

Overview of Medium-term Business Plans

—Past Achievements and Issues

The Nichirei Group has achieved growth both domestically and internationally by creating new value as a company that addresses social issues.

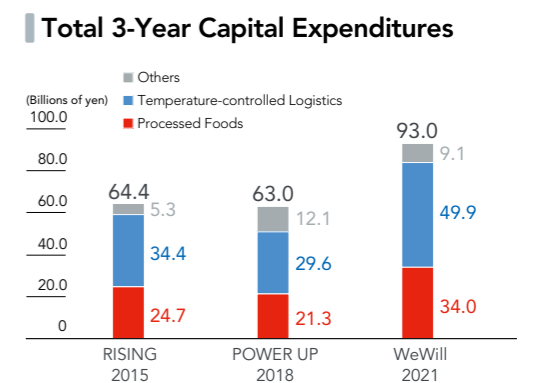
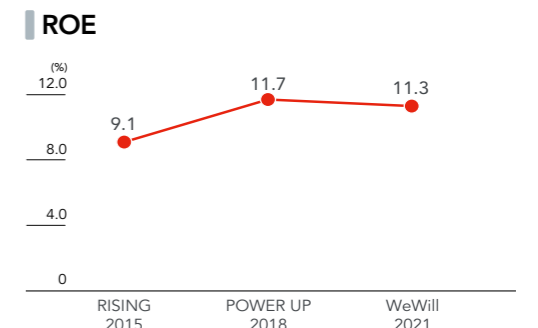
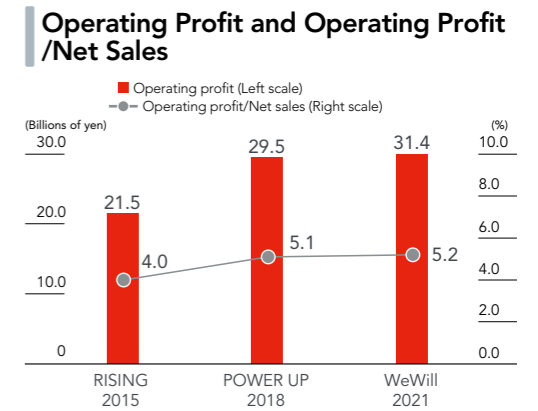
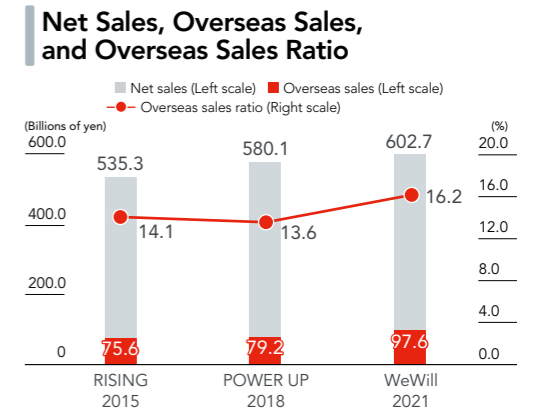
Medium-term Business Plan

Review of the Plan

RISING 2015	
Concept	With the goal of achieving medium-term management vision GROWTH 2016, increase the corporate value of the Nichirei Group by realizing the sustainable growth targeted in the plan
Period	April 2013 to March 2016
President	Kunio Otani
Basic Strategy	Each operating company will, by displaying its unique capabilities and helping to resolve social issues through business development, fulfill its "six responsibilities" and establish a foundation for sustainable growth responsive to changes in the operating environment in Japan and overseas.
Main Initiatives	<ol style="list-style-type: none"> Bolster the earnings capacity of individual Group companies in Japan and overseas to achieve sustainable growth. Build a global quality assurance system. Allocate the Group's management resources appropriately and continue to implement a policy of providing appropriate returns to shareholders, including the acquisition of treasury stock and a dividend increase. Upgrade corporate functionality in the holding company structure. Strengthen the strategy on technological innovation in response to major changes in social and economic circumstances.
Achievements	<p>Made investments for sustainable growth and achieved Group targets for net sales and operating profit.</p> <p>Processed Foods • Strengthened the domestic in-house production system. • Expanded business scale in the United States.</p> <p>Logistics • Started operation of large-scale refrigerated warehouses in the Tokyo and Osaka metropolitan areas.</p>
Main Investments	<ul style="list-style-type: none"> FY2014 <ul style="list-style-type: none"> Processed Foods Established Funabashi No. 2 Plant. Logistics Established Higashi-ogishima DC Phase 2 Building. FY2015 <ul style="list-style-type: none"> Processed Foods Expanded cooked rice products production line. Logistics Established Sakishima DC and Tokachi DC. FY2016 <ul style="list-style-type: none"> Logistics Rebuilt Funabashi DC.

POWER UP 2018	
Concept	Steadily strengthen the foundation of the Group and steadily implement structural reforms to generate the potential that enables sustainable growth
Period	April 2016 to March 2019
President	Kunio Otani
Basic Strategy	<ul style="list-style-type: none"> Aim for profit growth from strengthening the earnings base and improving asset efficiency in domestic businesses and for accelerated expansion of scale in the overseas business. Focus on business innovation and new business development for medium- to long-term growth.
Main Initiatives	<p>General Strategy</p> <ol style="list-style-type: none"> Ensure sustainable earnings growth and raise capital efficiency. Pursue continued expansion in scale for overseas business. Further enhance the Nichirei Group's capabilities for quality assurance. Continue to strengthen corporate governance and other ESG-related efforts. Focus more intently on utilizing diverse personnel. <p>Financial Strategy</p> <ul style="list-style-type: none"> Maintain return on equity (ROE) of at least 8%. Provide a continual, stable dividend with a target DOE of 2.5%. Consider share buy-backs of around 20 million shares (approx. 7% of total issued shares)
Achievements	<p>Achieved Group targets for net sales and operating profit by improving profitability of processed foods and stably expanding logistics.</p> <p>Processed Foods • Improved profitability in Japan on expanded sales of mainstay products.</p> <p>Logistics • Expanded cargo pickups mainly in metropolitan areas and improved balance of transport income.</p> <p>Meat and Poultry Products • Increased earnings.</p>
Main Investments	<ul style="list-style-type: none"> FY2018 <ul style="list-style-type: none"> Logistics Heiwajima DC (rental) Marine Products Established Trans Pacific Seafood Co., LTD. (Vietnam) FY2019 <ul style="list-style-type: none"> Biosciences Established Global Innovation Center

WeWill 2021	
Concept	Aim to realize the long-term management goals toward 2030 with a strong intention to create a distinctive future
Period	April 2019 to March 2022
President	Kenya Okushi
Basic Strategy	Through planned investments significantly higher than the previous medium-term business plan, we aim to further accelerate sustainable profit growth and create new value that supports good eating habits and health.
Main Initiatives	<ol style="list-style-type: none"> Realize sustainable profit growth. <ul style="list-style-type: none"> Raise profitability in Japan by strengthening the management foundation and transforming the business structure. Accelerate the expansion of scale in overseas operations. Systematically allocate resources to core businesses. Improve capital efficiency and increase shareholder returns. <ul style="list-style-type: none"> Maintain ROE of 10% or higher and continue stable dividend increases with a target DOE of 3.0%. Create new value that supports good eating habits and health, helping to resolve social issues through our business.
Achievements	<p>Consolidated net sales and operating profit fell short of the plan due to factors including a pandemic-related decline in the operating rate at production facilities in Thailand and increased raw material procurement costs.</p> <p>Processed Foods • Increased sales of household-use products by capturing demand for eating at home.</p> <p>Logistics • Enhanced operating conditions by ensuring appropriate collection of fees, promoting business innovation, etc.</p> <p>Finances • Maintained ROE above 10%. • Continuously increased dividends with a target DOE of 3.0%.</p> <p>ESG • Upgraded infrastructure for sustainability and ramped up ESG initiatives.</p>
Main Investments	<ul style="list-style-type: none"> FY2021 <ul style="list-style-type: none"> Processed Foods Expanded production line at Funabashi Plant and at No. 2 Plant of GFPT Nichirei (Thailand) Co., Ltd. Logistics Established Nagoya Minato DC and Honmoku DC Acquired Kevin Hancock Limited (U.K.) FY2022 <ul style="list-style-type: none"> Processed Foods Expanded production line at Yamagata Plant Logistics Expanded Maasvlakte DC (Netherlands), Lyon DC (France), and Le Havre DC (France) Acquired Norish Limited (U.K.) and Armir Logistyka Sp. z o.o. (Poland)



Unresolved Issue
Enhancing the profitability of each Group company

Unresolved Issue
Stable and sustainable profit growth

Unresolved Issue
Further improvement in profit levels and swift response to changes in the external environment and rising costs

Unresolved Issue
Improve the profitability of low-margin businesses and enhance capital efficiency

Our Aims & Long-term Management Strategy

Operations Based on Our Long-term Strategy

Sustainability

Business Foundation to Achieve Our Aims

Results of Initiatives (Data)

11-Year Financial Highlights

Nichirei Corporation and Consolidated Subsidiaries for the Years Ended March 31



		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Sales and Income												
Net sales	Note 1 (Millions of yen)	511,189	519,963	535,351	539,657	568,032	580,141	584,858	572,757	602,696	662,204	680,091
(Overseas sales)	(Millions of yen)	56,404	68,614	75,584	70,766	73,216	79,184	79,667	76,850	97,569	133,277	145,014
Cost of sales	(Millions of yen)	93,261	99,086	81,085	91,141	92,838	93,215	99,074	98,803	102,245	108,874	120,145
Selling, general and administrative expenses	Note 1 (Millions of yen)	77,472	56,376	59,501	61,831	62,940	63,704	68,038	65,853	70,835	75,939	83,234
Operating profit	(Millions of yen)	15,789	17,406	21,583	29,309	29,897	29,511	31,035	32,949	31,410	32,935	36,911
Ordinary profit	(Millions of yen)	14,443	16,902	21,394	29,105	30,650	29,864	31,777	33,532	31,667	33,448	38,255
Profit (loss) attributable to owners of parent	(Millions of yen)	8,898	9,516	13,471	18,751	19,097	19,943	19,609	21,212	23,382	21,568	24,495
Capital expenditures	(Millions of yen)	24,041	24,171	16,175	13,887	24,952	24,132	27,287	37,776	27,913	30,416	31,283
Depreciation and amortization	(Millions of yen)	14,475	15,621	16,455	16,057	16,155	17,481	18,355	19,669	21,089	22,198	24,219
EBITDA	Note 2 (Millions of yen)	30,264	33,027	38,038	45,366	46,052	46,992	49,391	52,618	52,499	55,133	61,130
Cash Flows												
Cash flows from operating activities	(Millions of yen)	11,073	27,803	37,032	40,828	29,859	31,311	39,441	45,453	34,660	37,865	62,442
Cash flows from investing activities	(Millions of yen)	(17,650)	(22,362)	(14,496)	(11,445)	(20,269)	(17,918)	(24,300)	(32,213)	(26,016)	(26,844)	(31,592)
Free cash flow	(Millions of yen)	(6,576)	5,441	22,535	29,382	9,589	13,393	15,140	13,240	8,643	11,021	30,850
Cash flows from financing activities	(Millions of yen)	2,580	(6,098)	(20,351)	(21,883)	(13,749)	(9,088)	(10,225)	(10,709)	(14,179)	(8,591)	(31,255)
Financial Position (As of March 31)												
Total assets	(Millions of yen)	318,507	342,014	338,497	346,195	367,268	377,257	390,004	405,719	427,606	457,333	485,157
Interest-bearing debt	(Millions of yen)	106,097	107,670	94,657	89,778	97,745	95,951	96,351	96,423	104,718	114,580	97,954
(Excluding leased assets)	(Millions of yen)	85,718	87,313	75,451	70,866	70,866	78,923	80,669	80,757	90,172	100,064	83,891
Net assets	(Millions of yen)	136,846	152,286	155,523	164,747	169,680	183,805	191,388	210,426	217,903	233,513	265,942
(of which owner's equity)	(Millions of yen)	133,298	147,094	150,442	159,141	162,729	176,820	184,504	203,325	211,169	224,443	253,404
Other Data												
Overseas sales ratio	(%)	11.6	13.2	14.1	13.1	12.9	13.6	13.6	13.4	16.2	20.1	21.3
(Operating profit/Net sales)	(%)	3.1	3.3	4.0	5.4	5.3	5.1	5.3	5.8	5.2	5.0	5.4
Return on invested income (ROIC)	(%)	4.2	4.3	5.9	8.0	8.1	7.8	7.6	7.5	7.8	6.9	7.5
Return on equity (ROE)	(%)	6.9	6.8	9.1	12.1	11.9	11.7	10.9	10.9	11.3	9.9	10.3
Debt-to-equity (DE) ratio	Note 3 (Times)	0.8	0.7	0.6	0.5	0.6	0.5	0.5	0.5	0.5	0.5	0.4
Profit per share	Note 4 (Yen)	31.12	33.29	47.15	135.11	142.23	149.65	147.16	159.19	176.72	167.14	191.80
Dividend per share	Note 4 (Yen)	20	20	24	28	30	32	42	50	50	52	74
Payout ratio	(%)	32.1	30.0	25.5	20.7	21.1	21.4	28.5	31.4	28.3	31.1	38.6
Dividend on equity (DOE)	(%)	2.2	2.0	2.3	2.5	2.5	2.5	3.1	3.4	3.2	3.1	4.0

Notes:

1. From FY2016, the accounting policy regarding standards for recording sales in the processed foods business was changed (the portion that had previously been recorded as promotional expenses has been excluded from net sales). Accordingly, the FY2015 figure has been retroactively adjusted to reflect the change in the accounting policy standards.

2. EBITDA: Operating profit + Depreciation and amortization

3. D/E ratio: Interest-bearing debt ÷ Net assets

4. From FY2017, values for Profit per share (yen) and Dividends per share (yen) are after the reverse stock split implemented on October 1, 2016. Accordingly, the figures from FY2014 to FY2016 have been retroactively adjusted to reflect changes in accounting policy standards.

Nichirei Group Bases/Main Areas of Activity

● Nichirei Foods Group ● Nichirei Logistics Group ● Nichirei Fresh Group ● Nichirei Biosciences Group

Europe

United Kingdom
● Thermotrafic Ltd.
● Admark Shipping Solutions Ltd.

Poland
● Frigo Logistics Sp. z o.o.
● Armir Logistyka Sp. z o.o.

Germany
● Thermotrafic GmbH

Netherlands
● Nichirei Holding Holland B.V.
● Hiwa Rotterdam Port Cold Stores B.V.
● Thermotrafic B.V.

France
● Transports Godfroy S.A.S.
● Entrepots Godfroy S.A.S.

Thailand
● Surapon Nichirei Foods Co., Ltd.
● GFPT Nichirei (Thailand) Co., Ltd.
● SCG Nichirei Logistics Co., Ltd.

Malaysia
● NL Cold Chain Network (M) SDN BHD

Asia/Oceania

Vietnam
● Nichirei Suco Vietnam Co., Ltd.
● Trans Pacific Seafood Co., Ltd.
● Nichirei Fresh Vietnam Co., Ltd.
● Nichirei TBA Logistics Vietnam LLC

Australia
● Nichirei Australia Pty. Ltd.

China
● Nichirei Enterprise Management Consulting (Shanghai) Co., Ltd.
● Nichirei Corporation Shanghai Ltd.
● Shandong Nichirei Foods Co., Ltd.
● RIZHAO MAI LENG FOOD TRADING COMPANY LIMITED
● NICHIREI Fresh Hong Kong, Limited
● Nichirei Fresh Dalian Co., Ltd.
● Shanghai Fresh Line Express Co., Ltd.
● Shanghai Fresh Line Logistics Co., Ltd.
● Jiangsu Freshline Logistics Co., Ltd.
● Nanjing Freshline Logistics Co., Ltd.
● Nichirei Logistics Holding (Shanghai) Co., Ltd.
● Zhejiang Fresh Line Logistics Co., Ltd.

Americas

United States
● Nichirei Foods U.S.A., Inc.
● Nichirei U.S.A., LLC
● InnovAsian Cuisine Enterprises Inc.
● Nichirei Sacramento Foods Corporation
● Nichirei Seafoods, Inc.
● Pathcom Systems Corporation

Brazil
● Nichirei do Brasil Agricola Ltda.

Japan

Nichirei Corporation
Nichirei Aura Inc.
Nichirei Business Partners Inc.
New Housing Inc.

● Nichirei Logistics Hokkaido, Inc.
● Sapporo Nichirei Service Inc.

● Fresh Chicken Karumai Inc.
● Nichirei Fresh Farm Inc.

● Nichirei Logistics Tohoku, Inc.
● Tohoku Nichirei Service Inc.

● Fresh Maruichi Corporation

● Nichirei Foods Inc.
● Nichirei Ice Inc.
● me:new Inc.
● Nichirei Fresh Inc.
● Nichirei Biosciences Inc.
● Nichirei Logistics Group Inc.
● Tokyo Nichirei Service Inc.
● NK Trans Inc.
● Logistics Network Inc.
● Nichirei Logistics Engineering Inc.

● Kyokurei Corporation
● Kyokurei Operation Inc.
● Nichirei Fresh Process Inc.

● NICHIREI WELLDINING Inc.
● Nichirei Logistics Tokai, Inc.
● Nagoya Nichirei Service Inc.

● Nichirei Logistics Chushikoku, Inc.
● Chushikoku Nichirei Service Inc.

● CHUREI Co., Ltd.

● Kyurei Inc.
● Nichirei Logistics Kyushu, Inc.
● Kyushu Nichirei Service Inc.

● NICHIREI AGRICULTURE Inc.

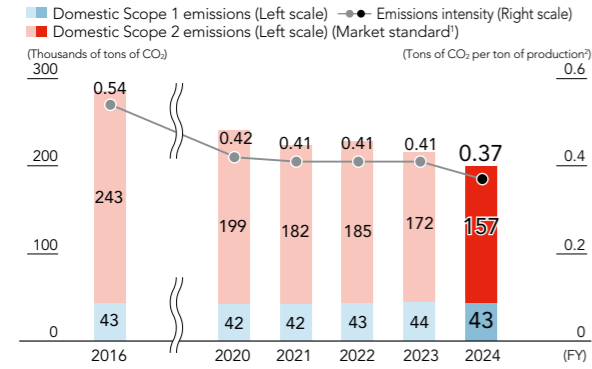
● Nichirei Logistics Kansai, Inc.
● Osaka Nichirei Service Inc.

See the following for more details on our network.
<https://www.nichirei.co.jp/english/corpo/outline/group>

Non-financial Highlights

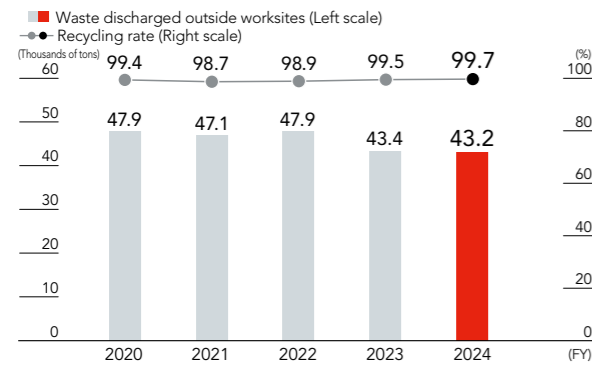
See the following for more details on Non-financial data
<https://nichirei.disclosure.site/en/themes/144>

CO₂ Emissions



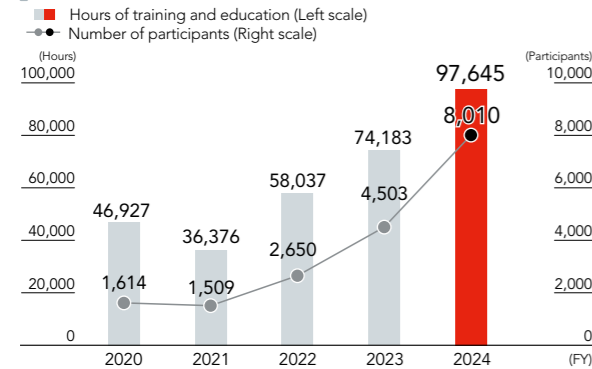
1. The CO₂ emissions coefficient for electricity has been adjusted for each electric power company (by the Ministry of the Environment).
 2. The scope of coverage for emissions intensity per ton of production is the domestic plants of Nichirei Foods and Nichirei Fresh (excluding some plants).
 Our goal is a 42% reduction in domestic and overseas Scope 1 and 2 emissions by FY2031 (compared with FY2023). In addition to promoting energy conservation, we are expanding our use of renewable energy, including the installation of solar panels and purchase of Tradable Green Certificates.

Waste Discharged Outside Worksites and Recycling Rate



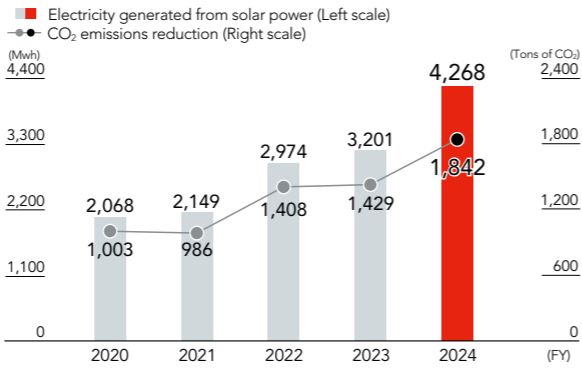
We have been actively working to reduce the amount of waste discharged and recycle food residue and waste generated by our business activities.

Training and Education Time and Number of Participants



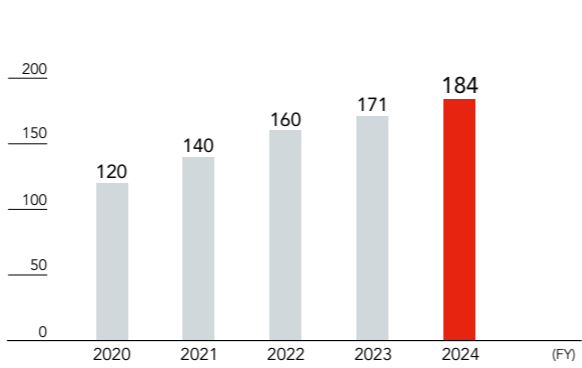
We have been working to enhance the content of training and education as an investment in human resources. With the start of Company-wide training in Japan on DX and sustainability in FY2023, both training and education time and the number of participants have increased.

Solar Power Generation and CO₂ Emissions Reduction



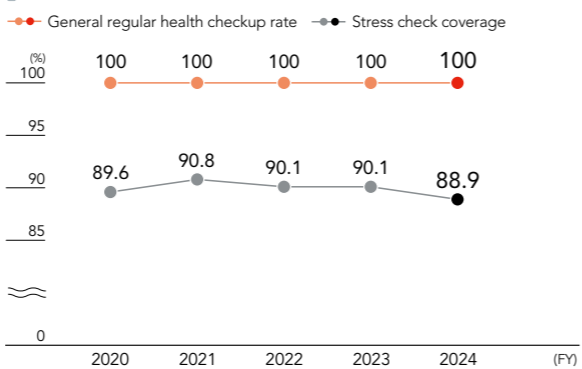
Our initiatives to reduce CO₂ emissions include installing solar power generation equipment on the premises of food factories and on the rooftops of refrigerated distribution warehouses.

Number of Women Managers or Above



As work values diversify, we are creating opportunities for women employees to thrive and implementing measures to bring out their potential, including through study sessions for women managers or above, roundtable discussions, and networking events for women employees.

General Regular Health Checkup Rate and Stress Check Coverage



Under the Nichirei Group Health Declaration, we are striving for health management based on the three pillars of health maintenance and improvement, mental health measures, and safety and hygiene control. The general regular health checkup rate was 100%.

External Review

Inclusion in Indexes



Disclaimers: THE INCLUSION OF NICHIREI IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF NICHIREI BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.



Also selected in FY2025 for the JPX-Nikkei 400, jointly developed by Japan Exchange Group, Inc. (JPX) and Nikkei Inc.

Continuing Adoption as a Constituent Stock of All Six ESG Indexes (Domestic Stocks) Selected by the Government Pension Investment Fund



THE INCLUSION OF Nichirei Corporation IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF Nichirei Corporation BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.

Other Recognition



Recognized by the Ministry of Economy, Trade and Industry under the Certified Health & Productivity Management Outstanding Organization Recognition Program under the large enterprise category for eight consecutive years.

In July 2024, received an Employees' Health Management Rated Loan from the Development Bank of Japan Inc. in recognition of Nichirei's efforts, evaluating them as "particularly excellent in terms of initiatives to care for employee health."

Company stock selected under the Digital Transformation Stock Selection (DX Stock) 2024 program, which is sponsored by the Ministry of Economy, Trade and Industry, the Tokyo Stock Exchange and the Information-Technology Promotion Agency, Japan.

Awards and Commendations during the Past Year, including Recent News

(By Date of Announcement)

- 2023 Jun. 27 **Nichirei Logistics Group** Received the Japan Logistics Press Association Award and Special Award at the 24th Logistics Environment Awards.
- Jul. 10 **Nichirei Foods** Nichirei do Brasil Agricola Ltda. received a "Platinum" rating in the EcoVadis Sustainability Survey, placing it in the top 1% of all companies evaluated for the first time.
- Jul. 13 **Nichirei Fresh** *Junwakei* chicken breasts won both the highest Superior Taste Award with an exceptional three-star ranking (for the third consecutive year), and the Crystal Award from the International Taste Institute.
- Jul. 25 **Nichirei Fresh** The *Amani-no-Megumi* series won the Japan Child Care Advocate Grand Prize from JCFs.
- 2024 Mar. 14 **Nichirei Corporation** Won Semi-Grand Prize in the Third Nikkei Integrated Report Awards.
- Apr. 17 **Nichirei Bioscience** Received a "Silver" rating in the EcoVadis Sustainability Survey for the third year in a row.
- Apr. 17 **Nichirei Foods** Nichirei do Brasil Agricola Ltda. (NIAGRO) received a "Gold" rating in the EcoVadis Sustainability Survey.
- May 27 **Nichirei Corporation** Selected as a DX Stock.

Investor Information/Declaration of Authenticity/ Company Information (As of March 31, 2024)

Essential Stock Information

Stock Exchange Listing	Tokyo Stock Exchange (Prime Market) Securities code: 2871
Total Number of Authorized Shares	360,000,000
Total Number of Outstanding Shares	134,075,652 (including 6,354,029 treasury shares)
Share Unit	100 shares
Year-end Dividend Record Date	March 31
Interim Dividend Record Date	September 30
Number of Shareholders	20,551
Shareholder Register Administrator	Mizuho Trust & Banking Co., Ltd.
Annual General Shareholders Meeting	June
Auditors	Ernst & Young ShinNihon LLC

Ratings

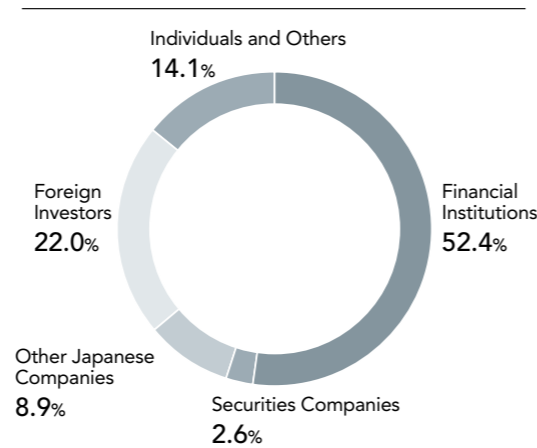
Rating Institution	Ratings
Rating and Investment Information, Inc. (R&I)	A+
Japan Credit Rating Agency, Ltd. (JCR)	A+

Major Shareholders

Shareholder Name	Number of Shares Held (Thousands)	Shareholding Ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	26,255	20.6
Custody Bank of Japan, Ltd. (Trust Account)	16,737	13.1
Nippon Life Insurance Company	5,744	4.5
Mizuho Bank, Ltd.	3,813	3.0
Nisshin Seifun Group Inc.	2,719	2.1
Fukoku Mutual Life Insurance Company	2,680	2.1
The Norinchukin Bank	2,675	2.1
SUMITOMO LIFE INSURANCE COMPANY	1,855	1.5
MUFG Bank, Ltd.	1,703	1.3
GOVERNMENT OF NORWAY	1,586	1.2

Note: Shareholding ratio calculated after subtracting repurchased stock (6,354 thousand treasury shares). Rounded off to the first decimal place.

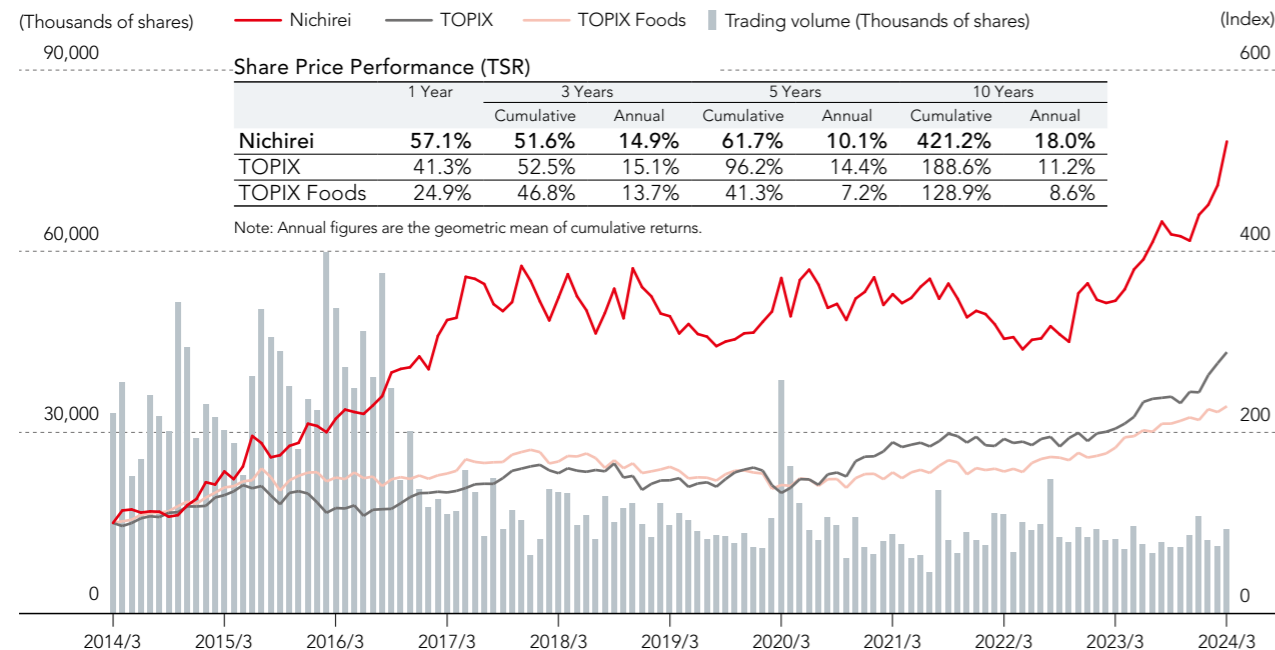
Composition of Shareholders



Note: "Individuals and Others" includes 6,354 thousand treasury shares.

Total Shareholder Return (TSR)*

*The sum of capital gains and dividends, representing the total yield on a shareholder's investment



Notes:
1. March 31, 2014 closing prices for Nichirei and TOPIX are indexed at 100.
2. TSR is based on a holding period to March 31, 2024.

Declaration of Authenticity

Thank you for your continued understanding and strong support for the Nichirei Group's business activities.

In this report, we have taken care to ensure your understanding of the Group's five material matters (materiality) and how they are linked to increasing corporate value, as well as the direction of the Group as a whole. This year, in the "Operations Based on Our Long-term Strategy" section, we have endeavored to clearly explain our overseas strategy, which is the core of our growth strategy, as well as our initiatives for intangible assets such as our human resources, intellectual capital and digital transformation strategy, which are sources of growth for realizing our vision for 2030. We also sought ways to provide a deeper understanding of our sustainability management-based ESG initiatives for increasing social and economic value, as well as the financial and business strategies of our medium-term business plan Compass Rose 2024 and their progress.

As the officer in charge of the production of this report, I hereby affirm that the preparation process was conducted properly and that the contents are accurate.

We will continue working to proactively disclose the Nichirei Group's management strategies and both financial and non-financial information. We welcome candid feedback and requests from stakeholders who have read this report.



Kenji Suzuki

Director, Senior Executive Officer, Chief Financial Officer, Executive General Manager of Corporate Management Headquarters; 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

Preparation Process

Based on daily dialogue and interviews with shareholders and investors, as well as feedback and requests from a wide range of stakeholders, the Public Relations & Investor Relations Division was responsible for steering our comprehensive approach to the preparation of *Nichirei Group Integrated Report 2024*, editing it with the cooperation and collaboration of operating companies and related departments.



Company Information

Company Name	Nichirei Corporation
Established	December 1942*
Paid-in Capital	30,563 million yen
Head Office	Nichirei Higashi-Ginza Building, 6-19-20 Tsukiji, Chuo-ku, Tokyo 104-8402, Japan
Telephone	[+81] 3-3248-2101 (Main)
Number of Employees (Consolidated)	16,385
Business Network	14 countries

* Date of establishment of predecessor Teikoku Marine Products Control Company. Reorganized as Nippon Reizo Inc. in December 1945.