Water Risk, Biodiversity, Using Less Plastic

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Water Risk Assessment

https://nichirei.disclosure.site/en/themes/88

To achieve its goal of building sustainable supply chains, the Nichirei Group recognizes the importance of water resources to producing raw materials and conducting business. At the same time, it is striving to conserve these resources and reduce its environmental impact.

Realizing the importance of understanding local circumstances and the initiatives implemented at local facilities regarding water risks, Nichirei uses a third-party water assessment service to evaluate water risk at its facilities.

Our most recent assessments used Aqueduct,¹ a data platform run by the World Resources Institute. Questionnaires in English and Japanese were distributed at all Group facilities in Japan and abroad in order to better understand the initiatives they were implementing.

This water risk assessment covered 152 Nichirei Group facilities and looked at four indicators included in the Aqueduct Framework: water quantity, water quality, as well as regulatory and reputational risk (see figure 1).

Figure 1 illustrates the relationship between the number of Nichirei facilities located in water-stressed regions and their water intake. We will implement water risk reduction initiatives at three facilities (one in China, two in Thailand) found to be associated with extremely high water stress.

Water Risk Assessment (Figure 1)



Water Stress and Water Intake Quantity²

Mater etrees	Number of facilities	Fiscal 2019 water intake quantity (m³/year)			
water stress		Surface water	Groundwater	Third-party assessment	Total
Total	152	2,497,656	1,809,223	2,811,264	7,118,143
Extremely High (80 % or more)	3	2,371,459	0	468,382	2,839,841
High (40–80 %)	0	0	0	0	0
Medium to high (20–40 %)	54	0	458,403	1,491,420	1,949,823
Low to medium (10–20 %)	77	2,400	1,323,084	737,805	2,063,289
Low (10 % or less)	18	123,797	27,736	113,657	265,190

. Offered by this international environmental NGO, the tool facilitates the evaluation of global water risk using position coordinates or addresses. 2. Excludes facilities to be scaled down, and overseas offices and warehouse

Biodiversity Initiatives

Fukushima: Environmental Research and Protection, Conserving Biodiversity

https://nichirei.disclosure.site/en/themes/89

Nichirei owns land near Lake Hibara in Fukushima Prefecture's Urabandai region. The Company supports research on the natural environment in the surrounding areas and environmental and biodiversity conservation based on that research.

Following the 1888 eruption of Mount Bandai, all vegetation disappeared from the Urabandai area, but more than 130 years on, one can see vegetation returning: red pine forests, white willows, reeded wetlands, and aquatic plant clusters in marshlands.

The red pine forests, planted by people who want to see the return of greenery, continue to spread.

But since the Company's land remains unforested, it provides a valuable area for observing the transition of virgin nature.

Nichirei has supported the research activities-carried out since FY2012 in the Urabandai area-by the Support Division for Projects in Natural Symbiosis and Regeneration at Center for Practical and Project-Based Learning, Graduate School of Symbiotic Systems Science and Technology, Fukushima University.

In FY2020 (ended in March, 2020), we supported an investigation of insect fauna inhabiting reed marshes in Urabandai area Nichirei-owned land, as well as a study into the diversity of plant species conducted with the goal of publishing a book on Urabandai flora.

Protecting Endangered Orchids, Biodiversity Conservation

https://nichirei.disclosure.site/en/themes/89

Since FY2004, the Nichirei Group has helped in the conservation and regeneration of the endangered orchid Cypripedium macranthos var. macranthos and other species through research on and the breeding of orchids and other plants in Fujimi-machi, Nagano Prefecture.

In FY2015, some artificially propagated orchids-of the genus Cypripedium macranthos var. macranthos-flowered and, in FY2020, they produced 32 blooms. As a result, Nichirei entered into Biodiversity Conservation Partnership Agreement

with the Fujimi-machi Atsumorisou Regeneration Committee in February 2019. Under a three-year (April 1, 2019 to March 31, 2022) agreement, the Group will

provide the technologies necessary for the conservation and regeneration of Cypripedium macranthos orchids and cover a portion of the costs.

Reducing Container and Packaging CO₂ Emissions

Since 2006, Nichirei Foods Inc. has been striving to reduce the amount of plastic used for commercial frozen food product containers and packaging.

Most recently, the efforts have succeeded for containers and packaging used for seven target items. Some 200 tons less is now used compared with the amount previously used. Nichirei is still working to cut back the amount of plastic it uses to reduce even further its discharge of CO2.

Past Plastic Reduction Initiatives

Fiscal year	Products	
Since FY2007	Imagawa-Yaki (Japanese waffle)	Elimination of tra
Since FY2010	Yaki-Onigiri (grilled rice ball) 10-pack	Elimination of tra
Since FY2012	Honkaku-Itame Cha-Han (fried rice)	Thinner packagi
Since FY2015	Yaki-Onigiri (grilled rice ball) 10-pack	Thinner packagi
Since FY2016	Honkaku-Itame Cha-Han (fried rice)	Thinner packagi
Since FY2019	Ebi-Pilaf (shrimp pilaf) and Chicken-Rice (chicken rice)	Thinner packagi
Since FY2020	Ebi-to-Cheese-no Gratin (shrimp gratin) and Ebi-to-Cheese-no Doria (shrimp rice gratin)	Thinner trays, re



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Water quality survey in the Urabandai area wetland



New species Caenis sp.CU discovered in the survey



A Cypripedium macranthos var macranthos in bloom



Reduced trav handle width



Group Overview
Management Strategy
Business Strategy
Initiatives to Resolve Social Issues
Corporate Governance
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