picking up a product, AGF moves automatically to the designated storage location. This reduced the time required for simple transport work by about 40%, helping to ease the workload of workers in temperature-controlled environment and solving chronic labor shortages. At the same time, the time saved can be used for other high-value-added work.

Going forward, we continue aiming to realize sustainable logistics services by building operational flows that take advantage of the strength of labor-saving equipment such as AGF and human resources, and by promoting linkages with other equipment and robots to be deployed at bases nationwide.

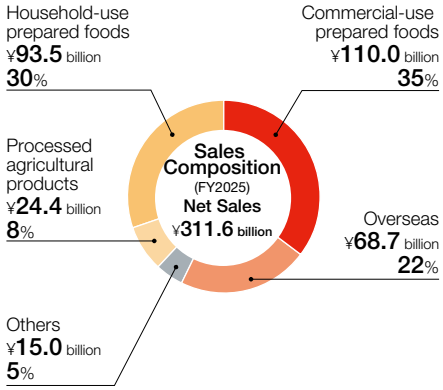
Business Portfolio

Processed Foods Business

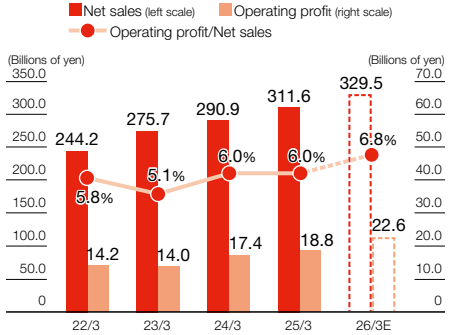
Pioneer of Frozen Foods, Boasting the Top Share in Japan

- Development and processing/production technology capabilities for reproducing the deliciousness of homemade meals or meals prepared by chefs
- Ability to make proposals tailored to diverse business types and consumer needs
- Quality assurance and traceability that support safety and reliability

Total assets	¥186.9 billion
Group companies	7 in Japan, 14 overseas
Employees (Consolidated)	10,125
Food factories	21 (15 in Japan, 6 overseas)
Main categories and products	・Rice products, processed chicken products, frozen vegetables



Net Sales, Operating Profit, and Operating Profit/Net Sales



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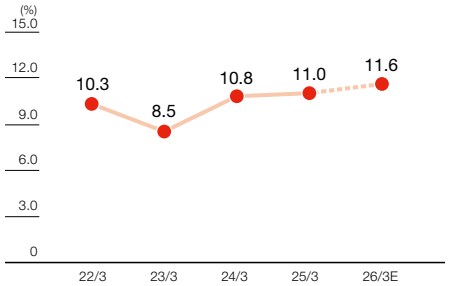
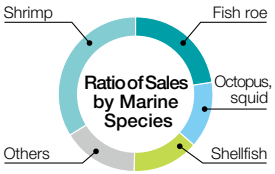


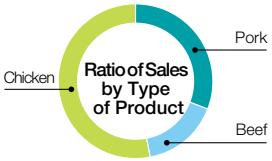
Marine, Meat and Poultry Products Business

Selling Premium Ingredients through a Worldwide Procurement Network

- Procurement network based on long-term relationships of trust with suppliers
- Capabilities that combine our trading company and manufacturer functions, enabling us to process ingredients in optimal status
- Development capabilities for health- and sustainability-oriented ingredients with future-oriented value
- Quality assurance and a comprehensive production management system that supports safety and security

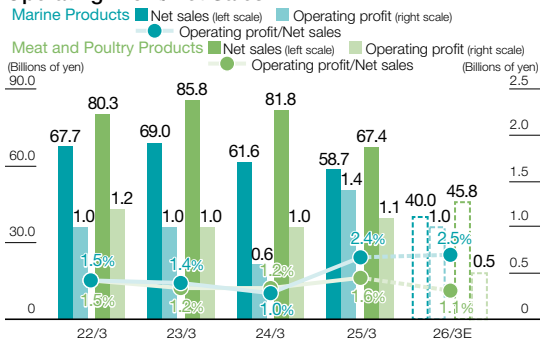
Total assets	Marine products: ¥22.0 billion	Meat and poultry products: ¥17.2 billion
Group companies*	Marine products: 2 in Japan, 5 overseas	Meat and poultry products: 5 in Japan
Employees (Consolidated)	Marine products: 744	Meat and poultry products: 397
Food factories	5 (4 in Japan, 1 overseas)	
Main categories and products	Marine products: Shrimp, scallops, fish roe, and others	Meat and poultry products: Domestic and imported chicken, pork, and beef





*Nichirei Fresh, which is engaged in the Marine, Meat and Poultry Products Business, is included in the number of domestic subsidiaries in each business.

Net Sales, Operating Profit, and Operating Profit/Net Sales



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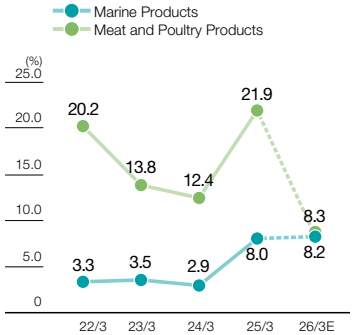


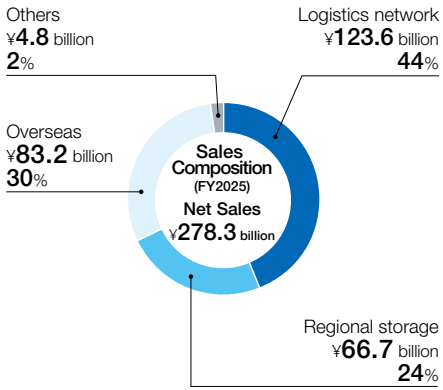
Business Portfolio

Temperature-controlled Logistics Business

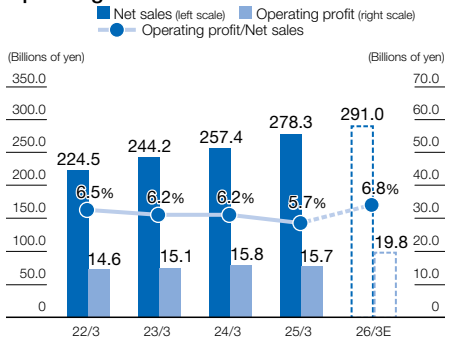
Total Logistics Services is Our Strength. No.1 in Japan and No.5 Globally in Storage Capacity

- Full utilization of storage capacity and transportation and delivery network, enabling optimal solutions that help resolve social and customer issues
- Operational capabilities at logistics sites that provide ongoing support for food based on increasing value through a better user experience
- 90% of the volume handled comes from outside the Nichirei Group

Total assets	¥**231.1** billion
Group companies	**20** in Japan, **22** overseas
Employees (Consolidated)	**4,926**
Facilities	**224** Japan: **141**, including 74 distribution centers (DC) and 34 cross-docking centers (XD); Overseas: **83** (Europe: 56, China: 13, Thailand: 3, Malaysia: 9, Vietnam: 2)
Main businesses	Storage, transportation and delivery, retail,* overseas business, 3PL, and engineering services



Net Sales, Operating Profit, and Operating Profit/Net Sales



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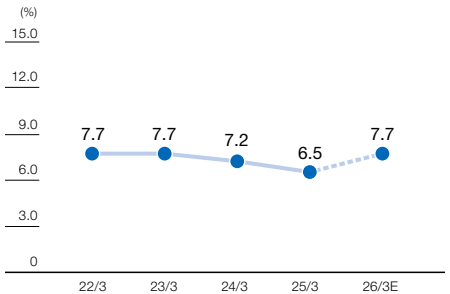
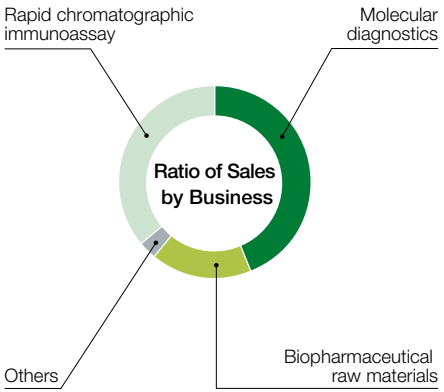


Bioscience Business

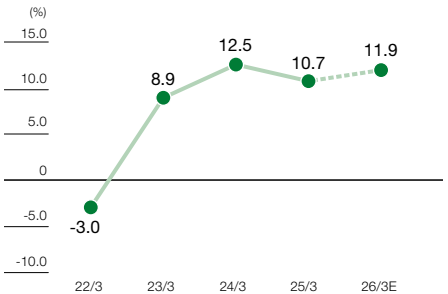
Providing Unique Value in the Life Sciences and Healthcare Fields

- A molecular diagnostics business model (business for identifying proteins present in cancer cells and judging appropriate treatments) that combines the development and production of both diagnostic agents and immunostaining devices
- Manufacture and sale of diagnostic reagents that use antibodies, including diagnostic kits for influenza and COVID-19

Total assets	¥**7.0** billion	Employees (Consolidated)	**90**
Main facilities	Nichirei Biosciences Global Innovation Center (production and R&D facilities), Pathcom Systems Corporation (California, United States)		
Main businesses and products	Molecular diagnostics An automatic immunostaining device for tissue sections from patients suspected of having cancer. Contributing to the standardization and efficiency of the pathology testing. [Marketed to: Medical institutions] Rapid chromatographic immunoassay <Infectious disease antigen test kit> Specimens are taken from the nose and quickly tested for infections such as COVID-19 and influenza. [Marketed to: Medical institutions, pharmacies] Biopharmaceutical raw materials <Serum> For research and pharmaceutical manufacturing purposes. [Marketed to: University research institutes, pharmaceutical manufacturers]		



ROIC



*Retail business: A general term for the operation of cross-docking centers (XD) for retailers and the transportation and delivery business that uses these centers

Processed Foods Business

Nichirei Foods Inc.
https://www.nichireifoods.co.jp/en/corporate/

Masahiko Takenaga
Director, Senior Executive Officer,
Nichirei Corporation Representative Director,
President, Nichirei Foods Inc.

Basic Strategies under the New Medium-term Business Plan

Operating Environment
- Normalization of high costs
- Supply chain disruptions
- Expanding market for frozen foods

"Compass x Growth 2027" Basic Strategies

Integration
Accelerate the establishment of a structure for procurement and sales functions to leverage group synergies

Japan
Concentrate resources in strategic categories

Overseas
Strengthen the foundation of existing businesses and create inorganic growth opportunities

Sustainable growth that drives the Group

Changes in Category Portfolio as a Percentage of Net Sales
[Overall Foods Business in Japan]

Processed chicken products
Rice products

FY2025 Actual: 40%

FY2028 Target: To about 50%

Review of Medium-term Business Plan "Compass Rose 2024"

In FY2025, both net sales and operating profit were record-high. Although the business environment has changed significantly over the past few years, which has affected the Company's supply chain and earnings base, we have been able to counteract profit-reducing factors by swiftly implementing price revisions, product development, promotional measures, and productivity improvements.

Furthermore, investments in key categories and new value creation supported growth. We have increased market presence, particularly for processed chicken products and rice products, and gained a new advantage in price control capabilities. In the areas of personal use and health consciousness, we are providing new value to the market through the expansion of trayed foods and the development of a new brand, everyONe meal, with a health concept.

In the overseas business, the Asian foods business in North America and GFPT Nichirei (Thailand) Co., Ltd. contributed to growth. Particularly, in the North American Asian foods business, we are steadily expanding our business by utilizing our own rice production bases and by adopting a manufacturer model that integrates manufacturing and sales.

Prospects and Actions Going Forward

In Japan, we will focus management resources on mainstay categories such as processed chicken products and rice products, aiming to simultaneously expand the business and improve profitability. We will not only strengthen our supply capacity, but also actively invest resources in marketing and product development to achieve highly profitable growth that accurately meets market needs.

In the overseas business, we will position the North American Asian foods business as the core of growth and aim to expand the business by newly acquiring our own production base. In addition, with a view to entering into new markets in Europe and the ASEAN regions, we will promote the development of a business model unique to Nichirei that can realize synergies with the temperature-controlled logistics business.

Initiatives to Improve ROIC

In addition to growth in mainstay categories, we are reducing categories and items with poor earnings. There are issues such as labor shortages in production bases. We aim to improve capital efficiency by restructuring our category portfolio and optimizing our production bases over the long term.

In FY2026, we will start operations to visualize ROIC using digital technology. We will develop a system to promote company-wide efforts to improve ROIC by creating a system that enables visualization and factor analysis of ROIC by business, category, production line, and item.

Toward 2035

We have decided to integrate the food business with Nichirei Fresh Inc. in FY2027. Our primary objective is to build a highly sustainable supply chain. By combining the capabilities for reproducing the deliciousness, which is the strength of Nichirei Foods, with Nichirei Fresh's ability to procure ingredients, we will build a stronger business foundation and work to create new value globally.

We will also continue to focus on building intangible assets such as branding, sustainability, R&D, DX, and human resource development, aiming to establish a solid competitive advantage.

Marine, Meat and Poultry Products Business

Nichirei Fresh Inc.
https://www.nichireifresh.co.jp/en/

Wataru Tanabe
Director, Senior Executive Officer, Nichirei Corporation
Representative Director, President, Nichirei Fresh Inc.

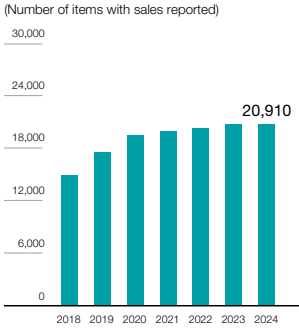
Basic Strategies under the New Medium-term Business Plan

Operating Environment
- Normalization of high costs
- Worsening procurement environment
- Increased demand for high-value-added products

"Compass x Growth 2027" Basic Strategies
- Integration: Accelerate the establishment of a structure for procurement and sales functions to leverage group synergies
- Japan: Concentrate resources in strategic categories
- Overseas: Strengthen the foundation of existing businesses and create inorganic growth opportunities

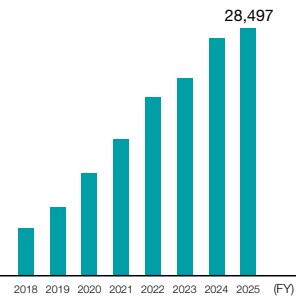
→ Achieve business growth while maintaining stable earnings

Number of MSC-labeled Products for Consumers Distributed Worldwide



Source: Marine Stewardship Council (MSC)

Number of ASC-labeled Products for Consumers Distributed Worldwide



Source: Aquaculture Stewardship Council (ASC)

Review of Medium-term Business Plan "Compass Rose 2024"

Amid the continuing unstable environment in which forecasts are difficult to make due to global rising costs and rapid exchange rate fluctuations, the Company undertook structural reforms in both its marine products business and meat and poultry products business to reduce procurement volatility and to implement responsible procurement, which is one of our strengths, and reviewed the distribution structure of its products and business types.

We reduced the number of low-profit products handled and improved profitability mainly by revising prices. In the final fiscal year, we changed our conventional organizational structure divided by products handled, such as by marine products and meat and poultry products, to a three-headquarters structure consisting of the Procurement and Production Headquarters, the Sales and Distribution Headquarters, and the Business Administration Headquarters to speed up decision-making and reform our business model.

As a result of our company-wide structural reforms, we could improve profitability and capital efficiency, as well as attaining to establish a structure to advance the growth strategies of the current medium-term business plan, including the creation of global business opportunities.

Prospects and Actions Going Forward

While the procurement environment is becoming increasingly severe, consumers' expectations, values, and needs for food are diversifying. For the next stage of growth, we will focus on ingredients with future-oriented value and processed products as the pillars of our products and expand into the market.

Taking advantage of our procurement network, product development capabilities, processing technology, and quality control know-how, we will add new value, such as health value, that sets us apart, and enhance the uniqueness of our products by giving consideration to sustainability, such as the environment and human rights.

We will accelerate our global expansion and leverage our strengths to contribute to the growth of the foods business as a whole after the integration of foods business in FY2027.

Initiatives to Improve ROIC

As a result of our efforts to increase profitability and improve capital efficiency by reviewing the sales mix of products and business types through the previous medium-term business plan, simplified ROIC increased by 4.7 points in the marine products business and 1.7 points in the meat and poultry products business compared to FY2022.

Going forward, we will work to restructure our product and business types so that we can avoid a business model in which sales volume is concentrated at the end of the year and sell highly profitable products in a stable volume throughout the year without seasonal fluctuations. We will also continue to reduce capital employed and work to establish new procurement and sales schemes.

Toward 2035

Based on our respected corporate culture of challenge and value creation, we will further refine our ability to accurately evaluate ingredients and procurement capabilities, which are core competencies, and contribute to the promotion of sustainability management in order to realize the Group's long-term management strategy. At the same time, we will create new growth engines through the organizational strength and synergies generated by the integration of food business.

We are also actively working to reduce the environmental impact inherent to ingredients and to develop products and services that address the solution of social issues.

Dialogue about the Integration of Foods Business

Toward Realization of Group Synergies

Open the Door to New Customers by Leveraging the Strengths of Both Companies

Masahiko Takenaga
Director, Senior Executive Officer
Representative Director, President,
Nichirei Foods Inc.

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Wataru Tanabe
Director, Senior Executive Officer
Representative Director, President,
Nichirei Fresh Inc.

Background of the Business Integration

The biggest reason we can now maximize synergies through business integration is that the two companies have grown independently and steadily

Tanabe Since being spun off in 2005, Nichirei Foods Inc., which has been developing the processed foods business, and Nichirei Fresh Inc., which has been developing the marine, meat and poultry products business, have each been aiming for profitability and business growth for 20 years. I believe we have achieved a certain degree of success, but over the years we have become more independent in our respective businesses, and I feel that the priority of group collaboration has fallen somewhat.

Takenaga We have followed the so-called independent accounting system during the past 20 years. However, as the business environment continues to change rapidly, we are beginning to recognize the limitations in pursuing sustainable business growth. Nichirei Foods cannot make products without raw materials. The recent shortage of raw materials due to climate change can also pose a serious challenge in terms of business continuity planning (BCP). We believe it

Dialogue About the Integration of Foods Business

is urgent to rebuild the supply chain through business integration.

Tanabe We believe that responsible procurement, which is Nichirei Fresh's strength, will greatly contribute to Nichirei Foods' raw material procurement strategy and bring sustainability. I believe we will have a more positive effect than 1+1=2, and have high hopes for it. Our procurement strengths will be further enhanced by integration.

Takenaga Tanabe-san and I are longtime acquaintances, and we used to work together in the meat and poultry products division. I believe that collaboration with Tanabe-san and our experiences in the meat and poultry products division will be helpful in integrating our businesses. Nichirei Fresh's procuring capabilities and expertise, such as for chicken, are competitive advantages, and it is inevitable that the Nichirei Group will make the most of this potential.

Tanabe As Nichirei Fresh has dealt with ingredients, the purpose and role of its global supply chain have been always asked, particularly in the era of high economic growth when food safety and security were seriously questioned, including the issues of mass production and mass consumption, false origin, and pesticide residue, as well as the issue of human rights in the production process, which has become a growing concern. In parallel with discussions on business integration, the two companies also engaged in various discussions of the extent to which their respective strengths can be leveraged. In particular, we believe that the three areas of customer base, global shift, and raw material procurement will be the core of synergies resulting from the integration.

Takenaga At present, the volume of transactions between each business is limited, but if we rebuild our cooperative structure, we can expect to create new value not only in optimizing the supply chain but also in optimizing the allocation of human resources and improving the efficiency of indirect divisions.

Synergies Aimed at

Beyond the framework of complementary relationships, we will create a product lineup far beyond what we have achieved before through the procurement of raw materials and optimal processing levels

Tanabe In North America, NSI[1] and NFU[2] partially integrated in advance in January 2025. Nichirei Fresh has established a competitive advantage in raw materials such as shrimp and salmon on a global basis. Until now, NSI[1] and NFU[2] have handled different products and sold them to different customers. What is important from now on is to mutually utilize procured raw materials at overseas OEM[3] suppliers and Nichirei Foods plants. We believe that we can expect considerable synergistic effects.

Takenaga When I visited North America, I was surprised to find that NSI had its own *ebi-ten* (deep-fried prawn) sales route to restaurant chains and sold a considerable volume. *Ebi-ten* is often used for sushi rolls overseas, and this kind of processed product is Nichirei Foods' specialty. At the same time, Nichirei Fresh has one of the leading maket shares of shrimp procurement and sales both in Japan and overseas markets, so if both companies had cooperated earlier, we could have increased the volume further. I was strongly aware that we needed to address this issue. Our overseas product strategy for frozen foods can be broadly divided into two axes. One is processed foods that make the most of the quality of ingredients like ebi-ten, and the other is highly

processed frozen foods like gratin and pilaf. The characteristics of overseas markets are quite different depending on the country, so it is necessary to customize the strategy depending on the individual market.

Tanabe With Nichirei Foods' ability to reproduce deliciousness and high processing capacity, we can easily foresee that the quality and competitiveness of ebi-ten mentioned earlier will improve dramatically. If we bring together Nichirei Fresh's procurement capabilities of ingredients, we can expect to strengthen our competitiveness in Japan and overseas.

Takenaga In the domestic market as well, we hope to further enhance our competitiveness through synergies. In Japan, a decrease in the number of people per household and an increase in the number of elderly single persons are pushing up demand for frozen foods. Frozen vegetables are appreciated in a single-person household,

1 NSI: Nichirei Seafoods, Inc., an affiliate of the Nichirei Fresh Group in North America. Integrated into NFU. 2 NFU: Nichirei Foods U.S.A., Inc., an affiliate of the Nichirei Foods Group in North America. 3 OEM (Original Equipment Manufacture): Manufacturing products under other companies' brands

Dialogue About the Integration of Foods Business

because, for example, it takes time to boil and consume spinach. In the future, I think products with the right level of processing that match consumers' lifestyles tend to become hits. In the food service industry, various levels of processing are required to cope with labor shortages. For example, in the case of kara-age (deep-fried chicken), while there is a need for a finished product that can be served by natural defrosting, there is also a need for unheated products that have only been pre-seasoned and battered so that the final process can be devised by individual stores. By integrating our business with Nichirei Fresh, we will be able to respond to a wide range of processing levels to meet customer needs. We are going to cultivate such markets and strive to maximize value for customers, through consistently producing frozen foods from ingredients to highly processed products. Personally, I would like to develop a product lineup that can make a supermarket solely selling frozen foods.

Tanabe I would like to build a system that contributes to solving customer issues by expanding the gradation of product processing levels. In order to achieve this, it is important for the sales division to provide feedback the information it has gained from the market so that we can offer products with any level of processing required by the market. We believe that this will contribute to solving social issues related to food.

Prospects Going Forward

Creating new possibilities for frozen foods on a global, deeper and wider scale

Tanabe As Nichirei Fresh has handled meat and poultry products and marine products, we believe that we can increase the value of domestic agricultural products in the future. Agricultural off-crop seasons and harvest cycles have a high affinity with freezing business and the technologies should contribute to agricultural sustainability.

Takenaga The supply chain of agricultural products can be maintained by freezing. We would like to take advantage of Nichirei Fresh's procurement capabilities and knowledge of commercialization and leverage them in the frozen vegetables and fruit categories. Nichirei Fresh developed Miraikura, a roe-shaped food product derived from seaweed, and started trial sales in September 2023. It was adopted as one of the menus offered by exhibitors at the Osaka Kansai Expo, which began in April 2025. We have also succeeded in freezing Miraikura using the knowledge of Nichirei Foods' research laboratories. By combining the strengths of both companies, new value will be created beyond our imagination. We want to continue to realize something new.

Tanabe We are engaged in direct dialogue with employees across the country to prepare for the integration of our businesses. Although some employees have a touch of anxiety and confusion about the business integration, others say they have high expectations for economies of scale and the development of sustainability-focused products after the integration.

Takenaga Nichirei Fresh sells with expert knowledge of ingredients, and Nichirei Foods has a strong sales ability to penetrate consumers. Each company has its own strengths. The combined strength enables an optimized sales approach tailored to each market. I expect that the synergy effect in terms of the sales strength to meet market expectations will be a considerable advantage.

Tanabe I have been involved in overseas procurement for a long time. From the perspective of overseas sales and business expansion after business integration, I recognize the importance of fostering globally capable human resources. Meat and poultry products business has been mainly addressing the domestic market, so we feel it is necessary to expand our talent pool through new human resource development. In preparation for the integration of our businesses, we have a policy to systematically train overseas business leaders, and are discussing job rotation and training policies through the Group Human Resources Committee.

Takenaga It is essential to create a mechanism for sharing the knowledge and know-how of both companies. We are planning internal events aimed at promoting active communication and fostering a corporate culture toward integration. I want to consciously promote positive motivation.

Temperature-controlled Logistics Business

Nichirei Logistics Group Inc.
https://www.nichirei-logi.co.jp/english/index.html

Kazunori Shimamoto
Director, Senior Executive Officer, Nichirei Corporation
Representative Director, President, Nichirei Logistics Group Inc.

Basic Strategies under the New Medium-term Business Plan

Operating Environment
- Expanding market for frozen foods
- Intensifying labor shortage
- Needs for sustainable logistics

"Compass x Growth 2027" Basic Strategies
- Domestic: Developing a business foundation for the next generation and strengthening profitability
- Overseas: Initiatives for the sustainable growth of European business and the breakthrough of ASEAN business

Improve profitability and capital efficiency

Refrigerated Warehouse Companies' Share of Total Facility Capacity: Global Top Ten

Ranking	Company Name	Capacity (Thousands of tons)	Main Country of Business
1	Lineage	33,765	United States
2	Americold Logistics	16,367	United States
3	NewCold Cooperatief U.A.	5,194	United States
4	United States Cold Storage	4,752	United States
5	**Nichirei Logistics Group Inc.**	**2,654**	**Japan**
6	Constellation Cold Logistics Sarl	2,175	Belgium
7	Emergent Cold Latin America	2,028	United States
8	FreezPak Logistics	1,605	United States
9	Frialsa Frigorificos S.A. De C.V.	1,586	Mexico
10	Interstate Warehousing, Inc	1,496	United States

Source: Prepared based on the Global Top 25 List, April 2025 materials from the Global Cold Chain Alliance (GCCA)

Review of Medium-term Business Plan "Compass Rose 2024"

In the temperature-controlled logistics business, sales increased in FY2025, marking 15 consecutive years of growth. In the domestic business, we placed the logistics industry's 2024 Problem as our top priority issue, and promptly strengthened the transportation and delivery functions of SULS and NL+LiNk,* which enabled us to meet logistics needs even under difficult market conditions. In addition, we have introduced a power surcharge system in parallel with efforts to improve operational efficiency in order to respond quickly to rapid cost increases. As a result, the business has been performing steadily. In our overseas business, we conducted reorganization and carried out M&A in Europe, while in ASEAN we turned our affiliated company into a consolidated subsidiary and also expanded into Vietnam. As a result, the overall overseas business sales exceeded ¥80 billion. In addition, in order to strengthen the management foundation that supports our business, we steadily implemented initiatives such as DE&I and measures to reduce environmental impact and pursued to increase social and economic values.

Prospects and Actions Going Forward

Domestic demand for frozen foods is expected to grow steadily until around 2040. To meet consumer demand, we plan to increase the capacity of our facility, particularly in metropolitan areas. We will also expand our transportation and delivery network by increasing the number of our own trailers, which is a key point of SULS.

In overseas business, we aim for further business growth. In Europe, we will strengthen functions for ports, wide-area transportation, and mass sales through capital investment and intergroup collaboration. In ASEAN, we will expand earnings through the operation of new offices and the establishment of regional networks leveraging the Group offices, while exploring new M&A opportunities.

Initiatives to Improve ROIC

We will continue to focus on the balance between investment and profitability as an important management indicator. As for investment, depending on the nature of the business, we will make appropriate decisions about whether to invest by ourselves or leverage assets from other companies. In growth businesses such as SULS, a logistics platform for frozen foods, and *NL+LiNk*, we aim to expand earnings while limiting the scale of investment by making use of assets from other companies. In the overseas business, we will maximize the advantages of new facilities and M&A to date and improve profitability.

Toward 2035

In the domestic business, we expect to create new business opportunities while the logistics environment becomes more severe due to a serious labor shortage and other factors. By investing in DX, R&D, and human resources and striving to reduce environmental impact through the usage of natural refrigerants and energy conservation measures, we will build a sustainable management foundation and provide new temperature-controlled logistics services that are required by the times. In the overseas business, we will accelerate the speed of growth by making capital investments in Europe and ASEAN and taking advantage of the Group synergies.

**NL+LiNk*: Base-to-base transportation service in which vendors deliver goods to the nearest one XD (transfer centers, cross-docking centers) and the Company transfers the goods to other XDs as appropriate.

Nichirei Logistics Group

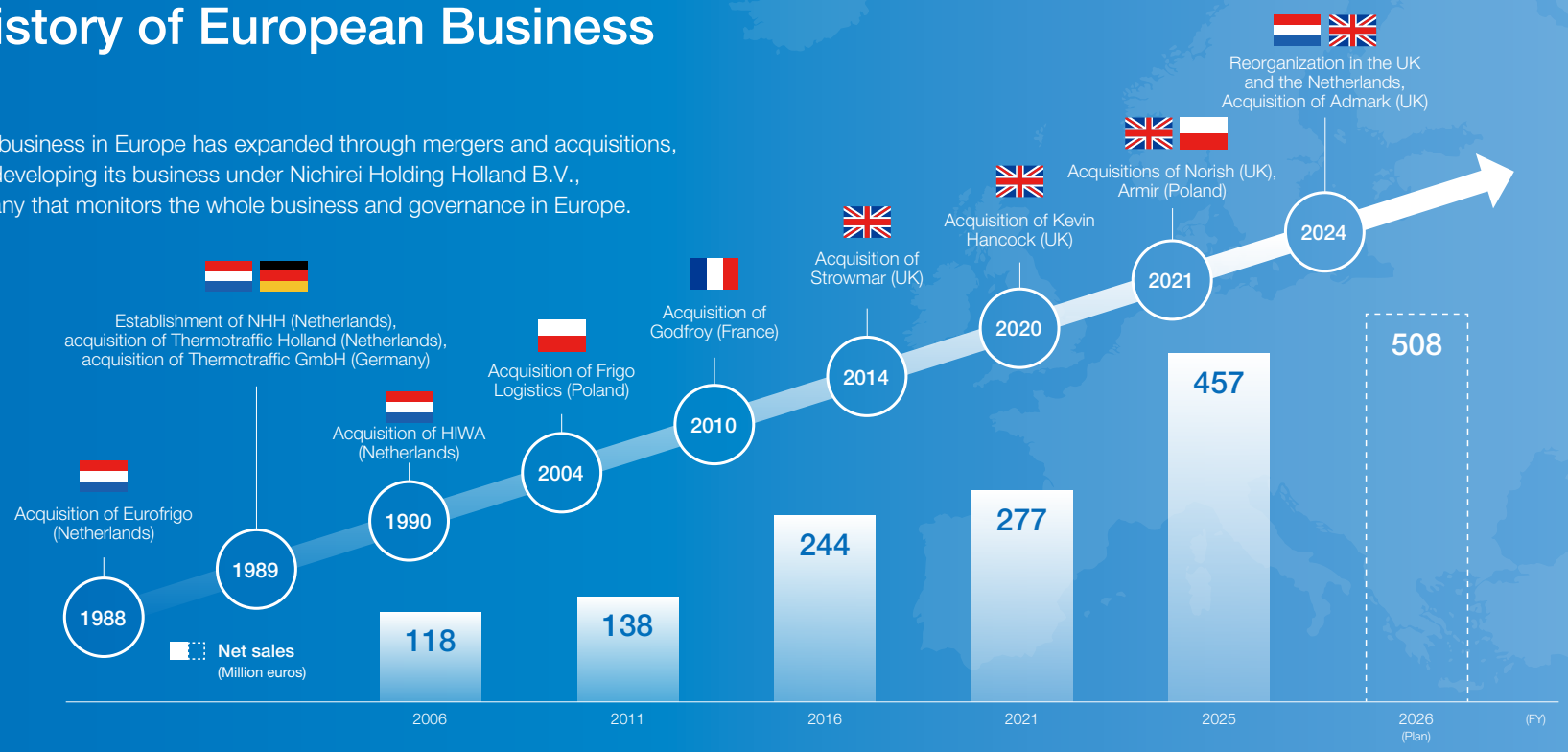
History of European Business

The Nichirei Logistics Group's business in Europe has expanded through mergers and acquisitions, and each company has been developing its business under Nichirei Holding Holland B.V., an intermediate holding company that monitors the whole business and governance in Europe.

History of the acquisitions

The opening ceremony of the Nowy Dwór Mazowiecki Logistics Center near Warsaw, Poland, in February 2025. This is the newest warehouse in Europe at present.

A joint conference of the top executives of each company.



M&A centered on compatibility with existing businesses

Our business in Europe began in 1988 with the acquisition of a refrigerated warehouse company in Rotterdam, the Netherlands, and expanded through acquisitions in the Netherlands and Germany in the 1980s and 1990s. After entering Poland in 2004, the Company built a new refrigerated warehouse in 2009 and started temperature-controlled logistics services for retail chain stores. We adopted the concept of the retail business that we had been developing in Japan since 2014 and concentrated our management resources, resulting in substantial growth. Since 2010, we have gained a wealth of M&A expertise, and with a view to developing a one-stop service that provides a total solution for such matters as storage, transportation and delivery, and customs clearance that we have cultivated in Japan, and we have started to acquire companies focusing on the functions that are lacking in the entire Europe.

When selecting M&A targets, we not only focus on the return on investment based on the customer base etc., but also on the prospect of synergy with existing businesses and the compatibility of the target company's corporate culture and philosophy with the Nichirei Logistics Group's commitment to quality and a customer-oriented approach. Prior communication with the management of target companies is an important element to implement smooth PMI (post-merger integration, an integration process following M&A).

Fostering connections for the next stage

The strength of our European business lies in the ability to provide not only a single function, such as storage, transportation and delivery, and customs clearance, but also a one-stop service that combines all these functions. Going forward, fostering connections among people will support accelerating our growth.

In January 2024, we reorganized consolidated subsidiaries in the Netherlands and the United Kingdom, aiming to speed up decision-making, promote cross-selling based on the customer base shared among them, and accelerate one-stop services. In addition, we have begun holding joint conferences for the top management of each operating company and the engineers who are in charge of maintaining facilities at each company, as an opportunity to share issues and technical information. We will continue to provide high-quality services through mutual cooperation by strengthening connections between people.

Bioscience Business

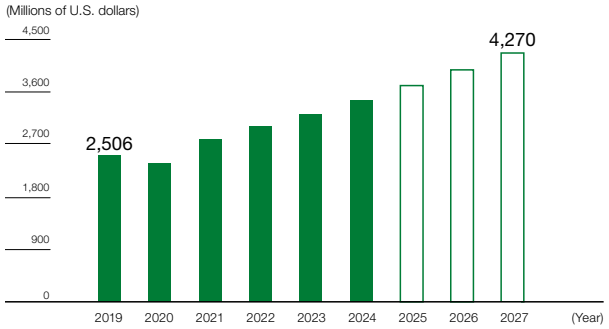
Nichirei Biosciences Inc.
https://nichireibiosciences.com/

Hideo Yokoi
Senior Executive Officer, Nichirei Corporation
Representative Director, President, Nichirei Biosciences Inc.

Basic Strategies under the New Medium-term Business Plan

Operating Environment	"Compass x Growth 2027" Basic Strategies	
Expansion of the pathology testing market overseas Spread of new diagnostic technologies Increasing demand in the infectious disease market	Strengthen reagent development and expand global sales in the molecular diagnostics business Strengthening the product competitiveness of infectious disease antigen test kits and establishing a production system for a stable supply	Building a business foundation for growth

Global Immunohistochemical Staining Market, Historical and Forecasts



Source: Markets and Markets
Prepared by Nichirei Biosciences based on *Tissue Diagnostics Market - Global Forecast 2027*

Review of Medium-term Business Plan "Compass Rose 2024"

In the previous medium-term business plan, as a result of business structural reforms and resource allocation to growth businesses, profits in all three major divisions (molecular diagnostics, rapid chromatographic immunoassay, and raw materials for biologics manufacturing) exceeded the plan.

In the molecular diagnostics business, we reviewed the manufacturing process of immunohistochemical staining reagents that are supplied on an OEM basis, and realized a stable mass production system, contributing to earnings.

In the rapid chromatographic immunoassay business, the stable supply of antigen test kits capable of simultaneous detection of COVID-19 and influenza viruses during the pandemic led to increased earnings. In FY2025, we started manufacturing and selling the over-the-counter (OTC) products of these kits and began offering them to new markets, such as drugstores and pharmacies.

In the raw materials for biologics manufacturing business, sales of serum increased for industrial use in vaccine production.

Prospects and Actions Going Forward

We will build a business foundation for further growth while flexibly responding to the changing market environment.

In the molecular diagnostics business, taking advantage of the growth in the global pathology testing market and the companion diagnostics* market, the Company will promote the sale of its own branded automated immunostaining devices, which are designed to be installed in medical facilities, as well as expand the global OEM supply of high-quality immunohistochemical staining reagents utilizing the Company's strength in antibody purification technology. We will also expand our product lineup by developing companion diagnostics.

In the rapid chromatographic immunoassay business, we will develop competitive infectious disease antigen test kits that meet customer needs and improve our production system to shorten lead times.

Initiatives to Improve ROIC

By visualizing the ROIC of each business segment, we heighten employee awareness of capital efficiency and lead to actions at the front-line level. One example of our efforts is that we are reducing inventories in our raw materials for biologics manufacturing business, which imports products from overseas, by tightening the management of purchasing volumes in accordance with demand.

In the rapid chromatographic immunoassay business, where demand fluctuates significantly due to the spread of infectious diseases, we are working to optimize inventories by closely monitoring the global epidemic situation and reducing production lead times.

Toward 2035

Nichirei Biosciences Inc. will solve social issues through the power of biotechnology. In response to the increasing number of cancer patients worldwide and the spread of infectious diseases caused by globalization, the Company will continue to grow sustainably by making antibody technology its core technology, leveraging product quality created through research and development and technological production, quality assurance capabilities including compliance with pharmaceutical regulations, intellectual property capabilities, and the Nichirei Group's brand strength. We will continue to support people's health by globally developing our business in the fields of life science and healthcare with the competitive edge of high-quality and highly reliable products.

*Companion diagnostics: Diagnostic agents used for testing to determine whether patients are suitable candidates for specific drugs, enhancing the efficacy and safety of those drugs

Helping to Resolve Social Issues through Our Business

Nichirei Logistics Group Inc.

Next-generation Transportation and Delivery System

Evaluation of Social Impact of *SULS*

Integrated Report 2024 Helping to Resolve Social Issues through Our Business (▸Pages 70-71)
https://www.nichirei.co.jp/sites/default/files/inline-images/english/ir/integrated/pdf/nichirei_IntegratedReport2024_all.pdf

Social Issue

The Logistics Industry's 2024 Problem:
A Shortage of Truck Drivers and Long Working Hours

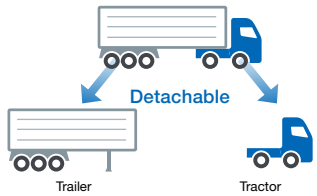
Long working hours have become the norm for truck drivers due to business practices that require them to both drive long distances and help with incidental tasks such as loading and unloading at logistics facilities. The "2024 Problem" is a general term for the various issues that the shipping and logistics industries must now address as a result of the Work Style Reform Act of April 1, 2024, with the aim of improving working conditions by limiting driver overtime to 960 hours per year. The Nichirei Logistics Group is promoting initiatives to solve this social issue through *SULS*, its next-generation transportation and delivery system. On this occasion, we have visualized, or converted into monetary value, the impact of social value created by the business activities of *SULS* on truck drivers and shippers.

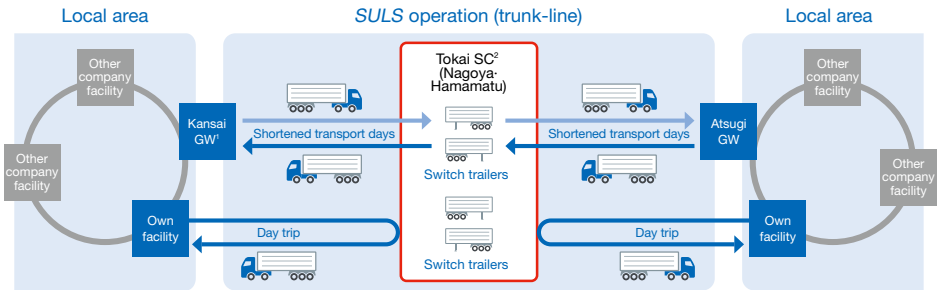
Initiatives to Help Resolve the Issues

Using *SULS* to Build a New Transportation and Delivery Platform for Temperature-controlled Logistics

Aiming to solve the logistics industry's 2024 Problem, we began operating *SULS* in FY2023 and are gradually expanding the routes and volume of cargo handled. The introduction of *SULS* dramatically reduced the operating time of truck drivers, enabling them to transport more efficiently in an appropriate working environment.

Using low-temperature trailers with detachable cargo beds enables return trips from relay points.	▸ Reduction of long-distance transport
Loading, unloading and related work are performed by Nichirei Logistics Group facility personnel rather than the truck drivers	▸ Help truck drivers devote their time to driving
Nichirei Logistics Group keeps its own trailers loaded and ready to go at relay points at all times to allow drivers to proceed to their next destination immediately after arrival	▸ Reduction of dwell time at logistics facilities





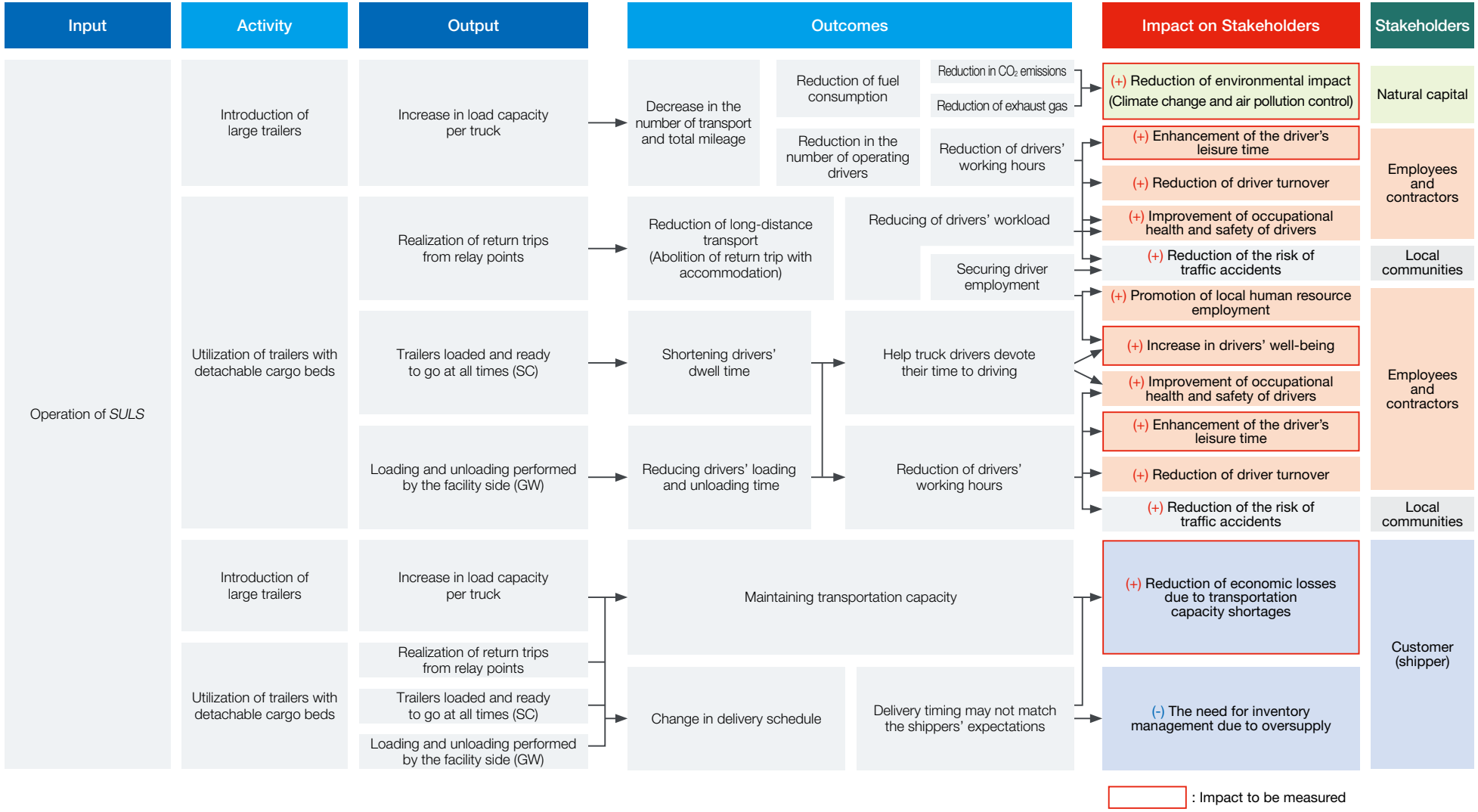
Scene of switching trailers

1 GW (Gateway): A facility with storage capabilities that connects trunk-line transportation and local delivery, enabling more frequent trunk-line transportation
2 SC (Switch Center): Relay points for detaching and switching trailers

Helping to Resolve Social Issues through Our Business: Nichirei Logistics Group Inc.

Verification of the Social Impact Created by *SULS* Operation

In evaluating the social impact of *SULS*, we sorted out and defined the social and environmental impacts originating from and brought by *SULS* operations as business activities. Based on this, we selected impacts on stakeholders, including truck drivers, shippers, and natural capital, which are directly connected to social issues, and converted the impacts into monetary amounts using a calculation logic.



Helping to Resolve Social Issues through Our Business: Nichirei Logistics Group Inc.

Calculation Logic and Impact Evaluation

We confirmed quantitatively and qualitatively that *SULS* operation has created a positive social impact.

Reduction of economic losses due to transportation capacity shortages [Shipper]

Approx. ¥340 million

Calculation logic

The estimated value of goods that cannot be transported after the revision of the law if *SULS* is not introduced **¥341,493,467 / year** = Estimated volume of goods that cannot be transported after the revision of the law if *SULS* is not introduced **677 t / year** × Unit price of goods to be transported **¥504,607 / t**

Prerequisites

- Compare to the case where the conventional method remains after the revision of the law.
- Use the legal limit for drivers' on-duty work hours.
- Source: *Standards for Improvement of the Automotive Drivers' Working Hours and Related Conditions (Ministerial Notice)*, Ministry of Health, Labour and Welfare
  Japan Frozen Food Association/*Statistical Data Domestic Production Volume and Value by Item*

Calculation target

- Coverage area: Trunk-line transportation between Kanto and Kansai (Nagoya Course, Hamamatsu Switch Course)
- Duration: For one year in FY2025
- Transportation volume: The volume by SULS transportation against the total volume of transportation possible during working hours after the revision of the law

Increased well-being of truck drivers [Employees and contractors]

Approx. ¥50 million

Calculation logic

The value of drivers' well-being increased by introducing *SULS* **50,581,700 yen / year** = Point difference in life satisfaction before and after the introduction of *SULS* based on the questionnaire to *SULS* drivers and operation managers **20 points** × Amount with willingness to pay for one level of well-being increases **£13,221 / points**

Prerequisites

- Compare to the conventional method before the revision of the law.
- WELLBY uses an amount adjusted by taking into account the average annual income of truck drivers in Japan. The £ conversion rate is as of March 31, 2024.
- Source: *HM Treasury Green Book Wellbeing Guidance for Appraisal*

Calculation target

- Survey target: Five *SULS* drivers and two operation managers of the Kanto-Kansai trunk-line transportation (Nagoya course, Hamamatsu course)
- Survey method: Questionnaire survey on changes in life satisfaction before and after the introduction of *SULS*

Driver Questionnaire Results

We conducted a questionnaire targeting drivers engaged in SULS operation on the Nagoya and Hamamatsu courses regarding changes in their life satisfaction levels following the introduction of SULS. As a result,

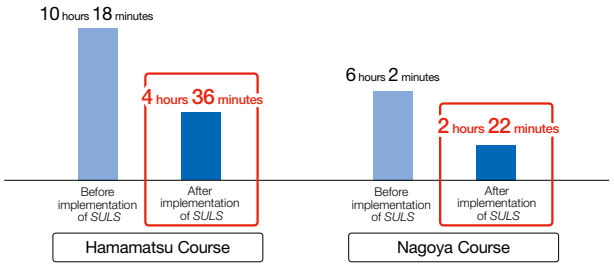
80% of drivers responded that their satisfaction levels had improved following the introduction of *SULS*, while no driver responded that their satisfaction levels had declined.

As reasons for the change in life satisfaction,

more than 50% of drivers answered that dwell time and loading and unloading workload have decreased, that physical and mental burdens have decreased, and that private time has increased.

Changes in Statutory Overtime Hours for Drivers

*Total overtime hours worked per round trip on the same course



Overtime working hours decreased both in the Hamamatsu course and the Nagoya course

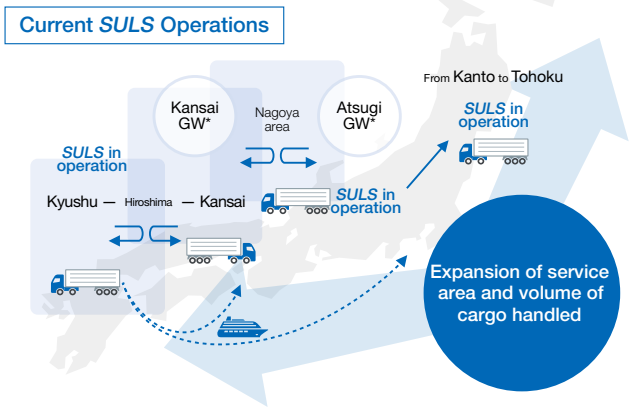
Future Developments

Now we have opened a new line of *SULS* from Kanto to Tohoku, and completed the development of the trunk-line transportation from Kyushu to Tohoku. Going forward, in order to flexibly respond to a wide range of customer needs, we plan to offer services that combine *SULS* and shipping services. In addition, we will double the number of detachable trailers in the current Medium-term Business Plan (accumulated total number of trailers of approximately 100), and use them to expand the service area and volume of cargo handled, thereby further developing our transportation and delivery network. This social impact assessment was conducted targeting the Tokyo-Nagoya-Osaka route, which is the main route of *SULS*. Based on the results, it has been confirmed that *SULS*, which was introduced by the Nichirei Logistics Group in 2022 as a countermeasure to the logistics industry's 2024 Problem, has created the intended social value, such as reducing economic losses caused by transportation capacity shortages and contributing to improvement in well-being by correcting long working hours of truck drivers.

It is estimated that the social impact created by expanding the number of routes and services of *SULS* will also increase synergistically. As a countermeasure to climate change, we will also focus on further creation of environmental value that will mitigate our environmental impact.

SULS is positioned as one of the measures to respond to consumer demand for frozen foods in Japan. We view the *SULS* business from the perspectives of both economic and social values, and will strengthen the efforts to build our business foundation for the next generation.

Current *SULS* Operations



Helping to Resolve Social Issues through Our Business

Nichirei Fresh Inc.

Environmentally and Health-conscious Sustainable Ingredients

Amani-no-Megumi Beef

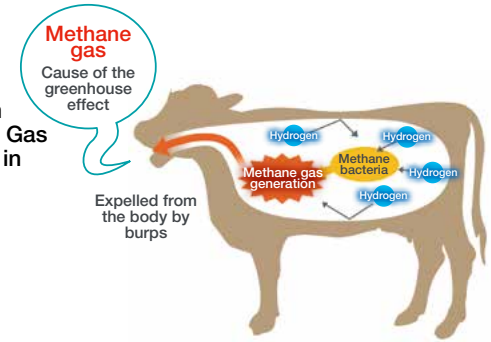
What is *Amani*? The stem part refers to the seeds of flax, which is the raw material for linen. Amani oil, or flaxseed oil extracted from the seeds, has attracted attention in recent years for its high health benefits.

Social Issue

Increasing GHG Emissions, Heightened Health-Consciousness, and Consideration for Animals

Cattle and other ruminants generate methane gas, which has a greenhouse effect 28 times greater than CO_2, when they decompose and digest food, and is considered one of the causes of global warming. Beef, on the other hand, contains heme iron, which is about four times more absorbed from the intestines than iron contained in plants, and carnitine, which helps to burn fat, serving as an important source of nutrition. At the same time, beef creates a culinary culture that enhances joyous occasions in the form of steak and sukiyaki, among all. *Amani-no-Megumi Beef*, which is raised by flaxseed-based feed, was born in 2009 through industry-government-academia collaborative research led by Nichirei Fresh.

Mechanism of Methane Gas Generation in Cattle
*Image

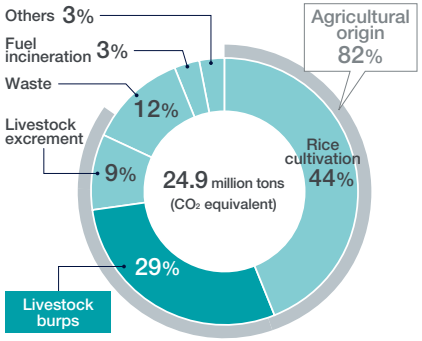


Breakdown of Methane Emissions in Japan

Source: Released in April 2025

Greenhouse Gas Emissions Data in Japan, National Institute for Environmental Studies

Prepared by the Company based on FY2024 results



Initiatives to Help Resolve Issues

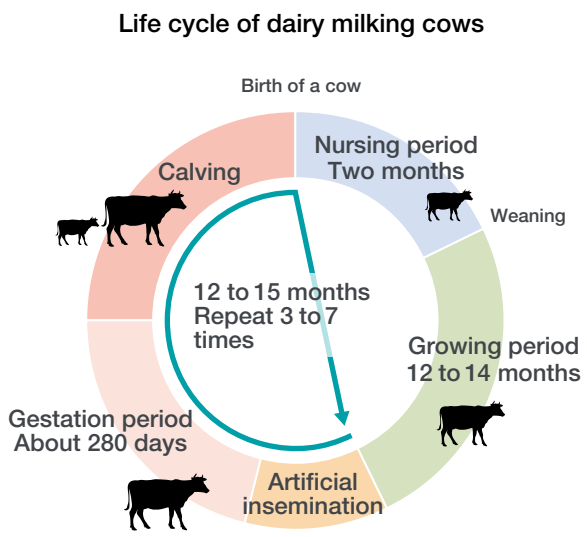
Developing Foodstuffs that Improve the Health of People and Cattle, Focusing on Environmental Impact

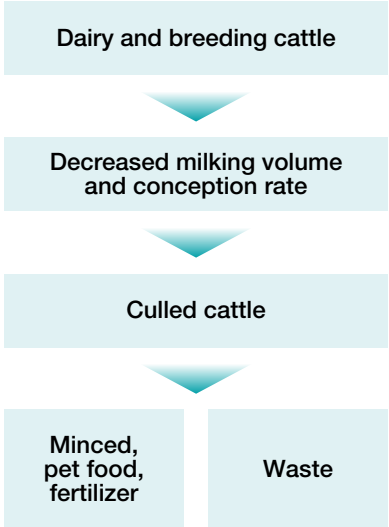
Reduction in environmental impact

Cattle emit methane gas as burps in the process of discharging hydrogen accumulated in the stomach. Nichirei Fresh paid attention to the fact that fatty acid calcium derived from flaxseed is expected to suppress the generation of methane gas. Liquid flaxseed oil is processed into powder to make it easier for cattle to ingest, and is given as feed to convert hydrogen in the stomach into saturated fatty acids, thereby suppressing the generation of methane gas.

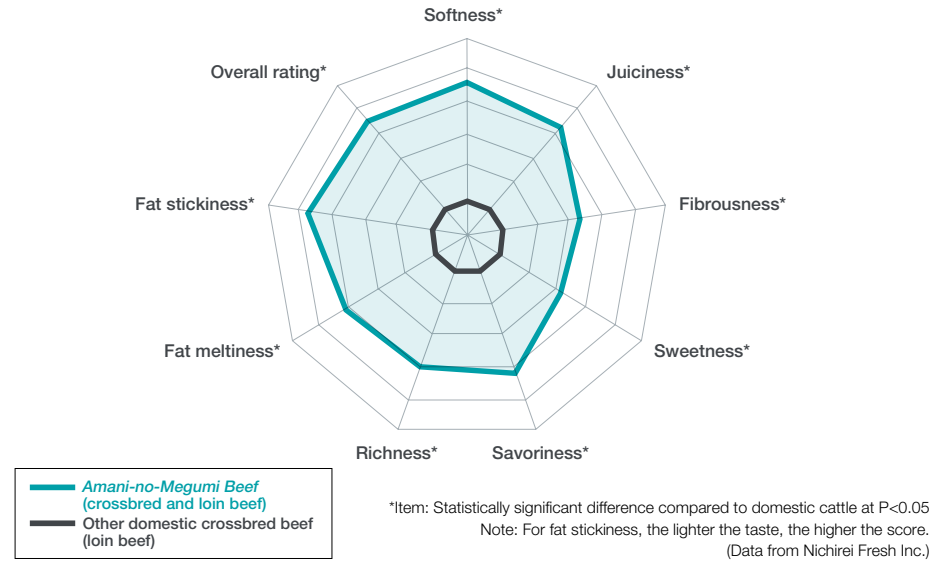
Helping to Resolve Social Issues through Our Business: Nichirei Fresh Inc.

Circular Livestock Industry





Beef Quality Evaluation Results



*Item: Statistically significant difference compared to domestic cattle at P<0.05
Note: For fat stickiness, the lighter the taste, the higher the score.
(Data from Nichirei Fresh Inc.)

Balancing the health of cattle and the taste of beef

Multiparous cows (cows that have given birth) are processed into minced meat as “culled cattles” because their meat gradually becomes tough as they repeatedly get pregnant and give birth. In addition, it has been confirmed that producing a large amount of milk over a long period of time puts a strain on the liver and causes poor health conditions, leading to a tendency to lose appetite.

Against the background of farmers’ desire to give their multiparous cows a delicious meal until the end, Nichirei Fresh conducted research and found that ingredients derived from flaxseed can efficiently supply energy to cows.

We also found that the meat of cows raised by flaxseed-based feed tended to have a higher level of free amino acids, which are more flavorful and tastier than regular cows.

With the aim of reducing the burden on the environment as a starting point, *Amani-no-Megumi Beef* has evolved into a food that gives consideration to the health of cattle while also maintaining delicious taste. In the future, we will explore the possibility of spreading the flaxseed-based fattening method to farms overseas, mainly in the United States, where grain fattening is the mainstream.

98% of 100 Doctors Would Recommend This Product

The *Amani-no-Megumi* series (chicken, pork and beef) was rated as “Recommended” by 98% of 100 doctors in the AskDoctors Evaluation Service, which allows doctors to objectively evaluate products and services.

*According to AskDoctors, June 2024
- Survey target: 100 internists
- Survey method: Web-based questionnaire survey after presenting materials and tasting the products
- This is the doctor’s personal opinion and does not guarantee any effects or results.

Helping to Resolve Social Issues through Our Business

Nichirei Biosciences Inc.

Provide Peace of Mind to Medical Facilities through Technology Development and Stable Supply

Antigen Test Kit

Social Issue

In medical institutions, antigen test kits are usually used to diagnose whether a person has COVID-19 or influenza virus infection. In hospitals, the increase in waiting time for medical treatment and the unstable supply of antigen test kits have become issues for medical practice because many patients visit hospitals in a short period of time during the epidemic season.

Initiatives to Help Resolve Issues

Continued technological development through the development of new antigen test kits

The Company has been researching and developing antigen test kits for more than 20 years. We are striving to shorten the time required to judge test results and improve operability by leveraging our accumulated experience and know-how.

As a concrete initiative, we are studying the optimal combination of antibodies used in antigen test kits to shorten the evaluation time. Also, in order to improve operability, we are working to enhance visibility and the layout of the judgment lines so that the results can be seen at a glance.

We are always asking ourselves what makes our products easy to use and reliable for medical professionals, and are studying every day to achieve our target in product performance and quality.

Eliminating the shortage of test kits by establishing a stable supply system

In order to ensure stable delivery of antigen test kits in the quantity required for medical treatment in the event of a sudden outbreak, the Company not only manufactures antigen test kits at its own facility, but also has established a system to enable mass production in a short period of time in cooperation with partner companies.

Expected Benefits

The Company's efforts will further improve the speediness and operability of antigen test kits, enabling stable delivery of products to medical facilities. As a result, a large number of patients can be treated smoothly in a shorter time at the medical site, reducing the burden on both medical staff and patients. It also gives patients peace of mind that they can obtain a diagnosis quickly.

Future Developments

We will strive to maintain and improve our production system and continue to address the social issue of supplying safe, reliable, and high-quality test drugs. We will also set up a system that enables us to quickly develop and launch test drugs when a new infectious disease emerges.

2015
Dramatic changes in the market environment

Accelerating the trend toward shorter judgment time for influenza virus antigen test kits

Judgment time
From 8 minutes to 5 minutes

2016
Start to sell 5-minute test kits for influenza viruses based on a patented technology (colored particles)

2020 and after
COVID-19 outbreak in Japan

Deploy the Company's technology to develop the COVID-19 antigen test kit

2021
Start to sell the COVID-19 antigen test kit

Promotion of Sustainability Management

Progress has been made on the development of a mechanism for sustainability management. Shifting to a stage where we tackle to resolve social issues with a long-term perspective.

Achievements and Issues of the Previous Medium-term Business Plan "Compass Rose 2024"

Under "Compass Rose 2024," which was positioned as a period for accelerating sustainability management, we changed the course considerably toward the realization of carbon neutrality in 2050 over the past three years. In addition, in order to build a sustainable supply chain, we have been promoting initiatives for resource recycling and human rights due diligence, and I recognize that we have been able to get the mechanism for sustainability management in place, even while groping our way forward.

We have been making steady progresses in initiatives for Group Material Matters (Materiality). It is "climate change initiatives" and "realization of sustainable food procurement and a circular economy" that we have been placing particular focus on in terms of sustainability management. Regarding climate change, we installed solar panels at our domestic sites and introduced off-site PPA.[1] We took swift action based on a strong sense of crisis over climate change risks, and will continue to work toward the adoption of CSRD,[2] which was brought forward. We also set CO_2 emission reduction targets, including Scope 3, and disclosed information. The targets for reduction in CO_2 emissions in Japan and overseas for FY2031 are set at reduction of 42% for Scope 1 and 2, and 25% for Scope 3 (compared with FY2023). We regard this as an urgent issue and will further strengthen internal measures and progress monitoring.

Solving Social Issues That New Long-term Management Goal "N-FIT 2035" Aims to Solve

"N-FIT 2035," announced in May 2025, sets forth financial targets and five long-term management strategies. From the perspective of sustainability management, we will work on the "reduction of environmental impact that contributes to enhancement of corporate value" and the "establishment of business models that help solve social issues."

The Company's business is highly dependent on electricity and other forms of energy due to the nature of its business model. Therefore, in order to promote reduction in environmental impact, it is essential to seriously address structural issues related to electricity consumption. We cannot expect to achieve our targets only by introducing solar power generation or using non-fossil fuel certificates at our sites. We are committed to mobilizing the wisdom of the Group to tackle the issues responsibly.

Establishing a business model that can help solve social issues is another important issue that must be worked on from a long-term perspective. For example, green transformation is part of it. By leveraging the strengths of the Nichirei Group, which is involved in the food supply chain from upstream to downstream, and effectively utilizing the big data accumulated through the logistics business and R&D functions such as the Nichirei Group Technology Development Center, we believe that we have the potential to capture significant business opportunities.

We will pursue those possibilities and develop a business model that balances social and economic value.

It is important for the Group to firmly determine the role it should play and promote sustainability management with a strong will. The entire Nichirei Group will continue to take on further challenges.

Yuichi Takaku
Director, Senior Executive Officer, Executive General Manager of Strategy Headquarters in charge of IT Strategy Division, Sustainability Strategy Division, Innovation Planning & Development Division, and Diversity Promotion Division, General Manager of Strategic Planning Division

1 PPA (Power Purchase Agreement): An agreement under which an electricity user directly purchases renewable energy from a power producer on a long-term basis
2 CSRD: Corporate Sustainability Reporting Directive in EU

KPIs for Group Material Matters (Materiality)

1 Examples of relevant products
Nichirei Foods: Products with health value (*everyOne meal* and *Kikubari-Gozen*, personal use (*Hiyashi-Chuka* and *Kobashi-Men-no-Gomoku-Ankake-Yakisoba*), etc. Nichirei Fresh: *Amani-no-Megumi* series, *Junwakei*, etc.

	Material Matters (Materiality)	Group Measures	Group KPIs	FY2025 Results	FY2026 Plans	FY2031 Targets	Main Operating Companies Involved
1	Creating new value in food and health	• Allocate resources to R&D to investigate health, the global environment and diversifying customer value, as well as to marketing • Develop products and services and convey information to address people's mental and physical health and the global environment • Establish mechanisms to create and cultivate value in new fields and conduct innovation activities	Sales of products and services that create added value for people's mental and physical health and for the global environment [1]	¥64.0 billion	¥64.0 billion	¥140.0 billion	Relevant pages: 44-45 and 55-56
			People provided with information for good eating habits and health (Total number of people per year)	165 million	170 million	200 million or more	
2	Strengthening food processing and production technology capabilities; enhancing logistics services	• Promote capacity expansion, work process innovation, reduction of environmental impact, and development of business foundations through proactive capital expenditures in the processed foods and temperature-controlled logistics businesses	EBITDA margin	8.9%	9.7%	12%	Relevant pages: 26-27 and 50
			EBITDA CAGR *FY2022 is the baseline for FY2025 and FY2026 CAGR, FY2031 CAGR is the CAGR for FY2026–FY2031	6.0%	6.6%	7% or higher	
		• Accelerate overseas expansion by securing and training globally capable human resources, cultivating partner companies, conducting M&As and other means	Overseas sales ratio	23.6%	24.9%	35.0%	
3	Realizing sustainable food procurement and a circular economy	• Establish a supply chain with consideration for human rights and the environment and conduct due diligence	Rate of procurement from suppliers and OEMs that comply with the Nichirei Group Supplier Code of Conduct and Supplier Guidelines [2]	Support rate 98% (Main domestic and overseas suppliers and OEMs)	Review of the supplier list and ESG Survey questionnaire	Rate of implementation of communication with main suppliers and OEMs 100%	Relevant pages: 33 and 63-67
			Rate of implementation of ESG due diligence for main raw materials and main suppliers	Domestic meat, poultry, and marine products 72% (Main suppliers and OEMs)	Overseas 60% (Main suppliers and OEMs)	100%	
		• Work to conduct sustainable resource procurement and help to realize a circular economy	Rate of attendance for the SDGs education program aimed at realizing a circular economy	94% (Managers or above)	100% (All employees)	100% (All employees)	
			Rate of waste recycling at all sites	99%	99%	99%	
			Procurement ratio of sustainable marine products complying with the Nichirei Group Sustainable Marine Product Procurement Guidelines in marine products business	99%	99%	100%	
			Ratio of marine products in the above from fisheries with MSC, ASC or other global certification	32%	34%	50%	
			Procurement ratio of sustainable palm oil (RSPO certified oil)	100% (Book and claim)	100% (Book and claim)	100% (Certified oil)	
		• Conserve biodiversity and water resources through business activities that consider ecosystems	Initiatives to reduce water consumption at sites with high water stress	Conduct nature-related risk and opportunity assessments in accordance with TNFD to identify critical risks and opportunities such as water resources and raw materials	Survey the actual conditions of our sites with high water stress	Reduce water consumption at high-risk locations and implement water conservation activities	
			Conduct biodiversity conservation activities at Nichirei Group sites and Company-owned land		Survey the actual conditions of biodiversity at our sites (Terrestrial ecosystem)	Engage in biodiversity restoration activities, including preservation of plant and animal species at our sites	
4	Climate change initiatives	• Reduce CO_2 emissions per unit of production and utilize renewable energy at food factories and logistics centers, and disclose information based on the TCFD recommendations	Reduction in CO_2 emissions (Compared with FY2023; Scope 1 and 2 in Japan and overseas)	-9%	-16%	-42%	Relevant pages: 60-62
			Reduction in CO_2 emissions (Compared with FY2023; Scope 3 in Japan and overseas)	—[5]	—	-25%	
		• Replace all refrigerants used in freezing and refrigerating equipment in Japan with natural refrigerants	Rate of conversion to natural refrigerants (production facilities in Japan)	71%	80%	100%	
		• Switch to natural refrigerants overseas as necessary, based on on-site confirmation	Rate of conversion to natural refrigerants (temperature-controlled logistics (including overseas))[3]	61%	64%	80%	
5	Securing and developing a diverse array of human resources	• Conduct a Company-wide employee engagement survey to monitor the effectiveness of measures • Establish a personnel system that enables Group employees to choose work styles according to their career outlook and contributes to productivity improvement • Establish and provide support for application of rules	Employee engagement score	69pt	71pt	80pt	Relevant pages: 28-29 and 32-35
			Ratio of female directors and female Audit & Supervisory Board members (Holding company)	18.8%	18.8%	30% or higher	
			Ratio of female employees in management positions (in major Group companies in Japan)[4]	7.5%	9.5%	30%	
		• Promote communication activities and impartially provide learning opportunities in order to create a work environment and corporate culture in which employees are healthy, lively and satisfied with their jobs	Investment in human resources	¥1.1 billion	¥1.3 billion	¥2.0 billion	

2 The Group targets and KPIs related to supply chain management were revised at the Board of Directors meeting held on February 18, 2025.
3 The target for the rate of conversion to natural refrigerants (temperature-controlled logistics) in 2030 was revised from 75% to 80% at the Board of Directors meeting held on February 18, 2025.
4 The scope of the measurement for the ratio of female employees in management positions was revised from the holding company only to the Group (main Group companies in Japan) at the Board of Directors meeting held on October 15, 2024.
5 The rate of reduction compared with the base year is indicated as "–" because the baseline figure of FY2023 after the impact of boundary changes is under calculation.

■ Nichirei Foods ■ Nichirei Logistics Group ■ Nichirei Fresh ■ Nichirei Biosciences ■ Nichirei (Holding company)

Climate Change

2050 Carbon Neutral Declaration

The Nichirei Group Will Achieve Carbon Neutrality by 2050

Committed to achieving carbon neutrality by 2050, the Nichirei Group will reduce Scope 1, 2 and 3 GHG emissions from its entire supply chain to zero to the extent possible, both in Japan and overseas. We will also implement programs to achieve carbon neutrality by absorbing or removing the GHG emissions we cannot reduce.

Group KPIs	FY2025 Results	FY2026 Plans	FY2031 Targets
Reduction in CO_2 emissions (Compared with FY2023; Scope 1 and 2 in Japan and overseas)	-9%	-16%	-42%
Reduction in CO_2 emissions (Compared with FY2023; Scope 3 in Japan and overseas)	— *	—	-25%

* The rate of reduction compared with the base year is indicated as "—" because the baseline figure of FY2023 after the impact of boundary changes is under calculation.

FY2025 GHG Emissions: 3,788 thousand tons-CO_2e in Japan and Overseas

For Scope 1 and 2 emissions, reductions are under way mainly in Japan. Going forward, we will roll out successful cases overseas to reduce emissions by the entire Group.

Category 1 emissions account for about 80% of the total Scope 3 emissions, which account for about 90% of total GHG emissions. Procurement of raw materials and OEM products for processed foods, marine, meat and poultry products, and outsourced transportation of temperature-controlled logistics business have been identified as the main sources of emissions.

Scope 3 Upstream	
1. Products/raw materials shipment value	2,755
2. Capital goods	120
3. Energy-related activities	39
4. Emissions by shipping operators	268
5. Waste (upstream)	19
6. Business trips	2
7. Coming to work	3
8. Upstream leases	0
Total	3,205

Group Scope 1 & 2

Scope 1	Scope 2
Direct emissions	Indirect emissions from energy sources
86	230
Japan 49%	Japan 57%
Overseas 51%	Overseas 43%

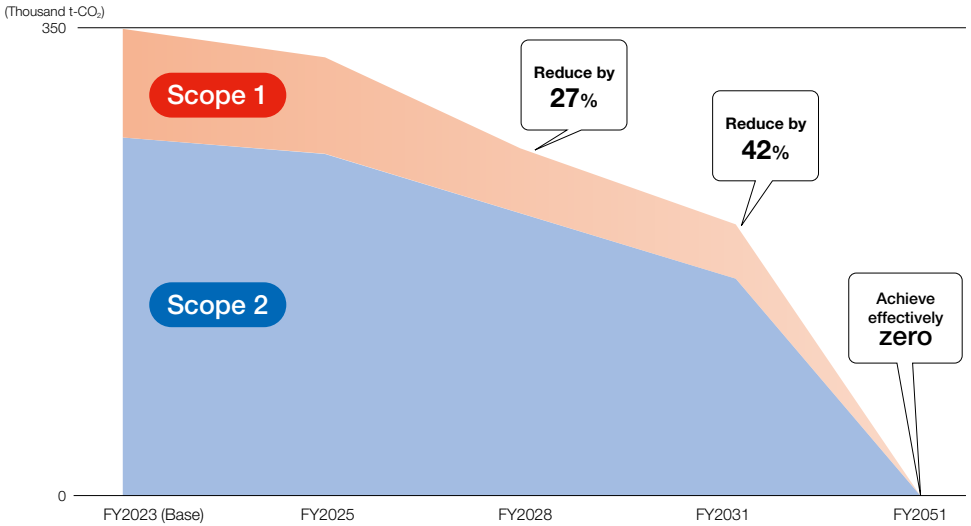
Total 315

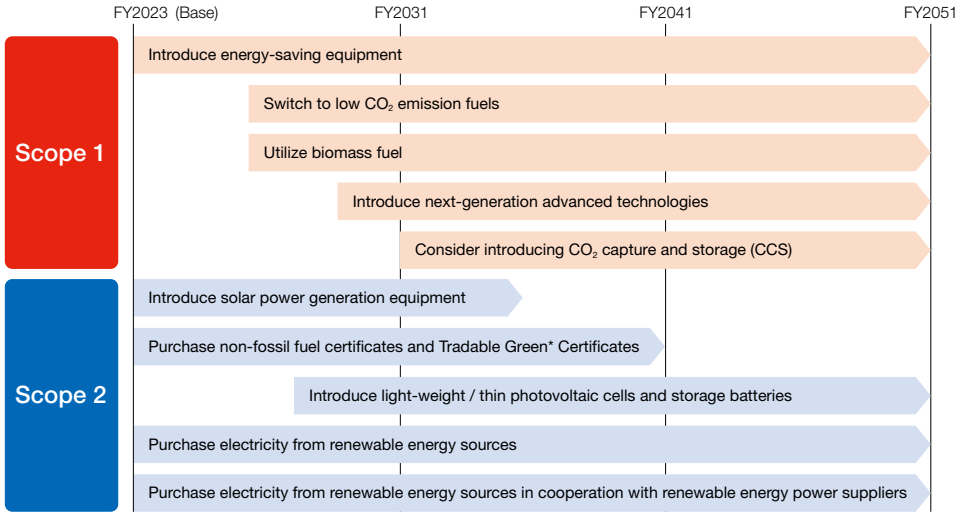
Scope 3 Downstream	
9. Downstream logistics	6
10. Processing of products sold	127
11. Use of products sold	40
12. Disposal of products	73
13. Downstream leases	6
14. Franchise	Outside the scope of calculation
15. Investment	15
Total	268

* Total figures may differ due to rounding.
* The calculation method was changed to the following for Category 1 and Category 4 to enable more precise calculation of Scope 3 emissions:
- Category 1; For approximately 30% of emissions, the type of activity data used for the calculation was changed from procurement value to procurement weight.
- Category 4; Distance data used in emission calculations was changed from average distance to transport distances closer to actual conditions.

Roadmap for 2050

The Nichirei Group has formulated a roadmap to achieve the Carbon Neutral Declaration. In the future, while diversifying our methods in addition to the conventional methods, we will work to reduce emissions more steadily and aim to achieve effectively zero emissions.





* Tradable Green: Electricity generated from renewable energy sources such as biomass, solar power and wind power. It refers to trading the reduction of CO_2 emissions due to such renewable energy-derived electricity in the form of tradable certificates.

Climate Change

Scope 1 Scope 2 Initiatives to Reduce Emissions

Switching Energy Sources

The Nichirei Group is promoting initiative to switch to energy sources with lower CO_2 emissions. While switching to electricity derived from renewable energy sources with zero CO_2 emissions, we are promoting initiatives to shift to electrification and switch to fuels that produce low amounts of CO_2 when generating electricity or heat used for frying and baking on food factory production lines.

Switching to Renewable Energy Sources for Generating Electricity	In FY2025, we achieved an 11 percentage-point increase compared with FY2024. This was mainly due to progresses in the installation of solar power generation equipment and the introduction of off-site PPA.

Electricity from Renewable Energy Sources in Japan

FY2023	FY2024	FY2025
9%	22%	33%

* Percentage of renewable energy in electricity consumption in Japan

Utilizing Electricity Generated from Solar Power

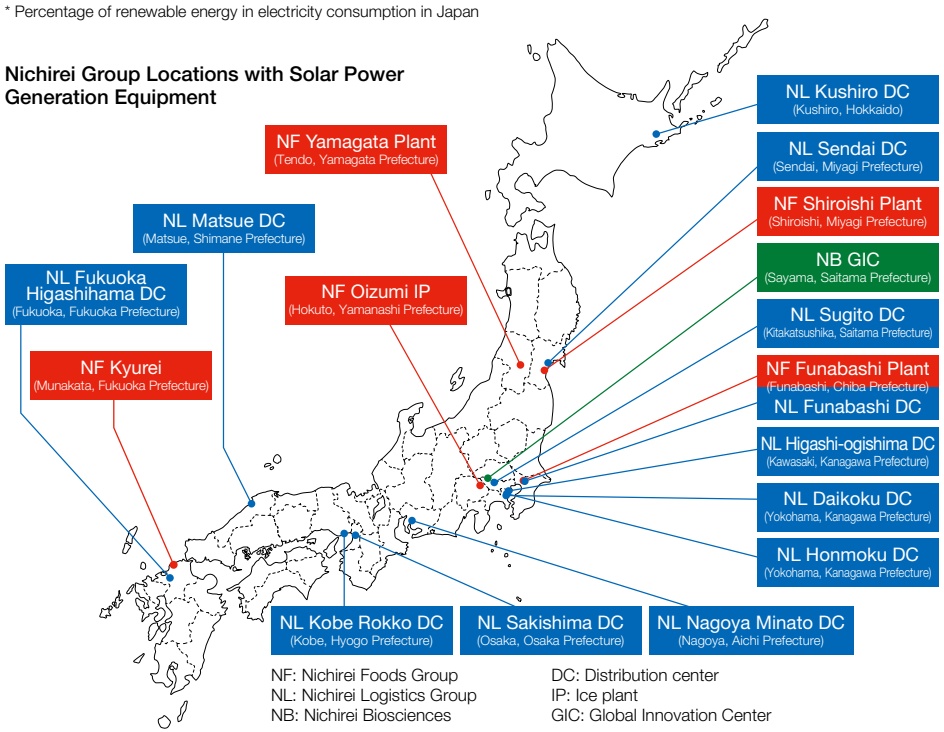
The Nichirei Group is installing solar power generation equipment on the premises of food factories and on the rooftops of refrigerated distribution warehouses. As of March 31, 2025, seventeen Nichirei Group facilities in Japan had installed solar power equipment that generated 6,798 MWh of electricity and reduced CO_2 emissions by 2,876 tons.

In addition, through our intranet we are also sharing information such as locations that have installed solar panels and daily power generation volume to help increase employees' interest in renewable energy and CO_2 emissions reduction.

Solar Power Generation and CO_2 Emissions Reduction

Year of installation	FY2022	FY2023	FY2024	**FY2025**
No. of locations where installed (Cumulative total)	10	11	15	**17**
Solar power generated (MWh)	2,974	3,201	4,268	**6,798**
CO_2 emissions reduction (Tons)	1,408	1,429	1,842	**2,876**

Nichirei Group Locations with Solar Power Generation Equipment



NF: Nichirei Foods Group
NL: Nichirei Logistics Group
NB: Nichirei Biosciences
DC: Distribution center
IP: Ice plant
GIC: Global Innovation Center

Scope 3 Initiatives to Reduce Emissions

In FY2025, we reviewed the calculation method to enable more precise calculation of emissions as a way to build the foundation for reducing emissions (▸Page 60). As Category 1 accounts for approximately 80% of Scope 3, we believe it is essential to work with suppliers to reduce emissions. We will promote active dialogue with suppliers and encourage them to reduce emissions.

Addressing Climate Change (TCFD)

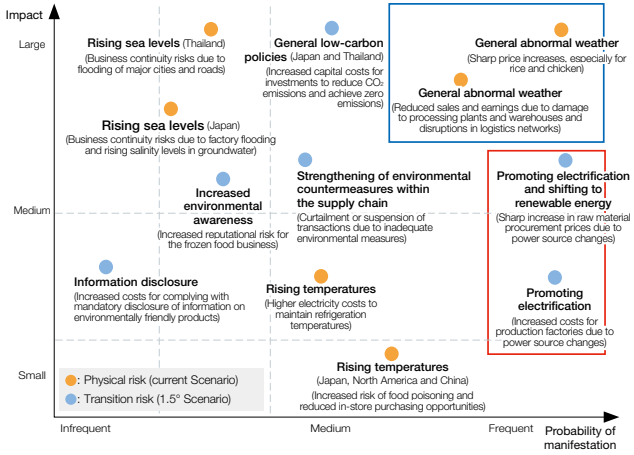
The impact of climate change is getting increasingly severe year by year, and extreme weather events and natural disasters, for which climate change is said to be one of the causes, occur frequently. For the Nichirei Group, which engages in business by harnessing the blessings of nature, we recognize that this is an important social issue and a threat to business continuity.

We regard climate change initiatives as one of the Group Material Matters (Materiality) and are actively working to resolve social issues related to climate change. In addition to appropriately addressing risks posed by changes in the external environment resulting from climate change, we will consider and appropriately disclose multiple scenarios that also incorporate the assumption of new business opportunities.

Strategy

In the first phase (during FY2025), we reevaluated our scenario analyses and financial impact assessments for transition risk associated with carbon and energy price regulations, referring to important risks and opportunities by scenario that had been identified in FY2021. Also, we reevaluated physical risks in the second phase.

Probability of Risk Manifestation vs. Impact (FY2021 Actual)



Risk Assessment Overview

Target fiscal years	FY2031 and FY2051	
	Phase 1	Phase 2
Risk type	Transition risk	Physical risk
Reference scenario	IEA WEO2023・ETP2023	IPCC AR5
Assessment items	Carbon and energy pricing regulations	Flooding and high tides / Drought / Water stress / Rising temperatures (Raw materials)

Metrics and Targets

Group KPIs	FY2025 Results	FY2026 Plans	FY2031 Targets
Reduction in CO_2 emissions (Compared with FY2023; Scope 1 and 2 in Japan and overseas)	-9%	-16%	-42%
Reduction in CO_2 emissions (Compared with FY2023; Scope 3 in Japan and overseas)	— *	—	-25%

* The rate of reduction compared with the base year is indicated as "—" because the baseline figure of FY2023 after the impact of boundary changes is under calculation.

Addressing Transition Risk

For details of the assessment results of transition risk, please refer to "Nichirei Group Integrated Report 2024."

Addressing Climate Change
https://www.nichirei.co.jp/sites/default/files/inline-images/english/ir/integrated/pdf/nichirei_IntegratedReport2024_TCFD.pdf

Addressing Physical Risk

We have summarized physical risk based on the climate change scenario analysis as follows.

Acute risks	Flooding, high tides, and typhoons	• Crop failure due to drought • Flooding of sites and disruptions of the supply chain due to floods
Chronic risks	Rising temperatures, water stress and rising sea levels	• Constant occurrence of crop failures due to rising temperatures • Flooding of coastal sites due to rising sea levels

Based on these results, we are considering the following future initiatives.

- Risk management through system introduction
- Survey of carbon prices in procurement areas and understanding of physical risk

Utilization of the Climate Change Risk Prediction System of Weathernews Inc.

- Ascertain and analyze changes in the risk of events such as floods and high tides due to the impact of climate change for each year from the current state to 2100, for each climate change scenario on a site-by-site basis
- Utilize for risk assessment for the existing sites and prior risk assessment for new sites, M&A and suppliers

Image by courtesy of: Weathernews Inc.

Conserving Biodiversity (TNFD)

The Nichirei Group is engaged in a wide variety of businesses globally, centered on food, and our business is dependent on the blessings of the Earth generated from biodiversity, including agricultural, livestock, and fishery resources. We depend heavily on the natural capital and ecosystem services that the Earth provides, and we recognize that our business activities impact these resources in a variety of ways. The Group is therefore implementing initiatives to conserve biodiversity and use natural capital sustainably.

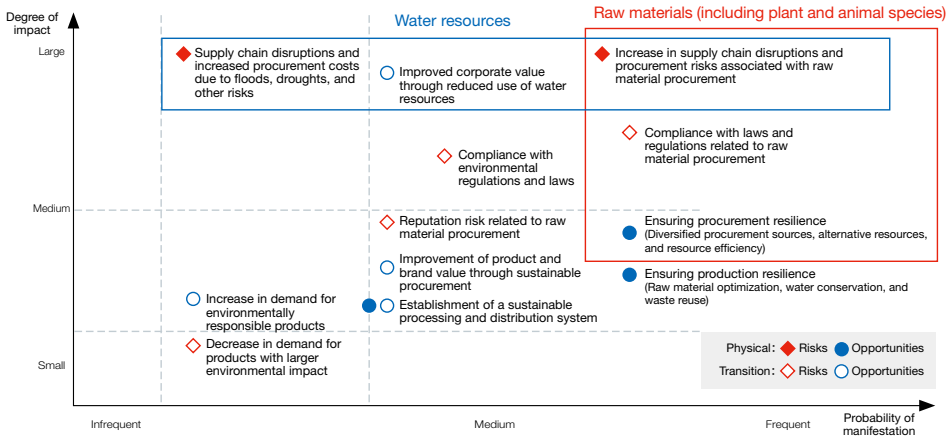
Strategy

Given the Nichirei Group's dependence and impact on natural capital, we conducted an assessment in accordance with the LEAP approach advocated by the TNFD to understand nature-related risks and opportunities for our businesses. This analysis covers our upstream value chain encompassing regions where we procure raw materials, as well as the direct operations of all 202 Nichirei Group business sites. Drawing on the results of this assessment, we identified water resources as the most important risk common to the Group, and have begun to implement specific initiatives, starting with sites with high water stress. We will continue to conserve and restore biodiversity from perspectives including water resources and agricultural, livestock and fishery resources.

Dependence on Nature in Business Activities and Evaluation Thereof / Identify Risks and Opportunities in the Value Chain
https://nichirei.disclosure.site/en/themes/167

Identify High-priority Risks and Opportunities

We assessed the importance of identified risks and opportunities, with due consideration of the probability of manifestation and the impact on Group businesses, and identified items that may have a large financial impact on our businesses as risks and opportunities for the Nichirei Group.



Metrics and Targets

We have established metrics and targets for the conservation of biodiversity and water resources as a measure for realizing sustainable food procurement and a circular economy, one of the Group's material matters. (April 2024)

Group Measures	We will work to conserve biodiversity and water resources through business activities that take biodiversity into account.
Group KPIs	• Initiatives to reduce water consumption at sites with high water stress • Initiatives to restore biodiversity, including the conservation of plant and animal species, at Nichirei Group sites and Company-owned land

Initiatives in FY2026

Support for Activities to Protect Endangered Atsumorisou (Cypripedium Macranthos orchids)

The Nichirei Group has been participating in activities to conserve and restore Cypripedium macranthos orchids, including Cypripedium macranthos var. macranthos, since FY2004 as it had been engaging in research and breeding of horticultural plants such as orchids of Western origin in Fujimi-machi, Nagano Prefecture. We succeeded in getting Cypripedium macranthos var. macranthos to bloom through artificial breeding in 2014, and for as many as 32 plants in FY2020.

In February 2019, Nagano Prefecture, Fujimi-machi, the Fujimi-machi Atsumorisou Regeneration Committee, and the Company concluded the "Biodiversity Conservation Partnership Agreement," under which we provide technologies required for the conservation and restoration of Cypripedium macranthos orchids and fund some of the expenses necessary for the activities.

In May 2025, we extended the term of the Biodiversity Conservation Partnership Agreement. We will continue our efforts to conserve and restore Cypripedium macranthos orchids.

Ceremony for signing the Biodiversity Conservation Partnership Agreement
Photo by courtesy of: Nagano Nippo Co, Ltd.

Resource Recycling

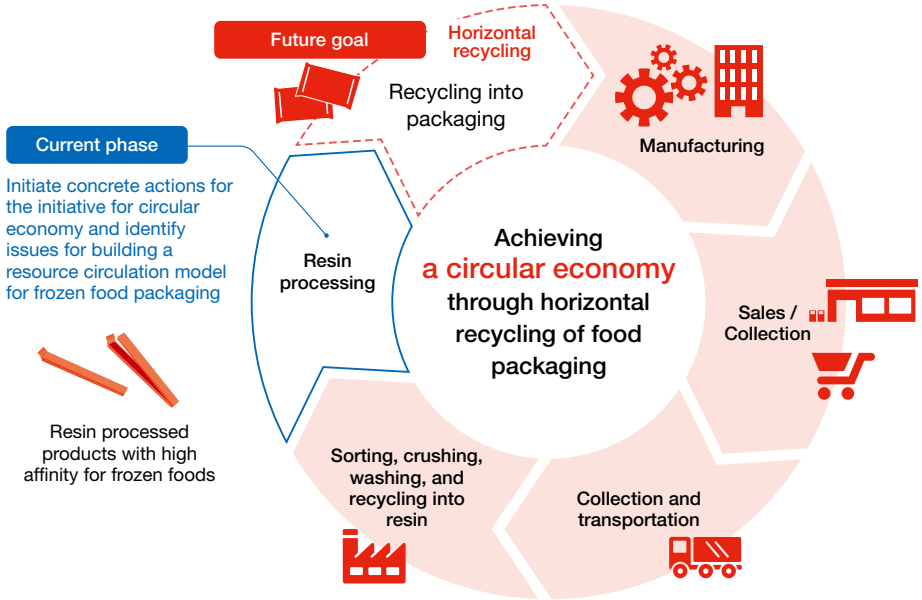
As one of the Nichirei Group's material matters (Materiality), we set out "realizing sustainable food procurement and a circular economy," based on which we have established targets. We are actively promoting activities to reduce and recycle food residue and waste generated as part of our business activities.

Recycling of Household-use Frozen Food Packaging (Film) Collected at Stores

Nichirei Foods, in cooperation with AMITA CORPORATION, Ito-Yokado Co., Ltd., and TOPPAN Inc. (listed in alphabetical order), is conducting a demonstration test through which frozen food packaging (film) is collected at stores and the collected plastic is recycled into plastic products such as clips.

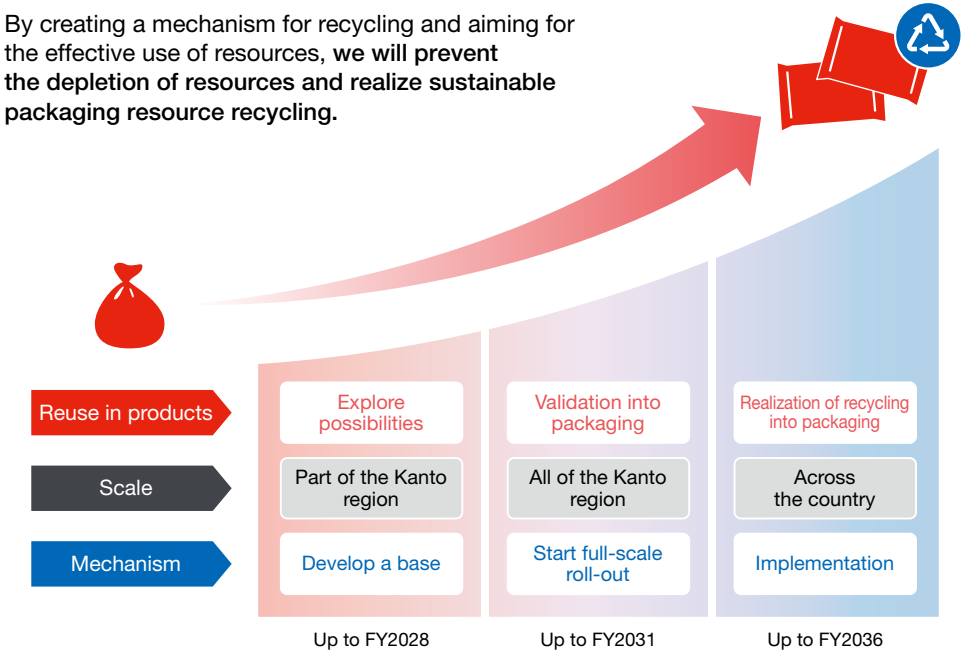
In the demonstration trial, frozen food packaging (film) that has been washed and dried in advance by consumers at home is collected at Ito-Yokado stores, to validate not only a technology for recycling used frozen food packaging (film) but also optimal communication methods with consumers and efficient collection schemes.

Image of the Demonstration Trial



Future Vision

By creating a mechanism for recycling and aiming for the effective use of resources, **we will prevent the depletion of resources and realize sustainable packaging resource recycling.**



Human Rights

The Nichirei Group is working to build a supply chain that pays due consideration to human rights and the environment into consideration, and conducts human rights due diligence, with the aim of "Realizing sustainable food procurement and a circular economy," one of the Group Material Matters (Materiality).

1 Human Rights Policy

2 Human Rights Risk Assessment
Identify potential involvement in negative human rights impacts in the Company and its supply chain

Human Rights Impact Assessment
Assess the possibility of risks manifesting and their severity in terms of scale, scope, and difficulty of rectification

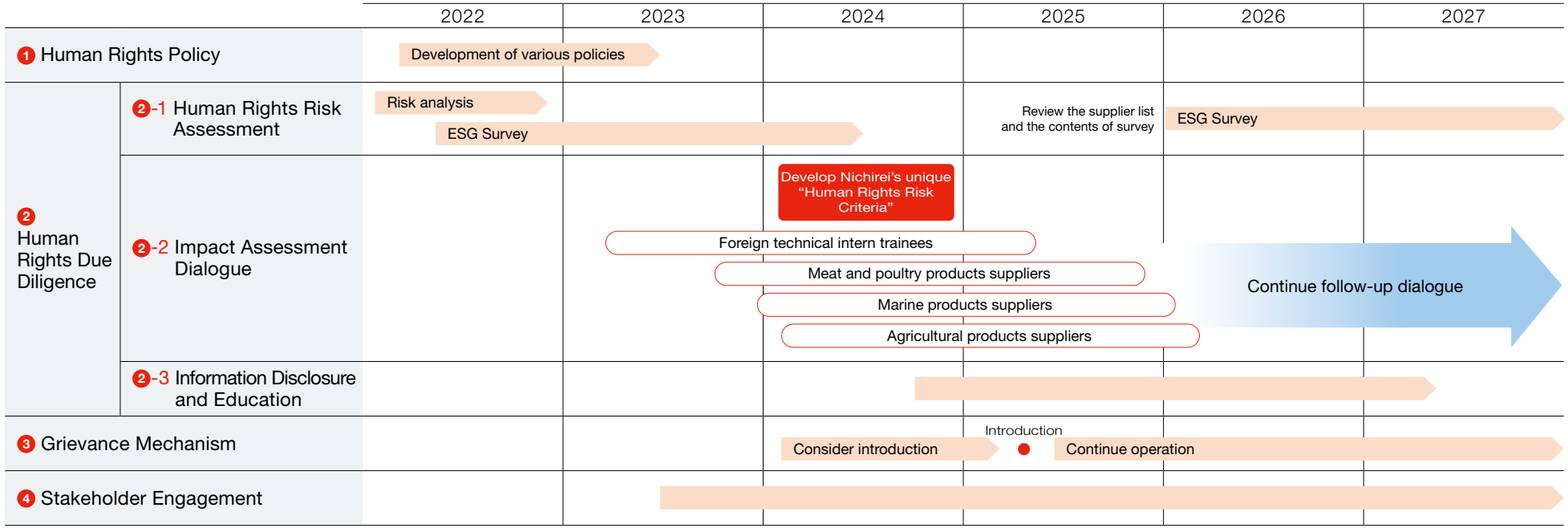
Information Disclosure
Report the status of actions to address negative human rights impacts and results thereof

Follow-up Dialogue
Follow up to see if actions are appropriate and there are any concerns

3 Grievance Mechanism Establish a grievance mechanism to provide a channel for relief for victims

4 Stakeholder Engagement

History of Human Rights Initiatives and Future Roadmap



Human Rights

❶ Human Rights Policy

The Nichirei Group has established the Nichirei Group Human Rights Policy. In addition, we have formulated the Sustainable Procurement Policy, Supplier Code of Conduct and Supplier Guidelines, and aim to realize a sustainable supply chain by sharing values and building close cooperative relationships with our suppliers.

Nichirei Group Human Rights Policy https://www.nichirei.co.jp/english/corpo/management/humanrightspolicy.html

Nichirei Group Sustainable Procurement Policy https://www.nichirei.co.jp/english/sustainability/social/supplychain/supply.html

Nichirei Group Supplier Code of Conduct https://www.nichirei.co.jp/english/sustainability/social/supplychain/regulation.html

Nichirei Group Supplier Guidelines https://www.nichirei.co.jp/english/sustainability/social/supplychain/guideline.html

❷ Human Rights Due Diligence

❷-1 Human Rights Risk Assessment

■ Human Rights Violation Risks That the Nichirei Group Should Pay Attention to

We use the human rights risk database of Verisk Maplecroft to identify human rights violation risks that the Group should be aware of, prioritize our responses, and conduct human rights impact assessment.

		Main human rights violation risks	Main countries of production and raw material procurement
Japan	Production factories (Raw materials in general)	・Appropriate working hours ・Issues concerning foreign technical interns	—
	Logistics industry	・Appropriate working hours	—
Overseas	Agricultural products	・Appropriate working hours ・Fair wages ・Discrimination in the workplace ・Migrant labor and forced labor ・Freedom of association and collective bargaining	China, United States, Thailand, Brazil, Ecuador, and Vietnam
	Meat and poultry products		Thailand, Mexico, Brazil, Spain, China, Australia, United States, and Canada
	Marine products		Indonesia, United States, China, Russia, Mauritania, Morocco, Vietnam, Thailand, Canada, and Norway

■ ESG Survey

Since FY2023, the Nichirei Group has been conducting a Supplier ESG Survey in Japan and overseas. We ask suppliers to support the Nichirei Group Supplier Code of Conduct and Supplier Guidelines and to answer a self-assessment questionnaire so we can confirm the status of their initiatives. The questions are comprised of those pertaining to legal compliance and ethical conduct; human rights and labor; health and safety; environment; management; and corporate governance related to sustainability.

FY2024 (Results)	FY2025 (Results)	FY2026
Support rate 99% (Main domestic suppliers and OEMs)	Support rate 98% (Main domestic and overseas suppliers and OEMs)	Review the supplier list and the contents of survey

❷-2 Impact Assessment Dialogue

Human Rights Due Diligence for Foreign Technical Interns and Specified Skilled Workers

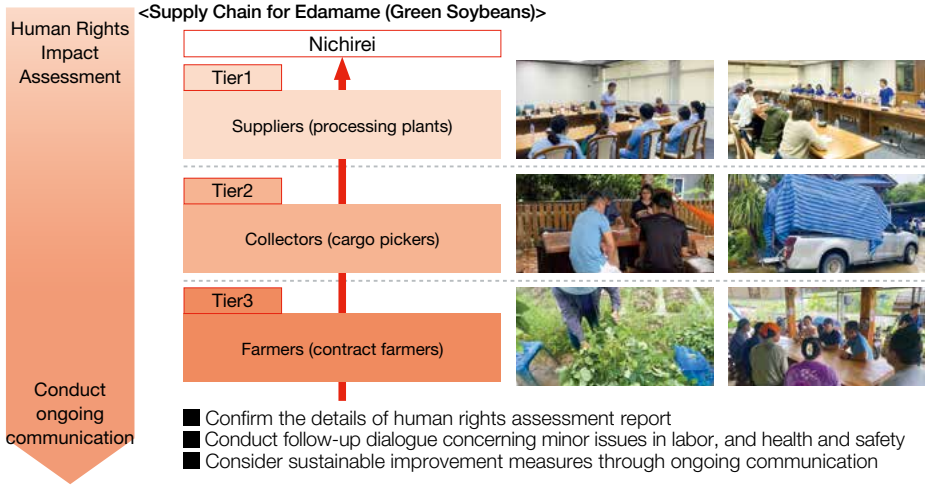
The Nichirei Group provides various forms of support to foreign technical interns it accepts at its food factories in Japan, such as arranging their living environment, offering safety training and providing language support, to ensure that interns can live safe, healthy and fulfilling lives, both mentally and physically.

With respect to the issues identified through the interviews conducted with foreign technical interns with the support of NPO Caux Round Table Japan in October and November 2022, we have taken steps to improve conditions, such as installing personal lockers in intern residences and reimbursing the expenses interns paid in their home countries during their recruitment. As a result of those efforts, the numbers of those who continue to work in the Nichirei Group as specified skilled workers after completing technical intern training, and those who newly join the Group, have been on the rise.

Interview at a food factory

Human Rights Due Diligence Initiatives with Overseas Suppliers

In addition to overseas marine products suppliers covered up to FY2024, we expanded the scope to include overseas agricultural products suppliers (edamame (green soybeans) suppliers in Thailand) in FY2025. A human rights impact assessment was conducted by NPO Caux Round Table Japan, accompanied by the Company's staff. The assessment covers not only processing plants but also suppliers such as cargo pickers and farmers that are further upstream. While no serious human rights violations, such as forced labor and child labor, were identified, a follow-up dialogue is planned to address issues identified in labor, and health and safety. We consider sustainable improvement measures through ongoing communication.



Human Rights

❷-3 Information Disclosure and Education

■ Human Resource Development Related to Human Rights Due Diligence

The Nichirei Group has sustainability divisions in place at the holding company and major operating companies. We have clarified the roles of those in charge of sustainability at operating companies and provide specialized training such as human rights impact assessment.

FY2025-FY2026 Training Results

	Date(s) of training	Purpose/Theme	Instructor	Participants
Training for those in charge of impact assessment	November 13 and 14, 2024	To gain deeper knowledge on social audits and learn key points and techniques for audits	Koji Tagami Principal CSR Auditor, LRQA Sustainability K.K.	11 persons
Training for those in charge of grievance mechanisms	May 23, 2025	To capture and respond to risks arising from human rights issues on the part of suppliers	Kengo Nishigaki Representative Partner at GI&T Law Office, Attorney in New York State	11 persons

Training for those in charge of impact assessment

Training for those in charge of grievance mechanisms

❸ Grievance Mechanism

The Nichirei Group has been operating an internal whistleblower hotline and consultation service (Nichirei Hotline) since October 2003 to allow employees to report and seek advice on actions that violate laws, regulations, the Articles of Incorporation, or internal rules, including human rights violations, as well as actions that raise social or ethical concerns. Also in July 2025, as a grievance mechanism, we set up and started operating the "Supplier and Stakeholder Human Rights Hotline," which enables employees of the Nichirei Group's business partners and suppliers who have suffered from human rights violations to report details thereof directly to the Company, either personally or through a representative.

Supplier and Stakeholder Human Rights Hotline
https://www.nichirei.co.jp/english/inquire

❹ Stakeholder Engagement

The Nichirei Group believes that human rights issues in the supply chain cannot be solved by an individual company alone, and that cooperation and dialogue with diverse stakeholders involved in/related to its business activities are essential.

We have been participating in the Nippon CSR Consortium, a stakeholder engagement program run by NPO Caux Round Table Japan since FY2019. Through dialogue with companies, NGOs/NPOs, and academic experts, we gain a deeper understanding of the importance of business activities that take human rights into consideration, and identify important human rights issues in each industry. In June 2024, we exchanged opinions with Dignity in Work for All (DIWA), an international NPO that aims to resolve human rights issues for workers, on human rights issues in supply chains and how to make improvements on an ongoing basis. We promote a cycle of human rights due diligence, from identification of human rights risks to prevention, mitigation and redress, through cooperation with various stakeholders in addition to our suppliers and other business partners.

Dialogue with NPO promoting solving human rights issues for workers

Participation in the Nippon CSR Consortium sponsored by NPO Caux Round Table Japan

Providing Safe Products and Services (Quality Assurance)

Basic Philosophy

Fundamental Policies on Quality Assurance
https://www.nichirei.co.jp/english/safety/policies.html

Ongoing Support for Daily Routines

In accordance with its Management Principles, the Nichirei Group's fundamental policies on quality assurance aim to ensure the quality and safety of the food products and services it provides, to prevent consumer health hazards, as well as to maintain and improve Company-wide quality management and assurance standards, and ensure customer satisfaction.

Fundamental Policies on Quality Assurance

(1) Compliance with legal requirements regulating food products.
(2) Compliance with norms and standards defined by industry groups.
(3) Recognition of customer and partner needs regarding food safety and security, as well as making efforts to continue to enhance the Group-wide quality management and assurance capabilities.
(4) Incorporation of food safety measures, food crisis management, steps to ensure food defense, and food fraud prevention initiatives to protect consumer health.

Quality Assurance Approach and Improvement Cycle

Management System

The Nichirei Group has established systems to properly manage and maintain the quality of the products and services it delivers at designated levels. We have established rules and standards for quality control and quality assurance, and perform internal audits and monitoring inspections based on our quality management standards to ensure that the Group's quality management system is functioning effectively.

The Nichirei Group Quality Assurance System

Proactive Adoption of International Standards for Quality Control

To evaluate and verify that management is being conducted in accordance with our fundamental policies on quality, we are actively promoting the introduction of the internationally recognized Food Safety Management System (FSMS) and working to strengthen our quality assurance system while providing safe products and services.

FSMS Certification Status

Operating companies	Certified worksites					Target worksites	Certification rate[5]
	FSSC22000[1]	ISO22000[2]	SQF[3]	BRCGS[4]	Total		
Nichirei Foods	21	–	–	–	21	21	100%
Nichirei Fresh	3	2	–	1	6	6	100%
Nichirei Logistics Group	–	–	2	–	2	2	100%

1 Developed by the Foundation FSSC (Netherlands) based on ISO 22000. 2 Established by the International Organization for Standardization (Switzerland), based on ISO 9001. 3 Established by FMI, The Food Industry Association in the United States, based on hazard analysis and critical control points (HACCP) methodology and good manufacturing practice (GMP). 4 Established by British Retail Consortium (BRC; United Kingdom) based on HACCP methodology and ISO 9001 5 Certification rate (%) = No. of certified worksites ÷ Total no. of worksites of consolidated subsidiaries in Japan and overseas (food factories, processing centers, etc.).

Providing Safe Products and Services (Quality Assurance)

Building a Traceability System

In order to always provide safe, secure, and high-quality food, Nichirei Foods not only carries out thorough quality control and inspections covering from raw materials to products, but also have built traceability systems that are fit for the characteristics of each product. Enhancing traceability will make it possible to, in the event of an accident, prevent damage from spreading and quickly identify the cause. We also provide accurate and prompt information to dispel customer concerns. For agricultural processed products, in particular, we have built a mechanism that allows you to not only track the manufacturing history from the code symbols printed on product packages, but also track the cultivation history by farms.

Building traceability requires coordination and collaboration between the raw material supply side and the manufacturing side in the supply chain. We hold regular study meetings to gain a deeper, shared understanding of quality information.

Quality Control of Frozen Vegetables Produced in China: A Mechanism Enabling Tracking Back to Farms from Product Packaging

① Management of Certified Farms

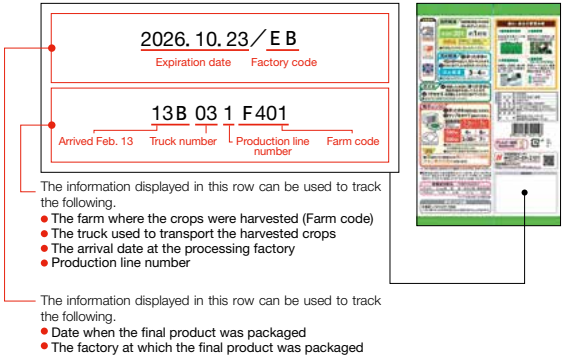
Raw materials used in frozen vegetables produced in China are cultivated at a production factory's own farms or contracted farms. We do not procure from the general market where it is difficult to check and trace cultivation management. We also check the appropriateness of cultivation records and growth status.

② Cultivation Management (Pesticide Management System)

We stipulate the selection and use of agricultural chemicals based on Nichirei Foods' guidelines, and our field workers monitor the dilution and spraying of agricultural chemicals to prevent the use of excess agricultural chemicals and their introduction into Japan.

③ Pesticide Residue Inspection System

Inspection on pesticide residues is conducted in three stages: before harvesting of raw materials used, semi-finished products after processing and freezing, and products at the time of import. We also work to improve the skills of on-site inspectors.



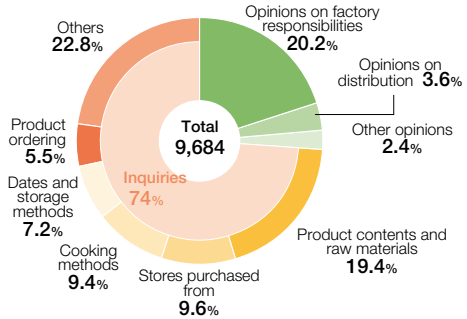
④ Traceability Management

We have built the "Traceback System" through which code symbols are printed on product packages to enable tracking and management of the entire process from cultivation to processing of raw materials. When transporting raw materials, a person in charge checks the quantity of raw materials, the status of pollution prevention measures, the departure time of trucks, etc., and prepares an invoice. At a factory, a person in charge of receiving raw materials checks against the invoice and then manages raw materials by truck number with labels. Trace code labels are in place at each step of the line during processing. Raw materials are processed in the order that they arrive at a factory, and raw materials from different production areas are separated. This enables tracing of management records, etc. kept by a factory using the code symbols of a product, should a problem occur, and would enable us to investigate the cause and prevent the problem from spreading or reoccurring.

Initiatives of the Customer Service Center

Nichirei Foods Customer Service Center receives much feedback from customers, including comments, opinions, questions and compliments, every day. We strive to improve customer satisfaction by responding promptly and appropriately to feedback received, which would lead to improvements in points that we did not notice at the development stage, thereby contributing to further improvement of quality.
In addition, customer feedbacks are disseminated to the people concerned within the Nichirei Group every week, enabling employees who do not belong to divisions directly in charge to check contents as well.

Breakdown of Customer Feedback in 2024



Cases of Improvement Made

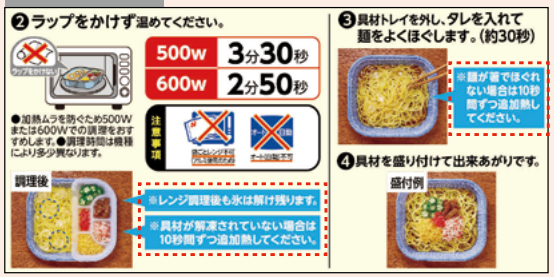
Comments from Customers

It is not clear how the meal should look after cooking, which makes me wonder if additional heating is necessary

Change in Display

Information on what kind of state indicates that cooking is complete is provided.
In addition, what kind of state indicates that additional heating is necessary, and how much additional heating is necessary is also described.

Previous Display



New Display

Stakeholder Engagement

The Nichirei Group engages in global business activities, and as such recognizes the importance of maintaining dialogue with its diverse stakeholders. We work to promote understanding of our business through various methods of communication with stakeholders and by disclosing information. The Group works to enhance corporate value by reflecting the expectations and concerns of stakeholders in its business activities to establish long-term relationships of trust.

Related Material Matters (Materiality)

1. Creating new value in food and health
2. Strengthening food processing and production technology capabilities; enhancing logistics services
3. Realizing sustainable food procurement and a circular economy
4. Climate change initiatives
5. Securing and developing a diverse array of human resources

	Relationship with Stakeholders	Expectations and Interests	Communication Channels	Outcomes	Related Capital	Related Material Matters
Customers	Customers who use the Nichirei Group's products and services. By responding to the needs of diverse customers while providing new value, we will contribute to good eating habits and health.	• Creation of new value • Provision of safe, high-quality products and services • Realization of good eating habits and health • Provision of appropriate information • Sustainability initiatives	• Day-to-day sales and business activities • Customer Service Center • Customer satisfaction surveys • Website • Social media • Fan meetings	• Solutions to customer issues through promotion of innovation	• Social and Relationship Capital	1 2
Shareholders and Investors	The providers of financial capital for the Nichirei Group. Through dialogue and information disclosure, we gain their support for our sustainable growth.	• Enhancement of corporate value • Appropriate distribution of profits • Timely and appropriate disclosure of information • ESG initiatives	• General Shareholders Meeting • Financial results briefings • Facility tours • Detailed interviews with individual investors in Japan and overseas • IR website, ESG website • Integrated Report	• Improvement in long-term corporate value	• Financial Capital	1 2 3 4 5
Business Partners	The suppliers who do business with the Nichirei Group, including suppliers of raw materials and commercial products; OEMs to which it outsources manufacturing; and third parties to which it outsources logistics services, such as transportation and cargo handling. They are important partners for co-creating value, and we build long-term relationships of trust with them for mutual growth.	• Impartial, fair, and honest transactions • Initiatives to improve quality • Formation of long-term, constructive relationships and mutual development premised on coexistence and co-prosperity • Realization of sustainable procurement throughout the supply chain	• Day-to-day procurement and business activities • Meetings and seminars for business partners • Nichirei Group Supplier Code of Conduct and Supplier Guidelines, and the implementation of Supplier ESG Survey • Initiatives for improving quality through communication	• Mutual growth with partners • Sustainable food procurement • Realization of a circular economy • Climate change initiatives	• Social and Relationship Capital • Natural Capital	1 2 3 4

Stakeholder Engagement

	Relationship with Stakeholders	Expectations and Interests	Communication Channels	Outcomes	Related Capital	Related Material Matters
Employees	Nichirei Group employees are indispensable for creating value and producing safe, high-quality products and services. We respect the diversity of our employees, and strive to ensure occupational health and safety and to provide fair treatment and opportunities for personal development. We also strive to increase engagement by continuously improving the workplace to enable every employee to thrive.	• Occupational health and safety • Health management • Improvement of work satisfaction • Opportunities for employees to develop and fully demonstrate their skills • DE&I • Respect for diversity	• Establishment of internal whistleblower hotlines • Establishment of EAP, employee assistance and mental health consultation center • Labor–management council • Health and Safety Committee • Symposiums involving management and employees • Employee award system • Intranet • Employee engagement survey • Employee stress checks	• Success of diverse human resources	• Intellectual Capital • Human Capital	5
Local Communities	As a member of society, the Nichirei Group contributes to the development of local communities and helps resolve social issues through dialogue and by thinking and acting together with a broad range of stakeholders. In addition to creating local employment through our businesses, we consider local communities and their environment and promote coexistence.	• Coexistence with local communities • Preservation of local environments • Educational activities in local communities • Contribution to job creation and local community development • Consideration for the environment and noise levels, and safe operations	• Social contribution activities • Participation in local events • Volunteer activities • Dietary education activities (ethical consumption) • Food factory and distribution warehouse tours • Sponsorship of sporting events • Website • Operation of a nursery school	• Coexistence with local communities • Sustainable food procurement • Realization of a circular economy • Climate change initiatives	• Social and Relationship Capital • Natural Capital	3 4 5
Trade Organizations, NGOs, NPOs, and Related Initiatives	By actively participating in trade organization conferences and other events, the Nichirei Group collaborates with other companies to help resolve issues. We also work to resolve such issues by collaborating and cooperating with various NGOs and NPOs in Japan and abroad.	• Human rights • Climate change • Preservation of the global environment • Food loss and food waste • Sustainable procurement • Resolution of industry issues through collaboration	• The TCFD Consortium • Japan Frozen Foods Association • The TNFD Forum • Japan Association of Refrigerated Warehouses • Japan Fisheries Association • World Wide Fund for Nature • Roundtable on Sustainable Palm Oil • Caux Round Table Japan • The Consumer Goods Forum • The UN Global Compact	• Solutions to social issues through collaboration	• Social and Relationship Capital	3 4

Message from Outside Directors

Understanding that strengthening of governance will contribute to protecting both the company and individuals, and raising risk sensitivities

Kenji Hamashima Outside Director

There was a misconduct by a former employee discovered at Nichirei Corporation Shanghai Ltd., a Chinese subsidiary of Nichirei Foods. We analyzed its cause, and formulated and announced recurrence prevention measures.

Outline of the case

We received a report from an employee of Nichirei Corporation Shanghai on suspected misconduct by X, its chairman at around the end of March 2024, and conducted an internal investigation. The investigation discovered that X had established his own company which would compete with Nichirei Corporation Shanghai. He not only had expenses incurred by his own company to be paid by Nichirei Corporation Shanghai but also engaged in activities, such as making agreements with business partners involving financial burdens and debt guarantees using fraudulent methods including forged documents, causing losses to the Nichirei Group.

Background to establishing the investigation committee

We had launched an investigation, led by the internal executive side, however in response to strong requests from Outside Directors and Audit & Supervisory Board members, the Board of Directors decided to drastically review the structure of the investigation committee. The reason is that, in light of the nature of the case, investigation needed to be conducted from a more neutral standpoint, and the investigation committee was comprised of a majority of external persons, chaired by myself. In addition to ensuring transparency and fairness, it was also intended to get the executive side to recognize the importance of governance once again.

Findings by the investigation committee

After careful investigation, it was concluded that it was a selfish misconduct to satisfy X's self-interests. At the same time, the case brought to the surface weaknesses in governance of the company's organization all at once, prompting executives, including top management, to reflect seriously. Main points of the findings by the investigation committee are as follows.

① **Unclear criteria for appointing executives at the Chinese subsidiary**
X had been in charge of the Chinese subsidiary for a long time, and Nichirei Foods, the parent company, evaluated X only on business performance.

② **Deficiencies in governance at the Chinese subsidiary**
Inadequacy of the auditing system on the Japanese side and management left to the local subsidiary allowed X to act in his sole discretion without authorization.

③ **Ineffective audit and monitoring system**
There were deficiencies in misconduct prevention measures and lack of a mechanism to respond promptly after discovery.

④ **Inadequacy and operational failure of the internal reporting system**
The internal reporting system was not functioning adequately.

Efforts for the future

As recurrence prevention measures, a total of six items, including clarification of appointment criteria for executives at overseas subsidiaries, and strengthening management involvement by core companies and the holding company. I see that we have established a system based on the perspective of the entire Group, as well as a quarterly monitoring system, without stopping at merely superficial measures, and evaluate the recurrence prevention measures positively to a certain degree. On the other hand, from the perspective of effectiveness, I feel that we are only halfway there, and it is essential to take additional actions as appropriate while monitoring the effects.

Increasing the overseas sales ratio to 40% in 2035 is at the core of the growth strategy of the Company. However, it cannot be overlooked to expand the overseas sales ratio while we are as is. The Company is partly to be blamed for overlooking an employee to behave in an arrogant manner and engage in misconduct. It is necessary to understand that strengthening governance contributes to protecting both companies and individuals. In addition to efforts for constant improvements, inside and Outside Directors must raise their risk sensitivities, monitor on an ongoing basis, and commit to stakeholders that we will grow in a sounder manner to increase corporate value.

Message from Outside Directors

A year of bold decisions toward the long-term vision — with focus on monitoring during the implementation phase ahead

Yukiko Yoshimaru Outside Director

Q: How do you look back on the past year, and what discussions do you intend to have going forward?

One competency I have recognized in the Company is its strong commitment to achieving short-term business performance. At the same time, I view the past year as a turning point: ahead of the launch of the new medium-term business plan, the Company shifted its course toward bold initiatives that take a long-term perspective, anticipating changes in the business environment. In simulating both the long-term management goal and the new medium-term business plan, I believe the Company gained the resolve and confidence to take this new course through intensive discussions in off-site workshops and repeated deliberations at the Board of Directors. We are now entering the implementation phase. To ensure that the various plans do not remain merely aspirational, I will monitor their steady execution as we navigate the challenges of rapid changes in the business environment and other difficulties.

Q: What are you focusing on in the long-term management goal "N-FIT 2035" and the new medium-term business plan?

The areas I particularly focus on are: group synergies, strengthening overseas business, and reinforcing the Group's management foundation to underpin these efforts. Among them, "strengthening the Group's management foundation" is the cornerstone of sustainable growth in achieving the long-term management goal and the new medium-term business plan. Because reinforcing the management foundation requires investment, it may sometimes be viewed as an increase in short-term costs and therefore avoided or postponed. However, long-term growth can only be realized when the necessary systems and resources are in place. I intend to closely oversee the steady implementation of the growth investment plan. As for "strengthening overseas business," developing global operations without a solid foundation would expose the Company to significant risks. It is therefore essential to establish a robust organizational structure and allocate sufficient resources. In particular, I see an urgent need to secure and develop global management talent, as well as to promote talent exchanges that maximize group synergies. I will continue to monitor these efforts closely.

Q: How do you evaluate the promotion of diversity, and what changes are needed?

I find it encouraging that the entire Group is working earnestly on diversity initiatives. At the same time, with the launch of the long-term management goal and the new medium-term business plan, I have asked the Group to once again reaffirm the significance of promoting diversity in achieving these goals. How does the promotion of diversity contribute to the sustainable enhancement of the Nichirei Group's corporate value, particularly as it seeks growth in global markets? For example, how should we interpret the term "diversity"? Some may equate it with "increasing the number of female managers," or with "work–life balance." However, promoting diversity is not an end in itself, but rather a means to realize management strategies. The creation of new value is said to be possible only through diversity. Competitive advantage in global markets, as well as Group synergies, can only be realized through organizational management that maximizes the capabilities of a diverse workforce. This is precisely what is meant by "diversity management." The entire organization must acquire high-level diversity management capabilities, which will directly support the Group's management strategies. Diversity promotion, therefore, serves as the means to this end. I look forward to further progress toward realizing our vision, with senior management, middle management, and each and every employee fully internalizing its significance.

Message from Outside Directors

Advancing 'solid, steady, and sincere' initiatives to develop practical and sustainable solutions.

Yumi Yamaguchi Outside Director

Q: How do you look back on the past year and what kind of discussions do you intend to have in the future?

In the first half of the year, our main discussion themes were strategies for sustainable growth, and 'synergies' between each business. As we seek to develop Nichirei's overseas businesses, one critical issue is how to leverage our uniqueness of having both 'Food' and 'Logistics'. We need to globally identify what kind of synergies should be realized in each region.

In the latter half of the year, we tackled the misconduct case in China. Primarily, the individual who committed it was to be blamed, to be sure, but we needed to face the fact that the system and mechanism in place were not effective enough to prevent it from happening. We started intensive discussion in order to build effective preventive measures. Determination to stop any misconduct has been shared among us, and we have been reviewing various cases and continuing heavy discussion on recurrence prevention measures and necessary governance framework. I see this as a reflection of Nichirei's sincere corporate culture.

Q: What is your assessment of Nichirei's DX strategy?

Generally speaking, there are various aspects in DX, such as improving operational efficiency, automating factories, and creating new businesses and values. Nichirei has been actively promoting many DX initiatives. Nichirei has made big progress in such areas as streamlining various administrative processes including preparing meeting minutes and building a human resources platform; deploying a 'fried rice de-char robot' in food factories; and initiating to systematically reduce truck drivers working hours.

What I regard as a particular strength of Nichirei DX is its approach of not leaving the matter solely to specific departments or experts, but encouraging each and every employee to make full use of digital technologies. There exists a DX community within the Company with more than 4,000 employees actively participating in it. Each individual has a strong will to play a role in DX and to improve the organization and society as a whole through new digital technologies. I have high expectations for impact that Nichirei DX will bring and will continue to support various initiatives and related activities in Nichirei.

Q: What do you think about Nichirei's response to climate change?

There are various interrelated aspects in sustainability issues, and specialization in every field is advancing rapidly so that deep expertise is becoming more and more indispensable for every company.

What I particularly value in Nichirei's response is that the Company has internalized considerable degree of specialized analyses that are often outsourced in many corporations. As a result, the sustainability policy measures in Nichirei are tailored to each business and grounded in operational reality. Furthermore, specialized knowledge is accumulated within the Company to facilitate a bird's-eye view throughout the whole Company.

Environmental issues are fundamentally difficult to monetize. However, through our efforts rooted in the field, Nichirei has begun to identify potential concrete opportunities and to translate them into positive economic value. Progress is being made step by step.

Looking ahead, the key challenge will be addressing these issues at a global level as Nichirei expands its overseas business. I expect Nichirei to continue advancing 'solid, steady, and sincere' initiatives to develop practical and sustainable solutions.

Officer Career Summaries

(As of June 30, 2025, with the number of shares owned as of June 17, 2025)

Please click the link below for detailed officer profiles.
https://www.nichirei.co.jp/english/corpo/outline

Directors

Kenya Okushi

Representative Director, President & Chief Executive Officer

Significant concurrent positions outside the Company:
■ Chairman, Japan Association of Refrigerated Warehouses

Years in office	8*
Number of the Company's shares owned	891 (Hundreds of shares)

* 6 since being appointed representative director in 2019

Apr. 1988 Joined Nichirei
Apr. 2011 General Manager of Business Coordination Division, Nichirei Foods Inc.
Apr. 2013 General Manager of Strategic Planning Division, the Company
Jun. 2014 Executive Officer; General Manager of Strategic Planning Division, the Company
Jun. 2015 Director, Managing Executive Officer; in charge of Brand Promoting Division, Human Resources Division, Business Administration Division, Business Promoting Division, Imported Products Procurement Strategy Division, and International Business Division; General Manager of Strategic Planning Division, Nichirei Foods Inc.
Apr. 2017 Representative Director, President, Nichirei Foods Inc.
Jun. 2017 Director, Executive Officer, the Company
Apr. 2018 Director, Executive Officer; in charge of Strategic Planning Division, the Company
Apr. 2019 Representative Director, President & Chief Executive Officer, the Company (to the present)
May 2020 Chairman, Japan Frozen Food Association
Jun. 2025 Chairman, Japan Association of Refrigerated Warehouses (to the present)

Masahiko Takenaga

Director, Senior Executive Officer

Significant concurrent positions outside the Company:
■ Representative Director, President, Nichirei Foods Inc.

Years in office	6
Number of the Company's shares owned	610 (Hundreds of shares)

Apr. 1989 Joined Nichirei
Apr. 2013 General Manager of Brand Promoting Division, Nichirei Foods Inc.
Apr. 2015 Executive Officer; General Manager of Manufacturing Strategy Division, and General Manager of Manufacturing Administration Division, Manufacturing Division, Nichirei Foods Inc.
Apr. 2016 Executive Officer; Executive General Manager of Consumer Brand Division, Nichirei Foods Inc.
Apr. 2017 Managing Executive Officer; Executive General Manager of Consumer Brand Division, Nichirei Foods Inc.
Jun. 2018 Director, Managing Executive Officer, Nichirei Foods Inc.
Apr. 2019 Representative Director, President, Nichirei Foods Inc. (to the present)
Jun. 2019 Director, Executive Officer, the Company
Apr. 2023 Director, Senior Executive Officer, the Company (to the present)

Wataru Tanabe

Director, Senior Executive Officer

Significant concurrent positions outside the Company:
■ Representative Director, President, Nichirei Fresh Inc.

Years in office	4
Number of the Company's shares owned	288 (Hundreds of shares)

Apr. 1992 Joined Nichirei
Sep. 2009 Representative Director, President, Nichirei Fresh Farm Inc.
Apr. 2019 Executive Officer, General Manager of Strategic Planning Division, Nichirei Fresh Inc.
Jun. 2020 Director, Executive Officer, General Manager of Strategic Planning Division, Nichirei Fresh Inc.
Apr. 2021 Representative Director, President, Nichirei Fresh Inc. (to the present)
Jun. 2021 Director, Executive Officer, the Company
Apr. 2023 Director, Senior Executive Officer, the Company (to the present)

Kenji Suzuki

Director, Senior Executive Officer, Chief Financial Officer

Executive General Manager of Corporate Management Headquarters, in charge of Accounting & Tax Division, Finance Division, Public Relations & Investor Relations Division, Human Resources Development Division, Legal Department Division, Corporate Internal Audit Division, Quality Assurance Division, and Real Estate Division

Years in office	3
Number of the Company's shares owned	206 (Hundreds of shares)

Apr. 1991 Joined Nichirei
Apr. 2019 General Manager of Finance Division, the Company
Apr. 2021 Executive Officer; General Manager of Business Management Division, and General Manager of Finance Division, the Company
Feb. 2022 Executive Officer; in charge of Accounting & Tax Division, General Manager of Business Management Division, General Manager of Finance Division, the Company
Jun. 2022 Director, Executive Officer; Executive General Manager of Corporate Management Headquarters, in charge of Accounting & Tax Division, Management Business Division and Real Estate Division, General Manager of Finance Division, the Company
Apr. 2024 Director, Senior Executive Officer; Executive General Manager of Corporate Management Headquarters, in charge of Accounting & Tax Division, Public Relations & Investor Relations Division, Human Resources Development Division, Corporate Internal Audit Division, Quality Assurance Division and Real Estate Division, General Manager of Finance Division, the Company
Apr. 2025 Director, Senior Executive Officer; Executive General Manager of Corporate Management Headquarters, in charge of Accounting & Tax Division, Finance Division, Public Relations & Investor Relations Division, Human Resources Development Division, Legal Department Division, Corporate Internal Audit Division, Quality Assurance Division and Real Estate Division, the Company (to the present)

Yuichi Takaku

Director, Senior Executive Officer

Executive General Manager of Strategy Headquarters, in charge of IT Strategy Division, Sustainability Strategy Division, Innovation Planning & Development Division, and Diversity Promotion Division, General Manager of Strategic Planning Division

Years in office	2
Number of the Company's shares owned	206 (Hundreds of shares)

Apr. 1994 Joined Nichirei
Apr. 2012 Seconded to Nichirei Holding Holland B.V., Nichirei Logistics Group Inc.
Apr. 2018 General Manager of Strategic Planning Division, Nichirei Logistics Group Inc.
Apr. 2021 Executive Officer; in charge of IT Strategy Division, General Manager of Strategic Planning Division, the Company
Apr. 2023 Senior Executive Officer; in charge of IT Strategy Division and Sustainability Promotion Division, General Manager of Strategic Planning Division, the Company
Jun. 2023 Director, Senior Executive Officer; in charge of IT Strategy Division and Sustainability Promotion Division, General Manager of Strategic Planning Division, the Company
Apr. 2024 Director, Senior Executive Officer; Executive General Manager of Strategy Headquarters, in charge of IT Strategy Division, Sustainability Strategy Division and Diversity Promotion Division, General Manager of Strategic Planning Division, General Manager of Innovation Planning & Development Division, the Company
Apr. 2025 Director, Senior Executive Officer; Executive General Manager of Strategy Headquarters, in charge of IT Strategy Division, Sustainability Strategy Division, Innovation Planning & Development Division and Diversity Promotion Division, General Manager of Strategic Planning Division, the Company (to the present)

Kazunori Shimamoto

Director, Senior Executive Officer

Significant concurrent positions outside the Company:
■ Representative Director, President, Nichirei Logistics Group Inc.

Years in office	1
Number of the Company's shares owned	60 (Hundreds of shares)

Apr. 1996 Joined Nichirei
Apr. 2014 Shanghai Representative Office, Nichirei Logistics Group Inc.
Apr. 2017 General Manager, Bangkok Representative Office, Nichirei Logistics Group Inc.
Apr. 2020 General Manager of Sales Strategy Division, Nichirei Logistics Group Inc.
Apr. 2021 Executive Officer; General Manager of Strategic Planning Division, General Manager of Sales Strategy Division, Nichirei Logistics Group Inc.
Jun. 2023 Director, Executive Officer; General Manager of Strategic Planning Division, General Manager of Sales Strategy Division, Nichirei Logistics Group Inc.
Apr. 2024 Representative Director, President, Nichirei Logistics Group Inc. (to the present)
Jun. 2024 Director, Senior Executive Officer, the Company (to the present)

Officer Career Summaries

Outside Directors

Mana Nabeshima

Outside Director

Significant concurrent positions outside the Company:
- Representative Director, Wakiaiai Co., Ltd.
- Outside Director, The Chiba Bank, Ltd.

Years in office	4
Number of the Company's shares owned	59 (Hundreds of shares)

Aug. 1991 Joined Citibank, N.A., Tokyo Branch
Oct. 2000 Joined Goldman Sachs Japan Co., Ltd.
Jan. 2015 Joined DBS Bank Ltd.
Aug. 2016 Representative Director and CEO, DBS Securities (Japan) Co., Ltd.
Sep. 2016 Country Head of Japan, DBS Bank Ltd.
Jan. 2020 Executive Officer; Head of Sales, HiJoJo Partners Inc.
Jul. 2020 Vice Chairman, DIGITAL GRID Corporation (to the present)
Dec. 2020 Representative Director, Wakiaiai Co., Ltd. (to the present)
Jun. 2021 Outside Director, the Company (to the present)
Jun. 2025 Outside Director, The Chiba Bank, Ltd. (to the present)

Itsuo Hama

Outside Director

Significant concurrent positions outside the Company:
- Outside Director, Nissan Chemical Corporation

Years in office	3
Number of the Company's shares owned	19 (Hundreds of shares)

Apr. 1977 Joined Lion Fat & Oil Co., Ltd. (current Lion Corporation)
Mar. 2008 Director; Executive General Manager of Household Products Division, Lion Corporation
Jan. 2009 Director; Executive General Manager of Household Products Division; responsible for Advertising Department, Behavioral Science Research Institute, Distribution Policy and Customer Development Department, Lion Corporation
Mar. 2010 Managing Director; Responsible for Health Care Products Division, Household Products Division, Gift and Channel-Specific Products Division, Advertising Department, Behavioral Science Research Institute, Distribution Policy and Customer Development Department, Lion Corporation
Jan. 2012 Representative Director, President, Executive Officer, Chief Operating Officer; responsible for Risk Management, Lion Corporation
Mar. 2016 Representative Director, President and CEO, Chairman of the Board of Directors, Executive Officer, Lion Corporation
Jan. 2019 Representative Director, Chairman of the Board of Directors, Chief Executive Officer, Lion Corporation
Mar. 2022 Representative Director, Chairman of the Board of Directors, Lion Corporation
Jun. 2022 Outside Director, the Company (to the present)
Mar. 2023 Executive Advisor, Lion Corporation (to the present)
Jun. 2025 Outside Director, Nissan Chemical Corporation (to the present)

Kenji Hamashima

Outside Director

Significant concurrent positions outside the Company:
- Outside Director, Takamatsu Construction Group Co., Ltd.

Years in office	3
Number of the Company's shares owned	58 (Hundreds of shares)

Apr. 1982 Joined Ushio, Inc.
Apr. 1999 Director, President, CEO, Ushio America, Inc.
Nov. 2000 Director, President, CEO, Christie Digital Systems, Inc.
Apr. 2004 Senior Group Executive Officer, Ushio, Inc.
Apr. 2007 Group Managing Executive Officer, Ushio, Inc.
Jun. 2010 Director, Senior Managing Executive Officer, Ushio, Inc.
Apr. 2014 Representative Director, Senior Executive Vice President, Ushio, Inc.
Oct. 2014 Representative Director, Chief Executive Officer, Ushio, Inc.
Apr. 2019 Corporate Advisor, Ushio, Inc.
Apr. 2020 Special Counselor, Ushio, Inc. (to the present)
Jun. 2020 Outside Director, Inabata & Co., Ltd.
Jun. 2022 Outside Director, Audit and Supervisory Committee Member, Inabata & Co., Ltd.
Outside Director, the Company (to the present)
Jun. 2024 Outside Director, Takamatsu Construction Group Co., Ltd. (to the present)

Yukiko Yoshimaru

Outside Director

Significant concurrent positions outside the Company:
- Outside Director, Sekisui House, Ltd.
- Outside Director, Daiwabo Holdings Co., Ltd.

Years in office	1
Number of the Company's shares owned	13 (Hundreds of shares)

Apr. 1982 Joined Oki Electric Industry Co., Ltd.
Apr. 1998 Director, Oki America Inc., Head, New York Office, Oki Electric Industry Co., Ltd.
Oct. 2004 General Manager, Diversity Development Office, Nissan Motor Co., Ltd.
Apr. 2008 Joined Nifco Inc.
Jun. 2011 Executive Officer, Nifco Inc.
Apr. 2018 Outside Director, Sekisui House, Ltd. (to the present)
Jun. 2019 Outside Director, Mitsui Chemicals, Inc.
Jun. 2021 Outside Director, Daiwabo Holdings Co., Ltd. (to the present)
Jun. 2024 Outside Director, the Company (to the present)

Yumi Yamaguchi

Outside Director

Significant concurrent positions outside the Company:
- Outside Director, Mitsui O.S.K. Lines, Ltd.

Years in office	1
Number of the Company's shares owned	5 (Hundreds of shares)

Apr. 1983 Joined Ministry of Transport (currently Ministry of Land, Infrastructure, Transport and Tourism)
Apr. 2001 Director of TF for 2002 FIFA World Cup International Passengers Transportation, Policy Bureau, Ministry of Land, Infrastructure, Transport and Tourism
Aug. 2005 Director of Logistic Facilities Industries Division, Policy Bureau, Ministry of Land, Infrastructure, Transport and Tourism
Jul. 2006 Vice-Governor, Okayama Prefecture
Jul. 2014 Senior Vice Commissioner, Japan Tourism Agency, Ministry of Land, Infrastructure, Transport and Tourism
Oct. 2015 Executive Advisor, Corporate Planning & Strategy Division, Mitsui & Co., Ltd.
Apr. 2016 Managing Officer, Mitsui & Co., Ltd. President & CEO, Mitsui Global Strategic Studies Institute
Jul. 2020 Managing Officer; Deputy Chief Strategy Officer, Deputy Chief Digital Information Officer, Mitsui & Co., Ltd.
Apr. 2023 Executive Advisor, Mitsui & Co., Ltd.
Jun. 2024 Outside Director, Mitsui O.S.K. Lines, Ltd. (to the present)
Outside Director, the Company (to the present)

Officer Career Summaries

Audit & Supervisory Board Members

Tetsuro Katabuchi
Audit & Supervisory Board Member

Years in office	3
Number of the Company's shares owned	22 (Hundreds of shares)

Apr. 1987 Joined Nichirei
Apr. 2005 Group Leader, Legal Affairs Support, Group Legal Affairs Service Division, Nichirei Proserve Inc.
Apr. 2011 Manager of Business Management Support Department, Nichirei Proserve Inc.
Apr. 2013 General Manager of Legal Affairs, the Company
Apr. 2022 Corporate Management Headquarters, the Company
Jun. 2022 Audit & Supervisory Board Member, the Company (to the present)

Kenji Yanagisawa
Audit & Supervisory Board Member

Years in office	New appointment
Number of the Company's shares owned	0 (Hundreds of shares)

Apr. 1986 Joined Nichirei
Jul. 1986 Foreign Trade Department No.1, Foreign Trade Division, the Company
Dec. 1987 Seconded to Nichirei Corporation of Americas
Nov. 1996 Seconded to Ina Bakery Corporation
Jan. 2000 Manager of Strategic Planning Division, the Company
Apr. 2005 Seconded to Nichirei Holding Holland B.V.
Apr. 2014 General Manager of Finance & Investor Relations Division, Group Leader of Investor Relations, the Company
Apr. 2017 Executive Officer; General Manager of Business Administration Division, Nichirei Fresh Inc.
Jun. 2021 Company Auditor, Nichirei Fresh Inc.
Jun. 2025 Audit & Supervisory Board Member, the Company (to the present)

Yuhiko Saito
Outside Audit & Supervisory Board Member

Significant concurrent positions outside the Company:
■ Attorney

Years in office	6
Number of the Company's shares owned	46 (Hundreds of shares)

Apr. 1983 Appointed Public Prosecutor
Sep. 2012 Director-General of the Rehabilitation Bureau, Ministry of Justice
Jul. 2014 Chief Prosecutor, Kyoto District Public Prosecutors Office
Apr. 2015 Chief Prosecutor, Yokohama District Public Prosecutors Office
Sep. 2016 Superintending Prosecutor, Takamatsu High Public Prosecutors Office
Mar. 2017 Superintending Prosecutor, Hiroshima High Public Prosecutors Office
Jan. 2018 Retired from office
Mar. 2018 Registered as an attorney (Dojima Law Office) (to the present)
Jun. 2019 Outside Audit & Supervisory Board Member, the Company (to the present)

Takaaki Kato
Outside Audit & Supervisory Board Member

Significant concurrent positions outside the Company:
■ Outside Director, KANDENKO CO., LTD.

Years in office	1
Number of the Company's shares owned	2 (Hundreds of shares)

Apr. 1980 Joined The Fuji Bank, Limited (currently Mizuho Bank, Ltd.)
Mar. 2005 General Manager, Hong Kong Branch, Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.)
Apr. 2008 Executive Officer, Mizuho Securities Co., Ltd.
Apr. 2009 Managing Executive Officer, Mizuho Securities Co., Ltd.
Apr. 2011 Managing Executive Officer, Mizuho Securities Co., Ltd., Chairman, Mizuho Securities Asia Limited
Apr. 2013 Managing Executive Officer, KYB Corporation
Jun. 2015 Member of the Board of Directors, Senior Managing Executive Officer, KYB Corporation
Jun. 2017 Representative Director, Executive Vice President Executive Officer, KYB Corporation
Jun. 2023 Corporate Advisor, KYB Corporation
Jun. 2024 Outside Audit & Supervisory Board Member, the Company (to the present) Outside Director, Kandenko Co., Ltd. (to the present)

Hiromichi Matsushima
Outside Audit & Supervisory Board Member

Years in office	1
Number of the Company's shares owned	4 (Hundreds of shares)

Apr. 1982 Joined Ministry of Agriculture, Forestry and Fisheries
May 1999 Counselor, The Permanent Mission of Japan to the International Organizations in Geneva, Ministry of Foreign Affairs
Oct. 2003 Director, Milk and Dairy Products Division, Livestock Industry Department, Agricultural Production Bureau, Ministry of Agriculture, Forestry and Fisheries
Jul. 2005 Director, Regional Products and Industrial Crops Division, Agricultural Production Bureau, Ministry of Agriculture, Forestry and Fisheries
Oct. 2006 Director, Administration Division, Agriculture, Forestry and Fisheries Research Council Secretariat, Ministry of Agriculture, Forestry and Fisheries
Jul. 2007 Director, Personal Division, Minister's Secretariat, Ministry of Agriculture, Forestry and Fisheries
Jan. 2010 Director for Research Coordination, Policy Research Institute, Ministry of Agriculture, Forestry and Fisheries
Aug. 2011 Counselor (Environment and International Affairs), Minister's Secretariat, Ministry of Agriculture, Forestry and Fisheries
Apr. 2013 Director-General, International Affairs Department, Minister's Secretariat, Ministry of Agriculture, Forestry and Fisheries, Counsellor, Cabinet Secretariat
Jul. 2014 Director General, Agricultural Production Bureau, Ministry of Agriculture, Forestry and Fisheries
Aug. 2015 Deputy Director-General for Agriculture, Forestry and Fisheries, Ministry of Agriculture
Jul. 2019 Advisor, Ministry of Agriculture, Forestry and Fisheries
Sep. 2020 Ambassador Extraordinary and Plenipotentiary to the Republic of Slovenia
Jun. 2024 Outside Audit & Supervisory Board Member, the Company (to the present)

Executive Officers

Hideo Yokoi
Senior Executive Officer

Significant concurrent positions outside the Company:
■ Representative Director, President, Nichirei Biosciences Inc.

Takuji Okugawa
Executive Officer

General Manager of Quality Assurance

Jouji Sakaguchi
Executive Officer

General Manager of IT Strategy

Emi Kataoka
Executive Officer

In charge of General Affairs Division and Human Resources Planning Division, General Manager of Diversity Promotion

Corporate Governance

https://www.nichirei.co.jp/english/corpo/governance

Basic Policy and Structure

Activities Aimed at Strengthening the Nichirei Group's Corporate Governance Structure
https://nichirei.disclosure.site/en/themes/189#sec1035_01-2

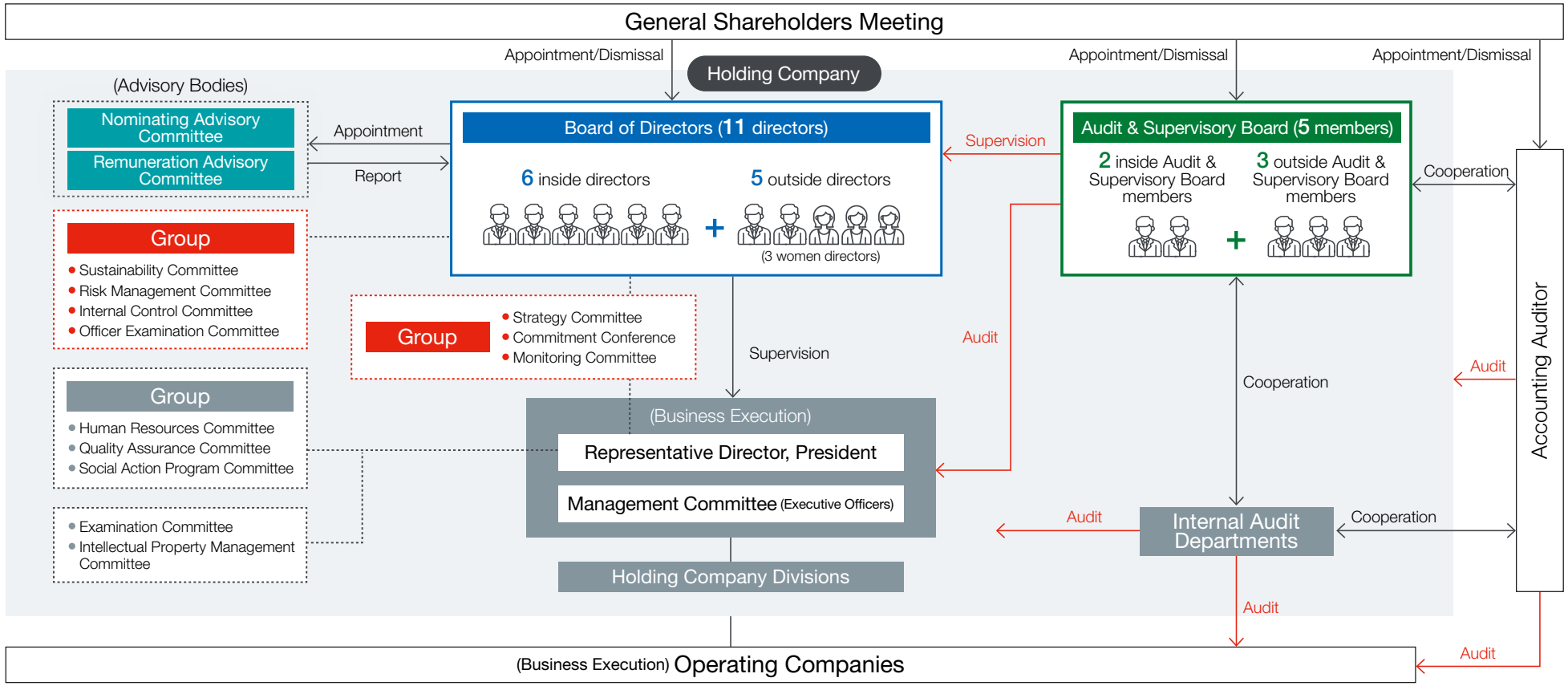
Under the holding company structure, Nichirei Group's operating companies engage in a wide range of businesses, including processed foods, marine, meat and poultry products, temperature-controlled logistics, and biosciences. In pursuit of sustainable growth and the enhancement of corporate value over the medium to long term, the Company's Board of Directors formulates Group strategies and supervises the business execution of operating companies.

The holding company adheres to the principles of the Corporate Governance Code and views the achievement of fair and transparent management as an important management issue. Accordingly, under the supervision of the Board of Directors, we will continue to strengthen corporate governance by promoting appropriate resource allocation, speeding up decision-making and ensuring thorough compliance.

In addition, we have established ourselves as a company with an Audit & Supervisory Board system, an institutional design specified in the Companies Act of Japan.

Support System for Outside Directors (Outside Audit & Supervisory Board Members) /Policy for Training Directors and Audit & Supervisory Board Members
https://nichirei.disclosure.site/en/themes/189#sec1035_13

Corporate Governance Structure (As of June 25, 2025)



Corporate Governance

Group Human Resources Committee

Number of meetings held in FY2025: 2 Chairperson Kenji Suzuki Director, Senior Executive Officer, Chief Financial Officer

Under a basic policy of creating an employee-oriented workplace and promoting diversity and health management, the committee works to create new value by improving work satisfaction through the monitoring of human resource policies and health promotion initiatives at Group companies, sharing information about effective measures, and promoting cross-departmental development.

Group Quality Assurance Committee

Number of meetings held in FY2025: 2 Chairperson Takuji Okugawa Executive Officer

The committee works to achieve the product and service quality expected by customers and society.

Group Social Action Program Committee

Number of meetings held in FY2025: 1 Chairperson Yutaka Karino Senior Executive Officer

The committee promotes social contribution activities that are unique to the Nichirei Group, such as education on food and logistics and contribution to local communities and environmental protection, as a good corporate citizen, by leveraging the business characteristics of Group companies.

Management Committee

Number of meetings held in FY2025: 19 Chairperson Kenya Okushi Representative Director, President & Chief Executive Officer

The committee works to maximize the Nichirei Group's corporate value by discussing matters other than those to be resolved by the Board of Directors, as well as matters to be deliberated on before resolution by the Board.

Group Sustainability Committee

Number of meetings held in FY2025: 4 Chairperson Kenya Okushi Representative Director, President & Chief Executive Officer

The committee deliberates on efforts to realize a sustainable society and works to maximize the Nichirei Group's corporate value by balancing social and economic value.

Group Risk Management Committee

Number of meetings held in FY2025: 2 Chairperson Kenya Okushi Representative Director, President & Chief Executive Officer

The committee uses the most appropriate and rational methods to comprehensively manage uncertainties that could damage the Nichirei Group's corporate value.

Group Internal Control Committee

Number of meetings held in FY2025: 1 Chairperson Kenya Okushi Representative Director, President & Chief Executive Officer

The committee supports the business operations of Group companies and improves efficiency by establishing, operating, monitoring and improving internal control systems at each Group company.

Group Officer Examination Committee

Number of meetings held in FY2025: 1 Chairperson Consulting lawyer

The committee ensures the fairness of rewards and punishments for directors and executive officers of the holding company and four core operating companies.

Group Strategy Committee

Number of meetings held in FY2025: 2 Chairperson Kenya Okushi Representative Director, President & Chief Executive Officer

The committee works to maximize the Nichirei Group's corporate value through deliberation and decision-making on strategies and quantitative targets for the medium to long term or the next fiscal year, for the holding company and four core operating companies.

Group Commitment Conference

Number of meetings held in FY2025: 1 Chairperson Kenya Okushi Representative Director, President & Chief Executive Officer

The conference works to maximize the Nichirei Group's corporate value by clarifying and making decisions related to the next fiscal year's management policy and budget for the holding company and four core operating companies, and through the promotion of Group-wide efforts to achieve management targets.

Group Monitoring Committee

Number of meetings held in FY2025: 3 Chairperson Kenya Okushi Representative Director, President & Chief Executive Officer

The committee works to maximize the Nichirei Group's corporate value by monitoring the status of business execution, budgets, and the progress of the "check and act" part of the PDCA cycle for each Group company. In this way, it ensures the holding company and four core operating companies fulfill their responsibilities regarding matters to be reported.

Note: The four core operating companies are Nichirei Foods Inc., Nichirei Logistics Group Inc., Nichirei Fresh Inc., and Nichirei Biosciences Inc.

Corporate Governance

Overview of Board of Directors

Composition	11 directors (5 outside directors)
Number of Meetings in FY2025	20*
Description of Operations	Promotes proper allocation of Group resources, swift decision-making and thorough compliance through supervision of the Group's strategy planning and business execution of operating companies. After discussion by the Group Strategy Committee, which meets twice a year, the Board of Directors formulates and approves the Group's strategies and conducts quarterly checks of the status of implementation at each Group business. It also engages in highly effective supervision of executive directors and executive officers.

* In addition to the above number of the Board of Directors meetings held, there were two resolutions in writing which are deemed to be resolutions by the Board of Directors pursuant to Article 370 of the Companies Act and Article 26 of the Company's Articles of Incorporation.

Overview of Audit & Supervisory Board

Composition	5 Audit & Supervisory Board members (3 Outside Audit & Supervisory Board members)
Number of Meetings in FY2025	16
Description of Operations	As a body that is independent from the Board of Directors, the Audit & Supervisory Board communicates with directors, internal audit departments, the Corporate Internal Audit Division and other divisions of the holding company in accordance with the annual audit policy and audit plan, to gather information and prepare the audit environment.

Overview of Nominating Advisory Committee and Remuneration Advisory Committee and Main Deliberations Thereof

	Nominating Advisory Committee	Remuneration Advisory Committee
Chairperson	Itsuo Hama Outside Director	Kenji Hamashima Outside Director
Role	Advisory body to the Board of Directors, made up of outside directors and the Representative Director, President Discusses the suitability of candidates for senior management and directors/Audit & Supervisory Board members, as well as the succession plan, and reports its findings to the Board of Directors.	Advisory body to the Board of Directors, made up of outside directors and the Representative Director, President Discusses the remuneration system, remuneration levels, the reasonableness of remuneration amounts for officers, and other related matters, and reports its findings to the Board of Directors.
Number of Meetings in FY2025	8 meetings (including 1 meeting held in writing)	7 meetings (including 1 meeting held in writing)
Main Deliberations	• Succession planning - Updating the roadmap - Implementing the succession plan • Skill Matrix • New structure for the next fiscal year • CxO structure and human resources requirements	• Payment of basic remuneration, performance-linked bonuses and stock compensation • Setting targets for the current year's performance-linked bonuses • Verifying the reasonableness of officer remuneration levels and composition • Revising evaluation indicators for performance-linked bonuses in line with the new Medium-term Business Plan • Revising remuneration structure for Representative Director, President

Specific Deliberations at Board of Directors Meetings

In pursuit of sustainable growth and enhancement of corporate value over the medium to long term, the Company's Board of Directors formulates the Group's strategies and supervises the execution of business at operating companies. Specific matters discussed during FY2025 were as follows. Additionally, the details of discussions on items in bold are included.

Management Strategies	Review of Vision for 2030 for Group Material Matters (Materiality), Group measures, and targets (KPIs)
Financial Strategy	Shareholder returns (acquisition of treasury shares / special dividends) and stock splits
Long-term Management Goal and Medium-term Business Plan	Progress, evaluation and review of the medium-term business plan "Compass Rose 2024," and formulation of **the new long-term management goal "N-FIT (Nichirei Future Innovative Tactics) 2035" and the new medium-term business plan "Compass × Growth 2027"**
Sustainability	Group Material Matters (Materiality), "realizing sustainable food procurement and a circular economy" and "climate change initiatives," and ESG index evaluation and issues
Governance	**Strengthening of governance in response to misconduct at the Company's Chinese subsidiary**, and activities of the Nominating Advisory Committee and Remuneration Advisory Committee
Business Strategies	Reorganization of functions for the integration of food business

Agenda	Description
Formulation of the new long-term management goal "N-FIT 2035" and the new medium-term business plan "Compass × Growth 2027"	A committee which has been set up separately from the Board of Directors and is comprised of directors discussed the competitive advantages of the Nichirei Group and the maximization of group synergies from the perspective of long-term management strategies. In response to that, the Group Strategy Committee had further discussions on the long-term management goal and medium-term management strategies on a back-casting basis along the themes of strengthening profitability and improving capital efficiency. The new long-term management goal and new medium-term business plan were drafted, and the Board of Directors discussed and ultimately resolved on the version for disclosure.
Strengthening of governance in response to misconduct at the Company's Chinese subsidiary	Based on reports and recommendations from the investigation committee chaired by an outside director, the committees discussed how to strengthen the Group governance system, ensure thorough compliance, and improve systems. The committees then formulated and publicly announced concrete recurrence prevention measures.

Corporate Governance

Board of Directors Composition

Classification	Name	Board of Directors Meeting Attendance	Nominating Advisory Committee Meeting Attendance[3]	Remuneration Advisory Committee Meeting Attendance[3]	Audit & Supervisory Board Meeting Attendance	Experience and Skills[4]: Corporate Management	ESG/Sustainability	Global	Research and Development	Marketing	Human Resources Strategy	DX	Financial Accounting/ Finance	Legal Affairs/ Compliance
Directors	Kenya Okushi	20/20	8/8	7/7		●	●	●	●		●			●
Directors	Masahiko Takenaga	19/20				● (Processed foods)		●	●	●				
Directors	Wataru Tanabe	20/20				● (Marine, meat and poultry products)		●		●				
Directors	Kenji Suzuki	20/20				●	●	●			●		●	●
Directors	Yuichi Takaku	20/20				●	●	●			●	●		
Directors	Kazunori Shimamoto	16/16[1]				● Temperature-controlled logistics)		●		●		●		
Directors	Designation as Independent Officer Mana Nabeshima	20/20	8/8	7/7		●	●	●					●	
Directors	Designation as Independent Officer Itsuo Hama	19/20	8/8	7/7		●	●	●	●	●	●			
Directors	Designation as Independent Officer Kenji Hamashima	20/20	8/8	7/7		●	●	●					●	
Directors	Designation as Independent Officer Yukiko Yoshimaru	16/16[1]	7/7[1]	5/5[1]		●	●	●			●			
Directors	Designation as Independent Officer Yumi Yamaguchi	16/16[1]	7/7[1]	5/5[1]		●	●	●				●		
Audit & Supervisory Board Members	Tetsuro Katabuchi	20/20			16/16		●							●
Audit & Supervisory Board Members	New Appointment Kenji Yanagisawa	2			2			●					●	●
Audit & Supervisory Board Members	Designation as Independent Officer Yuhiko Saito	20/20			16/16		●							●
Audit & Supervisory Board Members	Designation as Independent Officer Takaaki Kato	16/16[1]			11/11[1]	●		●					●	
Audit & Supervisory Board Members	Designation as Independent Officer Hiromichi Matsushima	16/16[1]			11/11[1]		●	●						

1 Since Kazunori Shimamoto, Yukiko Yoshimaru, Yumi Yamaguchi, Takaaki Kato, and Hiromichi Matsushima were newly appointed at the 106th Annual General Shareholders Meeting held on June 25, 2024, their attendance at respective committees after they took office is shown.
2 Kenji Yanagisawa was newly appointed and took office at the 107th Annual General Shareholders Meeting held on June 25, 2025, his attendance during FY2025 is not shown.
3 One resolution in writing is included for both the Nominating Advisory Committee and the Remuneration Advisory Committee.
4 The experience and skills possessed are not an exhaustive list of the knowledge, experience and capabilities possessed by each director and Audit & Supervisory Board member.

Corporate Governance

Skill Matrix

The Nichirei Group believes that in order for the Board of Directors to effectively fulfill its roles and responsibilities, it must be composed of both inside and outside members with sufficient knowledge and experience in fields related to business management. We have designated the following knowledge and experience as important from a corporate management perspective. In addition to having appropriate experience in all of the following areas, the Company selects director candidates based on the areas in which the Company has particular expectations.

Skills Required for Decision-Making in Management
(Contributing to Medium- to Long-term Corporate Value)

Corporate Management	Demonstrated leadership in corporate management as a top executive; management experience at a listed company with diverse stakeholders
ESG/ Sustainability	Experience and expertise in promoting ESG initiatives; knowledge of and experience in making value judgments about ESG and social significance and sustainability for companies; knowledge and experience in promoting corporate sustainability
Global	Cross-cultural communication skills and a high level of ability to get things done in overseas business as well as knowledge and expertise about markets, economies and business in specific countries and regions, gained through experience including the management of local subsidiaries
Research and Development	Experience and expertise in research and development to establish a medium- to long-term competitive advantage
Marketing	Experience and expertise in sales and marketing
Human Resources Strategy	Experience and expertise in human resource development and strategy to continuously secure and develop diverse talent
DX	Experience, including management experience, and expertise in DX and IT-related fields

Skills Required for Supervision in Management
(Contributing to Ensuring Continuity of Management)

Corporate Management	Demonstrated leadership in corporate management as a top executive; management experience at a listed company with diverse stakeholders
Financial Accounting/ Finance	Expertise in financial accounting related to financial reporting and auditing; experience and expertise in corporate financing and management
Legal Affairs/ Compliance	Experience and expertise in legal compliance, regulatory compliance, internal controls, and promotion of norms and corporate behavior required by society; experience in the legal profession; expertise and network related to quality assurance

Succession Plan

The Company positions the succession plan for the Group's senior management, including the Representative Director, President & Chief Executive Officer, as one of its most important issues and pursues it from a medium- to long-term perspective based on the Management Principles. Specifically, the Nominating Advisory Committee, which is chaired by an outside director, carries out training, monitoring, and selection of successor candidates according to the selection process, and reports its findings to the Board of Directors based on thorough discussions. Based on the Nominating Advisory Committee's report, the Board of Directors approves and adopts the proposed new structure for the Group's senior management.

The initiatives during FY2025 included deliberations on the Skill Matrix and the new organizational structure for the next fiscal year, which are annual deliberation items, and an update to the succession plan. It also continued deliberations and deepened discussions on the CxO structure and requirements for CxOs.

Image of the Succession Plan

1. Determination of Requirements for Top Management
2. Selection of Candidates
3. Training and Monitoring
4. Evaluation
5. Selection of Candidates (Screening and substitution)

Note: In steps 3~5, periodic 360-degree surveys, human resource assessments by outside organizations, interviews by outside directors, and discussion forums to exchange opinions on the Company's medium- to long-term issues with outside directors are used/implemented to decide on the final candidates.

Corporate Governance

Evaluations of Effectiveness of the Board of Directors

With the assistance of outside experts as needed, the Company conducts analyses and evaluations of the Board of Directors' activities to ensure its decision-making is effective. Summaries of the results are subsequently disclosed.

Evaluation Procedure	Subjects: Directors and Audit & Supervisory Board members (16 individuals in total) Period: January–February 2025 Method: A self-assessment involving third-party engagement, where questionnaires are conducted by external experts
Summary of the Evaluation Results for FY2025	In addition to the free and open exchange of frank opinions in an atmosphere conducive to discussion and sufficient discussions being made in terms of both deliberation contents and time, there have been improvements in presentations at the Board of Directors meetings and Board of Directors meeting materials. As a result of ongoing implementation of such efforts to enhance discussions at Board of Directors meetings, in line with previous evaluations of the Board's effectiveness, many respondents expressed the positive opinion that the effectiveness of the Company's Board of Directors has been secured to a considerable degree. On the other hand, directors and Audit & Supervisory Board members pointed out multiple potential areas for improvement in order to further enhance the Board's effectiveness. These matters are expected to be reviewed in future deliberations of the Board of Directors. Taking the evaluation by the third-party experts to heart, the Board of Directors discussed the points raised or suggested, and has decided to reflect them in its operations as follows.

Issue Identified 1. Board of Directors Oriented toward a Monitoring Model

Evaluation and Opinion	There were opinions that there had been progress in appropriately delegating authority to the Management Committee and the decision-making bodies of respective operating companies with respect to the matters submitted for discussion at Board of Directors meetings, and that they became closer to those of companies adopting a so-called monitoring model. On the other hand, there were many opinions that the delegation of authority should be further promoted from the viewpoint of promoting the transition to a monitoring model, and that the decision-making authority of operating companies should be expanded from the viewpoint of prompt decision-making.
Future Approach	(1) Review of current matters submitted for discussion at Board of Directors meetings Revisions to the standards for matters submitted for discussion at the Board of Directors meetings to orient toward a monitoring model were made effective April 1, 2023, which has had some effect. In light of the evaluation result, to promote further review of matters submitted for discussion at Board of Directors meetings in order to secure time for discussions related to long-term strategies, we decided to review specifically and individually the authority of which matters should be delegated to the Management Committee and the decision-making bodies of respective operating companies. (2) Review of institutional design Re-recognizing that institutional design constitutes the foundation of a corporate governance system and in light of changes in the management strategies and business environment, requirements under the Corporate Governance Code, developments in the government's study groups, and others, we decided to have a deeper review on appropriate institutional design while relating to the succession plan which was being worked on by the Nominating Advisory Committee. In proceeding with the delegation of authority described in (1) above, we decided to review, including from the perspective of whether there is a need to shift to a company with an Audit & Supervisory Committee or a company with a Nominating Committee, etc., which would allow the authority of the Board of Directors to be significantly delegated to the executive side, except for some matters stipulated in the Companies Act.

Issue Identified 2. System and Operation for Ensuring Appropriateness of Business Execution

Evaluation and Opinion	While the majority of opinions concerned the misconduct at an overseas subsidiary, there were also many opinions on insufficiency in human resources and organizational structures required to expand overseas business.
Future Approach	In order to ensure effective group governance, the Company will implement the following recurrence prevention measures which have been resolved at the Board of Directors meeting of the Company held on April 15, 2025, and monitor periodically. ① Clarifying appointment criteria for executives at overseas subsidiaries ② Strengthening governance and internal control at local subsidiaries ③ Thoroughly ensuring the involvement of the management of core companies and holding companies ④ Strengthening audit and monitoring systems ⑤ Thorough operation and management of the in-house reporting system ⑥ Thoroughly ensuring education and guidance on compliance

Corporate Governance

Officer Remuneration System

Policies for Determining Officer Remuneration

❶ Basic Policies

Directors (Excluding Outside Directors)	• Remuneration shall strongly encourage directors to perform their duties in accordance with the Group's Management Principles, Sustainability Policy: The Nichirei Pledge and management strategies. • In order to achieve the long-term management goal, remuneration is set to strongly motivate directors to achieve specific management goals as stated in the Group's material matters (materiality) and Medium-term Business Plan. • In order for remuneration to serve as an incentive toward the Group's sustainable growth, the ratio of remuneration linked to short-term results, performance of duties, etc. (performance-linked bonuses) and remuneration linked to medium- to long-term results and corporate value (stock compensation) will be set in an appropriate manner. • Directors shall be treated in a manner befitting their positions as officers of the Company in consideration of the significance of the Group's social role and responsibilities, trends at companies competing with the Group in business and human resources, including those in the food and logistics industries, and changes in the business environment.
Outside Directors	• In light of their role of supervising the Company's management from an independent and objective standpoint, outside directors are paid only basic (fixed) remuneration.

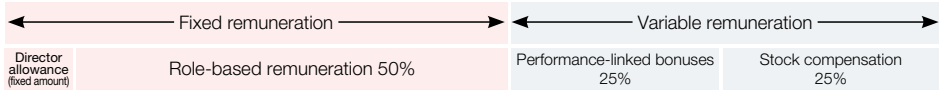
❷ Remuneration Composition and Levels

■ Remuneration for Directors Excluding Outside Directors

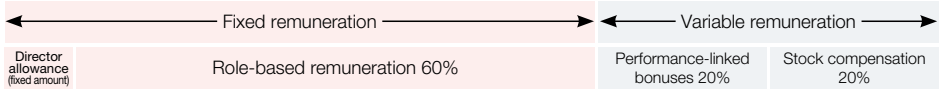
Basic (fixed) remuneration consists of role-based remuneration and a director allowance, and variable remuneration consists of performance-linked bonuses and stock compensation. Remuneration levels are set at appropriate amounts with reference to objective compensation market survey data (compensation levels of companies competing with the Group in terms of business and human resources, including those in the food and logistics industries), taking into consideration the responsibilities and number of directors of the Company, changes in the business environment going forward, and the opinions of third-party organizations.

Guideline for the Ratio of Remuneration for Directors Excluding Outside Directors

[Representative Director, President]



[Other Directors]



Remuneration Composition	Purpose/Description
Role-based Remuneration	Basic remuneration for performance of duties Set according to the significance of the role of each director
Director Allowance	Remuneration for the responsibilities of making and supervising the execution of management decisions Set at a uniform amount for all directors
Performance-linked Bonuses	Remuneration to motivate directors to achieve annual financial and strategic goals The amount paid when achieving goals ("standard amount") is set as a percentage of role-based compensation Paid within the range of 0-200% of the standard amount according to degree of achievement
Stock Compensation (Restricted Shares)	Remuneration to encourage management from a long-term/Group-wide perspective and the perspective of shareholders and investors Value of shares issued each fiscal year ("standard amount") is set as a percentage of role-based compensation Restricted shares are issued annually in an amount equal to the standard amount, and restrictions are lifted upon a director's retirement

■ Remuneration for Outside Directors

Only basic (fixed) remuneration is paid to outside directors. Basic remuneration consists of base remuneration paid to all outside directors as members of the Board of Directors at a uniform amount, and the chairperson's allowance paid additionally to the chairperson of the Nominating Advisory Committee or the Remuneration Advisory Committee. The level of remuneration is set at an appropriate amount, taking into consideration the time and effort spent by each outside director fulfilling expected roles and functions, as well as objective compensation market survey data (compensation levels of companies (all industries) similar in size to that of the Company).

Corporate Governance

❸ Performance-linked Bonuses

The amount to be paid to each individual as a performance-linked bonus varies within a range of 0 to 200% of the base amount for each position, depending on the achievement of Company-wide, business and individual performance targets.

Amount of individual bonus = Base amount by position × Performance evaluation coefficient (0–200%)
Note: The performance evaluation coefficient is a weighted average of the evaluation coefficients of each key performance indicator (KPI).

Evaluation Weights and Reasons for Selection of Key Performance Indicators (KPIs)	(a) Company-wide Performance Evaluation				(b) Business Performance Evaluation		(c) Individual Performance Evaluation
	EBITDA	Profit	ROIC	Company-wide ESG evaluation*	EBITDA	ROIC	Responding to medium- and long-term strategic issues and initiatives, including ESG
	Improvement in cash generation capability/ profitability	Improvement in shareholders' profit	Optimization of business portfolio and improvement in capital efficiency	Strengthening of responses to sustainability issues	Improvement in cash generation capability/ profitability	Optimization of business portfolio and improvement in capital efficiency	
Representative Director, President	100%				—		—
	40%	20%	20%	20%	—	—	—
Directors (In Charge of Function)	70%				—		30%
	30%	10%	15%	15%	—	—	30%
Directors (In Charge of Business)	60%				30%		10%
	20%	10%	15%	15%	15%	15%	10%

* Company-wide ESG evaluation: The three indicators shown on the right are selected from among the Group Material Matters (Materiality).

Company-wide ESG Evaluation	Reasons for Selection
• Reduction in CO_2 emissions (Scope 1 and 2) • Ratio of women employees in management positions • Employee engagement	• Response to climate change • Enhancement of human capital for new value creation

❹ Process for Determining Remuneration

In order to ensure appropriateness and objectivity in matters related to remuneration for individual directors, the Remuneration Advisory Committee, comprising mainly independent outside directors, discusses matters first and reports its findings to the Board of Directors, which then makes its decisions.

The details of officer remuneration for FY2025 are presented in the 107th Annual Securities Report.

https://www.nichirei.co.jp/sites/default/files/inline-images/english/ir/pdf_file/yuhohh-pdf/yuho_25e.pdf

Officer Classification	Total Amount of Remuneration by Type (Millions of Yen)			Total Amount of Remuneration (Millions of Yen)	Number of Eligible Officers
	Basic Remuneration	Performance-linked Bonuses	Stock Compensation (Restricted Shares)		
Directors (Excluding Outside Directors)	123 (222)	36 (69)	63 (63)	223 (356)	7 (7)
Outside Directors	65	–	–	65	6
Audit & Supervisory Board Members (Excluding Outside Audit & Supervisory Board Members)	48	–	–	48	2
Outside Audit & Supervisory Board Members	32	–	–	32	5
Total	270 (369)	36 (69)	63 (63)	370 (503)	20 (20)

Notes 1. The above includes one inside director, one outside director, and two outside Audit & Supervisory Board members who retired at the conclusion of the 106th Annual General Shareholders Meeting held on June 25, 2024.
2. The total amounts of remuneration, etc., shown above are the amounts borne by the Company (the total amount of expenses paid, scheduled to be paid, or borne by the Company).
The amounts in parentheses for directors (excluding outside directors) and in the total column represent the total amounts of consolidated remuneration borne by the Company and its subsidiaries.
3. The amount of performance-linked bonuses shown above is the sum of the bonus amount expected to be paid in FY2025 (the amount expected to be paid after June 2025 based on FY2025 performance, etc.) and the difference between the amount expected to be paid for FY2024 as of the submission of the business report for the previous fiscal year and the amount actually paid after June 2024 (all of which is cash remuneration).

Corporate Governance

Approach to Cross-Shareholdings

Cross-shareholdings are only utilized when it is determined that they will contribute to improving the Company's corporate value: for example, by maintaining and strengthening trade and cooperative relationships. In addition, every year the Board of Directors reviews the economic rationale of individual shareholdings of this type from a medium- to long-term perspective. If the importance of a particular shareholding is determined to have diminished, the shares are sold. In conducting such reviews, the Board of Directors carefully examines and makes a comprehensive judgment on whether the benefits, such as profits from transactions, and dividends or risks are commensurate with the cost of capital, followed by consideration of a qualitative evaluation of the strategic importance of the shareholding.

In regard to the exercise of voting rights for cross-shareholdings, the Company will review all the details of the relevant proposals in the investee company's shareholders meeting agenda, and if any of the following apply to the investee company, the Company will make a decision after careful examination on a case-by-case basis:

(1) The investee has engaged in acts that will lead to a loss of shareholder value
(2) The investee's performance or stock price has deteriorated significantly
(3) There are other serious doubts with respect to agreeing to the proposal

Approach to Global Governance

Believing that global governance is one of the foundations for overseas business expansion, we have been working to strengthen it. Specifically, although we have been managing overseas businesses primarily from Japan, we will work to strengthen our systems tailored to the characteristics of each area in preparation for further expansion in business scale. To promote this effort, we have formulated and are implementing the following six measures. Their progresses are reported to and additional actions to be taken are identified by at least one of the Board of Directors, Management Committee, Group Risk Management Committee or other committees, etc. each month.

Our Vision

We will establish global governance and internal auditing systems that are tailored to the characteristics of each area.

1. Clarifying appointment criteria for executives at overseas subsidiaries	We are working to formulate the appointment criteria, term of office, and exception criteria.
2. Strengthening governance and internal control at local subsidiaries	We will organize and centralize information on the governance of overseas subsidiaries (articles of incorporation, shareholders meeting-related, officer composition, and the board of directors-related).
3. Strengthening management involvement by core companies and the holding company	We will put together the rules for escalating cases of fraud and misconduct and establish regional headquarters in the ASEAN region, to strengthen our systems.
4. Strengthening audit and monitoring systems	We will improve the effectiveness of overseas audits and review the auditing system of the Group as a whole.
5. Thorough operation and management of the in-house reporting system	We will enhance the existing internal reporting channels at overseas subsidiaries and increase the number of sites that adopt a mechanism that enables direct reporting to the holding company.
6. Thoroughly ensuring education and guidance on compliance	We will raise awareness internally by disseminating a message from the top management regarding compliance. We will also start providing education and guidance to expats and local staff.

Internal Control/Compliance/Risk Management

Approach to Internal Control

https://www.nichirei.co.jp/english/corpo/governance/internal_control.html

The Group recognizes that developing and operating an internal control system to facilitate operational effectiveness and efficiency, ensure the accuracy of financial reports, comply with laws and regulations pertinent to business, and to safeguard its assets will translate into higher corporate value.

In terms of the development of systems necessary to ensure that the execution of the duties by directors complies with laws and regulations, the Articles of Incorporation, and other systems prescribed by ordinance of the Ministry of Justice as systems necessary to ensure the appropriateness of operations of a corporate group comprising of the Company and its subsidiaries pursuant to the Companies Act, we have established the basic policy for internal control systems. We will endeavor to review and improve the policy by reviewing it annually to adapt to changes in the business environment and others.

Compliance

The Nichirei Group is implementing various initiatives to promote highly ethical business activities in compliance with the laws and social norms of all the countries in which it operates. We have established a code of ethics, which serves as a guideline for officers and employees for following laws and regulations and the Articles of Incorporation and for acting in accordance with corporate ethics, and a Code of Conduct which sets forth basic matters to be observed by everyone working for the Nichirei Group to ensure thorough compliance. The Code of Conduct also includes information concerning prevention of corruption-related matters that have been deemed important from the perspective of international compliance, including insider trading bans and the prohibition of engagement or trading with antisocial forces.

https://www.nichirei.co.jp/english/corpo/compliance.html

Nichirei Group Code of Conduct

1. Compliance with Laws and Regulations Concerning Respect for Human Rights and Labor
2. Environmental Protection
3. Compliance with Laws and Regulations and Internal Regulations
4. Management and Preservation of the Company's Property
5. Prohibition on Personal Use of the Company's Property
6. Prohibition on Insider Trading
7. Ensure the Reliability of Financial Information
8. Management and Use of Information
9. Prohibition of Personal Acts Conflicting with the Company's Interests
10. Prohibition on Unfair Benefits Given to/Received from Public Officers or Business Partners
11. Prohibition on Involvement/Trade with Antisocial Forces
12. Compliance with/Reporting of and Consultation on Code of Conduct

Initiatives to Ensure Thorough Compliance
https://nichirei.disclosure.site/en/themes/191#sec1284_01

Initiatives to Prevent Corruption and Bribery
https://nichirei.disclosure.site/en/themes/191#sec1284_03

Efforts to Strengthen Governance at Overseas Subsidiaries (Establishment of the Nichirei Group Global Governance Basic Rules)
https://nichirei.disclosure.site/en/themes/191#sec1284_02

Internal Whistleblower Hotline and Consultation Service

In October 2003, we introduced an internal whistleblower hotline and consultation service (Nichirei Hotline) to respond to reports and consultations from employees regarding actions that violate laws and regulations, the Articles of Incorporation, internal rules, or actions that are ethically questionable. In FY2016, we introduced monitoring and checking functions through Auditors & Supervisory Board members and outside officers. In 2022, we updated the system again in line with the amended Whistleblower Protection Act that went into effect in June of that year and in compliance with government guidelines. The response system is being redesigned to strengthen whistleblower protection and confidentiality, and to expand the scope of whistleblowers.

To ensure that all officers and employees are aware of the new hotline, the Company created promotional posters for display at workplaces nationwide and distributed Nichirei Hotline reminder cards to all employees. All reports and consultations received are investigated by the secretariat to confirm the facts, and corrective measures are taken if necessary, in accordance with the Group Whistleblowing Regulations. Whistleblowers are assured anonymity and any adverse treatment is prohibited, including retaliation by the Company, those who are the subject of complaints, or any other party. The whistleblower may also receive feedback from the secretariat if he or she so requests.

The status of response to whistleblowing and consultation is regularly reported to the Board of Directors and monitored to ensure that it is being properly managed.

In line with the acceleration of overseas business expansion, the need for internal whistleblower hotlines and consultation services at facilities outside of Japan has also increased. In response, we established overseas contact points for the internal whistleblower hotline and consultation services first in Thailand and Malaysia in Southeast Asia in FY2024, and made preparations to expand the coverage areas in FY2025. (We plan to roll them out to China, Vietnam, Brazil, Australia, and United States in FY2026.)

Nichirei Hotline reminder card

Number of Internal Reports Received

FY2021	FY2022	FY2023	FY2024	FY2025	Five-year Total (FY2021–FY2025)
27	20	26	26	26	125

Internal Control/Compliance/Risk Management

Approach to Risk Management

https://www.nichirei.co.jp/english/corpo/riskmanagement.html

The Nichirei Group has established the Group Risk Management Committee, chaired by the Representative Director, President, to manage the various risks associated with its business activities in the most appropriate and rational way from a comprehensive standpoint, and to maximize the Group's corporate value.

The Committee identifies and evaluates Group-wide risks, and the Company and its operating companies take countermeasures to these risks of their own accord based on the established risk management cycle. Important items are reported to the Board of Directors of the Company, which also considers countermeasures for the holding company and its operating companies.

Risk Management Structure
https://nichirei.disclosure.site/en/themes/190#1280

Important Risks and Countermeasures

Risks related to finance and their countermeasures are detailed in II. Business Overview, 3. Business and Other Risks in the 107th Annual Securities Report. Relevant items in this report are noted with page numbers, so please refer to those as well.

1. Economic conditions and business environment ▸Pages 44-51
2. Food-related quality issues ▸Pages 68-69
3. Securing and developing diverse human resources ▸Pages 28-36
4. Information security ▸Page 88
5. Price fluctuations of commodities and raw materials ▸Pages 9-14
6. Fluctuations in crude oil prices, etc. ▸Pages 9-14
7. Impact of exchange rate fluctuations ▸Pages 9-14
8. Changes in laws and regulations, etc. ▸Page 87
9. Sustainable food procurement ▸Pages 3-5, Page 63, Page 66
10. Climate change ▸Pages 60-62
11. Large-scale natural disasters ▸Page 88
12. International situation ▸Pages 26-27
13. Technological innovation ▸Pages 38-41
14. Holding of fixed assets
15. Cross-shareholdings ▸Page 86

Business Continuity Plan Initiatives

■ Nichirei Company-wide Crisis Management and Safety Confirmation Drills

Crisis management drills are conducted approximately once a year with the participation of representatives from the holding company and key subsidiaries. For example, drills are conducted to confirm whether actions can be taken in accordance with the BCP manual, such as establishing a crisis management headquarters at an alternate location in the event of a major earthquake in Tokyo that halts the functions of the headquarters.

The Nichirei Group has introduced a safety confirmation system in which all employees can report their status by email from their mobile phone, allowing designated individuals to grasp the situation at a glance. To ensure that all individuals, including newly hired employees, receive email notifications and can report promptly, the Nichirei Group conducts safety confirmation drills twice a year across the entire Group in Japan.

■ Domestic Production System for Frozen Foods

Nichirei Foods has established a production system at multiple sites for some of its core products. Taking the example of *Honkaku-Itame Chahan* (fried rice), production is carried out at the Funabashi Plant in eastern Japan and at Kyurei in western Japan, in order to both strengthen production capacity and enhance BCP.

■ Information Systems

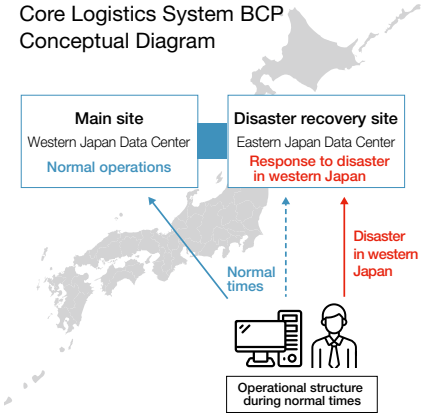
The Group's main core system is redundant for the purpose of business continuity, and includes a disaster recovery (DR) system. Specific examples are as follows.

• Enhancing the BCP for Our Core Logistics System

Nichirei Logistics Group has constructed DR that assumes that its data center is affected, as BCP support for its core logistics system. The company can quickly resume operations through the use of two sites, which allows it to switch from its main site to the DR site in the event of a large-scale disaster.

Approximately one hour will be needed from the activation of DR to online restart. It is designed to ensure that impacts on customer businesses and food distribution will be limited to the minimum in various circumstances. Nichirei Logistics Group plans to implement advanced initiatives to provide a food logistics lifeline that will contribute to the business continuity of its business partners.

Core Logistics System BCP Conceptual Diagram



11-Year Financial Highlights

Download major financial data
https://www.nichirei.co.jp/english/ir/financial/download.html

RISING 2015 | POWER UP 2018 | WeWill 2021 | Compass Rose 2024

Sales and Income

			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	**2025** (FY)
Net sales	Note 1	(Millions of yen)	519,963	535,351	539,657	568,032	580,141	584,858	572,757	602,696	662,204	680,091	**702,080**
(Overseas sales)		(Millions of yen)	68,614	75,584	70,766	73,216	79,184	79,667	76,850	97,569	133,277	145,014	**165,787**
Gross profit		(Millions of yen)	99,086	81,085	91,141	92,838	93,215	99,074	98,803	102,245	108,874	120,145	**126,228**
Selling, general and administrative expenses	Note 1	(Millions of yen)	56,376	59,501	61,831	62,940	63,704	68,038	65,853	70,835	75,939	83,234	**87,913**
Operating profit		(Millions of yen)	17,406	21,583	29,309	29,897	29,511	31,035	32,949	31,410	32,935	36,911	**38,315**
Ordinary profit		(Millions of yen)	16,902	21,394	29,105	30,650	29,864	31,777	33,532	31,667	33,448	38,255	**39,878**
Profit (loss) attributable to owners of parent		(Millions of yen)	9,516	13,471	18,751	19,097	19,943	19,609	21,212	23,382	21,568	24,495	**24,731**
Capital expenditures		(Millions of yen)	24,171	16,175	13,887	24,952	24,132	27,287	37,776	27,913	30,416	31,283	**34,504**
Depreciation and amortization		(Millions of yen)	15,621	16,455	16,057	16,155	17,481	18,355	19,669	21,089	22,198	24,219	**24,277**
EBITDA	Note 2	(Millions of yen)	33,027	38,038	45,366	46,052	46,992	49,391	52,618	52,499	55,133	61,130	**62,593**

Cash Flows

		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	**2025** (FY)
Cash flows from operating activities	(Millions of yen)	27,803	37,032	40,828	29,859	31,311	39,441	45,453	34,660	37,865	62,442	**53,194**
Cash flows from investing activities	(Millions of yen)	(22,362)	(14,496)	(11,445)	(20,269)	(17,918)	(24,300)	(32,213)	(26,016)	(26,844)	(31,592)	**(32,403)**
Free cash flow	(Millions of yen)	5,441	22,535	29,382	9,589	13,393	15,140	13,240	8,643	11,021	30,850	**20,790**
Cash flows from financing activities	(Millions of yen)	(6,098)	(20,351)	(21,883)	(13,749)	(9,088)	(10,225)	(10,709)	(14,179)	(8,591)	(31,255)	**(16,804)**

Notes: 1. From FY2016, the accounting policy regarding standards for recording sales in the processed foods business was changed (the portion that had previously been recorded as promotional expenses has been excluded from net sales). Accordingly, the FY2015 figure has been retroactively adjusted to reflect the change in the accounting policy.
2. EBITDA = Operating profit + Depreciation and amortization

11-Year Financial Highlights

Download major financial data
https://www.nichirei.co.jp/english/ir/financial/download.html

RISING 2015 | POWER UP 2018 | WeWill 2021 | Compass Rose 2024

Financial Position (As of March 31)

		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	**2025** (FY)
Total assets	(Millions of yen)	342,014	338,497	346,195	367,268	377,257	390,004	405,719	427,606	457,333	485,157	**499,221**
Interest-bearing debt	(Millions of yen)	107,670	94,657	89,778	97,745	95,951	96,351	96,423	104,718	114,580	97,954	**106,255**
(Excluding lease liabilities)	(Millions of yen)	87,313	75,451	70,866	70,866	78,923	80,669	80,757	90,172	100,064	83,891	**92,731**
Net assets	(Millions of yen)	152,286	155,523	164,747	169,680	183,805	191,388	210,426	217,903	233,513	265,942	**275,966**
(Of which owner's equity)	(Millions of yen)	147,094	150,442	159,141	162,729	176,820	184,504	203,325	211,169	224,443	253,404	**260,041**

Other Data

			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	**2025** (FY)
Overseas sales ratio		(%)	13.2	14.1	13.1	12.9	13.6	13.6	13.4	16.2	20.1	21.3	**23.6**
Operating profit/Net sales		(%)	3.3	4.0	5.4	5.3	5.1	5.3	5.8	5.2	5.0	5.4	**5.5**
Return on invested income (ROIC)		(%)	4.3	5.9	8.0	8.1	7.8	7.6	7.5	7.8	6.9	7.5	**7.4**
Return on equity (ROE)		(%)	6.8	9.1	12.1	11.9	11.7	10.9	10.9	11.3	9.9	10.3	**9.6**
Debt-to-equity (DE) ratio	Note 3	(Times)	0.7	0.6	0.5	0.6	0.5	0.5	0.5	0.5	0.5	0.4	**0.4**
Profit per share (EPS)	Note 4, Note 5	(Yen)	33.3	47.2	67.6	71.1	74.8	73.6	79.6	88.4	83.6	95.9	**97.3**
Dividend per share (DPS)	Note 4, Note 6	(Yen)	20	24	28	30	32	42	50	50	52	74	**92**
Payout ratio		(%)	30.0	25.5	20.7	21.1	21.4	28.5	31.4	28.3	31.1	38.6	**47.3**
Dividend on equity (DOE)		(%)	2.0	2.3	2.5	2.5	2.5	3.1	3.4	3.2	3.1	4.0	**4.5**

Notes: 3. Debt-to-equity (DE) ratio = Interest-bearing debt ÷ Net assets
4. From FY2017, values for profit per share (yen) and dividend per share (yen) are based on the figures after the reverse stock split implemented on October 1, 2016. Accordingly, the FY2015 and FY2016 figures have been retroactively adjusted to reflect the reverse stock split.
5. The Company conducted a stock split at a ratio of 2 shares for each common share on April 1, 2025. Accordingly, the Company has calculated profit per share on the assumption that the stock split was conducted at the beginning of the previous consolidated fiscal year.
6. The Company conducted a stock split at a ratio of 2 shares for each common share on April 1, 2025. Dividends for FY2024 and FY2025 indicate the actual dividends before the stock split.

Non-Financial Highlights

For ESG data, please click the link below.
https://nichirei.disclosure.site/en/themes/144

			Unit	2019	2020	2021	2022	2023	2024	2025 (FY)
E	CO_2 emissions (Scope 1 and 2 in Japan and overseas)		(Thousand t-CO_2)	—	—	—	—	348	333	315
	CO_2 emissions (Scope 3 in Japan and overseas)*1		(Thousand t-CO_2e)	—	—	—	—	3,146	3,363	3,473
	Renewable energy ratio*2		(%)	—	—	—	5	9	22	33
	Rate of conversion to natural refrigerants (Production equipment (Japan))		(%)	—	—	—	—	58	65	71
	Rate of conversion to natural refrigerants (temperature-controlled logistics/including overseas)		(%)	—	—	—	—	58	56	61
S	Number of employees	Total	(Persons)	15,710	15,824	15,383	15,296	15,766	16,385	16,626
		Japan	(Persons)	5,802	5,821	5,892	5,924	5,890	5,884	5,925
		Europe	(Persons)	1,165	1,224	1,193	1,478	1,465	1,509	1,540
		North America	(Persons)	66	72	71	84	175	170	208
		Southeast Asia	(Persons)	7,560	7,773	7,181	6,840	7,323	7,916	8,092
		East Asia	(Persons)	731	696	785	735	662	646	593
	Voluntary turnover rate		(%)	—	1.8	1.8	0.7	3.4	4.8	3.5
	New graduate turnover rate within 3 years		(%)	12.5	12.5	14.4	7.7	15.0	4.5*3	0.4*3
	Number of mid-career hires		(Persons)	80	113	61	51	56	40	76
	Ratio of women employees in management positions (in major Group companies in Japan)		(%)	—	—	—	—	—	—	7.5
	Gender wage gap*4		(%)	—	—	—	—	69.3	71.6	72.1
	Rate of men employees taking childcare leave*5		(%)	—	—	—	—	75.0	89.2	108.7
	Employment rate of persons with disabilities		(%)	2.56	2.75	2.80	2.80	2.73	2.61	2.74
	Lost time injury frequency rate		(%)	—	—	—	—	2.17	2.58	2.90
G	Number of Board of Directors meetings held		(Meetings)	19	18	18	19	19	19	20
	Attendance rate of all directors		(%)	87.9	96.1	100	98.5	99.5	99.5	99.1
	Number of internal whistleblowing reports		(Cases)	12	21	27	20	26	26	26

*1 In FY2024, the overseas local sales divisions were added to the scope of calculation. In FY2025, the calculation method was changed for Category 1 and Category 4 to enable more precise calculation of Scope 3 emissions; for category 1, for approximately 30% of emissions, the type of activity data used for the calculation was changed from procurement value to procurement weight; and for category 4, the distance data used in emission calculations was changed from average distance to transport distances closer to actual conditions. *2 Percentage of renewable energy in electricity consumption in Japan. *3 Figure for FY2024 represents turnover within 2 years of joining the Company; figure for FY2025 represents turnover within 1 year of joining the Company. *4 Calculated for all employees of the holding company. Calculated based on the provisions of the *Act on the Promotion of Women's Active Engagement in Professional Life* (Act No. 64 of 2015). *5 Calculated for the holding company and its consolidated subsidiaries (excluding some companies). Based on the provisions of the *Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members* (Act No. 76 of 1991), the acquisition rate of childcare leave and childcare-purpose leave was calculated according to the ratio prescribed in Article 71-6, Item 2 of the *Ordinance for Enforcement of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members* (Ordinance of the Ministry of Labor No. 25 of 1991). The figure represents the ratio of employees who took childcare leave during the fiscal year to the number of employees whose spouses gave birth during that fiscal year. Since employees whose spouses gave birth in a previous fiscal year may take childcare leave in the following fiscal year, the rate may exceed 100%.

Global Network (As of March 31, 2025)

Please click the link below for detailed information on our network.
https://www.nichirei.co.jp/english/corpo/outline/group

Nichirei Group's Major Companies/Main Areas of Activity

● Nichirei Foods Group ● Nichirei Fresh Group ● Nichirei Logistics Group ● Nichirei Biosciences Group

Europe

United Kingdom
- Thermotraffic Ltd.
- Admark Shipping Solutions Ltd.

Netherlands
- Nichirei Holding Holland B.V.
- Hiwa Rotterdam Port Cold Stores B.V.
- Thermotraffic B.V.

Poland
- Frigo Logistics Sp. z o.o.
- Armir Logistyka Sp. z o.o.

Germany
- Thermotraffic GmbH

France
- Transports Godfroy S.A.S.
- Entrepots Godfroy S.A.S.

Asia/Oceania

China
- Nichirei Corporation Shanghai Ltd.
- Shandong Nichirei Foods Co., Ltd.
- RIZHAO MAI LENG FOOD TRADING COMPANY LIMITED
- Nichirei Fresh Hong Kong, Limited
- Shanghai Fresh Line Express Co., Ltd.
- Jiangsu Freshline Logistics Co., Ltd.

Thailand
- Surapon Nichirei Foods Co., Ltd.
- GFPT Nichirei (Thailand) Co., Ltd.
- SCG Nichirei Logistics Co., Ltd.

Vietnam
- Nichirei Suco Vietnam Co., Ltd.
- Trans Pacific Seafood Co., Ltd.
- Nichirei TBA Logistics Vietnam LLC

Malaysia
- NL Cold Chain Network (M) SDN BHD.

Australia
- Nichirei Australia Pty. Ltd.

Americas

United States
- Nichirei Foods U.S.A., Inc.
- InnovAsian Cuisine Enterprises Inc.
- Nichirei Sacramento Foods Corporation
- Pathcom Systems Corporation

Brazil
- Nichirei do Brasil Agricola Ltda.

Global Network

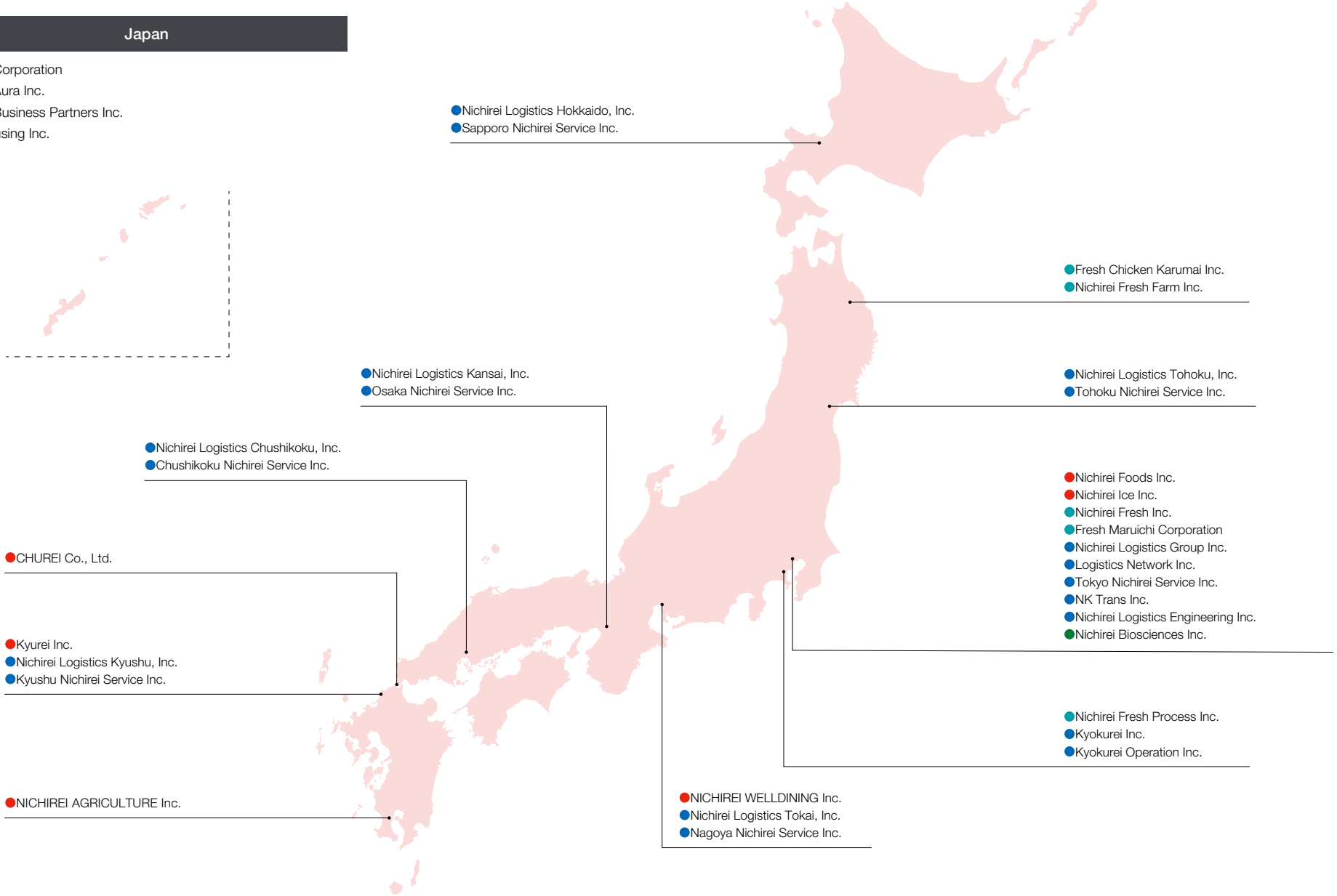
Please click the link below for detailed information on our network.
https://www.nichirei.co.jp/english/corpo/outline/group

Nichirei Group's Major Companies/Main Areas of Activity

● Nichirei Foods Group ● Nichirei Fresh Group ● Nichirei Logistics Group ● Nichirei Biosciences Group

Japan

Nichirei Corporation
Nichirei Aura Inc.
Nichirei Business Partners Inc.
New Housing Inc.



External Evaluation

External Evaluation

Inclusion in Indexes

FTSE4Good

2025 Sompo Sustainability Index

MSCI ESG RATINGS A
CCC B BB BBB A AA AAA

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JPX-NIKKEI 400

Selected from FY2014 through FY2026

Also selected in FY2026 for the JPX-Nikkei 400, jointly developed by Japan Exchange Group, Inc. (JPX) and Nikkei Inc.

Continuing Adoption as a Constituent Stock of All Six ESG Indexes (Domestic Stocks) Selected by the Government Pension Investment Fund (GPIF)

FTSE Blossom Japan Sector Relative Index

FTSE Blossom Japan

S&P/JPX Carbon Efficient Index

Morningstar Japan ex-REIT Gender Diversity Tilt Index

2025 CONSTITUENT MSCI NIHONKABU ESG SELECT LEADERS INDEX

2025 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

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Other Recognition

2025 健康経営銘柄 KENKO Investment for Health

2025 健康経営優良法人 KENKO Investment for Health 大規模法人部門 ホワイト500

Selected as 2025 KENKO Investment for Health Stock by the Ministry of Economy, Trade and Industry (METI) and the Tokyo Stock Exchange (TSE). This is the fourth time we have been selected. Additionally, recognized for the ninth consecutive year as one of the Large Enterprise Category of METI's Certified Health and Productivity Management Organization Recognition Program.

DBJ健康格付 2024

In July 2024, received an Employees' Health Management Rated Loan for two years from the Development Bank of Japan Inc. (DBJ) in recognition of our efforts, evaluated as "particularly excellent in terms of initiatives to care for employee health."

SX銘柄2025 Sustainability Transformation

Selected for the first time as an "SX Brand 2025" by the METI and the TSE.

Awards and Commendations during the Past Year, including Recent News

(By Date of Announcement)

2024

Jun. 28 **Nichirei Logistics Group**
Received the Special Award at the 25th Logistics Environment Awards.

Jul. 4 **Nichirei Corporation**
Received the DBJ Employees' Health Management Rating for the third consecutive year for its health management initiatives.

Jul. 8 **Nichirei Corporation**
Selected as a Constituent Stock of the FTSE4Good Index Series, a Leading Index for ESG Investment, for the 22nd consecutive year

Jul. 16 **Nichirei Fresh**
Junwakei chicken won the Superior Taste Award with a three-star rating from the International Taste Institute for the fourth consecutive year

Aug. 29 **Nichirei Corporation**
Selected for continued inclusion in all six ESG indexes adopted by GPIF

Sep. 11 **Nichirei Foods**
"Practical Guide to Freezing Food Taught by Nichirei Foods' PR Person: This Is the Right Way!" received an award in the Cooking Category of the 11th Cooking Recipe Book Award in Japan

2025

Feb. 18 **Nichirei Fresh**
At the Sustaina Award 2024, our eelgrass restoration activities, the *Inochi-no-Umi-Project*, received the Minister of the Environment Award

Mar. 10 **Nichirei Corporation**
Selected as "2025 KENKO Investment for Health Stock"

Mar. 18 **Nichirei Corporation**
Awarded Excellence at the NIKKEI Integrated Report Award 2024

May 14 **Nichirei Corporation**
Selected as "SX Brands 2025"

Investor Information (As of March 31, 2025)

Essential Stock Information

Stock Exchange Listing	Tokyo Stock Exchange (Prime Market) Securities code: 2871
Total Number of Authorized Shares	360,000,000
Total Number of Outstanding Shares	128,464,869 (including 3,182,831 treasury shares)
Share Unit	100 shares
Year-end Dividend Record Date	March 31
Interim Dividend Record Date	September 30
Number of Shareholders	29,638
Shareholder Register Administrator	Mizuho Trust & Banking Co., Ltd.
Annual General Shareholders Meeting	June
Accounting auditor	Ernst & Young ShinNihon LLC

(Note) The Company conducted a stock split at a ratio of 2 shares for each common share on April 1, 2025. Accordingly, the Company has calculated the number of shares outstanding at the end of the fiscal year, the number of treasury shares at the end of the fiscal year, and the average number of shares during the fiscal year on the assumption that the stock split was conducted at the beginning of the previous consolidated fiscal year.

Major Shareholders

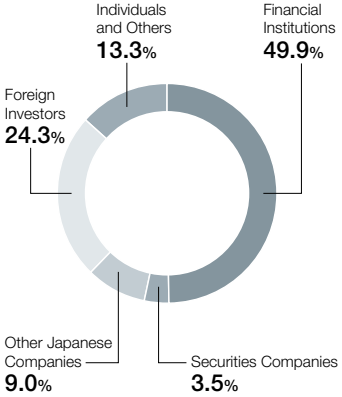
Shareholder Name	Number of Shares Held (Thousands)	Shareholding Ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	23,135	18.5
Custody Bank of Japan, Ltd. (Trust Account)	13,472	10.8
Nippon Life Insurance Company	5,744	4.6
Mizuho Bank, Ltd.	3,813	3.0
Nisshin Seifun Group Inc.	2,719	2.2
Fukoku Mutual Life Insurance Company	2,680	2.1
The Norinchukin Bank	2,675	2.1
GOVERNMENT OF NORWAY	1,970	1.6
SUMITOMO LIFE INSURANCE COMPANY	1,855	1.5
MUFG Bank, Ltd.	1,703	1.4

Note: Shareholding ratio calculated after subtracting repurchased stock (3,182 thousand treasury shares). Rounded off to the first decimal place.

Ratings

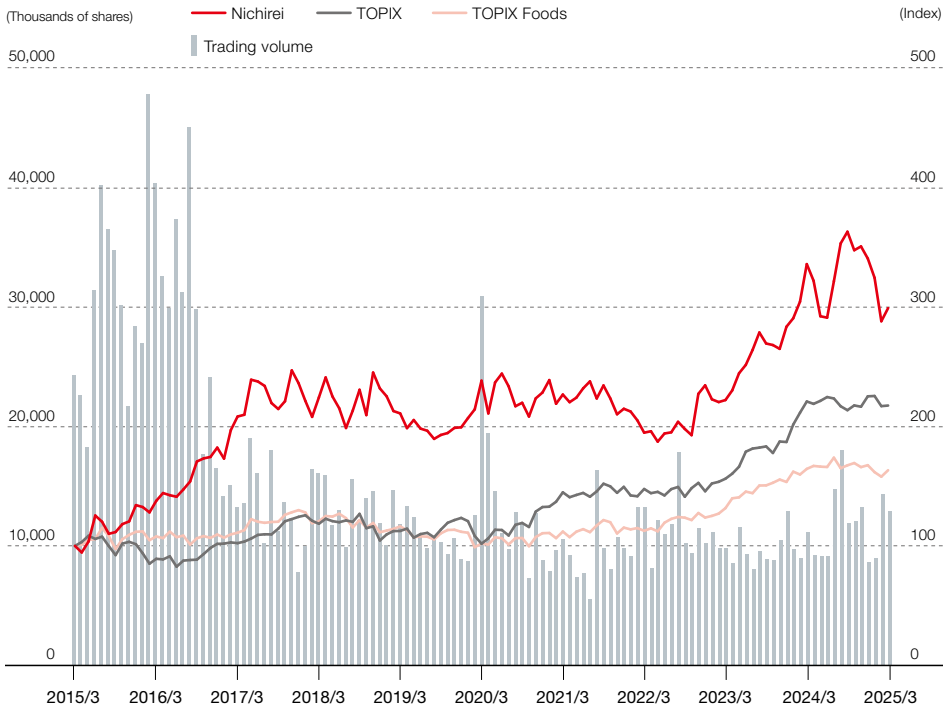
Rating Institution	Ratings
Rating and Investment Information, Inc. (R&I)	A+
Japan Credit Rating Agency, Ltd. (JCR)	A+

Composition of Shareholders



Note: "Individuals and Others" includes 3,182 thousand treasury shares.

Total Shareholder Return (TSR)*



* March 31, 2014 closing prices for Nichirei and TOPIX are indexed at 100.
* TSR is based on a holding period to March 31, 2024.
* TSR (Total Shareholder Return) refers to the total return on investment for shareholders, including both capital gains and dividends.
* The Company conducted a stock split at a ratio of 2 shares for each common share on April 1, 2025.

Share Price Performance (TSR)

	1 Year	3 Years		5 Years		10 Years	
		Cumulative	Annual	Cumulative	Annual	Cumulative	Annual
Nichirei	-12.0%	59.3%	16.8%	26.8%	4.9%	198.9%	11.6%
TOPIX	-1.5%	47.2%	13.8%	96.2%	14.4%	117.4%	8.1%
TOPIX Foods	-0.7%	45.0%	13.2%	52.3%	8.8%	63.3%	5.0%

* Annual figures are the geometric mean of cumulative returns.

Declaration of Authenticity/Company Information/ Overview of Nichirei Communication

Declaration of Authenticity

Thank you for your continued understanding and strong support for the Nichirei Group's business activities.

In this report, we have organized the Group's strengths and competitive advantages from the perspective of our supply chain, and additionally, explained our initiatives for growth, including our approach to Group synergies and overseas growth strategies. Through these, we have endeavored to clearly communicate how we aim to achieve our new long-term management goal and new medium-term business plan. In the area of sustainability initiatives, such as human resource strategies and governance development that support growth, we also sought ways to both enhance the content of each initiative and to visualize and effectively convey how they are linked to economic value.

As the officer in charge of the production of this report, I hereby affirm that the preparation process was conducted properly and that the contents are accurate. We will continue working to proactively disclose the Nichirei Group's management strategies. We welcome candid feedback and requests from stakeholders who have read this report.

Kenji Suzuki

Director, Senior Executive Officer, Executive General Manager of Corporate Management Headquarters; in charge of Accounting & Tax Division, Finance Division, Public Relations & Investor Relations Division, Human Resources Development Division, Legal Department Division, Corporate Internal Audit Division, Quality Assurance Division, and Real Estate Division

Preparation Process

Based on daily dialogue and interviews with shareholders and investors, as well as feedback and requests from a wide range of stakeholders, the Public Relations & Investor Relations Division was responsible for steering our comprehensive approach to the preparation of *Nichirei Group Integrated Report 2025*, editing it with the cooperation and collaboration of operating companies and related departments.

Company Information

Company Name	Nichirei Corporation
Established	December 1942*
Paid-in Capital	30,563 million yen
Head Office	Nichirei Higashi-Ginza Building, 6-19-20 Tsukiji, Chuo-ku, Tokyo 104-8402, Japan
Telephone	[+81] 3-3248-2101 (Main)
Number of Employees (Consolidated)	16,626
Business Network	14 countries

* Date of establishment of predecessor Teikoku Marine Products Control Company. Reorganized as Nippon Reizo Inc. in December 1945.

Overview of Nichirei Communication

Reporting Companies

Nichirei Corporation and its consolidated subsidiaries in Japan and overseas (As of March 31, 2025)

Reporting Period

April 1, 2024 to March 31, 2025

(Some information from before and after this period is included.)

* Amounts and percentages are rounded to the nearest whole unit.

* We have omitted trademark (™) and registered trademark (®) symbols and changed to Italic font where applicable.

* The term "FY" preceding a year means the twelve-month period ended March 31 of that year. For example, "FY2025" refers to the twelve-month period ended March 31, 2025.

Referenced Guidelines

- GRI Standards
- IFRS Foundation (formerly VRF) International Integrated Reporting Framework
- Task Force on Climate-related Financial Disclosures (TCFD)
- METI Guidance for Collaborative Value Creation 2.0
- Cabinet Office Intellectual Property & Intangible Assets Governance Guidelines

Environment Social Governance Guidance for Collaborative Value Creation

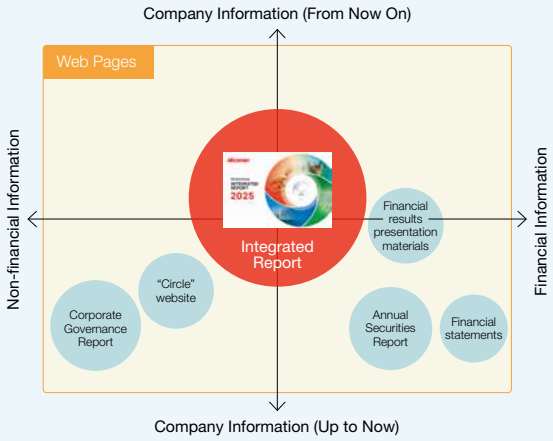
知財・無形資産 ガバナンスガイドライン

Issue Date

November 2025

Note on Forward-looking Statements

Statements in this report pertaining to the future, such as forecasts of business performance, are rational judgments based on currently available information and contain a degree of uncertainty. Actual business performance may differ due to a variety of factors.



Web Pages

IR information
https://www.nichirei.co.jp/english/ir

ESG investor information
https://nichirei.disclosure.site/en

Sustainability
https://www.nichirei.co.jp/english/sustainability

"Circle" website
https://circle.nichirei.co.jp/en

NICHIREI

Contact:

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https://www.nichirei.co.jp/english