

Messages from Outside Directors

Our outside directors respond to questions about key topics of interest that have arisen during dialogue with investors and analysts.

Developing human resources who strengthen the Company through discussion from diverse perspectives

Mana Nabeshima
Outside Director



Q What do you consider the features of the Nichirei Group and the challenges it faces?

I think its sincere approach to providing safe, reliable food is an excellent characteristic. From a financial perspective, I feel that the results of its steady initiatives for ROIC management at each operating company are becoming apparent. As for the challenges that lie ahead, Nichirei may need to discuss the kind of company it wants to become over the long term to establish an advantage, and then consider reconfiguring its business portfolio accordingly by generating synergies among its businesses and through other methods. Doing so will require not only collecting more information, but also disciplined efforts in areas it has not been stressing, such as marketing, branding and recruiting human resources in the new field of ESG.

Q How has the Board of Directors changed since you were appointed?

I recognize that for some time now there have been lively exchanges of opinion and that discussions have been sufficiently thorough at Board of Directors meetings. Recently, members are more proactive in voicing dissenting opinions, and I believe Board meetings are run more effectively. In addition, the Company added one more outside director in June 2024. All outside directors have expertise in various fields, and three of us are women, which has increased the Board's diversity. For some time now the chairpersons of both the Nominating Advisory Committee and the Remuneration Advisory Committee have been outside directors, and opinions expressed at last year's Nominating Advisory Committee meetings have led to significant advances in the succession plan. To make the most of the expertise and

diversity of outside directors, it might be a good idea for us to be involved in setting the agenda for future Board meetings. On the other hand, there are instances where it takes time to get a response to issues raised at Board meetings, and I look forward to improvement in this area.

Q Going forward, what topics would you like to concentrate on regarding intangible assets such as human resources and intellectual property?

Innovation is the wellspring of corporate growth, so I think it is important to concentrate on research and product development. I also feel it is time to consider proactive training of development personnel as well as recruitment of mid-career employees from outside the Company.

Moreover, based on the belief that discussion among human resources from diverse perspectives makes a company stronger, it is essential to take prompt action to develop women employees in line with their career plans and ambitions. Drawing up strategies and plans will be a challenge, but I have high expectations that the establishment of Diversity Promotion as a division, and the creation of a new position for a person in charge of this division, will expedite the process.

Since the appointment of a General Manager of Sustainability Strategy, Nichirei has made steady progress in addressing environmental risks, including presenting a renewable energy portfolio for 2030, and then backcasting from it. As for opportunities, Nichirei will be able to enhance its growth potential by discussing the kind of company it wants to become in order to clarify a specific direction and strategies. I look forward to the leadership and cooperation of each department.

Involving the next generation in shaping Nichirei's growth story will also drive the evolution of its corporate culture

Itsuo Hama
Outside Director



Q What are your thoughts on ROIC management?

ROIC management, which is aimed at improving capital efficiency, has taken hold at Nichirei, and progress in achieving the simple ROIC it has set for each business segment is discussed in almost every committee and Board meeting. However, I sense that due to shortcomings in the design of the Group's strategy from a medium- to long-term perspective, it has yet to eliminate the risk of not seeing the forest for the trees.

I expect that once the Nichirei Group employs backcasting for a more clearly designed growth strategy, it will rapidly establish a system for continuously maximizing corporate value by allocating cash obtained through ROIC management to future growth investments.

Q What are your impressions of Nichirei's approach to marketing and innovation?

Nichirei has yet to draw up scenarios for maximizing both its corporate brand and product brands through collaboration between the holding company and operating companies. For its corporate brand, it needs to promptly design a strategy and set evaluation indicators for maximizing the appeal of the Nichirei Group. For product brands, it needs to review points of differentiation in both the household-use and the commercial-use categories, and create scenarios for using those points to increase corporate value as the business expands. Overseas, in addition to these measures, Nichirei should first maximize the value of its brands in Japan, clearly identify the points of differentiation specific to each area, and then implement concrete marketing measures for those areas.

As for innovation, the Nichirei Group must first clearly define the value it wants to provide and its value creation story, and then promptly set specific themes for business and technological innovation, and secure a system for driving them forward.

Q What is your analysis of synergies within the Group?

I think it is necessary to draw up specific strategies for synergies by area, country and category. Once its medium- to long-term growth story is clearly defined, the Group, from senior management to each business site, must share a common understanding of that story and work together to achieve its goals. There currently appears to be a silo mentality, with a lack of candid interchange and understanding between businesses. Setting specific topics for collaboration and working together to achieve them should help remove such barriers. In addition, I believe that involving the next generation of Group employees—and the generation after that—in shaping Nichirei's medium- to long-term growth story and designing its synergy strategies will drive the evolution of its corporate culture.

Taking a fresh look at Nichirei's strengths and what makes it stand out

Kenji Hamashima
Outside Director



Q How do you view Nichirei's continuing overseas business expansion and the associated issues?

Since Japan's market alone is not large enough for Nichirei to achieve its medium- to long-term goals, it is natural to seek growth opportunities overseas, and a rational approach given Nichirei's size. Overseas expansion requires market strategies tailored to each region and business, and labor markets are another key factor. If Nichirei intends to go beyond its long-term management goals toward 2030 as a global company, it will need to prepare strategies specifically for labor markets. Issues I see going forward are enhancing training programs for developing globally capable human resources and fostering greater tolerance for differences and diversity, including presenting Nichirei's many capable employees with clear and adventurous career paths that lead to senior management positions in the Group.

Q What are your thoughts on the business portfolio?

The bioscience business has performed strongly in recent years, but honestly, I feel that it has fallen short in terms of helping to develop basic technological capabilities for the Group overall. With the entry of many small and medium-sized companies into Nichirei's business domain as refrigeration technologies become commonplace, Nichirei must ask itself where its strengths lie and what factors make it stand out as competition intensifies. The entire Group needs to take a fresh look at these points. I have the impression that the Group's exit strategy is taking shape in terms of technological capabilities with the transfer of all technology development to Nichirei Foods in the reorganization conducted in April 2023.

I also think that new business opportunities are likely to arise from making synergy with the processed foods business part of the bioscience strategy. One example of the involvement of the bioscience business in a processed foods business is the technology for making *acerola powder*. The ability to powderize acerola has significantly facilitated distribution and increased its range of applications. I expect Nichirei to generate synergies among its respective strengths in ways like this, closely matching its development goals with its exit strategies to become a dominant advanced technology company in the food industry.

Q What is Nichirei's approach to officer remuneration and what are its associated initiatives?

Nichirei aims to balance social and economic value. To promote this, its system for determining officer remuneration consists of three elements: industry position, business performance evaluation and ESG third-party evaluation. Nichirei believes that evaluations must be structured in a way that balances short-term and medium- to long-term aspects. To ensure objectivity and validity, officer remuneration is determined annually, based on energetic discussions incorporating information from third-party organizations. Issues going forward include discussions on incorporating a method for allocating remuneration from a medium- to long-term perspective and employee engagement scores into the remuneration system.

Officer Career Summaries (As of June 25, 2024)

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 Frozen Food Association

Years in office	7*
Number of the Company's shares owned	394 (Hundreds of shares)

* 5 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 (to the present)



Masahiko Takenaga
Director, Senior Executive Officer
Significant concurrent positions outside the Company:
■ Representative Director, President, Nichirei Foods Inc.

Years in office	5
Number of the Company's shares owned	275 (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	3
Number of the Company's shares owned	116 (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

Years in office	2
Number of the Company's shares owned	81 (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; in charge of Accounting & Tax Division, Management Business Division and Real Estate Division, General Manager of Finance Division, the Company
Apr. 2023 Director, Senior Executive Officer, Chief Financial Officer; in charge of Accounting & Tax Division, Public Relations & Investor Relations Division, Corporate Internal Audit Division and Real Estate Division, General Manager of Finance Division, the Company
Jun. 2023 Director, Senior Executive Officer, Chief Financial Officer; in charge of Accounting & Tax Division, Public Relations & Investor Relations Division, Corporate Internal Audit Division, Quality Assurance Division and Real Estate Division, General Manager of Finance Division, the Company
Apr. 2024 Director, Senior Executive Officer, Chief Financial Officer; 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 (to the present)



Yuichi Takaku
Director, Senior Executive Officer

Years in office	1
Number of the Company's shares owned	81 (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 Management Division, General Manager of Strategic Planning Division, the Company
Jun. 2023 Director, Senior Executive Officer; in charge of IT Strategy Division and Sustainability Management Division, General Manager of Strategic Planning Division, the Company
Apr. 2024 Director, Senior Executive Officer; 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 (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	New appointment
Number of the Company's shares owned	0

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)

Outside Directors



Mana Nabeshima

Outside Director

Significant concurrent positions outside the Company:
■ Representative Director, Wakiaiai Co., Ltd.

Years in office	3
Number of the Company's shares owned	29 (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)



Kenji Hamashima

Outside Director

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

Years in office	2
Number of the Company's shares owned	20 (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)



Yumi Yamaguchi

Outside Director

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

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

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. (to the present)
Jun. 2024 Outside Director, Mitsui O.S.K. Lines, Ltd. (to the present)
Outside Director, the Company (to the present)



Itsuo Hama

Outside Director

Years in office	2
Number of the Company's shares owned	6 (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 Executive 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)



Yukiko Yoshimaru

Outside Director

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

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

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)

Audit & Supervisory Board Members



Tatsushi Kato

Audit & Supervisory Board Member

Years in office	3
Number of the Company's shares owned	16 (Hundreds of shares)

Apr. 1987 Joined Nichirei
Apr. 2013 General Manager of Funabashi Plant, Manufacturing Division, Nichirei Foods Inc.
Oct. 2013 General Manager of Funabashi Plant, General Manager of Funabashi No. 2 Plant, Manufacturing Division, Nichirei Foods Inc.
Apr. 2015 Executive Officer; General Manager of Funabashi Plant, General Manager of Funabashi No. 2 Plant, Manufacturing Division, Nichirei Foods Inc.
Apr. 2016 Executive Officer; General Manager of Manufacturing Division, Nichirei Foods Inc.
Apr. 2019 Managing Executive Officer; General Manager of Quality Assurance Department, Nichirei Foods Inc.
Apr. 2020 Managing Executive Officer; General Manager of Quality Assurance Department, General Manager of Research and Development Department, Nichirei Foods Inc.
Jun. 2021 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	5
Number of the Company's shares owned	20 (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)



Hiromichi Matsushima

Outside Audit & Supervisory Board Member

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

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



Tetsuro Katabuchi

Audit & Supervisory Board Member

Years in office	2
Number of the Company's shares owned	9 (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
Jun. 2022 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	New appointment
Number of the Company's shares owned	0

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 (to the present)
Jun. 2024 Outside Audit & Supervisory Board Member, the Company (to the present)
Outside Director, Kandenko Co., Ltd. (to the present)

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, Ministry of Agriculture, Forestry and Fisheries
Aug. 2015 Vice-Minister for International Affairs, Ministry of Agriculture, Forestry and Fisheries
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



Yutaka Karino

Senior Executive Officer

In charge of Human Resources Planning Division, Legal Department Division, General Manager of General Affairs Division, General Manager of Secretariat Office



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

General Manager of Diversity Promotion


Basic Policy and Structure

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.

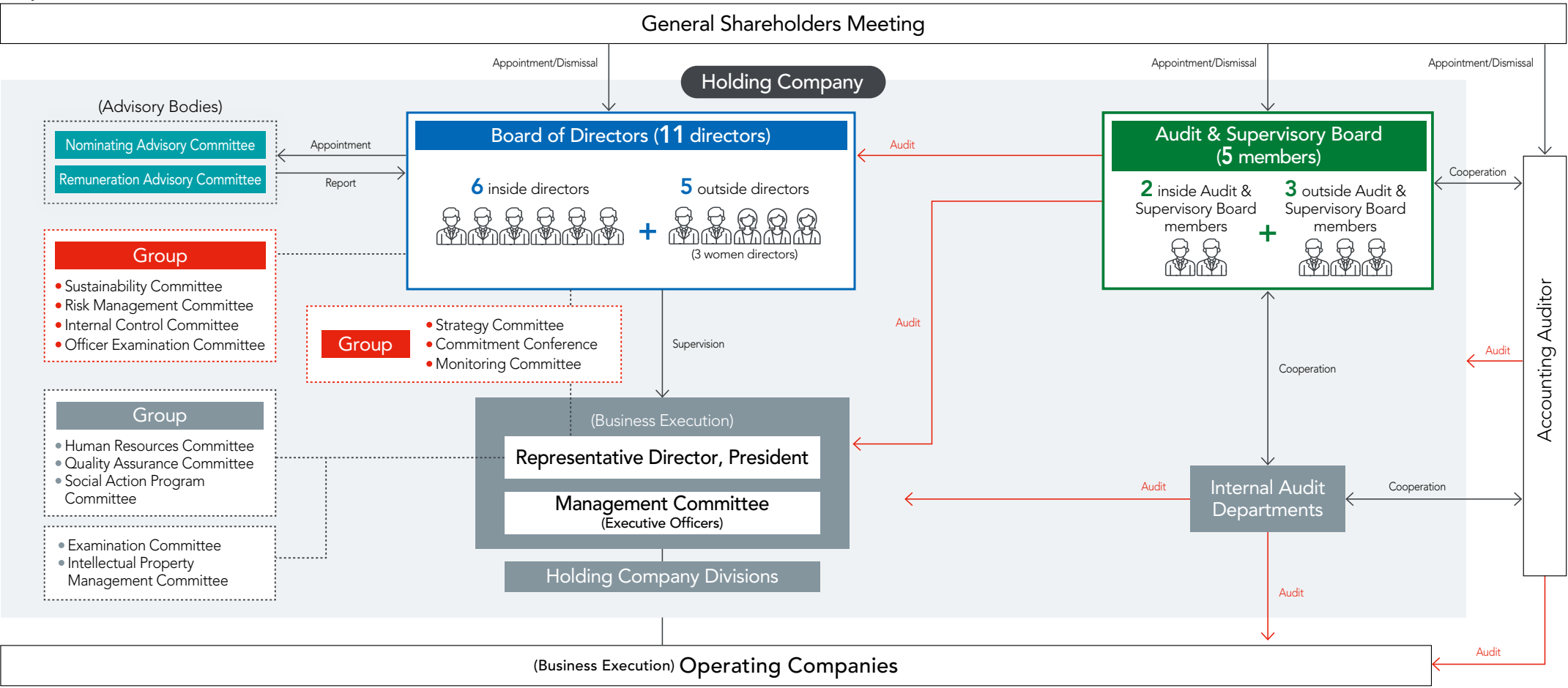
The holding company adheres to the principles of the Corporate Governance Code and views the achievement of fair and transparent management as an important management issue. Accordingly, under the supervision of the Board of Directors, we will continue to strengthen governance by promoting appropriate 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.

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

 **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, 2024)



Group Human Resources Committee

Number of meetings held in FY2024: **2**

Chairperson: Kenji Suzuki
Senior Executive 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 FY2024: **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 FY2024: **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.

Board of Directors

▶ Please refer to the next page for details.

Audit & Supervisory Board

▶ Please refer to the next page for details.

Nominating Advisory Committee

▶ Please refer to the next page for details.

Remuneration Advisory Committee

▶ Please refer to the next page for details.

Group Sustainability Committee

Number of meetings held in FY2024: **4**

Chairperson: Kenya Okushi
Representative Director, President

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 FY2024: **2**

Chairperson: Kenya Okushi
Representative Director, President

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 FY2024: **1**

Chairperson: Kenya Okushi
Representative Director, President

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 FY2024: **2**

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 FY2024: **2**

Chairperson: Kenya Okushi
Representative Director, President

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 FY2024: **1**

Chairperson: Kenya Okushi
Representative Director, President

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 FY2024: **3**

Chairperson: Kenya Okushi
Representative Director, President

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.

Overview of Board of Directors

Composition	11 directors (5 outside directors)
Number of Meetings in FY2024	19
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.

Overview of Audit & Supervisory Board

Composition	5 Audit & Supervisory Board members (3 outside Audit & Supervisory Board members)
Number of Meetings in FY2024	17
Description of Operations	As a body that is independent from the Board of Directors, the Audit & Supervisory Board communicates with directors, 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.

Status of Voluntary Committees and Their Chairpersons

Committee	Role	Chairperson	Number of Meetings in FY2024
Nominating Advisory Committee	Discusses the suitability of candidates for senior management and directors/Audit & Supervisory Board members, as well as succession plans, and reports its findings to the Board of Directors.	Itsuo Hama Outside Director	9
Remuneration Advisory Committee	Discusses the remuneration system, remuneration levels, the appropriateness of remuneration amounts, and other related matters, and reports to the Board of Directors.	Kenji Hamashima Outside Director	4

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; experience and expertise in human resource development related to continuously developing diverse human resources
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

Board of Directors Composition

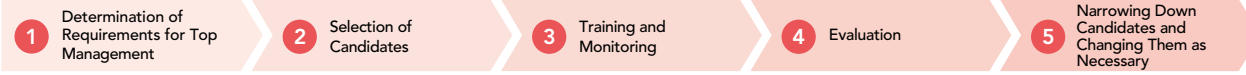
		Experience and Skills												
Classification	Name	Board of Directors Meeting Attendance	Nominating Advisory Committee Meeting Attendance	Remuneration Advisory Committee Meeting Attendance	Audit & Supervisory Board Meeting Attendance	Corporate Management	ESG/ Sustainability	Global	Research and Development	Marketing	Human Resources Strategy	DX	Financial Accounting/ Finance	Legal Affairs/ Compliance
Directors	Kenya Okushi	19/19	9/9	4/4		●	●	●	●		●			●
	Masahiko Takenaga	18/19				● (Processed foods)		●	●	●				
	Wataru Tanabe	19/19				● (Marine, meat and poultry products)		●		●				
	Kenji Suzuki	19/19					●	●			●		●	●
	Yuichi Takaku	15/15 ^{*1}					●	●			●	●		
	<small>New Appointment</small> Kazunori Shimamoto	^{*2}				● (Logistics)		●		●		●		
	<small>Designation as Independent Officer</small> Mana Nabeshima	19/19	9/9	4/4			●	●					●	
	<small>Designation as Independent Officer</small> Itsuo Hama	19/19	9/9	4/4		●	●		●	●	●			
	<small>Designation as Independent Officer</small> Kenji Hamashima	19/19	9/9	4/4		●	●	●					●	
	<small>New Appointment</small> <small>Designation as Independent Officer</small> Yukiko Yoshimaru	^{*2}	^{*2}	^{*2}			●	●			●			
Audit & Supervisory Board Members	<small>New Appointment</small> <small>Designation as Independent Officer</small> Yumi Yamaguchi	^{*2}	^{*2}	^{*2}			●	●				●		
	Tatsushi Kato	19/19			17/17		●		●					●
	Tetsuro Katabuchi	19/19			17/17		●							●
	<small>Designation as Independent Officer</small> Yuhiko Saito	19/19			17/17		●							●
	<small>New Appointment</small> <small>Designation as Independent Officer</small> Takaaki Kato	^{*2}			^{*2}			●					●	
	<small>New Appointment</small> <small>Designation as Independent Officer</small> Hiromichi Matsushima	^{*2}			^{*2}		●	●						

^{*1} As Mr. Takaku was newly appointed and took office at the 105th Annual General Shareholders Meeting held on June 27, 2023, his attendance is recorded for meetings held after his appointment.
^{*2} Since Mr. Shimamoto, Ms. Yoshimaru, Ms. Yamaguchi, Mr. Takaaki Kato, and Mr. Matsushima were newly appointed at the 106th Annual General Shareholders Meeting held on June 25, 2024, their attendance for FY2024 is not recorded.

Succession Plan

The Company positions the succession plan for the Group's senior management, including the president, as one of its most important issues and pursues it from a medium- to long-term perspective based on the corporate management philosophy. 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.

Image of the Succession Plan



Note: In steps ③ to ⑤, 360-degree surveys, human resource assessments by outside organizations, and interviews by outside directors are used to decide on the final candidates.

Specific Discussions 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 FY2024 were as follows. Additionally, the details of discussions on items in bold is included.

Management Strategies	Revision of the Nichirei Group’s material matters (materiality), review of target values/KPIs, and issues to be addressed in order to achieve them
Financial Strategy	Measures for shareholder returns
Medium-term Business Plan	Progress of Medium-term Business Plan Compass Rose 2024 and issues to be addressed
Sustainability	The Nichirei Group’s 2050 Carbon Neutral Declaration and revision/expansion of CO ₂ emission reduction targets, Group human resources strategy, development of globally capable human resources , ESG Index evaluation and challenges
Governance	Activities of the Nominating Advisory Committee and Remuneration Advisory Committee, and review of the Nichirei Group Global Governance Basic Rules
Business Strategies	Management strategy issues in significant domestic and overseas investment projects, the status of resource allocation by overseas region, and related issues

Agenda Items	Details of Discussions
Shareholder Return Measures	Finance explained the status of review of shareholder return measures (including past performance trends, comparison with other companies, and dividend simulations). Measures for increasing shareholder value, as well as dividend levels and shareholder composition were also discussed.
Development of Globally Capable Human Resources	Human Resources explained the status of review of the development of Nichirei Group human resources for overseas (including the required number of personnel by 2030, talent requirements, development initiatives, and development schedules). Discussions were also held regarding plans and methods for recruiting overseas human resources (including locally), methods for selecting development candidates, the number of candidates to be developed, and effective development methods, as well as the living arrangements during overseas assignments and career development after returning from overseas assignments.
Review of the Nichirei Group Global Governance Basic Rules	Legal explained the status of the review of Group policies, Group regulations, and the Nichirei Group Global Governance Basic Rules. Discussions were also held on the optimal structure for implementing the Global Governance Basic Rules in overseas group companies, the measures for disseminating and monitoring Group policies and the Global Governance Basic Rules after the structure review, and the education system for employees dispatched from Japan.

Evaluations of Effectiveness of the Board of Directors

As necessary, and with the assistance of outside experts, 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 (15 individuals in total) Period: January–February 2024 Methods: A self-assessment involving third-party engagement, where questionnaires and individual interviews are conducted by external experts. In addition to the annual questionnaire, individual interviews are conducted on a three-year cycle.
Summary of the Evaluation Results for FY2024	Summarizing the results of the questionnaire and opinions of the directors interviewed, in addition to the free and open exchange of frank opinions in an atmosphere conducive to discussion, there have been improvements in Board of Directors meeting materials, and discussions in the Nominating Advisory Committee and Remuneration Advisory Committee are being shared to some extent with the Board of Directors. As a result of the continuous 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. Furthermore, 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. Securing Time for Discussions Related to Long-term Strategies

Evaluation and Opinion	Numerous respondents felt that there is currently not enough time for discussions of the Group’s long-term strategies and that more time should be allocated for this purpose. In response to questions about the Group’s risk tolerance and preparedness, there were opinions pointing out that concrete measures to deal with these matters are an issue to be addressed going forward, as well as numerous negative evaluations on the five-point scale of the questionnaire, suggesting that many directors and Audit & Supervisory Board members feel that discussions on risk management have been insufficient.
Future Approach	<p>The Board of Directors has decided to take the following measures to secure more opportunities and time at its meetings to discuss long-term strategies and risks.</p> <p>1) Cooperation with other advisory bodies and committees of the Board of Directors</p> <p>In order to formulate medium- to long-term management strategies for the entire Group, the Board has decided to deepen cooperation with the Group Strategy Committee, which discusses medium- to long-term strategies, and with the Group Risk Management Committee, which deliberates on risks that could impair corporate value.</p> <p>2) More efficient operation of Board of Directors meetings</p> <p>i. Further reduction of time spent explaining proposals and other matters</p> <p>The Board has decided to have its members evaluate and review the quality of proposal presentations and the allocation of time to deliberations on a specific proposal basis, and, depending on the proposal, to simplify or omit explanations on the day of the meeting to secure sufficient time for strategic discussions.</p> <p>ii. Further review of Board of Directors meeting materials</p> <p>In addition to specified proposals such as investments, the Board has decided to improve the content and quality of proposal materials that tend to be large in volume by having the Board of Directors’ Secretariat work more closely with the proposing department to help prepare those materials.</p> <p>iii. Review of matters submitted for discussion at Board of Directors meetings</p> <p>The Board has determined that the revision of the standards for submitting matters to the Board of Directors (effective April 1, 2023), which oriented the standards toward a monitoring model, has had some effect from the perspective of more broadly delegating specific individual business execution decisions to the executive side, within the scope permitted by the current institutional design of a company with an Audit & Supervisory Board. The Board will continue analyzing the effectiveness of the revision. The Board has also decided to continue comparing and considering a potential shift to a company with an Audit & Supervisory Committee or a company with a Nominating Committee, etc., which would enable greater transfer of the authority of the Board of Directors to the executive side.</p>

Issue Identified

2. Composition of the Board of Directors

Evaluation and Opinion	In light of Corporate Governance Code Principle 4.8 and social trends such as the increasing number of institutional investors who demand that outside directors constitute a majority of the Board, many respondents felt that the appropriate ratio of outside directors will continue to be an issue for ongoing study, and that the number of outside directors should be increased. On the other hand, there were also respondents who felt that the opinions of inside directors, who possess a deep understanding of the Company’s business, are crucial. Therefore, even if the proportion of outside directors is increased, it is important to maintain a balance with the proportion of inside directors. In addition, numerous respondents felt that although the Company has made relatively good progress in appointing women directors and Audit & Supervisory Board members and that there is no need for urgent measures, women have never been appointed as inside directors or Audit & Supervisory Board members, and therefore it is necessary to expedite the training and promotion of women candidates for these positions.
Future Approach	At the Annual General Shareholders Meeting held on June 25, 2024, the Company proposed an increase in the number of outside directors by one, and 11 directors, including five outside directors (including three women), were elected. In addition, the Company has set a ratio of 30% for women employees in management positions at the holding company as a KPI for “securing and developing a diverse array of human resources,” which is a material matter it has identified for achieving the Nichirei Group’s long-term management goals toward 2030. With the aim of appointing women inside directors and securing diversity, the Company is steadily promoting women to management positions as a pool of candidates (the ratio of women employees in management positions in FY2024 was 17%). On April 1, 2024, the Company also established a Diversity Promotion Division, which is advancing initiatives under the leadership of the Company’s first woman executive officer, appointed on the same day.

Officer Remuneration System

Policies for Determining Officer Remuneration

1 Basic Policies

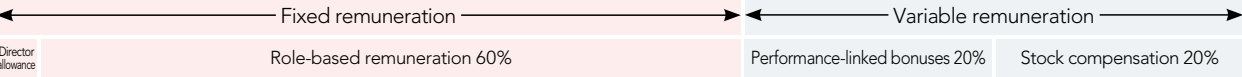
Directors (Excluding Outside Directors)	<ul style="list-style-type: none">Remuneration shall strongly encourage directors to perform their duties in accordance with the Group’s Management Principles, Sustainability Policy: The Nichirei Pledge and management strategies.In order to achieve long-term management goals, 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 plans.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	<ul style="list-style-type: none">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.

2 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, 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



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 a 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. 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 similar in business type and size to that of the Company).

3 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 Weight	(a) Company-wide Performance Evaluation					(b) Business Performance Evaluation			(c) Individual Performance Evaluation
	Net sales	EBITDA	Profit	ROIC	ESG third-party evaluation*	Net sales	EBITDA	ROIC	
Representative Director, President	100%					—			—
	10%	40%	10%	20%	20%				
Director (In Charge of Business)	60%					30%			10%
	10%	20%	10%	10%	10%	5%	15%	10%	
Director (In Charge of Function)	70%					—			30%
	5%	30%	5%	15%	15%				

* For ESG third-party evaluation, we utilize the assessments of multiple ESG assessment organizations to ensure objectivity and fairness. Specifically, we utilize the following three types of assessment.

ESG Third-party Evaluation	Reasons for Selection
<ul style="list-style-type: none">FTSE4Good Index SeriesMSCI ESG RatingsCDP Climate Change	<ul style="list-style-type: none">Appropriate management of ESG-related risks and opportunitiesStrengthening of response to climate change

4 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 FY2024 are presented in the 106th Annual Securities Report.

https://www.nichirei.co.jp/sites/default/files/inline-images/english/ir/pdf_file/yuhohh-pdf/yuho_24e.pdf (nichirei.co.jp)

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)		
Director (Excluding Outside Director)	118 (218)	36 (69)	69 (69)	224 (358)	7 (7)
Outside Director	48	—	—	48	4
Audit & Supervisory Board Member (Excluding Outside Audit & Supervisory Board Member)	48	—	—	48	2
Outside Audit & Supervisory Board Member	32	—	—	32	3
Total	246 (346)	36 (69)	69 (69)	353 (486)	16 (16)

Notes
1. The above includes one director who retired at the conclusion of the 105th Ordinary General Meeting of Shareholders held on June 27, 2023.
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 FY2024 (the amount expected to be paid after June 2024 based on FY2024 performance, etc.) and the difference between the amount expected to be paid for FY2023 as of the submission of the securities report for the previous fiscal year and the amount actually paid after June 2023 (all of which is cash remuneration).

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 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 the directors complies with laws and regulations and the Articles of Incorporation, and other systems prescribed by ordinance of the Ministry of Justice as systems necessary to ensure the propriety of operations of the Company and the operations of the group of enterprises consisting of the Company and its subsidiaries pursuant to the Companies Act of Japan, the Company has established the basic policy for its internal control system. The Company will endeavor to improve the policy by reviewing it annually to adapt to changes in the business environment and other matters.

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

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.

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 administration office 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.

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 FY2024, we established whistleblower hotlines and consultation services at overseas affiliates in Thailand and Malaysia, leading the way in Southeast Asia.

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.

Number of Internal Reports Received

FY2020	FY2021	FY2022	FY2023	FY2024	Five-year Total (FY2020-FY2024)
21	27	20	26	26	120



Nichirei Hotline reminder card

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 Nichirei Corporation 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 Nichirei Corporation, 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 106th 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 32-39	5. Price fluctuations of commodities and raw materials Pages 32-33, 36-37	10. Climate change Pages 56-59
2. Food quality issues Pages 66-67	6. Fluctuations in crude oil prices, etc. Pages 32-37	11. Large-scale natural disasters Page 89
3. Securing and developing diverse human resources Pages 40-47	7. Impact of exchange rate fluctuations Pages 32-39	12. International situation Pages 32-39
4. Information security Page 89	8. Changes in laws and regulations, etc. Page 88	13. Technological innovation Pages 50-51
	9. Sustainable food procurement Pages 60-61, 64-65	14. Holding of fixed assets Pages 32-39
		15. Cross-shareholdings Page 87

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.

Overseas Crisis Management

In order to ensure the safety of business travelers, employees posted overseas and their families against various risks overseas, such as incidents, accidents, and natural disasters, the Nichirei Group manages and implements an Overseas Crisis Response Manual, which provides background knowledge and stipulates procedures and frameworks for responding to crises.

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

As part of its risk management, Nichirei Logistics Group has been enhancing BCP support for its core logistics system since February 2018. Assuming the possibility of damage to its data center, where operations are heavily concentrated, the company created a DR system that enables rapid resumption of business. In the event of a large-scale disaster, the company can quickly resume operations through the use of two sites, each of which can switch from the system at the company's main site to the DR site.

Approximately one hour is needed from the activation of the system until an online restart is possible. The system is designed to ensure that customer businesses and food distribution are not affected by any events. 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.

