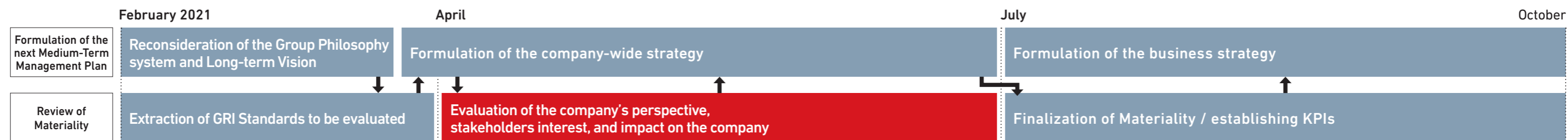


Business and Sustainability Integration

Materiality review project linked to the formulation of the next Medium-term Management Plan

The Maruha Nichiro Group formulated the Long-term Sustainability Vision (FY2018 to FY2027) with the aim of evolving into an even more sustainable corporate group. From April 2018, we embarked upon that Medium-term Sustainability Management Plan (FY2018 to FY2021) toward achieving our Long-term Vision and we have been managing our progress through our materiality.

On the other hand, we believe it is our objective to respond to changes in social conditions, to promote materiality within the company, and to reflect the opinions of external stakeholders, and we are moving forward with the materiality review project in conjunction with the formulation of the next Medium-term Management Plan (which we will report promptly after the formulation is completed).



Main feedback from external stakeholders

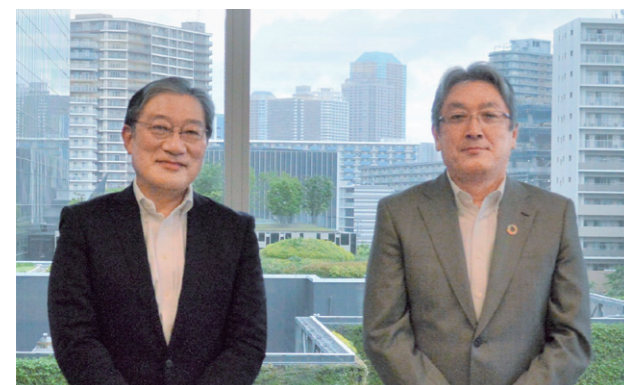
- Consideration of human rights, including forced or compulsory labor and child labor, is important since economic losses are significant should human rights violations occur (Investor)
- Maruha Nichiro, which has built a supply chain network around the world, should actively work to promote international marine resource management (Expert: marine resources)
- In B to C businesses, reducing the environmental impact of packaging and containers is essential (Investor)
- The development and transition of fishing gear considerate of marine resources and the surrounding ecosystem (organisms) is urgently needed (Expert: sustainability)
- Addressing climate change issues are also very important in the fisheries industry (Investor)
- Responding to food loss, which has become a serious problem in Japanese society, is also urgently needed (Expert: human rights)

Collating extensive opinions from within the Maruha Nichiro Group

- The opinions of 1,576 employees (65% of all employees) of Maruha Nichiro Corporation, including 66 executive officers, unit directors, and department heads were collated
- To secure a wide range of perspectives, including the Group's perspective, opinions are collated from 50 President & CEOs of Japan and overseas consolidated Group companies, as well as from production bases in various regions
- In the evaluation from the company's perspective, the majority of respondents supported GRI Standards, such as supplying safe and secure food as well as the problems of marine plastics and food loss
- Opinions from executives focused on climate change, the risk of depletion of marine resources and active investment in human resources, while unit directors emphasized GRI Standards such as the promotion of research and new product development to strengthen competitiveness and a diversified Board of Directors, all with an awareness of the sustainability of the business

Dialogue with stakeholders (Institutional Investors)

In reviewing the company's materiality, Executive ESG Analyst Megumi Sakuramoto of Asset Management One, Co., Ltd., and the Company's President & CEO Masaru Ikemi, discussed the sustainability issues that should be emphasized.



Left: Mr. Megumi Sakuramoto, Executive ESG Analyst, Asset Management One Co., Ltd.
Right: President & CEO and Representative Director Masaru Ikemi

Maruha Nichiro's Sustainability Management

Ikemi: In the current Medium-term Management Plan, we first considered economic value and afterward incorporated the Medium-term Sustainability Management Plan. However, for the next Medium-term Management Plan, which is currently being formulated, we believe that the creation of economic value, social value, and environmental value should be addressed in parallel. As we have a history of 140 years, we have been engaged in business activities with the sea as our origin, and we are working on our brand statement, "For the Ocean, for life." It is necessary, therefore, to harmonize this brand statement with sustainability activities.

Sakuramoto: As an ESG analyst, there are 3 areas in which I am paying attention to regarding Maruha Nichiro. The first is the brand statement. I consider the mission

of a company to be characterized by two types: a purpose type mission, which is what the company can do for society, and an identity type mission, which is what the role the company wants to have in society. Maruha Nichiro's statement, "For the Ocean, for life," satisfies these missions and is simple yet substantial, and wonderful. Secondly, the company has established an advising body, the Sustainability Committee, and is taking a frontal approach to resolving social and environmental issues. As an investor, I appreciate the fact that I can confirm the unity of words and deeds. The third and final point is their activities at SeaBOS. In EU taxonomy, the sustainable use and protection of water resources and marine resources is a major issue. The activities of SeaBOS, in which Maruha Nichiro is playing a central role, are very meaningful. The role of Maruha Nichiro as a Keystone Actor is significant, and the future of its activities is an issue to be addressed.

Ikemi: In terms of marine resources management, Europe and the United States have sufficient data based on scientific evidence, but Japan lags behind in this area. Also, with the continuing trend away from fish in Japan and a decline in the amount of fish landed, the seafood industry is on the decline. Although seafood products themselves have become widely popular as health foods in the global market, their penetration in Japan has been insufficient. We have a sense of crisis in that we have not been able to advocate enough social activities, including the enhancement of the value of fish and food education, to revitalize the Japanese seafood industry.

Review and Consideration of Materiality

Sakuramoto: I also feel that it is important to have a viewpoint that considers the story from the perspective of what is necessary for Maruha Nichiro to grow sustainably. What long-lived companies have in common is their ability to maintain and improve reliability to enable business continuity, as well as their ability to respond quickly to changes in the times. The reason why the company has been successful for 140 years is because it has been honestly committed to providing a supply of safe and secure foods. In the future, it will be important to address the risk of depletion of marine resources, CSR procurement and supply chain management, as well as climate resilience, which has a significant impact on marine resources. Also, in addition to Food Tech, a technology that leverages the latest technology to invent new culinary possibilities, we must also be conscious of young millennials and Generation Z's perspective of "valuing companies that address issues that they consider important," to capture the younger generation.

When I have discussions with company executives, I ask them frankly, "Will your company be around in 10, 30, or 50 years?" Many executives say, "I think the company will continue to exist, but it can't continue as it is now." On top of that, I want to ask the executives about their awareness of the problems and what they consider to be important. In terms of sustainable enhancement of corporate value, I think that points that the President & CEO has an awareness of and identifies as issues will become materiality.

Ikemi: What we are focusing on is the value of marine resources and fish as a healthy food. We want to provide food that is absolutely safe and healthy. We also

understand that addressing environmental and social values will yield returns sooner or later, but we must harmonize this with economic values and the perspective of corporate management.

Sakuramoto: Naturally, a company that does not generate cash flow has no future. The right direction is to identify revenue-generating opportunities through solving social issues. The President & CEO's awareness of the issue of how to internalize negative externalities with respect to the environment and other factors is essential, as well as the time horizon. This means that short-term corporate profits may be negatively affected, but in the long run, not taking action means not being able to survive. The ability to share this time horizon with investors is important from an IR perspective.

Future expectations for Maruha Nichiro

Sakuramoto: First of all, it is important to know oneself. It is vital to fully grasp, within the Group, what kind of company Maruha Nichiro is, and to reevaluate the company's own capabilities and presence. By grasping the fundamental aspects, you will possess a more compelling argument for traceable and sustainable seafood.

Next, I think the next materiality should be back-casted from the Long-term Vision, so that it will have greater affinity with the Long-term Vision. I would like to have a clear picture of what needs to be done right before our eyes. As a top company in Japan's seafood industry, it is also vital for the company to engage in activities overseas, not only through SeaBOS activities, but also, as the President & CEO mentioned, it is important for us to encourage the Japanese government to work on this as well, so I have high expectations for them.