

# Decarbonization and the Elimination of CFCs

## The Nichirei Group Environmental Policy The Nichirei Group Environmental Policy and Biodiversity Policy <https://www.nichirei.co.jp/english/sustainability/environment/policy.html>

The Nichirei Group formulated the Nichirei Group Environmental Policy under the following theme: “If the Nichirei Group is to pass on to future generations the natural abundance that is the source of food and good health and to continue providing freshness and good taste—together with its stakeholders, it must use its superior products and first-class logistics network to reduce the environmental impact of its business activities throughout the entire supply chain and help create a sustainable society.”

The Nichirei Group Environmental Policy focuses on three priority issues: climate change initiatives, promotion of sustainable recycling, and symbiosis with nature. For climate change initiatives, we recognize that food and logistics companies are greatly affected by climate change. We are implementing the following initiatives as part of our low-carbon policies.

## Long-term Environmental Goals and Low-carbon Policies

We will implement low-carbon policies to address one of our material matters and in pursuit of our long-term environmental goals. We will actively implement the following three measures during the 10 years from 2021 through 2030.

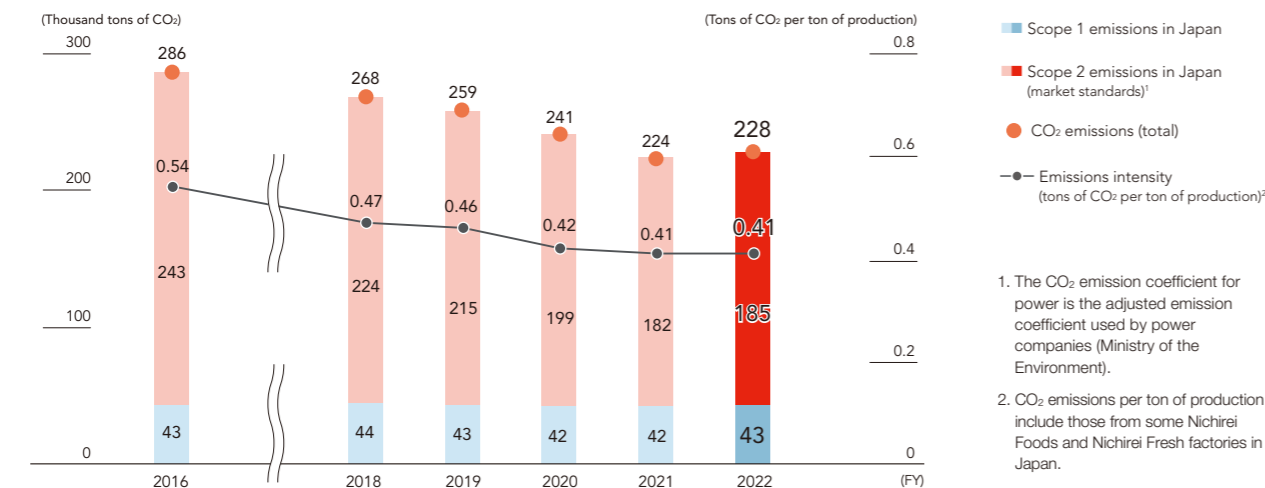
Having endorsed the TCFD recommendations, the Nichirei Group is promoting the following low-carbon policies:

Pillar of low-carbon policy	Overview	Target scope
1 The establishment of long-term CO <sub>2</sub> reduction goals	<ul style="list-style-type: none"> <li>50%* reduction in Scope 1 and 2 CO<sub>2</sub> emissions (compared with FY2016) in Japan in 2030</li> </ul>	Scope 1 and 2 in Japan
2 The promotion of CO <sub>2</sub> reduction countermeasures overseas	<ul style="list-style-type: none"> <li>Start data collection and other efforts at overseas worksites</li> <li>Review and promote CO<sub>2</sub> reduction countermeasures at overseas worksites</li> </ul>	Scope 1 and 2 Overseas
3 The promotion of Scope 3 CO <sub>2</sub> reduction countermeasures	<ul style="list-style-type: none"> <li>Promote Scope 3 data collection and other efforts</li> <li>Review and promote Scope 3 CO<sub>2</sub> reduction countermeasures</li> </ul>	Scope 3

\* In June 2021, the target was revised upward from 30% to 50%.

## Nichirei Group CO<sub>2</sub> Emissions

In FY2022, we reduced our CO<sub>2</sub> emissions by 20.2% compared with FY2016.



## Renewable Energy Procurement

### Utilizing Electricity Generated from Solar Power

The Nichirei Group is working to reduce CO<sub>2</sub> emissions by installing solar power generation equipment on the premises of food factories and on the rooftops of refrigerated logistics warehouses. We will further strengthen these initiatives as part of Medium-term Business Plan Compass Rose 2024.



Solar Power Generation and CO<sub>2</sub> Emission Reduction

	Power Generation	CO <sub>2</sub> Emission Reduction
FY2020	2,068 Mwh	1,003 t
FY2021	2,149 Mwh	986 t
FY2022	2,974 Mwh	1,408 t

### Purchase of Green Energy

Since 2007, the Nichirei Group has been purchasing and stockpiling Renewable Energy Certificates (RECs)\* every year. As a result, in FY2021, the head office building (Nichirei Higashi Ginza Bldg.) shifted to renewable energy (making use of RECs) for all of its power usage. In addition, since March 2020, Nichirei Foods has purchased RECs to cover all electricity used in production lines for *Honkaku-Itame-Chahan* (fried rice). It is also making the shift to renewable energy.



\* Green power is power generated from renewable energy sources, such as biomass, solar and wind. The CO<sub>2</sub> emission reductions achieved through the use of power generated from renewable energy are traded in the form of RECs.

## Eliminating Chlorofluorocarbons (CFCs)

### Switching to Natural Refrigerants

By 2030, we will have switched to natural refrigerants for 75% of equipment used by Nichirei Logistics Group (based on tons of equipment excluding leased equipment), including overseas facilities, and 100% of the freezers used by Nichirei Foods at its food factories and investee factories in Japan.



### Initiatives to Prevent Refrigerant Leaks

Nichirei Logistics Group works to reduce refrigerant leakage from existing refrigerators. In addition to carrying out regular inspections for refrigerant leakage, in FY2022 it introduced detectors capable of 24-hour measurement.

## Change of Fuel for Manufacturing Equipment

Food factories use heat energy in a variety of manufacturing processes, including frying and baking. For the boilers that create the heat energy used in manufacturing, we are systematically switching from kerosene and heavy oil to city gas and propane, which produce fewer CO<sub>2</sub> emissions.

