

KPIs for Material Matters

In 2021, we set Group targets for 2030, consisting of measures and KPIs for initiatives for the Group's material matters. Medium-term Business Plan Compass Rose 2024, which began in FY2023 (the year ended March 31, 2023), sets Group KPIs for FY2025 as milestones on the road to 2030, as well as measures and quantitative targets for the holding company and each operating company. We aim to achieve our targets by continuously monitoring KPIs and carrying out the plan-do-check-act (PDCA) cycle.

Notes:
 1. The vision for 2030, Group measures and Group targets and KPIs for FY2031 for material matter 1, "Creating new value in food and health," were revised by the Board of Directors of Nichirei Corporation on July 18, 2023.
 2. For material matter 3, "Realizing sustainable food procurement and a circular economy," in April 2023 the Nichirei Group established procurement guidelines for marine products and palm oil, which are important food resources underpinning its business activities, and added related Group targets and KPIs.

Nichirei Group Material Matters	Group Measures	Group Targets (KPIs)	FY2023 Results	FY2024 Plan	FY2025 Targets	FY2031 Targets	Main Operating Companies Involved	Applicable SDGs
1	Creating new value in food and health¹ <ul style="list-style-type: none"> 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 the global environment	¥46.4 billion	—	¥60.0 billion	¥140.0 billion	<ul style="list-style-type: none"> Nichirei Foods Pages 38-41 Nichirei Fresh Pages 46-49 Nichirei (Holding Company) Company-wide initiatives Pages 56-57 	 3.d 8.2 9.5
		People provided with information for good eating habits and health (total number of people per year)	103 million	—	—	200 million		
2	Strengthening food processing and production technology capabilities; enhancing logistics services <ul style="list-style-type: none"> 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 Accelerate overseas expansion by securing and training globally capable human resources, cultivating partner companies, conducting M&As and other means 	EBITDA margin	8%	9%	10%	12%	<ul style="list-style-type: none"> Nichirei Foods Pages 38-41, 58 Nichirei Logistics Group Pages 42-45, 59 Nichirei Fresh Pages 46-49 	 2.4 9.1 9.4
		EBITDA CAGR <small>Note: Figures for FY2023, FY2024, and FY2025 are year-on-year growth rates; FY2031 figure is CAGR for FY2026–FY2031.</small>	5%	7%	7%	7% or higher		
		Overseas sales ratio	20%	21%	20%	30%		
3	Realizing sustainable food procurement and a circular economy <ul style="list-style-type: none"> Establish a supply chain with consideration for human rights and the environment and conduct due diligence Work to conduct sustainable resource procurement and help to realize a circular economy Identify water-related risks through risk assessments at all sites and conserve water 	Rate of procurement from suppliers and OEMs that comply with the Nichirei Group Supplier Code of Conduct and Supplier Guidelines	Support rate 89% (main domestic suppliers and OEMs)	Support rate 100% (main domestic suppliers and OEMs)	Support rate 100% (main domestic and overseas suppliers and OEMs)	Procurement rate 100%	<ul style="list-style-type: none"> Nichirei Foods Nichirei Logistics Group Nichirei Fresh Pages 46-49 Nichirei Biosciences Pages 50-51 Company-wide initiatives Pages 60-65 	 8.7 12.2 12.6 14.4
		Rate of implementation of ESG due diligence for main raw materials and main suppliers	Domestic meat and poultry 25% (main suppliers and OEMs)	Domestic meat and poultry 50% (main suppliers and OEMs)	Domestic meat, poultry, and marine products 100% (main suppliers and OEMs)	100%		
		Rate of attendance for the SDGs educational program aimed at realizing a circular economy	—	Start educational program	100% (managers or above)	100% (all employees)		
		Rate of waste recycling at all sites	99%	99%	99%	99%		
		Procurement ratio of sustainable marine products complying with the Nichirei Group Sustainable Marine Product Procurement Guidelines in marine products business ²	91%	95%	100%	100%		
		Ratio of marine products in the above from fisheries with MSC, ASC or other global certification ²	19%	19%	32%	50%		
		Ratio of sustainable palm oil (RSPO certified oil) ²	100% (book and claim)	100% (book and claim)	100% (book and claim)	100% (certified oil)		
4	Climate change initiatives <ul style="list-style-type: none"> Reduce CO₂ emissions per unit of production and utilize renewable energy at food factories and logistics centers, and disclose information based on the TCFD recommendations Replace all refrigerants used in freezing and refrigerating equipment in Japan with natural refrigerants Switch to natural refrigerants overseas as necessary, based on on-site confirmation 	Reduction in CO ₂ emissions (Compared with FY2016; Scope 1 and 2 in Japan)	-25%	-27%	-30%	-50%	<ul style="list-style-type: none"> Nichirei Foods Pages 38-41 Nichirei Logistics Group Pages 42-45 Company-wide initiatives Pages 66-73 	 7.2 7.3 13.3
		Rate of conversion to natural refrigerants Production equipment (Japan)	56%	69%	80%	100%		
		Rate of conversion to natural refrigerants Logistics (Global)	58%	60%	62%	75%		
5	Securing and developing a diverse array of human resources <ul style="list-style-type: none"> Introduce a Company-wide 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 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 	Ratio of women directors and women Audit & Supervisory Board members* <small>* Nichirei Corporation (Holding Company)</small>	13%	13%	20% or higher	30% or higher	<ul style="list-style-type: none"> Nichirei Foods Nichirei Logistics Group Nichirei Fresh Nichirei Biosciences Nichirei (Holding Company) Company-wide initiatives Pages 54-55, 74-80 	 4.3 4.4 5.1 5.5
		Ratio of women employees in management positions* <small>* Nichirei Corporation (Holding Company)</small>	15%	18%	20%	30%		
		Investment in human resources (Compared with the average annual investment in human resources in FY2019–FY2021)	1.2 times	1.5 times	1.7 times	2.0 times		

Management Strategy & Value Creation Story

Business Plan & Strategy

Sustainability & Human Resources

Stakeholders

Governance & Risk Management

Data