Supporting the Food Supply Chain

Since our founding, the Nichirei Group has contributed to the development of society and the improvement of people's lives in Japan as a leading cold chain company.

In this era of major natural disasters and pandemics, we recognize the importance of food to human life. Thus, the Group undertakes to ensure ongoing support for the food supply chain.

If we are able to establish systems that can sustainably and quickly restore the food supply chain, we believe that we will serve society as an invaluable corporate group. We thus are working to strengthen our risk management system and build a comprehensive business continuity plan (BCP).

Risk Management Structure

In the course of its business activities, the Nichirei Group manages various risks in a rational and optimal manner from an overall perspective. In order to maximize the corporate value of the Group, we established the Group Risk Management Committee, chaired by the Representative Director, President. Based on the risk management cycle established by the committee to identify and evaluate risks facing the entire Group, Nichirei and all Group companies respond to the risks on their own accord and report important matters to the holding company Board of Directors so that countermeasures can be discussed.

Business Continuity Plan Initiatives

■ Employee Safety

Group Countermeasures Headquarters in Response to COVID-19

In January 2020, we set up the Group Countermeasures Headquarters in response to COVID-19. In addition to collecting and sharing information throughout the Group, between January and July 2020 we sent out, on the Company intranet, 24 messages with instructions regarding work systems and infection prevention measures.

We are creating a crisis management system to strike a balance between the prevention of infection and the need for our employees to engage in business activities.

Confirming Safety in Emergency Situations

The Nichirei Group has introduced a company-wide safety confirmation system using a dedicated website. In the event of a disaster, such as an earthquake with an intensity of five or higher, emails will be sent to each employee to check whether they are safe, and relevant local information will be provided immediately on the website. The system allows for the rapid collection and sharing of information.

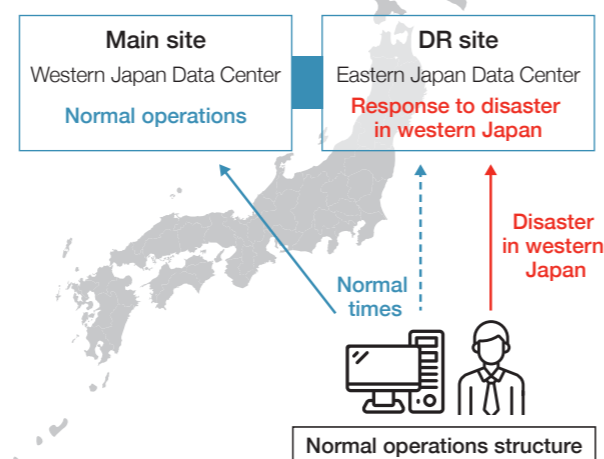### ■ Enhancing Logistics Core System BCP

As part of its risk management, the Nichirei Logistics Group has been enhancing its BCP support for its logistics core system since February 2018.

Assuming the possibility of damage to the data center, where operations are heavily concentrated, we created a disaster recovery (DR) system to enable rapid business continuity. In the event of a large-scale disaster, we would be able to quickly resume operations through the use of two bases that switch from the system at our main site to the DR site.

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

We plan to implement advanced initiatives as a food logistics lifeline in order to contribute to the business continuity of our business partners.

Logistics Core System BCP Conceptual Diagram

Main site	DR site
Western Japan Data Center	Eastern Japan Data Center
Normal operations	Response to disaster in western Japan

Disaster in western Japan

Normal times

Normal operations structure

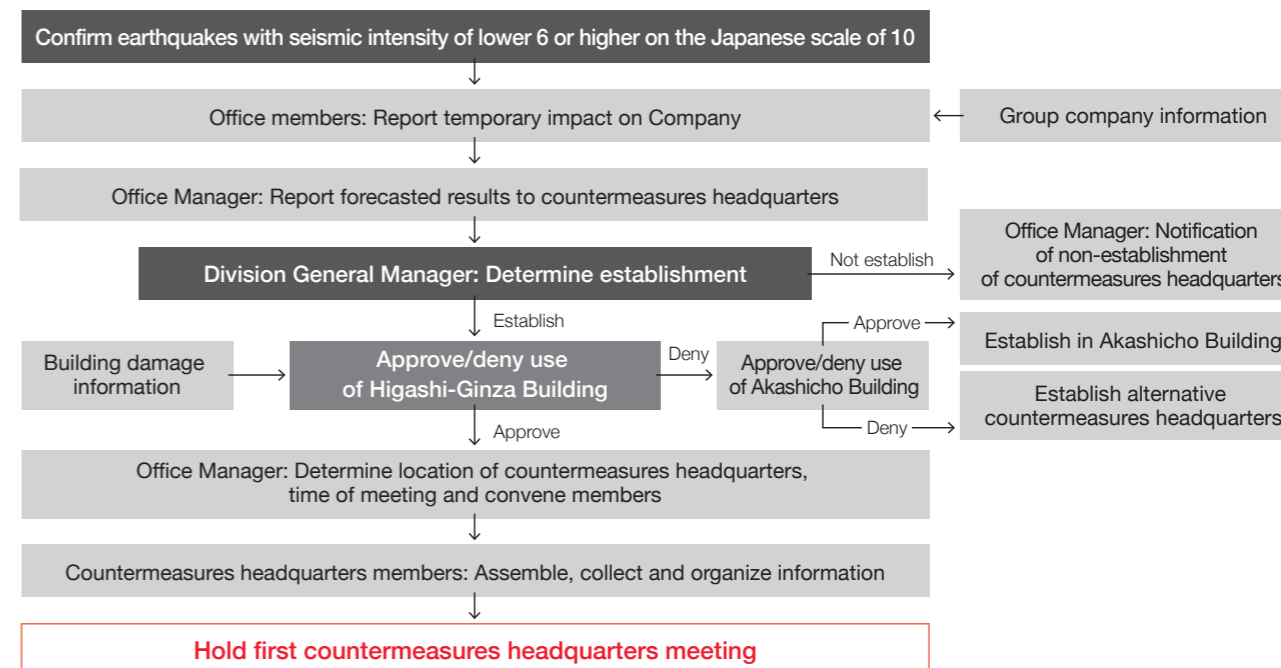---

Nichirei Logistics Group BCP Initiatives

■ Overview

In recent years, with a number of areas having experienced enormous damage as a result of natural disasters, the Nichirei Logistics Group has formulated a BCP to be implemented in the event of earthquakes, tsunamis, typhoons, major storms, and floods. Such risk management prioritizes ensuring the safety of employees and cargo being handled.

Every year before the typhoon season, in addition to circulating a document detailing our anticipated response to forecast typhoons and other weather-related disasters on the Company website, we provide business partners with information on how to deal with temporary closures and changes in business hours.
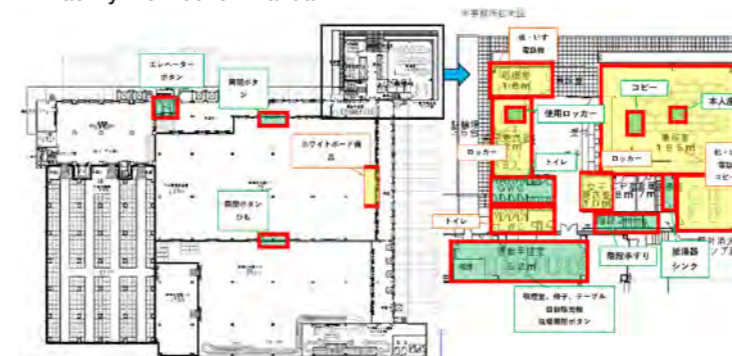
In response to COVID-19, we are conducting infection prevention measures at businesses, while at the same time changing work styles by, for example, staggering commuting times, encouraging teleworking, and opening satellite offices to help ensure employee safety and business continuity.

■ Countermeasures Headquarters Establishment Flow

Confirm earthquakes with seismic intensity of lower 6 or higher on the Japanese scale of 10

Office members: Report temporary impact on Company ← Group company information

Office Manager: Report forecasted results to countermeasures headquarters

Division General Manager: Determine establishment — Not establish → Office Manager: Notification of non-establishment of countermeasures headquarters

Establish

Building damage information → Approve/deny use of Higashi-Ginza Building — Deny → Approve/deny use of Akashicho Building — Approve → Establish in Akashicho Building

Deny → Establish alternative countermeasures headquarters

Approve

Office Manager: Determine location of countermeasures headquarters, time of meeting and convene members

Countermeasures headquarters members: Assemble, collect and organize information

Hold first countermeasures headquarters meeting

■ COVID-19 Response Manual

Facility Disinfection Manual

Guidelines for Preventing the Spread of Infection (Close Contact Prevention)

(1) Office / Reception: (Reference: Partition method)

■ Office / Reception
- Install partitions (substitute with plastic wrap) in front of reception (to prevent face-to-face droplet infection)
- Install partitions between opposing and adjacent seats (to prevent droplet infection from opposing and adjacent seats)