

# **Maruha Nichiro Group Sustainability Report 2021**

# INDEX

<b>Sustainability Management</b>	
● President's Message .....	P4
● Management Approach .....	P7
● Materiality .....	P11
<b>Stakeholder Engagement</b>	
● Communication Map .....	P16
● Initiatives .....	P18
● SeaBOS Initiative .....	P21
<b>Human Rights</b> .....	P24
<b>Social Value</b>	
<b>Customer Value</b>	
● Food Safety .....	P27
● Consumer-oriented Management .....	P35
● Lifelong Health Plan .....	P38
● Labor-Management Relations .....	P42
<b>Employee Value</b>	
● Growth Opportunities .....	P43
● Better Workplaces .....	P46
● Diversity & Work-styles .....	P48
● Healthy Business Management .....	P55
● Human Rights Awareness .....	P62
<b>Value for Business Partners</b> .....	P64
<b>Value for Communities &amp; Society</b> .....	P67
<b>Environmental Value</b>	
● Management Approach .....	P75
● Climate Change .....	P81
● Recycling .....	P86
● Marine Resources .....	P93
<b>External Assessments</b> .....	P100
<b>Disclosure Policy</b> .....	P102

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# Sustainability Management

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● President's Message ----- P4

---

● Management Approach ----- P7

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● Materiality ----- P11

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## President's Message



**We are building an organization and strategy that can respond to changes in the business environment, aiming to become a true No.1 global seafood supplier.**

**Masaru Ikemi**

President & CEO and Representative Director  
Maruha Nichiro Corporation

### What is Maruha Nichiro's Meaning of Existence and Purpose?

It has been one year and five months since I assumed the position of President & CEO, and this time has been a period of daily struggle to cope with the COVID-19 pandemic. Therefore, I have been thinking of what we could do to ensure the longevity of the company, and in doing so, I feel that I have had more and more opportunities to think again about what is the meaning of Maruha Nichiro's existence (purpose). Food is essential to daily living. And among all food sources, protein is an indispensable nutrient. For 140 years, we have consistently provided people around the world with seafood products, a high-protein food source. For that reason, I believe that our meaning of existence and mission is to provide a stable supply of seafood products to people across the globe.

When considering the meaning of existence, we must never forget that a company is not only about economic value. Also, we must never forget who is evaluating the value of the company. It is not ourselves but others who evaluate us. In other words, to enhance corporate value we must meet the expectations of stakeholders. I have become even more aware than ever of the way we should enhance our corporate value by gaining the support of our stakeholders.

Economic value, such as high profitability and a healthy financial standing, is the most important foundation, and without securing economic value, we cannot take on other challenges. If we don't recognize this fact and then consider environmental and social values from the same perspective, I feel that our meaning of existence as a company will be diminished. I have felt this point also through conversations with our investors and other stakeholders.

For over 140 years, we have been a company that lives off the bounty of nature, including marine resources. Placing importance on environmental values is directly related to business profit itself, which is our livelihood, so it is only natural



that we should practice the kind of management that emphasizes it. I believe that this is also the meaning of our existence.

On many occasions, we have been referred to as the No.1 global seafood supplier, but I believe that this probably refers merely to net sales. However, we, ourselves, must reflect once again on what it means to be the No.1 global seafood supplier. I think we will be able to boast that we are truly number one when we become the world's No. 1 company from any perspective and have the highest net sales, while also taking in consideration the global environment and depletion of marine resources. I feel that we need to reach such an existence as soon as possible.

## **Risks and Opportunities for Sustainable Growth**

When looking ahead to sustainable growth in the future, I believe that the risks and opportunities are the areas of human resources and technology, as I mentioned earlier. This is because, depending on our strategy and how we proceed, there is a big difference between the two. If we always rely on our internal research labs and in-house training it will be difficult to catch up with our competitors. In other words, if the company has a competitive advantage in terms of human resources and technology, it is more likely to be able to take advantage of all opportunities. In Japan as well, it is no longer the era when excellent human resources remain in one company. We will strive to establish a human resource system and framework that enables us to accept new knowledge and to create an environment that facilitates the participation of new, outstanding human resources from outside the company while maintaining our tradition.

## **Integration of Sustainability and Management**

For us, having lived together with the sea, the integration of sustainability and management is a natural and inseparable relationship. Of course, in the short term, there will be costs associated with enhancing environmental and social values. If we only consider the short-term cost aspects, such as doing business with fishing companies that do not operate illegally or creating a working environment that takes into consideration the health of employees, it is possible that economic value will be lost. However, if we consider the situation from a medium- to long-term perspective, a different landscape will emerge. The fact that we only handle resource-controlled seafood products can be considered a value in today's social trends.

When it comes to food loss as well, the reality is that, more than 10 percent of the current food production is lost. Therefore, even if costs are incurred it would be a value for us, if a product form or distribution method that does not cause food loss can be assembled as a system. I believe that then, we can achieve both, economic value and environmental and social value, in other words, the integration of sustainability and management. The same can be said for the issue of marine plastics. If microscopic plastic particles enter the organs of fish, then what is the value of fish? Society is undergoing changes that are completely different from what we have seen in the past.

As for the integration of sustainability and management, we are also pursuing an approach from a strategic perspective. We are currently in the process of formulating our next Medium-term Management Plan, and in parallel, we have initiated a review of our materiality. When we formulated the current Medium-term Management Plan, we began working on the Medium-term Sustainability Management Plan after formulating the Medium-term Management Plan. This time, however, we are considering sustainability and management strategies in parallel from the planning stage. I think it's an effective process, both in terms of the linkage of each strategy and in preventing gaps in perceptions among the management.

It is often said that the main obstacle to achieving the integration of sustainability and management is a lack of understanding within the company, but I believe that the reality is that deflation is also a major reason. All stakeholders engaged in the value chain share the recognition of what truly has value, deal with it at a fair price, and the business operator at the top of the value chain receives a fair profit. In order to become the No.1 global seafood supplier in both name and in substance, I would like to take a leadership role in ensuring that all stakeholders involved in seafood products can maintain a sustainable lifestyle. The Maruha Nichiro Group will continue our advancement in order to meet your expectations. Thank you very much for your continued support.

September 2021

**Masaru Ikemi**

President & CEO and Representative  
Director

Maruha Nichiro Corporation

## Management Approach

### Materiality of the Maruha Nichiro Group

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. In the Medium-Term Management Plan, we have identified our materiality to contribute to the resolution of environmental and social issues and to pursue the sustainable enhancement of corporate value.

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**Economic Value**                      **Net sales: 1 trillion yen / Operating income: 31 billion yen / ROA 5.7% / D/E ratio 1.5x / Equity ratio: 30.0%**

**Social Value**

**Value for Customers**

- Supply safe and secure foods
- Promote consumer-oriented management
- Promote lifelong health plan

**Value for Employees**

- Provide growth opportunities
- Promote safe and ideal working conditions
- Promote diversity and work practice reform
- Promote health management
- Promote a proactive approach to human rights

**Value for Business Partners**

- Practice sustainable procurement

**Value for Communities and Society**

- Coexist with regional communities in mutual prosperity

**Environmental Value**

- Combatting climate change
- Building a recycling-oriented society
- Protecting marine resources

### Medium to Long-term Sustainability Management Plan and Long-term Sustainability Vision

Medium to Long-term Sustainability Management Plan

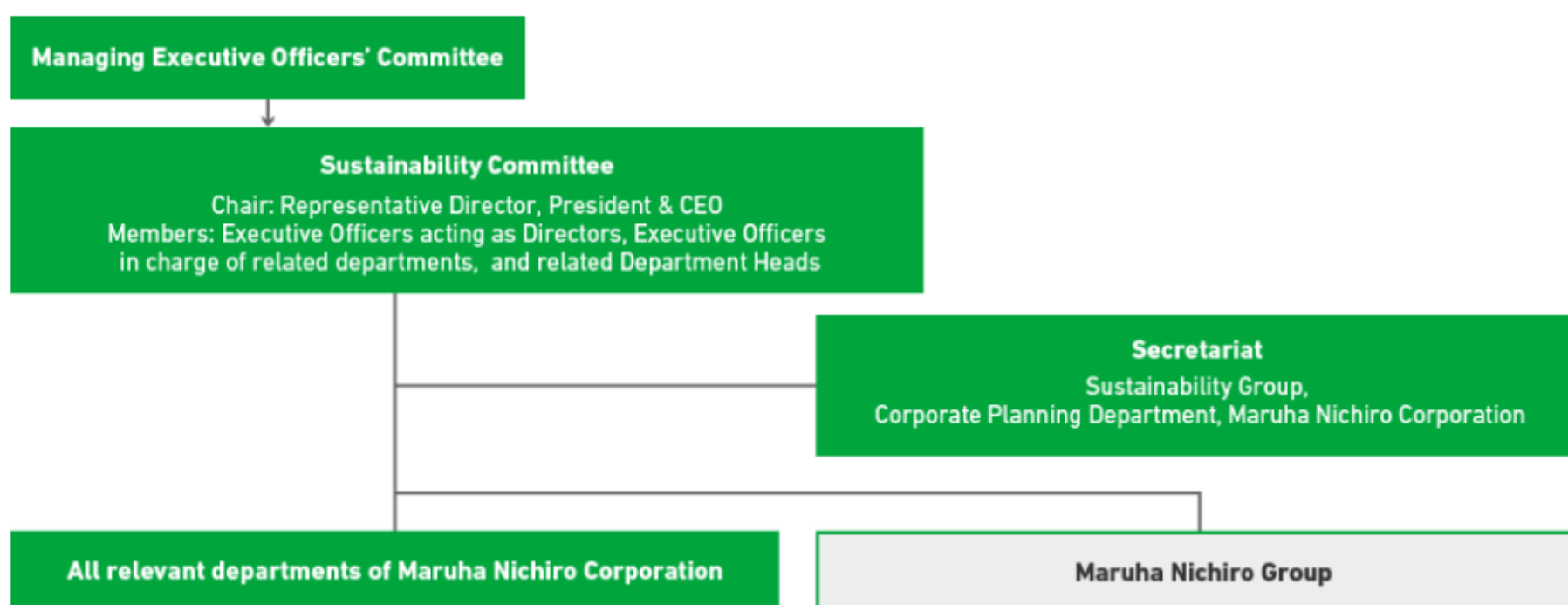
> Download PDF (1,120 KB/26 pages)

## Management Structure

In the Maruha Nichiro Group, the Sustainability Committee, which was newly established in FY2018, is chaired by the President & CEO and Representative Director and consists of Executive Officers who also serve as Directors of Maruha Nichiro Corporation, Executive Officers in charge of related departments, and related Department Heads.

The Sustainability Committee is responsible for planning and setting targets for overall Group sustainability management and evaluates the activities of Group companies. It also promotes activities in coordination with Maruha Nichiro Corporation divisions and group companies.

### Maruha Nichiro Group Organization Structure for Sustainability Promotion



### Overview of Sustainability Committee

Chairperson: President & CEO and Representative Director

Secretariat: Sustainability Group, Corporate Planning Department

Frequency of meetings: Twice a year (ad hoc committee meetings held as necessary)

Committee members: Executive Officers acting as Directors, Executive Officers in charge of related departments, and related Department Heads of Maruha Nichiro Corporation

Purpose: Verification and evaluation of progress status of the Medium-term Sustainable Management Plan for the Group overall, sharing issues and information

### Sustainability Committee Results for FY2020

The Sustainability Committee convened twice in FY2020 to discuss the issues below. Agenda items and details are distributed to responsible persons and persons in charge of environmental concerns of each department and group company of Maruha Nichiro, in efforts to share information with all employees.



**Times convened: 2**

**Primary Topics**

Review of Medium-term Sustainability Management Plan in FY2019 and planning for FY2020.	The committee reported on the results of action in FY2019 and efforts in FY2020 pertaining to the creation of social value and environmental value.
Conducting surveys on marine resources	In FY2020, we conducted a survey on the products and raw materials of Maruha Nichiro Group companies to ascertain the current volume of marine products handled and to evaluate the state of wild marine resources.
Conducting the self-assessment questionnaire for suppliers	We conducted a self-assessment questionnaire of domestic and overseas suppliers to confirm the status of compliance with the FY2020 Supplier Guidelines.
Future efforts to address the problem of marine plastics	We shared information on international trends, efforts of domestic and overseas companies, and the status of the Group's activities regarding marine plastics and examined an action plan for the future.

In FY2021, we plan to hold the same number of meetings as previous years to discuss various topics including the progress of surveys on marine produce and suppliers as well as the next Medium-term Management Plan.

## Internal Dissemination Measures

### Conducting Group Philosophy Training

Group Philosophy Training Program was newly developed as a new training program developed based on our experience that the Group Philosophy was not resonating with employees following the pesticide contamination incident at AQLI Foods in 2013. The purpose of this program is to have management and employees communicate directly with one other about the Maruha Nichiro Group's mission and responsibilities to society as embodied in the Group's Philosophy, and to share a mutual understanding of what role each employee plays in putting the Group's philosophy into practice in their daily work.

This group training program, which began in 2014, has been gradually rolled out to all employees of group companies in Japan and all Maruha Nichiro Corporation offices, with Maruha Nichiro executives serving as instructors for the philosophy training.

In FY2020, due to the COVID-19 pandemic, it was determined that it would be difficult to conduct the training in the conventional manner, so new and mid-career employees of Maruha Nichiro Corporation and the Group in Japan who had not yet taken the Group Philosophy Training were targeted to undergo training conducted remotely and led by Maruha Nichiro Corporation's Director, Managing Executive Officer, Shinichiro Takeda.

A total of about 8,000 Group employees attended the third round (FY2018 to FY2020), and received an explanation on the importance of the Maruha Nichiro Group's philosophy system and slogan.



## Corporate Brand Strategy “Brand Enhancement Creation Project” Launched

From FY2019, we started the “Brand Enhancement Creation Project” as part of the corporate brand strategy for the Maruha Nichiro Group. The entire Group is working collectively on activities to convey its commitment to the “pursuit of new possibilities in food while bringing vitality to people around the world,” which represents the value our brands provide.

At Maruha Nichiro Corporation, we have approved the two projects of “Friendlier to the Earth Project” and “Branding from the Sea Project” as projects to implement based on ideas collected through internal cross-functional group work involving employees.

Under the “Friendlier to the Earth Project”, we will first work on measures to foster awareness internally regarding the reduction of food loss and waste, which is becoming an important social issue. Under the “Branding from the Sea Project”, we will disseminate the message of harmony with the sea and the connections between Maruha Nichiro and society through surfing competitions that actively address marine environmental issues.

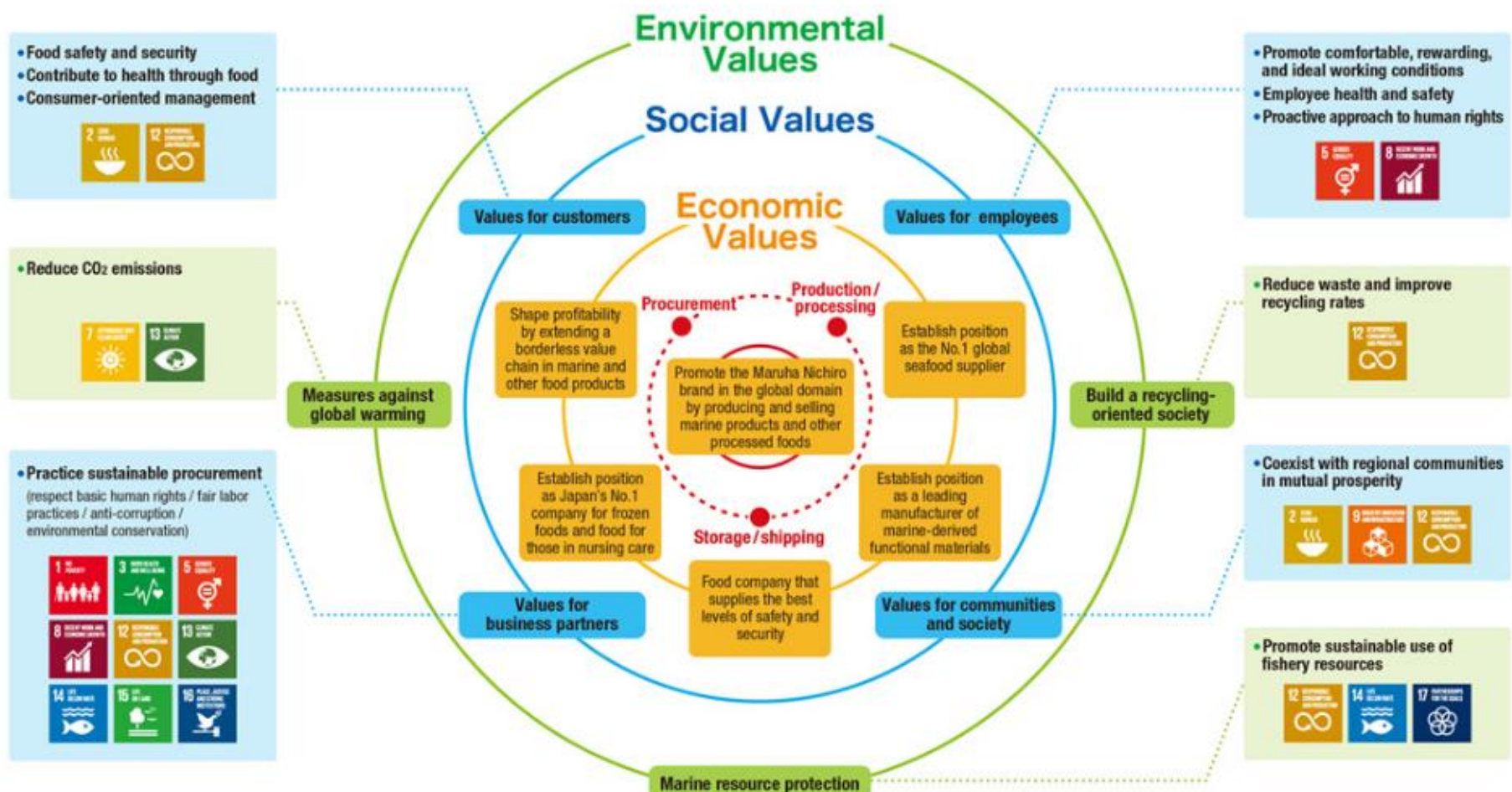
Through these two projects, looking ahead we will aim to create a future “For the ocean, for life,” which is our brand statement.



Group working

## Link of Maruha Nichiro's Materiality and SDGs

### Contributing to the Achievement of Sustainable Development Goals (SDGs) through Business Activities



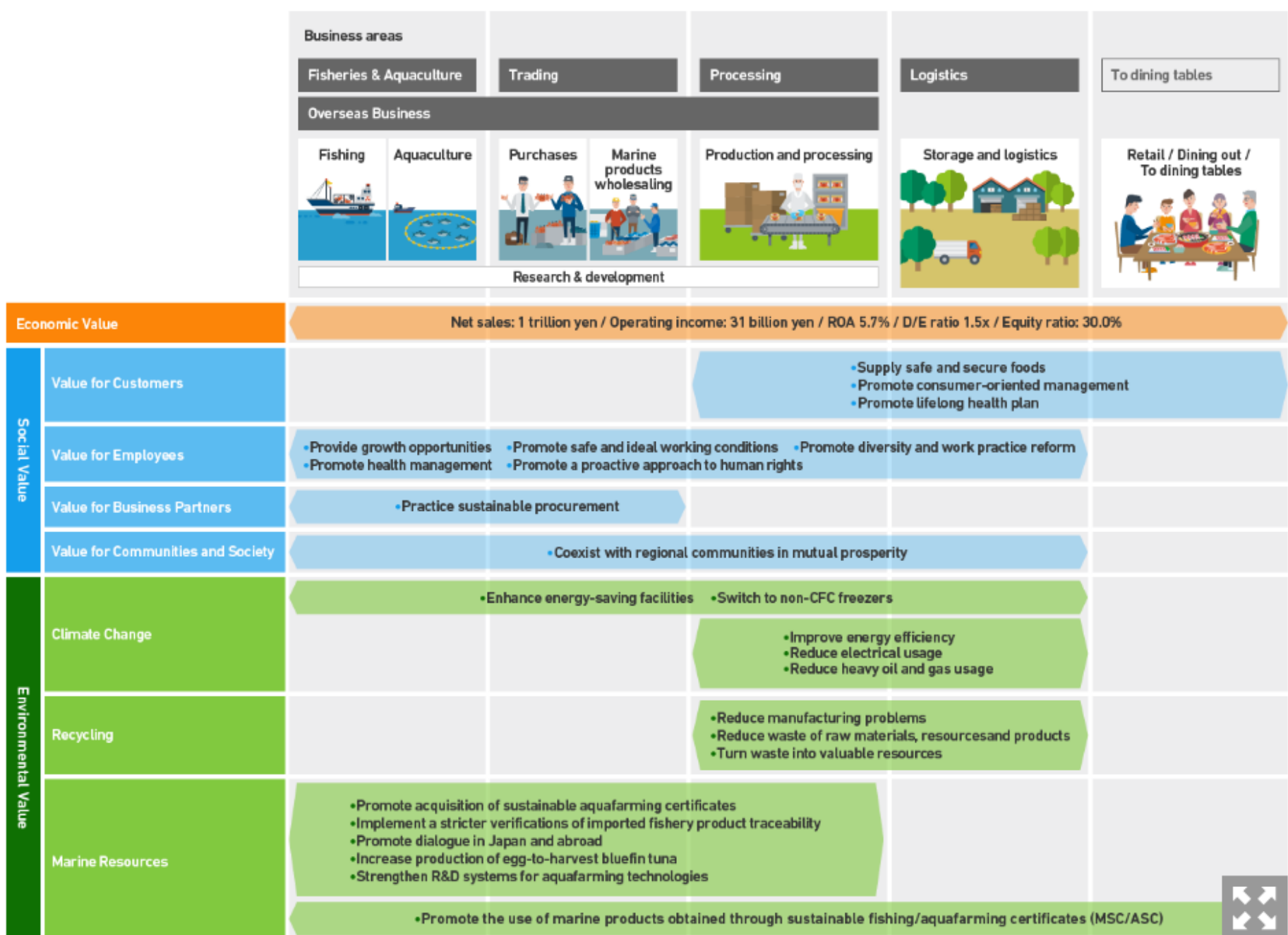
# Materiality

## Basic Approach

The Maruha Nichiro Group's businesses span an integrated value chain from procurement and distribution to production, processing and storage focused on marine products.

We are implementing initiatives focused on the materiality in our Medium-term Sustainability Management Plan in order to fulfill our social responsibilities based on the impacts we have on society and the environment during each process of our business operations.

## Mapping of Value Chain and Materiality



## Management Situation for the Materiality

> Sustainability Management of the Maruha Nichiro Group (PDF: 81KB/2pages)



## Steps for Identifying Materiality

### Basic Approach

The Maruha Nichiro Group identified the materiality in the field of sustainability as required by the GRI Standards in February 2018. This was against a backdrop of growing interest on a global level in sustainability challenges including in society and the global environment. The Group believes that the creation of such social value and environmental value will lead to the creation of economic value. We launched the Medium-term Sustainability Management Plan centered around the creation of these three types of value from FY2018.

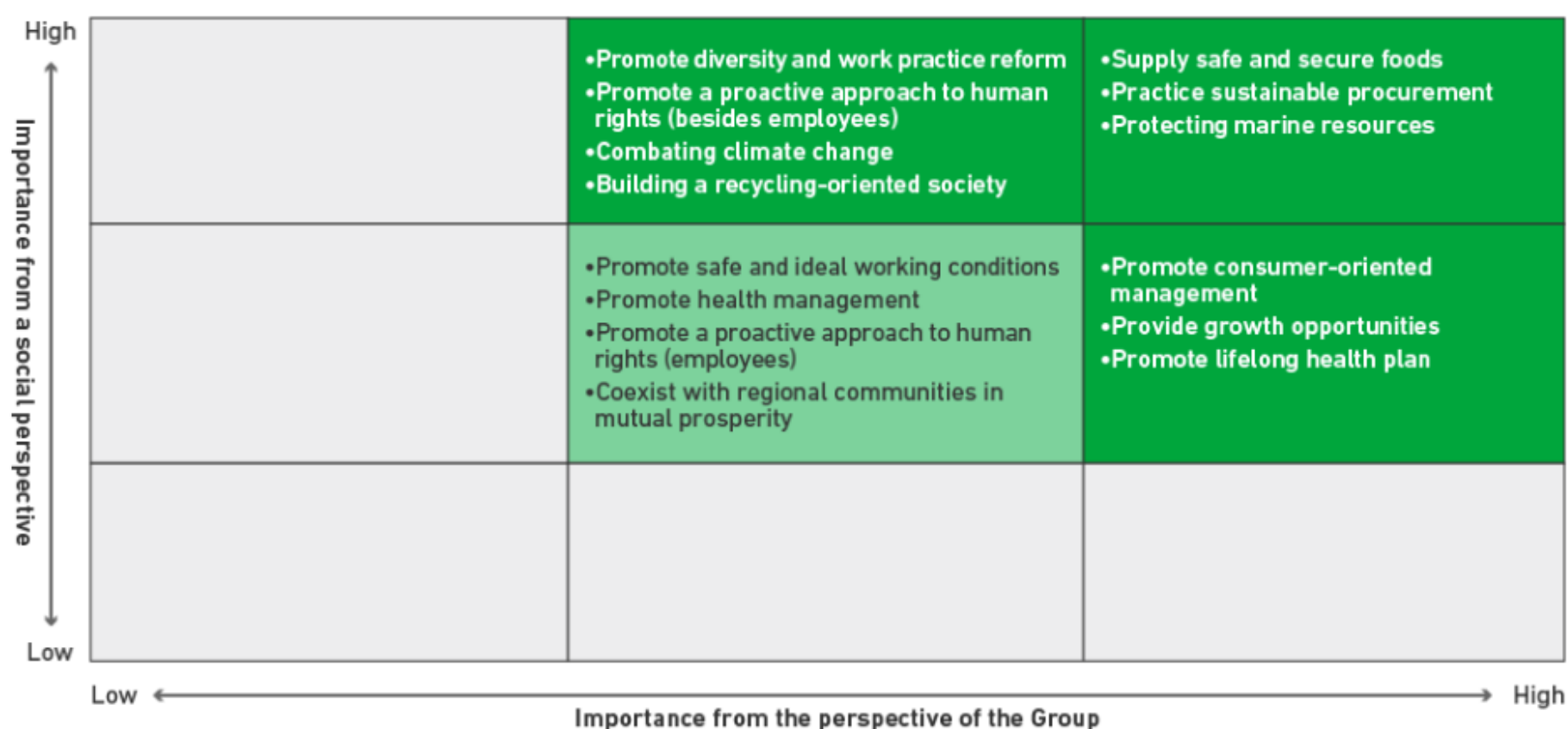
### Steps for Identifying Materiality

#### Step 1 Identification of Social Issues

We have identified social issues in consideration of international standards and guidelines including the GRI Standards, ISO 26000 core subjects, the Ten Principles of the UN Global Compact, and the Sustainable Development Goals (SDGs).

#### Step 2 Mapping of Social Issues

We mapped social issues on the two key coordinate axes of importance from a social perspective and the perspective of the Group. We then narrowed down issues with a high priority level.



#### Step 3 Deciding on Materiality

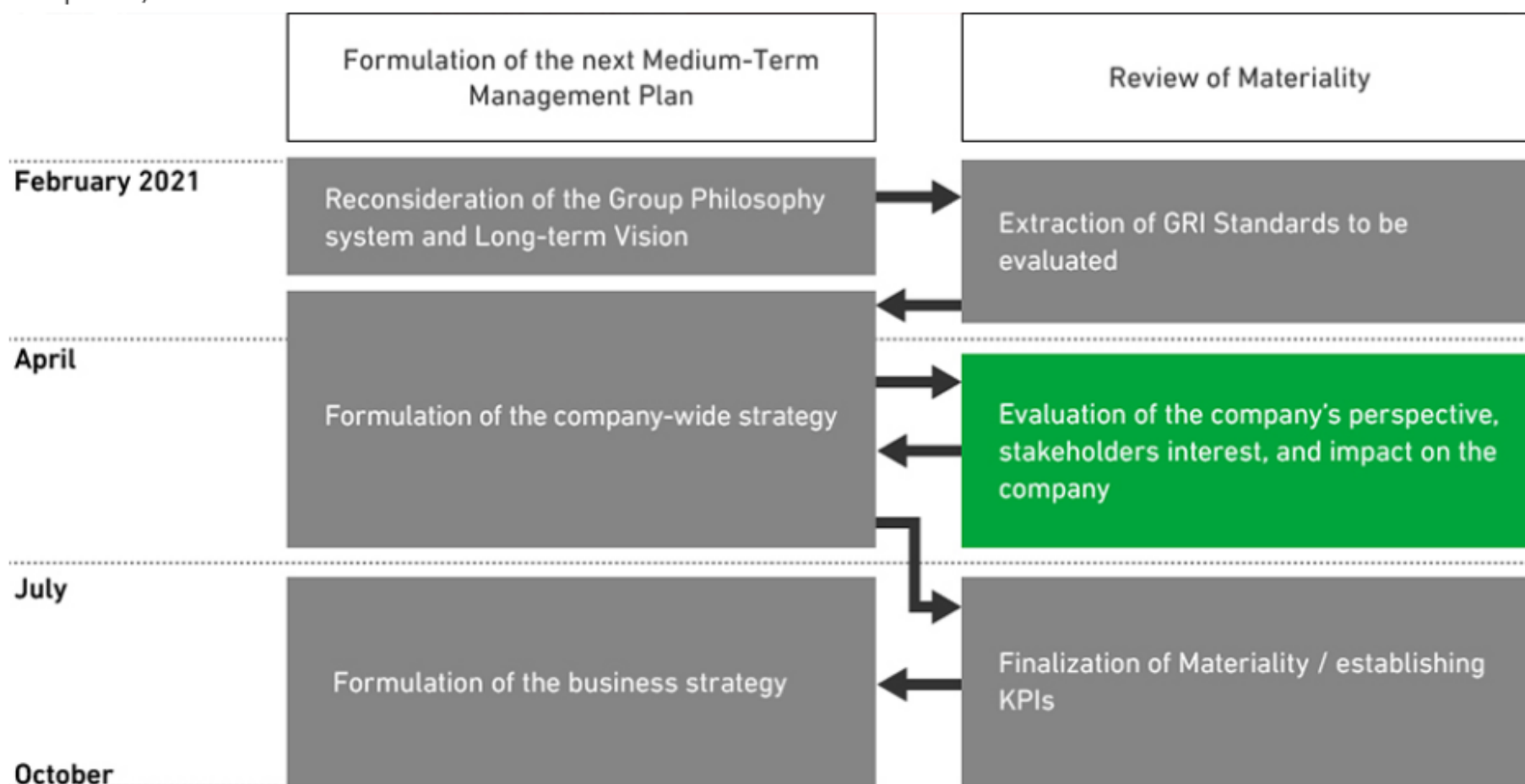
The Board of Directors approved the Medium-term Sustainability Management Plan including the materiality in February 2018 and we started implementing the four-year plan in April 2018.

#### Step 4 PDCA Management of Materiality

Reports and reviews on the progress of the materiality are conducted at meetings of the Sustainability Committee.

## Materiality Review Project

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 (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.





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# Stakeholder Engagement

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## Stakeholder Engagement

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● Communication Map	-----	P16
● Initiatives	-----	P18
● SeaBOS Initiative	-----	P21

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# Communication Map

## Basic Approach

The Maruha Nichiro Group is closely involved not only with customers who buy products, but many stakeholders including employees, suppliers, nearby residents, shareholders and investors, along with the global environment.

It is essential to build trustful relationships with stakeholders in order to continually improve corporate value. Therefore, we create opportunities to provide information about the Group and listen to stakeholders' expectations and opinions through various forms of communication.

We actively use the feedback we receive to promote the sustainability of the Group.

## Communication Map

Stakeholders	Materiality	Main Contact Point	Communication Methods
Customers	Supply safe and secure foods	Quality Assurance Department	Website
	Promote consumer-oriented management	Consumer Relations Center	Advertising
	Promote lifelong health plan	Corporate Communication Department Central Research Institute	Events
Shareholders and Investors	Proper information disclosure	Corporate Communication Department	Results Announcements
			Shareholders Meeting
			Report Documents (shareholder communications, reports)
Business Partners	Practice sustainable procurement	Corporate Planning Department	Website and Survey of Suppliers
Employees	Provide growth opportunities	Personnel Department	Intranet
	Promote safe and ideal working conditions	Personnel Department	Internal Training
	Promote diversity and work practice reform	Personnel Department	Communication training (NAVI)
	Promote a proactive approach to human rights	Personnel Department	Internal Training
	Promote health management	Personnel Department	Internal Seminar

Communities and Society	Coexist with regional communities in mutual prosperity	Corporate Planning Department	Website
		Maruha Nichiro Group Companies	Participation in local events
NPOs/NGOs /Academia/etc.	Global information gathering	Corporate Planning Department	Participation in dialogue (SeaBOS, etc)

## Stakeholder Voice

See the following pages for voices from actual stakeholders.

### Social Value

- > Value for Customers
- > Promotion of diversity and inclusion

### Environmental Value

- > Environmental Management
- > Building a recycling-oriented society
- > Protecting Marine Resources

## Questionnaire for Employees about Integrated Report

We conducted a questionnaire for Maruha Nichiro Corporation employees about the Maruha Nichiro Group Integrated Report 2020. A total of 587 employees responded to the questionnaire, which is more than double the previous fiscal year (217 employees). This indicates that interest in our integrated report is growing internally. Also regarding content, 75% of respondents answered they “understood it” or “understood it well”. Employees also provided such feedback as “compared to last fiscal year, the report was better organized and I understood the situation over the previous fiscal year” and “the report helped me better understand the company’s overall initiatives.”

## Initiatives

### Basic Approach

The Maruha Nichiro Group is engaged in business through a global supply chain with seafood products at the core. Its procurement activities and fisheries resources are closely related, and there are concerns regarding the many sustainability challenges in a broad value chain that cannot be resolved alone by a single company or the private sector. We believe that cooperation with competitors, governments, scientists, NPOs, and NGOs is essential to implement comprehensive initiatives in response to these concerns. For this reason, the Maruha Nichiro Group voluntarily participates in various such initiatives in Japan and overseas.

### Sponsor of the Tokyo Sustainable Seafood Symposium

Maruha Nichiro Corporation sponsored the Tokyo Sustainable Seafood Symposium (TSSS 2020) held in November 2020. During the session "SeaBOS: Spurring Innovation in the Seafood Industry with Unified Initiatives," SeaBOS Managing Director Mr. Martin Exel and Professor Henrik Österblom of the Stockholm Resilience Centre, representing scientists, joined representatives from Nippon Suisan and the Corporate Planning Department of Maruha Nichiro Corporation, representing business, to speak on the state of sustainability work and forthcoming efforts as a SeaBOS member company.



TSSS2019

### Participation in the United Nations Global Compact

The protection of human rights and implementation of appropriate labor practices are essential for a company to build a sustainable supply chain. Since 2010, the Maruha Nichiro Group has participated in the United Nations Global Compact that compiles and requests support for the essential set of values of human rights, labor, the environment, and anti-corruption as 10 principles in all of its business activities in Japan and overseas.



## Participation in the Roundtable on Sustainable Palm Oil (RSPO)

In July 2019, Maruha Nichiro Corporation joined the RSPO\*, a non-profit organization promoting the sustainable production and use of palm oil. A recent increase in palm oil demand has been accompanied by ecological destruction wrought by the felling of tropical rainforests possessing great protective value, reduced absorption of greenhouse gases, and problems concerning the human rights and workplace safety of agricultural workers. At Maruha Nichiro, we support the work of the RSPO and we seek to convert to sustainable palm oil certified by the RSPO in our ongoing contributions to society's sustainable development.

\*RSPO: Roundtable on Sustainable Palm Oil

Check our progress at <https://rspo.org/members/9365>



## Participation in the Clean Ocean Material Alliance (CLOMA)

We must make a worldwide call to action toward solutions for the global problem of marine plastics. Given this, the Maruha Nichiro Group joined the Clean Ocean Material Alliance (CLOMA) in 2019. CLOMA, led by Japan's Ministry of Economy, Trade and Industry, is an alliance that was established in January 2019 to strengthen partnerships between a wide range of actors across industries, promote the sustainable use of plastic products and the development and introduction of alternative materials, and accelerate innovation in the field. As of June 2021, over 430 companies and organizations have joined CLOMA.



Clean Ocean Material Alliance

As a corporate group with a close connection to marine resources, we are working to strengthen partnerships with a variety of organizations to make the oceans clean.

## Cooperation Aimed at the Biodiversity Conservation

Maruha Nichiro Group is in accordance with the ideas of the Japan Business Federation's Biodiversity Declaration released in 2009, and has participated as a facilitation partner of the declaration since 2009. In addition, Maruha Nichiro supports the objectives of the activities of the Keidanren Nature Conservation Fund\*, and it has donated to the fund every year.



Maruha Nichiro, as an associate member, participates in the Japan Business Initiative for Biodiversity that serves as a forum for exchanging information and opinions on biodiversity initiatives. It gathers the latest information and know-how through the network of participating companies.

In March 2016, Maruha Nichiro was selected as a partner company of Tokyo Bay UMI Project, which the Ministry of Land Infrastructure has organized and cooperated with public and private sectors to improve the environment of the Tokyo Bay. We will contribute to ocean biodiversity through participation in these activities going forward.



\* Keidanren Nature Conservation Fund: Fund that was established with the purpose of providing assistance for nature conservation efforts implemented by NGOs/NPOs in developing countries, particularly in the Asia-Pacific region, and subsidies for environmental conservation activities in Japan.

## Initiatives of the Plastic Package Recycling Council

The Plastic Package Recycling Council (PPRC) is a volunteer organization of groups and companies that have taken on the responsibility of recycling plastic containers and packages into new products. In June 2020, Satoshi Kokaji, Maruha Nichiro Corporation's Executive Officer in charge of Product Development Department, was appointed PPRC Chairman.

The purpose of the PPRC is to build rational systems for recycling plastic containers and packages in accordance with the Containers and Packaging Recycling Act, arrange frameworks enabling the smooth implementation of practical operation, forge close partnerships with relevant industries, and raise awareness to spread these efforts.

The Maruha Nichiro Group is actively involved in the work of the PPRC, seeking to build a sustainable system for recycling plastic containers and packages, and contribute to the formation of a recycling-oriented society.

## Joining the Japan Blue Economy Research Group (BERG)

The Japan Blue Economy Research Group (BERG) is an organization established in July 2020, under the Japan Blue Economy association (JBE). It recruits members among corporations and other entities to promote research and development necessary to conserve and restore coastal areas through close cooperation among researchers and engineers in various fields and capacities, as well as businesses and local governments. It has also started a pilot project for the blue carbon offset system.



The Maruha Nichiro Group is seeking to expand its measures on biodiversity and pursue a decarbonized society through information sharing and research between members, and from information gathering on blue carbon as a member of the association.

## SeaBOS Initiative

### Participation in Seafood Business for Ocean Stewardship (SeaBOS)

The Maruha Nichiro Group has joined together with the world's leading global seafood suppliers and scientists studying the ocean, fisheries and sustainability, in the Seafood Business for Ocean Stewardship (SeaBOS) initiative since its inception.

SeaBOS is a global initiative that was launched in 2016 together with the world's eight (now 10) largest seafood companies, and scientists who study the ocean, fisheries and sustainability. Its goal is to lead the world towards achieving sustainable seafood production and a healthy ocean environment through cooperation and strategic activities based on scientific evidence. We are trying to actively contribute to meeting the United Nations Sustainable Development Goals (SDGs) and Goal 14 in particular, to "Conserve and sustainably use the oceans, seas and marine resources for sustainable development." When the organization was established in September 2018, our president (at the time) Shigeru Ito was appointed as its first chairman. He has served in this role until October 2020.

#### Companies Participating in SeaBOS

Maruha Nichiro  
Nippon Suisan (Nissui)  
Natreco/Skretting  
Cargill Aqua Nutrition  
Thai Union Group  
MOWI  
Dongwon Industries  
Cermaq  
Kyokuyo  
Charoen Pokphand Foods



#### The Primary Challenges and Mission for SeaBOS

Ten of the world's largest seafood companies are working to display leadership in order to achieve ocean sustainability

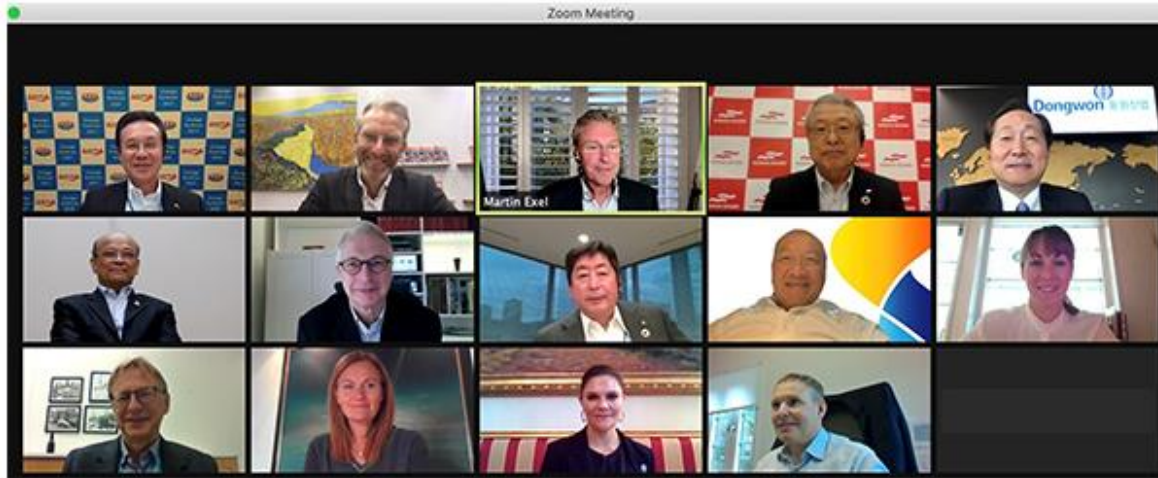
**Vision:** To accelerate transformation with regards to ocean management

**How:** In cooperation with governments and other sustainability bell-wethers, the industry actively engages in ocean management and bears global responsibility for the world's oceans

**Mission:** To lead the world towards achieving sustainable seafood production and a healthy ocean environment

## Participation in the Fifth SeaBOS Dialogue (Virtual Meeting)

In October 2020, the fifth SeaBOS Dialogue was organized, and our company's President & CEO Ikemi, attended the event. During the two-day online dialogue, each Task Force actively discussed issues, progress, and future activities, and agreed on a number of goals and plans up until the end of 2021. Our company's Representative Director, Chairman of the Board Shigeru Ito, who served as the first SeaBOS Chairman, retired after his two-year term as Chairman, and the chairpersonship of the initiative was handed over to Ms. Therese Log Bergjord (CEO of Skretting).



## Task Forces

SeaBOS Activities	Major Agreements
Eliminate IUU fishing, forced or compulsory labor, and child labor	Eliminate IUU fishing or forced or compulsory labor and child labor in our own operations – and address these problems in our procurement supply chains – with reporting on progress in 2022 and 2025
Address endangered species	Agree on a strategy for reducing impacts on endangered species
Reduce the use of antibiotics	Agree on a strategy for reducing the use of antibiotics
Address the problem of marine plastics	Enhance collaboration with the Global Ghost Gear Initiative to address the issue of lost and abandoned fishing gear.
	Conduct clean-up activities on beaches and rivers
Climate resilience	Set greenhouse gas emissions reduction goals and reporting approaches from each company

Six task forces have been organized within SeaBOS to handle various issues, and each taskforce is led by SeaBOS members in collaboration with and supported by scientists.



## The task forces of SeaBOS



\*Maruha Nichiro Corporation is an active member in Task Forces I, III, and VI

### Stakeholder Voice



**Ms. Therese Log Bergjord**  
Skretting CEO

**We asked Therese Log Bergjord, the new chairperson, about the goals of SeaBOS, her role as chairperson, and her expectations for Maruha Nichiro**

1. What are the goals of SeaBOS?

The key goal of SeaBOS is to create a global transformation to sustainable seafood production and a healthy ocean. We are doing that by having a collaboration between ten of the largest seafood businesses in the world, and scientists from Stockholm Resilience Centre, to meet various commitments and time bound goals we established in 2016.

2. What are your goals as the chairperson of SeaBOS?

To oversight the activities of SeaBOS and help ensure company members and scientists remain focused on achieving results. And to provide leadership and strategic vision towards a better future for seafood production and ocean health.

3. As the chairperson of SeaBOS, what do you expect from Maruha Nichiro?

To continue with the great progress started with Chairman Ito, through the leadership now of President Ikemi, and deliver on our SeaBOS time bound goals this October 2021, and in future. And, given the significant size and reach of Maruha Nichiro in the seafood world, I hope you will remain part of this unique collaboration, and identify challenges as well as solutions to ensure global seafood sustainability, which can then be shared with other members of SeaBOS.

## Human Rights

The Maruha Nichiro Group has formulated the Maruha Nichiro Group Human Rights Policy based on the United Nations Guiding Principles on Business and Human Rights in order to fulfill our responsibility to respect the human rights of stakeholders, including those in our supply chain. In FY2019, we began full-scale efforts to establish a system for human rights due diligence and are making progress toward identifying human rights risks and understanding the current situation through our business activities both in Japan and overseas. We are also striving to increase awareness of international standards with respect to human rights through human rights training targeted at group employees.

### Maruha Nichiro Group Human Rights Policy

The Maruha Nichiro Group conducts its activities in a manner that respects the basic human rights of all persons around it, in order to practice the Group Philosophy: "We aim to be an essential part of society by improving everyone's daily life with wholesome, safe, and healthy food."

#### 1. Respecting Human Rights

The Maruha Nichiro Group supports and respects the human rights designated in the International Bill of Human Rights and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and engages in activities that are in line with the United Nations Guiding Principles on Business and Human Rights.

#### 2. Practicing Human Rights Due Diligence

The Maruha Nichiro Group continues to develop and implement a process of human rights due diligence, in order to prevent, mitigate, and remedy both direct and indirect negative impacts on human rights through our business activities. In the event that we discover the Group has caused or contributed to negative impacts on human rights, we take remedial action. Furthermore, we operate a channel for reporting concerns over impacts on human rights.

#### 3. Scope of Application

This Human Rights Policy applies to all officers and employees of the Maruha Nichiro Group. The Maruha Nichiro Group implements human rights education to provide opportunities for each officer and employee to gain a deeper understanding of human rights. The Executive Officer in charge of the Personnel Department at Maruha Nichiro Corporation is responsible for putting this policy into action. The Maruha Nichiro Group pursues this policy in cooperation with its business partners and other stakeholders.

#### 4. Positioning of the Human Rights Policy

The Code of Conduct of the Maruha Nichiro Group, under the heading of labor and human rights, calls for "Diversity, safety and openness in the workplace" and "Respect for human rights and the abolition of forced/child labor." This Human Rights Policy supplements the Code of Conduct and shall be reflected in related policies and guidelines.

#### 5. Regulatory Compliance

The Maruha Nichiro Group complies with the laws and regulations of the countries and regions where it conducts business. If a country's laws conflict with internationally recognized human rights, the Maruha Nichiro Group looks for a way to ensure respect for the principles of international human rights.



## 6. Important Human Rights Issues

The Maruha Nichiro Group forbids harassment in the workplace and thoroughly practices labor management, pursuant to verifying that its employment practices are consistent with labor laws. The Maruha Nichiro Group also requires its business partners to adhere to these guidelines.

## 7. Dialogue with Stakeholders

The Maruha Nichiro Group engages in dialogue with stakeholders regarding its efforts to respect human rights. The Maruha Nichiro Group discloses information about its activities via its website and in its integrated report.

Established: July 2019

Maruha Nichiro Corporation

## Due Diligence on Human Rights

The Maruha Nichiro Group considers respect for human rights, including within our supply chain, to be a management issue, and has made efforts starting in FY2019 aimed at constructing a united due diligence system. This includes creating a system to identify, assess, prevent and reduce human rights risks for the entire group. In FY2019 we screened for human rights risks by country and fish species, then primarily carried out the following initiatives.

In FY2020, we conducted Self-Assessment Questionnaire of suppliers in Japan and overseas concerning their state of compliance with the Supplier Guidelines. We also conducted human rights/labor practice related Self-Assessment Questionnaire targeting suppliers for whom we had identified risks in some aspect of business in the past. In FY2021, we will expand the scope of suppliers and conduct Self-Assessment Questionnaire on certified plants manufacturing Maruha Nichiro products. In turn, we will implement countermeasures for suppliers found to pose a risk from the survey results.

➤ [Click here for the Maruha Nichiro Group Internal Reporting System](#)

## Promote a Proactive Approach to Human Rights

At Maruha Nichiro, every year we hold human rights training targeting all employees as part of our activities for respecting human rights as defined in the Group Code of Conduct. In FY2020, we switched over to e-learning for all participants from the standpoint of preventing the spread of COVID-19, with a total of 1,894 officers and employees taking part.



Human rights training (FY2019)

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# Social Value

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## Social Value

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### Customer Value

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● Food Safety ----- P27

● Consumer-oriented Management ----- P35

● Lifelong Health Plan ----- P38

● Labor-Management Relations ----- P42

### Employee Value

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● Growth Opportunities ----- P43

● Better Workplaces ----- P46

● Diversity & Work-styles ----- P48

● Healthy Business Management ----- P55

● Human Rights Awareness ----- P62

**Value for Business Partners** ----- P64

**Value for Communities & Society** ----- P67

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# Food Safety

## Basic Approach

At the Maruha Nichiro Group, we work to supply safe quality food to customers and pursue food that customers can feel safe eating, by putting ourselves in the customer's shoes and considering the type of quality they are looking for. This approach comes from our Quality Assurance System based on our Group Philosophy and the Maruha Nichiro Group Quality Assurance Policy.

To that end, we take an array of measures, from product development to delivery to the customers, as well as in all the processes thereafter. At the same time, we provide employees with quality assurance training to raise the level of their knowledge and skills and heighten awareness about quality.

## Medium-term Sustainability Management Plan (FY2018–2021)

### Supply safe and secure foods

<b>Medium-term Goal</b>	Quality management system: Spread as appropriate operations of Maruha Nichiro Group quality assurance regulations
<b>FY2020</b>	<p><b>Action Plan (Key measures)</b></p> <ul style="list-style-type: none"> <li>• Implement PDCA activities about quality assurance and quality control as a whole group</li> <li>• Position design and development, raw material procurement, and human resource training as key themes and strive for continual improvement</li> </ul> <p><b>Achievements</b></p> <ul style="list-style-type: none"> <li>• Review and revised procedures related to design and development and raw material procurement</li> <li>• Conducted training based on the Group's common quality education and training rules, and promoted participation in training programs</li> </ul>
<b>FY2021</b>	<p><b>Action Plan (Key measures)</b></p> <ul style="list-style-type: none"> <li>• Provide explanations (notices, e-learning program, etc.) related to design and development</li> <li>• Conduct awareness-raising activities to ensure effective use of both internal and external training for quality education and training</li> </ul>
<b>Targets</b>	Maruha Nichiro Group (Japan)
<b>Department in charge</b>	Quality Assurance Department, Maruha Nichiro Corporation

**Medium-term Goal** Promote the acquisition of more certifications in globally-recognized food safety management and its effective operation

**FY2020**

**Action Plan (Key measures)**

- Strengthen cooperation throughout the whole supply chain
- Enhance factory inspections
- Improve quality and hygiene control education systems

**Achievements**

- Held meetings on quality assurance for management of partner factories in writing
- Conducted factory audits in accordance with the factory auditing plan
- Converted all quality assurance training workshops to e-learning programs and conducted them four times in total

**FY2021**

**Action Plan (Key measures)**

- Consider the possibility of organizing a meeting on quality assurance for management of partner factories using a web conference system, etc.
- Conduct (including remotely) systematic factory audits based on factory sanitation management standards
- Consider and implement measures to raise the participation rate in the quality e-learning program

**Targets**

Maruha Nichiro Group (Japan and overseas) and partner factories

**Department in charge**

Quality Assurance Department, Maruha Nichiro Corporation

**Medium-term Goal**

Maintain good factory environments and improve defense levels based on the Maruha Nichiro Group's Food Defense Management Rules

**FY2020**

**Action Plan (Key measures)**

- Enhance factory inspections
- Continue with food defense management and education

**Achievements**

- Remotely conducted food defense surveys and provided improvement guidance at the Group's production sites and partner factories
- Conducted an e-learning program training on a partner factories -version of the food defense training sessions

**FY2021**

**Action Plan (Key measures)**

- Carry out (including remotely) inspections of compliance with food defense management standards and provide guidance on improvements to the Group's production sites, logistics sites, and partner factories
- Continue training sessions on Group food defense management standards

**Targets**

Maruha Nichiro Group (Japan and overseas) and partner factories

**Department in charge**

Quality Assurance Department, Maruha Nichiro Corporation



## Quality Assurance Policy

To be a food brand that people trust, consistently offering safe products and reliable services should be the highest priority. The Maruha Nichiro Group maintains the Maruha Nichiro Group Quality Assurance Policy, which is rooted in the group philosophy.

### Maruha Nichiro Group Quality Assurance Policy

1. Comply with all laws and regulations in Japan, overseas, and globally
2. Strengthen links throughout the supply chain and constantly raise the level of quality assurance
3. Value communication with customers and proactively provide appropriate information
4. Listen sincerely to the customer, value their opinions, and use this to improve our products, services, and corporate activities
5. Implement quality assurance activities in line with Group regulations that are framed on international standards for quality management systems
6. Help all employees improve their knowledge and technical abilities while raising awareness of quality

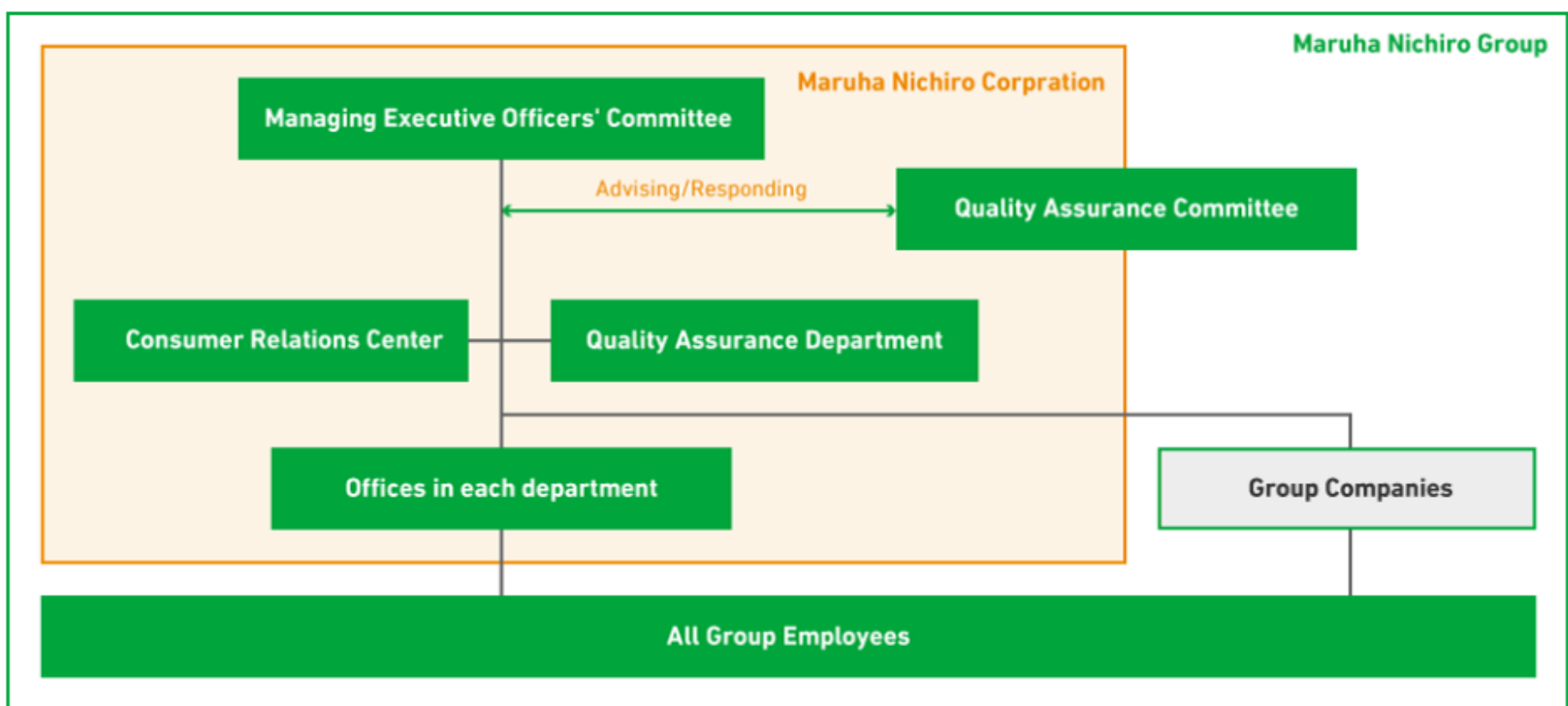
## Management Structure

The Maruha Nichiro Group's quality assurance structure is organized with the Managing Executive Officers' Committee as the highest decision-making body for quality assurance issues. It is also in charge of setting and implementing necessary quality assurance policies and initiatives.

The Quality Assurance Committee deliberates quality issues and serves as an advisory body to the Managing Executive Officers' Committee. The Quality Assurance Department at Maruha Nichiro, the central company of the Group, serves as the focal point of the Group's quality assurance, setting quality assurance policies, monitoring and improving quality management through audit and product data systems, collecting and reporting data for disclosure of quality information, and initiating employee training programs to increase quality awareness.

Responsible persons and persons in charge of quality assurance are appointed for each Company department and Group company to communicate information about Group policies and measures as well as to create and implement quality assurance plans and measures.

### Quality Assurance Structure



## Inspection Systems

The Food Safety Group at Maruha Nichiro is dedicated to assuring the safety of the Company's food products based on scientific evidence. The Food Safety Group scientifically verifies the safety of Maruha Nichiro Group products and contributes to enhancing quality assurance in the following ways.

### Testing Activities

The Food Safety Group has a comprehensive testing structure for microorganisms, agricultural chemicals, veterinary drugs, allergens, and other items important to assuring product safety.

The Group's microbe and agricultural chemical test laboratories have acquired ISO/IEC 17025 accreditation to further assure customers that the Group's inspections meet the highest international standards.

### Providing Inspection System Maintenance and Technical Support at Food Manufacturing Sites

The Food Safety Group maintains and reinforces the Group-wide quality assurance system by working closely with inspection laboratories at the food manufacturing sites, providing audits and technical guidance for inspection systems, conducting quality control tests, helping address quality issues, and providing practical training.

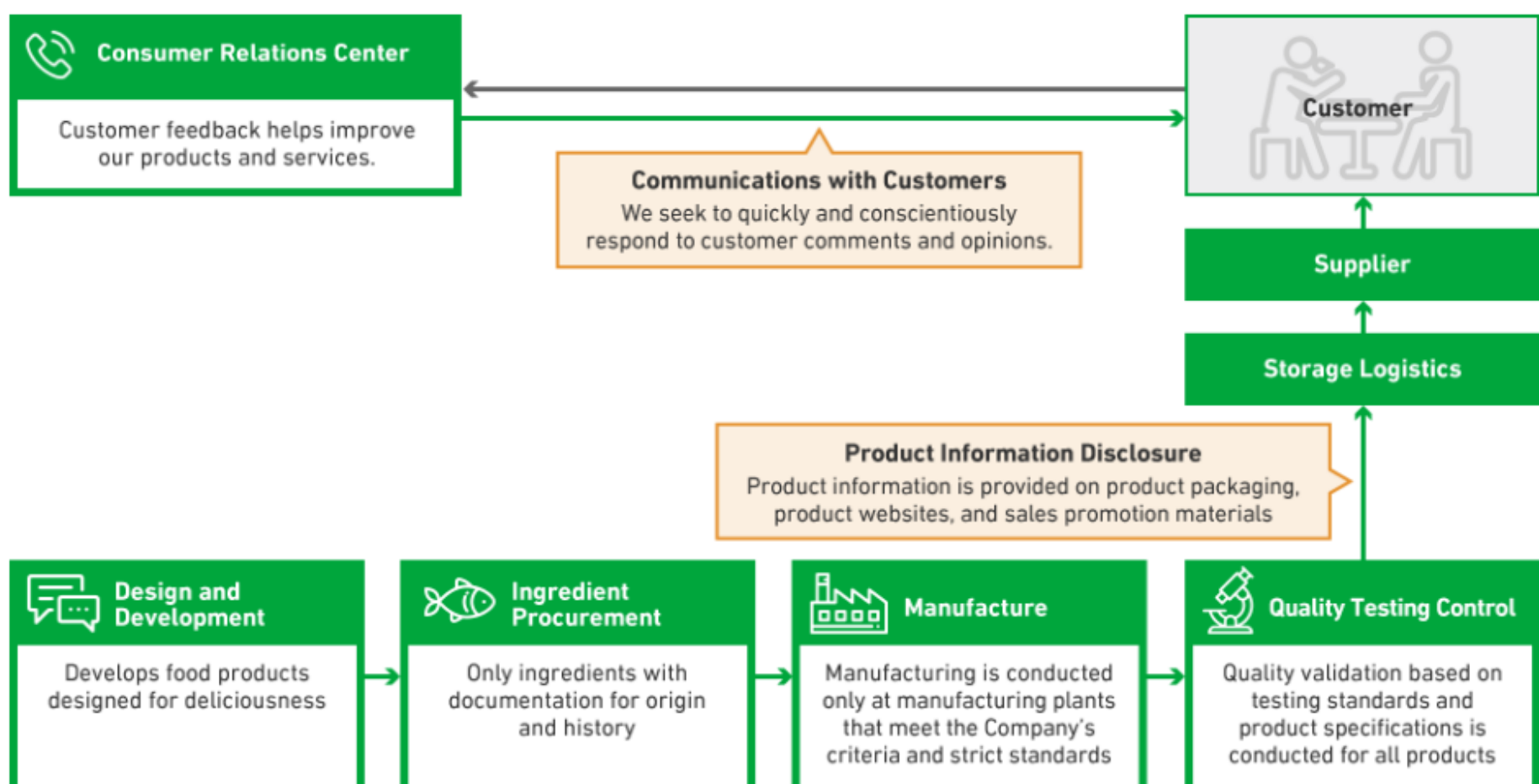
### Exploring and Developing New Analysis Technologies

The Food Safety Group is constantly researching and developing analysis technology that can quickly and accurately detect food poisoning bacteria, allergens, and other potentially hazardous substances.

## Product Safety from Factory to Customer

Maruha Nichiro applies strict internal standards at every step of preparation and delivery to ensure the safety of all products.

### Product Delivery Process Chart



## Design and Development

Products are created using food materials that have been verified for safety. Manufacturing processes are regulated through multiple tests in the factory to ensure food safety during manufacturing, such as during food heating and cooling conditions, and are maintained to verify that product quality meets the Group's strict standards. All products carry the quality labeling as required by law and food product packaging provides clear ingredient lists and preparation instructions for customers.

## Ingredient Procurement

### Only Ingredients Verified as Safe, No Exceptions

We understand that the quality of ingredients impacts the overall quality of the product and select only ingredients verified as safe and that have clear documentation for who, where, and when the item was grown or manufactured.

## Manufacture

### Maruha Nichiro Group Sanitation Management Standards

The Maruha Nichiro Group has created its own Sanitation Management standards based on ISO 9001, ISO 22000, FSSC 22000, Global Markets Program, related laws, and quality management standards. The Company's standards apply to its directly managed manufacturing sites, Group companies, and contracted manufacturing sites.

### Food Defense

The Maruha Nichiro Group has created its own Food Defense Management Standards and implements various hazard prevention measures to prevent intentional acts to harm the food supply, such as monitoring chemical agents and foreign content and improving employee communication.

## Quality Testing Controls

### Ingredient Management

- Acceptance Inspection

The Company verifies supplier quality certificates and test data for all ingredients.

### Process Management

- Manufacturing Management

All manufacturing equipment is supervised by managers who have received general basic instruction and specialized training. The latest testing equipment is located in close proximity to food processing sites, and all managers participate in specialized technical training to augment their managing capabilities.

- Sanitation Management

Factory workers wear special clothing, hats, masks, and shoes and must pass regulatory checks before entering workrooms as part of measures to prevent contamination from microbes and foreign substances.

- Process Inspections

Process management includes inspections specifically designed for each type of food product. The Company has an extensive system of cameras and monitors enabling centralized monitoring for defective products within each process.



## **Product Management**

### - Product Inspections

Specially appointed quality management staff confirm the quality of each final product based on inspection standards and product specifications allow only products that have passed the inspections to be shipped.

### - Traceability System

All data from the acceptance, processing, and product inspections as well as shipment conditions is recorded and archived to create a fully documented history for each product. We also conduct periodic "recall drills" to be fully prepared in case a quality issue or other type of problem occurs to ensure we are always able to quickly and efficiently gather data on all processes from raw materials to final product.

## **Storage and Logistics**

Maruha Nichiro Logistics carries out the Group's storage and logistics operations with quality control management based on the guidelines for ISO 9001 certification. The company provides comprehensive logistics services meeting client specifications at all stages from customs clearance to storage, transportation, and delivery.

## **Product Information Disclosure**

### **Product Data Verification System**

Maruha Nichiro has a certification system for managers to prepare product specification sheets showing specific basic information about the product, and managers that have completed a prescribed training program are authorized to prepare and review the spec sheets.

### **Product Data Disclosure**

Maruha Nichiro makes its product data easily accessible to customers on its website, including nutritional information, manufacturing plant site and country, allergen information, and the source location of main ingredients.

## **Main Initiatives in FY2020**

### **Education and Training on Quality for Employees**

In FY2020, a total of more than 2,000 employees from the Maruha Nichiro Group participated in training. These sessions included seminars covering the topics of food labeling (12 times), quality control (3), food defense (3), FSSC22000 internal auditor training (4), food bacteria training (6), skills training for food bacteria inspectors (1), practical inspection skills training for bacteria inspectors (1), customer service training (4), customer feedback monitoring training (2), and inspection report preparation training (2).

In FY2020, group training was made difficult due to the COVID-19 pandemic. Therefore, we strived to continue providing access to skills training for employees by utilizing e-learning and teleconference systems. This made it easier for participants to adjust their schedules, resulting in a larger number of participants than previous years. We will continue to use e-learning and teleconference systems for training going forward even after the end of the COVID-19 pandemic to maintain and improve the level of education and training accessible to employees.



## Results of FY2020 Quality Assurance Training

Type of training	Total sessions	Participants
Food label training (producing universal, frozen food, shelf-stable food, seafood, livestock product, and create product specifications)	12 times	304 ppl
Quality management workshops (factory hygiene management)	3 times	365 ppl
Food defense workshops	3 times	174 ppl
FSSC 22000 internal auditor training (introductory training, skill advancement training)	4 times	157 ppl
Food bacteria training	6 times	735 ppl
Skills training for food bacteria inspectors	1 time	37 ppl
Practical inspection skills training for food bacteria inspectors	1 time	3 ppl
Customer service training	4 times	130 ppl
Customer feedback monitoring training	2 times	51 ppl
Customer service training	2 times	85 ppl

## Education and Training on Quality and Research

### Enhance Factory Inspections

In FY2020, the COVID-19 pandemic greatly restricted people's movements. As a result, we actively employed remote audits using a communications app to conduct factory inspections normally performed in-person at our manufacturing sites. This allowed us to maintain and improve our food safety and food defense by responding flexibly to the situation of the pandemic.

Looking ahead, we are examining ways to increase the accuracy of remote audits and strengthen our factory inspection and guidance structure to enable flexible responses to environmental changes.



Status of Remote Audits by the Maruha Nichiro Corporation Quality Assurance Department

## Stakeholder Voice



### **Xiaojun Chen (Right)**

Corporate Advisor

### **Lei Sun (Left)**

Chief Dalian Branch, Maruha  
(Shanghai) Trading Corporation

### **Confirming the hygiene management situation through Q&A and reporting by the manufacturing line at certified factories using a communication**

Both myself, Chen Xiaojun, and Sun Lei of Maruha (Shanghai) Trading Co., Ltd.'s Dalian Branch each studied Maruha Nichiro's unique quality control methods, food defense standards, and plant auditing methods for one year in 2017 and 2019, at the Head Office Quality Assurance to conduct plant inspections and provide guidance at partner factories in China with the aim of continuing to produce safe and reliable products. In particular, in learning the methods of plant auditing, we learned a lot from the advice given to us, such as the difference in perspective between the person in charge of auditing and on-site managers, and about the angles from which to look for problems.

## Looking Ahead

The Maruha Nichiro Group will continue to strengthen its quality assurance structure through the further expansion of customer support functions and fostering of specialized human resources in food safety and quality assurance.

# Consumer-oriented Management

## Basic Approach

The basic mission of the Maruha Nichiro Group is to be “an essential part of society by improving everyone's daily life with wholesome, safe and healthy food” and serving as a corporate group that contributes to everyone's affluent lives and happiness, in accordance with our Group Philosophy. As a group of companies that promotes consumer-oriented management, each one of us acts with a firm awareness of our role in listening to and utilizing the voices of our customers, applying their feedback and making sustainable initiatives possible in order to fulfill our goals as a company that adheres to laws and brings values to consumers.

## Declaration of Consumer-oriented Management

The basic mission of the Maruha Nichiro Group is to be an essential part of society by improving everyone's daily life with wholesome, safe and healthy food.

As part of our fundamental mission, we endorsed the “consumer-oriented management” promoted by the Japanese Consumer Affairs Agency in 2016 and announced that our management policies would be rooted in our Declaration of Consumer-oriented Management established in March 2018.

In addition to endorsing “Consumer-oriented Management” promoted by the Japanese Consumer Affairs Agency, we have announced our management policies rooted in our Declaration of Consumer-oriented Management established in March 2018. We also publish activity reports on a regular basis.

Consumer-oriented management is defined as activities that improve value for society through co-creation and collaboration with consumers. The three activities that form the pillar of this are as follows.

Listening and utilizing everyone's voice Measures for future and next generations Adhere to laws and regulations and strengthen corporate governance.

We believe this is a true reflection of our Group Philosophy and is linked to our medium- to long-term vision of striving towards a sustainable society. As such, we have announced our Group Slogan, Vision, and Action Policy as Declaration of Consumer-oriented Management.



## Medium-term Sustainability Management Plan (FY2018–2021)

### Promote consumer-oriented management

<b>Medium-term Goal</b>	Cultivate corporate culture based on top commitments, facilitate organic communication between departments
<b>FY2020</b>	<p><b>Action Plan (Key measures)</b></p> <ul style="list-style-type: none"> <li>• Hold training seminars on consumer-oriented management</li> <li>• Build a system to promote consumer-oriented management</li> <li>• Strengthen business activities to make full use of the "voice of the customer"</li> </ul> <p><b>Achievements</b></p> <ul style="list-style-type: none"> <li>• Conducted e-learning programs for all Group employees</li> <li>• Enhanced systems through participation in various lectures by industry groups and mutual exchange of information with the Consumer Affairs Agency</li> <li>• Ran monthly product improvement review meetings and implemented 32 improvements and enhancements based on the "voice of the customer"</li> </ul>
<b>FY2021</b>	<p><b>Action Plan (Key measures)</b></p> <ul style="list-style-type: none"> <li>• Continue to consistently conduct training sessions</li> <li>• Continue to participate in various lectures by industry groups and enhance systems through mutual exchange of information with the Consumer Affairs Agency</li> <li>• Promote activities with related departments involved in product development, improvement, and enhancement based on the "voice of the customer"</li> </ul>
<b>Targets</b>	Maruha Nichiro Group (Japan)
<b>Department in charge</b>	Consumer Relations Center, Maruha Nichiro Corporation
<b>Medium-term Goal</b>	Improve supply and mutual exchange of information to customers
<b>FY2020</b>	<p><b>Action Plan (Key measures)</b></p> <ul style="list-style-type: none"> <li>• Enhance customer service to satisfy all customers</li> <li>• Strengthen safety and security</li> <li>• Coordinate sustainable environmental activities</li> <li>• Coordinate food education activities for consumers</li> </ul> <p><b>Achievements</b></p> <ul style="list-style-type: none"> <li>• Developed a chatbot and installed it on the customer consultation page of the website in August 2020</li> <li>• Acquired an official corporate account on the Q&amp;A site "Yahoo! Chiebukuro" to answer various customers' questions</li> <li>• Distributed internally those cases where problems are foreseen by the "voice of the customer"</li> <li>• Established a framework allowing employees to deal with phone calls for customer support services from home during the COVID-19 pandemic</li> </ul>
<b>FY2021</b>	<p><b>Action Plan (Key measures)</b></p> <ul style="list-style-type: none"> <li>• Improve customer satisfaction through effective use of systems</li> <li>• Contribute to the improvement of customers' eating habits through information booklet distribution to consumers</li> <li>• Evaluate and analyze the "voice of the customer" information, identify risk information at its early stage, and notify and call relevant departments</li> </ul>

<b>Targets</b>	Maruha Nichiro Group (Japan)
<b>Department in charge</b>	Consumer Relations Center, Maruha Nichiro Corporation

## Main Initiatives in FY 2020

### Disseminate Consumer-oriented Management throughout the Company

The Maruha Nichiro Group has established an internal promotion structure for all employees to understand and take action based on Consumer-oriented Management. We conducted training seminars on Consumer-oriented Management as well as promoted the strengthening of business activities that incorporate the “Voice of the Customer”.

In FY2020, we conducted training on Consumer-oriented Management using an e-learning platform, with around 4,600 Maruha Nichiro employees taking part.

In the quality control reconfirmation campaign that we implemented targeting all employees of the Maruha Nichiro Group, we conducted a survey on our products and shared the feedback as consumers within the company for improvement purposes. We have made 32 improvements and upgrades of products and services in FY2020 based on the Voice of the Customer received on a daily basis.

As our initiative on food safety and security, we have continued to extrapolate potential issues based on the “Voice of the Customer” and shared them in weekly newsletters.

### Further Deepening Communications with Consumers

We strive to enhance information provision on platforms such as our website in order to further improve mutual communication with customers. We ask customers who reach out to us to complete a satisfaction survey in aiming to enhance our customer service.

Our activities on making product improvement proposals based on the voice of the customer are highlighted on the company’s website as well as intranet for employees. We will continue to take on improvement activities going forward.

From December 2019, we launched an official corporate account on the Q&A site “Yahoo! Chiebukuro” to answer customers’ various questions related to our products. In August 2020, Maruha Nichiro has adopted an automated chatbot on its website on a trial basis to answer customers’ questions 24 hours a day, 365 days a year (covering canned foods, bottled foods, and frozen foods categories).

In FY2020, we enhanced our customer service by establishing a system that enables employees to respond to customer inquiries during the COVID-19 pandemic from their homes.

We are doing our part to earn customers’ trust through activities including initiatives on food safety and security, environmental activities and food education activities.

## Looking Ahead

As a corporate group that brings value to customers, the Maruha Nichiro Group aims to be an essential part of society by improving everyone’s daily life with wholesome, safe and healthy food and contribute to everyone’s affluent lives and happiness. We aim to further promote consumer-oriented management based on this Group Philosophy.

# Lifelong Health Plan

## Basic Approach

The Maruha Nichiro Group develops and offers food products containing functional ingredients proven to be health-promoting and products formulated to be good for the body with the aim of providing healthy options for each life stage of its customers.

## Medium-term Sustainability Management Plan (FY2018–2021)

### Promote lifelong health plan

<b>Medium-term Goal</b>	Increase in activity of communication based on the "lifelong health plan" and strengthen research and development
<b>FY2020</b>	<p><b>Action Plan (Key measures)</b></p> <ul style="list-style-type: none"> <li>• Drive promotional activities</li> <li>• Research and develop "fish-eating" and fish-derived functional ingredients</li> </ul> <p><b>Achievements</b></p> <ul style="list-style-type: none"> <li>• Distributed 60,000 copies of "How Mackerel Gets Canned," a supplemental educational material for 5th-grade elementary school social studies</li> <li>• Considered the commercialization of protamine derived from salmon milt for oral care, and developed new functionalities of nucleic acids (2 academic presentations at the Nippon Suisan (Nissui))</li> </ul>
<b>FY2021</b>	<p><b>Action Plan (Key measures)</b></p> <ul style="list-style-type: none"> <li>• Continue to disseminate information, corporate events, and campaigns through the official community site and official social media</li> <li>• Develop functional ingredients</li> </ul>
<b>Targets</b>	Maruha Nichiro Group (Japan)
<b>Department in charge</b>	Corporate Communication Department and Central Research Institute, Maruha Nichiro Corporation



<b>Medium-term Goal</b>	Contribute to health and wellness
<b>FY2020</b>	<p><b>Action Plan (Key measures)</b></p> <ul style="list-style-type: none"> <li>Promote healthy bodies with measures to fight metabolic syndrome and strengthen bones through foods with function claims, salt reduction, calcium fortification and reduced calories</li> <li>Promote food products that benefit a healthy mind and tastefulness</li> </ul> <p><b>Achievements</b></p> <ul style="list-style-type: none"> <li>Launched "Sardines in extra virgin oil" that allows absorption of DHA and EPA contained in sardines without any loss</li> <li>Developed and launched a total of 42 products in the "Yasashii Okazu Set" series of frozen nursing care food that are suitable for use in both hospital facilities and at home, with an emphasis on energy and protein</li> </ul>
<b>FY2021</b>	<p><b>Action Plan (Key measures)</b></p> <ul style="list-style-type: none"> <li>Continually educating and promoting consumers to incorporate food into their daily dietary habits through development and sales in response to market needs</li> </ul>
<b>Targets</b>	Maruha Nichiro Group (Japan)
<b>Department in charge</b>	Corporate Communication Department and Central Research Institute, Maruha Nichiro Corporation

## Main Initiatives in FY2020

### Physical Health and Healthy Mind

The worldwide spread of the COVID-19 pandemic has had major impacts on people's lives. The pandemic has brought about substantial changes in our lifestyles, diets and health consciousness.

Japan's Health Promotion Act declares "The people must endeavor to deepen their interest in and understanding of the importance of healthy lifestyles, and to both be aware of the state of their own health and improve their health throughout the course of their lives." In addition, as indicated in the Japanese Food Guide Spinning Top advocated by the Ministry of Health, Labour and Welfare and Ministry of Agriculture, Forestry and Fisheries, well-balanced meals in terms of staples, meat/fish, and vegetables, as well as appropriate amounts of exercise are important for improving health and preventing illness.

We require the further pursuit and practice of self-medication going forward.

In response to this, the Maruha Nichiro Group is promoting the "Lifelong Health Plan" by developing and providing products that support the "physical health and healthy mind" of customers. This involves providing seafood products with an emphasis on harmony with nature. Products include those made with functional materials with proven effects on health, such as DHA, as well as universal design foods (i.e. nursing care food) made to be easy to eat and visually appealing.

### Resara Recipes Posted by Oishiine! Members

In FY2020, we disseminated concise information on DHA through the community platform Oishiine! in conjunction with DHA day on June 22. Specifically, we carried out the following:

- (1) Trivia on DHA
- (2) Postings of DHA recipes from customers
- (3) DHA quiz campaign

The Maruha Nichiro Group will continue conducting R&D to help people maintain lifelong health.

### R&D on Food Function

We believe that developing and providing products according to lifelong health plans and disseminating information on these products are actions that connect to support for customer health throughout all life stages.

Therefore, the Maruha Nichiro Group has set medium-term goals to “promote communication” and “contribute to health and wellness,” for which we advance research and development on food functions and provide customers with products and information based on the findings

For example, through food education and promotional activities, the advancement of research and development of fish consumption and fish-derived functional ingredients, as well as foods with functional claims and foods designed with reduced salt, more calcium, and controlled calories, we provide products made for physical health to address modern-day health issues and for healthy mind that adds an element of fun to the food itself.

Following this policy, in FY2020, we developed a consumer use processed food called “Sardines Marinated in Extra Virgin Oil.” This product features Hokkaido-caught sardines marinated in fragrant extra virgin oil. Consumers can take in DHA in a delicious meal by using this product as an ingredient in pasta or salad.



Sardines marinated in extra virgin oil

In commercial frozen foods, we developed three types of assorted products called “Delicious low- sodium sauteed hijiki seaweed with sesame seeds” essential as a side dish in everyday lunchboxes (bento). Delicate taste rendered using grilled flying fish stock. Can easily be used for packing a bento box for it can be thawed naturally.



Delicious low- sodium sauteed hijiki seaweed with sesame seeds

Among Maruha Nichiro Group's Medical Care Products, which is the leading brand in the nursing care industry, we have newly developed a mousse side dish jelly series in order to offer a nutrition-rich menu even in small quantities. We offer a line-up of 42 types of breakfast comprising 14 types of breakfast and 28 types of lunch and dinner that can be used in a 14-day menu. These dishes are developed to boost the energy and protein intake for those who tend to have low nutrition. As they are individually packed, the same food quality level can be enjoyed from the hospital to one's own home.



Breakfast Mousse Salt Grilled Salmon



Dinner Mousse Hamburg Steak with Tomato Sauce

## Looking Ahead

The Maruha Nichiro Group will continue developing and supplying food products containing functional ingredients that support health providing healthy options for each life stage of its customers.

# Labor-Management Relations

## Basic Approach

At the Maruha Nichiro Group, we believe that maintaining and strengthening good labor/management relations is a prerequisite to creating stable lives for our employees and achieving sustainable growth.

## Maintaining and Strengthening Good Labor-Management Relations

Maruha Nichiro Corporation has introduced a labor-management consultation system to build shared awareness between labor and management with regard to management issues, productivity improvements, working conditions, and the overall welfare of labor union members, as well as to respect the viewpoints of both sides.

In FY2020, we held labor-management consultations on 26 occasions.

## Themes and Implementation Status of Labor-management Consultation

In FY2020, Maruha Nichiro Corporation mostly focused on handling the following kinds of themes in labor-management consultation, and is steadily implementing each theme.

- Introduction of new work-at-home system and flextime system without core time
- Closure of Yu-bari Plant
- Spring labor offensive



# Growth Opportunities

## Basic Approach

The Maruha Nichiro Group follows a Company credo of “Loyal to our people, the most important asset of our company” and believes that the personal growth of our employees directly connects to the growth of the Group. We provide opportunities for advancement and growth by empowering employees to utilize their strengths and independence.

## Medium-term Sustainability Management Plan (FY2018–2021)

### Provide growth opportunities

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**Medium-term Goal**

- Nurture next generation of leaders
- Nurture global human resources
- Support career development

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**FY2020**

**Action Plan (Key measures)**

- Initiate program for training the next generation of management personnel
- Accelerate global human resource training
- Renew human resource training scheme

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**Achievements**

- Conducted part of the training for employees selected as potential next-generation leaders online
- The number of employees targeted to nurture global human resources in the second half of FY2020 was 48, with 3 graduates as of March 2021

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**FY2021**

**Action Plan (Key measures)**

- Continue training to nurture the next generation of leaders
- Continue training to nurture global human resources
- Provide new line management training linked to the new personnel system (under consideration)

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**Targets**

Maruha Nichiro Corporation

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**Department in charge**

Personnel Department, Maruha Nichiro Corporation

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## Management Structure

Executive Officers under the President and General Manager of the Personnel Department regularly hold discussions on approaches to human resources and workforce requirements in order to carry out management strategy. Cross-functional collaboration also takes place among the many sections within the Personnel Department and we are accumulating and utilizing information on human resources using our talent management system and learning management system (LMS).

## Nurture the Next Generation of Leaders

The business environment is changing at a dizzying pace. As globalization and technological innovation advance, it is essential to cultivate core personnel who can look at things from a higher vantage point and shoulder the burden of management and business in the medium- to long-term. This is why Maruha Nichiro Corporation is actively nurturing next-generation leadership and global human resources. Particularly with respect to next-generation leaders, we launched a program in FY2018 to systematically discover human resources with such qualities from a broad range of demographics and departments and nurture management candidates to be shared by Maruha Nichiro Corporation, and are conducting training and other activities aimed at cultivating administrative leaders.

## Nurture Personnel with Specific Skills and Personnel to Take Action in Overseas Markets

In recent years, the birthrate is declining and the population is aging, especially in developed countries, and the working-age population is expected to decline significantly in Japan in the coming years. The shortage of successors due to the retirement of skilled employees at production plants has become an issue for the Maruha Nichiro Group as well. In addition to conventional level-based training, we are working to develop human resources with specific skills tied directly to corporate competitiveness and human resources who can play an active role in global markets.

At Maruha Nichiro Corporation, on the other hand, we have been recruiting participants for the Global Personnel Training Program every year since 2014 with the aim of fostering "human resources who can achieve results in their work anywhere and together with anyone, both in Japan and overseas."

In FY2020, 48 people registered to participate, and we carried out training to ensure they meet requirements in "responding to diversity," "communication skills," "leadership," "mental fortitude," and "professionalism," within a prescribed period of time. We are making progress with building a pool of human resources with not only language skills, but also cross-cultural management skills, as well as presentation skills and negotiation skills in global markets.

In addition, since FY2014 we have implemented the "overseas training system" in which a number of global personnel are dispatched to overseas group companies for one or two years.

## Support Career Development

At the Maruha Nichiro Group, we engage in effective measures to create growth opportunities through various systems and mechanisms. These include redesigning our training programs to prompt behavioral changes in the workplace and providing support for employees to take activity in shaping their careers based on their own desired changes.

### Ability Development System

We aim to achieve complementary career development and a synergistic increase in personal ability through level-based training, optional training, and self-development training based on an ability development system that supports role ranks.

**Maruha Nichiro Ability Development System Diagram for FY2020**

	Title	Grade	Level-based training		Selective training	Self-awareness training	Qualification acquisition incentive program
Manager	General Manager	General Manager Grade1		For Group company employees/factory employees		※Subsidies available for all training	
	Acting General Manager	General Manager Grade2	New general manager training				
	Deputy General Manager	Senior Manager					
	Acting Deputy General Manager		Group				
	Acting Manager	Manager Specialist	New manager training				
General Staff	Deputy Manager	Career track Level 1	New deputy manager training		OJT leader development training	Public lectures (external) Sekigakugojoyukkou	Eligible qualifications
	Assistant Manager	Career track Level 2 Area-specific Level 2	New assistant manager training	Group			
	Chief	Career track Level 3 Area-specific Level 3	New chief training				
	Assistant Chief	Career track Level 4 Area-specific Level 4		Group Young employee training			
		Career track Level 5 Area-specific Level 5 Career track Level 6 Area-specific Level 6	Follow-up training III	Group new employee training			
			Follow-up training III				
			Follow-up training I New employee frontline practical training Maruha Nichiro new employee training				

As area-based training, we also offer training on quality control, developing ISO internal auditors, and customer service, etc. along with environmental training, including on environmental laws and regulations.

## Looking Ahead

In FY2020, we were forced to change how to conduct trainings due to the COVID-19 pandemic, resulting in a quick transition to conducting online. In FY2021, we will continue to mainly conduct the trainings online. However, we will work to improve our educational methods for strengths that can only be achieved through online education, such as education that links our global bases. Also, to prevent reduced face-to-face communication associated with telecommuting, we will enhance training programs for line managers, who are key persons in the workplace, and include them in our training system in an effort to quickly transition to a new management style.



## Better Workplaces

### Basic Approach

In the Maruha Nichiro Group's broad-ranging supply chain, human resources are active at a variety of sites, including fishing, aquaculture, processing, storage and logistics, and sales bases. We recognize that ensuring the health and safety of our employees leads to increased productivity and greater employee awareness, which is essential for sustainable corporate growth, and we are working to maintain and promote occupational health and safety.

### Medium-term Sustainability Management Plan (FY2018–2021)

#### Promote safe and ideal working conditions

##### Medium-term Goal

Maintain/promote safe working conditions—fewer work hours and eliminate harassment in the workplace

##### FY2020

##### Action Plan (Key measures)

- Hold seminars for management
- Reduce overtime work

##### Achievements

- Conducted e-learning pro-grams for all employees at the head office and regional branches, and created video content for the Group
- Enforced warnings for over-time work, etc. in accordance with established standards

##### FY2021

##### Action Plan (Key measures)

- Continue holding workshops on time management and harassment
- Continue to enhance management systems through system upgrades and build systems with a view to introducing special provisions

##### Targets

Maruha Nichiro Corporation

##### Department in charge

Personnel Department, Maruha Nichiro Corporation

### Management Structure

#### Occupational Health and Safety Management Structure

At Maruha Nichiro Corporation, plants that had obtained OHSAS 18001\* certification are switching to ISO 45001. In 2019, eight directly managed plants and the Foods & Fine Chemicals Department acquired ISO 45001 certification.

\*OHSAS: An abbreviation of Occupational Health and Safety Assessment Series, which is an international standard related to occupational health and safety management.



## Occurrence of Work-related Accidents

As products developed in recent years have become more complex and diverse, correspondingly, the nature of work-related accidents is becoming more complicated. The Maruha Nichiro Group is working to reduce the number of work-related accidents by sharing information on work-related accidents that have occurred within the Group.

The occurrence of work-related accidents within the Maruha Nichiro Group in FY2020 is as follows.

### **Maruha Nichiro Group Occurrence of Work-related Accidents (Maruha Nichiro Corporation + 26 primary Group Companies)**

Frequency rate 2.04

Severity rate 0.02

[Calculation formula]

Frequency rate = number of injuries/fatalities due to work ÷ number of working hours × 1,000,000

Severity rate = number of workdays lost ÷ number of working hours × 1,000

[Scope]

Maruha Nichiro Group (The following companies are subject to audit in Japan: AIXIA, Maruha Nichiro Retail Service, Kanonji Kaisan, Kyushu Uoichi, Kyushu Chuo Uoichi, Koyo Suisan, Sungourmet Corporation, Shinko Gyorui, Daikyo Gyorui, Daitoh Gyorui, Daito Gyorui, Taiyo A&F, Taiyo Shokuhin, Central Surimi Laboratory, Maruha Nichiro Yamagata, Delica Wave (Shonan plant, Niigata plant, Nagano plant), Japan Mouton, Maruha Nichiro Seafoods, Nichiro Chikusan, Nihon Silo, Maruha Nichiro Asset, Maruha Nichiro Kitanippon, Maruha Nichiro Kyushu, Maruha Nichiro Logistics, Yayoi Sunfoods, Ryukyu Taiyo, Maruha Nichiro (headquarters/branches, Meat and Products Department No.1 Tokachi, Central Research Institute, Development Ota, directly managed plants, Foods & Fine Chemicals Department [Mori, Utsunomiya])

## Preventing Long Working Hours and Harassment

To prevent long working hours, the Maruha Nichiro Group has established Occupational Health and Safety committees in each office based on work regulations and labor agreements, which take measures such as ascertaining the true state of overtime work and reviewing problems within the workplace. In addition, a flextime system is adopted in all departments and divisions of the head office and regional branches of Maruha Nichiro Corporation, in striving to prevent long working hours and advance flexible ways of working. To prevent harassment, we have established a whistleblowing system and a harassment consultation desk, and are conducting various educational activities, including seminars for managers, and produced an educational video on harassment for employees that can be accessed online. We will continue working to understand the work environment in all situations, and plan and execute measures related to promoting safe and ideal working conditions.

## Organizing Labor Manager Meetings

The Maruha Nichiro Group considers "promoting safe and ideal working conditions" to be an important issue, and continuously holds labor manager meetings. These meetings are councils of labor managers from our Group Companies which are held periodically every year. The meeting attendees discuss how to handle revisions in laws and judicial precedents related to labor, such as practical implementation of equal pay for equal work, and share information related to labor within the Group.

## Looking Ahead

In FY2020, meetings were held virtually instead of in person. We will continue to hold discussions and share information related to promoting safe and ideal working conditions.

## Diversity & Work-styles

### Basic Approach

The Maruha Nichiro Group recognizes that respecting each other's differences in gender, nationality, values, age, lifestyle, disability, etc., and allowing each and every employee to fully express their abilities, is crucial to our sustainable corporate growth. Above all, we have put in place a policy aimed at promoting diversity and inclusion, and are implementing various measures toward that end.

### Maruha Nichiro Group Declaration of Action for Diversity and Inclusion

To support the sustained growth of the Group through the creation of value, the Maruha Nichiro Group preserves a corporate culture that respects the diversity in society and creates a work environment that enables all employees to demonstrate their individual strengths and reach the full potential of their abilities.

### Medium-term Sustainability Management Plan (FY2018–2021)

#### Promote diversity and work practice reform

<b>Medium-term Goal</b>	Improve awareness of diverse management and work practice reform
<b>FY2020</b>	<p><b>Action Plan (Key measures)</b></p> <ul style="list-style-type: none"> <li>• Improve information and messages from management</li> <li>• Strengthen lateral ties between employees</li> </ul> <p><b>Achievements</b></p> <ul style="list-style-type: none"> <li>• Relayed messages from management</li> <li>• Held online exchange meetings between the President &amp; CEO and employees as well as between directors and employees (8 times in total)</li> </ul>
<b>FY2021</b>	<p><b>Action Plan (Key measures)</b></p> <ul style="list-style-type: none"> <li>• Send out periodic messages from management</li> <li>• Continue department introductions created by each department on the intranet site</li> </ul>
<b>Targets</b>	Maruha Nichiro Corporation
<b>Department in charge</b>	Personnel Department, Maruha Nichiro Corporation

**Medium-term Goal**

- Improve ratio of female managers
- Provide support for childcare

**FY2020**

**Action Plan (Key measures)**

- Acquire "Kurumin" and "Eruboshi (L-star)" certification marks
- Hold in-house seminars

**Achievements**

- Continuously acquired "Kuru-min 2020" certification and "Eruboshi Grade 2" certification
- Held seminars for employees, regardless of gender, who have returned to work or are raising preschool children

**FY2021**

**Action Plan (Key measures)**

- Formulate the next Action Plan of the 7th General Employers Action Plan
- Continue seminars and e-learning programs for employees returning to work, employees raising preschool children, and their supervisors

**Targets**

Maruha Nichiro Corporation

**Department in charge**

Personnel Department, Maruha Nichiro Corporation

**Medium-term Goal**

- Improve productivity
- Improve work-life balance
- Promote diverse work practices

**FY2020**

**Action Plan (Key measures)**

- Promote integration of IT technology
- Create a new personnel system
- Establish telecommuting

**Achievements**

- Unified the plant work management system with the head office work management system
- Disclosed the results of the Employee Motivation Survey on the intranet site and in Group newsletters
- Completed the adoption of flexible work hours in all departments and telecommuting system in the head office and regional branches

**FY2021**

**Action Plan (Key measures)**

- Overhaul of the settings of the labor management system and execute the version upgrade
- Implement a 360° evaluation in conjunction with new line management training
- Consider and introduce a four-day workweek system for reasons such as childcare and nursing care, and regulations for recognizing second jobs

**Targets**

Maruha Nichiro Corporation

**Department in charge**

Personnel Department, Maruha Nichiro Corporation

## Management Structure

Implementation through collaboration with each department, with the supervising director of the Corporate Management Division as the project leader.

## Promote Corporate Culture Reform

### Organizing Diversity Forums

In FY2018, the first fiscal year of the project, we hosted the "Diversity Forum 2018-Working Woman Session", which aims to promote mutual understanding between the company and female employees on the topic of "female participation," and disseminate the messages that these employees would like to promote within the company from a female perspective, as the first step towards fostering a rewarding workplace culture. The forum was held twice that year, with female employees in their 4th to 6th year of employment and with children before school age, taking part.

In FY2019, we hosted the "Diversity Forum 2019-Accelerating Maruha Nichiro's Future with on-site prowess". In this forum, which was held for the second time since 2018, the objective was to think about how to make "Diversity and Inclusion (D&I)" a reality from a real on-site perspective, through checking in with one another on their awareness level, in order to further accelerate diversity management. A total of 118 male employees from all over Japan participated in the forum.

In FY2020, given the ongoing COVID-19 pandemic, a two-way communication program involving management and employees was planned and hosted through a virtual meeting.



Interactive meeting between the management and employees on "Diversity and Inclusion (D&I)"

## Interactive Meeting between the Management and Employees on "Diversity and Inclusion (D&I)"

### Promote Women's Career Activities

The ratio of female managers at Maruha Nichiro Corporation currently stands at 4.5% (as of April 1, 2021). One issue behind the relatively low level is that there is a thin layer of deputy managers and assistant managers who will be responsible for the next generation. We, therefore, have set a target of having 130 female deputy managers and assistant managers who will lead the next generation by April 1, 2021, and have achieved this goal with 153 as of April 1, 2021.



	2020	2021
	34 people (4.5%)	34 people (4.5%)

\*Scope: Maruha Nichiro Corporation

\*Both are actual results as of April 1, 2021

## Improve the Acquisition Rate of Childcare Leave

At Maruha Nichiro Corporation, the rate of taking childcare leave by female employees has been maintained at 100% from FY2017 to FY2020. In FY2020, 42.5% of male employees took short-term childcare leave.

### Trend of Ratio of Acquiring Childcare Leave

Type of training	2017	2018	2019	2020
Women	100%	100%	100%	100%
Men	12.6%	9.1%	33.3%	42.5%

Scope: Employees of Maruha Nichiro Corporation

## Acquiring “Eruboshi” Certification

In FY2017 Maruha Nichiro Corporation acquired “Eruboshi (L-Star)” certification, which is issued by the Ministry of Health, Labour, and Welfare to companies with good conditions regarding promotion of women’s advancement, under the certification system based on the Act on Promotion of Women’s Participation and Advancement in the Workplace. Our efforts toward “creating an environment that makes it easy for women to participate” were evaluated, and we met the standard on three out of the five evaluation items, including “continual employment,” “work style including working hours,” and “diverse career courses.”

## Promote Work Practice Reform

### Participation in Telework Days 2019 and 2020

We were part of Telework Days 2019\* as a special cooperating company, with many employees of the Toyosu Head Office working from home to participate.

\*Telework Days: A national movement for work style reform that started ahead of the Tokyo Olympics in collaboration with government agencies and related organizations.

## Activity to Support Nursing Care

We have been hosting seminars on balancing work and nursing care regularly since 2014 as part of our efforts to support long-term nursing care. Also, utilizing our intranet, we have continually published an informational website, “Balancing Work and Nursing Care Navigator,” to promote both basic knowledge and nursing care measures.

## Acquiring “Kurumin” Certification Mark Recognizing Corporate Support for Employees Raising Children

In support of achieving a positive balance between work and childcare for all employees involved in childcare, regardless of their gender, we have expanded the childcare leave period and introduced a short-term childcare leave system. We were highly-evaluated for the ratio of employees taking childcare leave, including both men and women (short-term leave included), and received the third “Kurumin” certification from the Minister of Health, Labour and Welfare in FY2020.

Going forward, we will continue to implement various measures that not only promote taking childcare leave, but also support balance between work and childcare in accordance with children’s growth, as well as promote understanding among supervisors and male employees on participation in childcare that is not only applicable to female employees.

## Conducting Employee Motivation Survey

The Maruha Nichiro Group has conducted a total of four Motivation Surveys (in 2009, 2012, 2014, and 2019) targeting approx. 11,000 employees at our main Group Companies in Japan. These have allowed us to analyze them motivation from diverse perspectives. We have incorporated the results of each survey into our personnel system and other systems, and are working to create a workplace that increases employee motivation and provides employees with greater job satisfaction. The factors that increase motivation differ for each organization and the measures that need to be implemented are not the same either. Thus, we believe it is necessary to maintain a system that allows for continual monitoring and improvement, and will continue to conduct surveys hereafter.

## Various Systems to Support Balancing Work with Childcare Nursing Care and Frequency of Utilization of these systems

Maruha Nichiro Corporation has established various systems to support balancing work with childcare and nursing care.

## Various Systems to Support Balancing Work with Childcare Nursing Care and Frequency of Utilization of These Systems

System	Overview	FY2020 (Number of People)
Maternity Leave Before and After Childbirth	The maximum length of leave is 14 weeks. This system compensates employees on maternity leave with a portion of their wages through our health insurance association.	27
Childcare Leave System	A system supporting leave while an employee’s child is less than 2 years old. This system can also be used by men.	24 (23 female, 1 male)
Short-term Childcare Leave	A system supporting leave while an employee’s child is less than 2 years old. Salary can be claimed without reduction for up to a maximum of 10 days.	16 (male)
Paternity Childbirth Leave	The leave system can be used when an employee’s spouse is giving birth. Salary can be claimed without reduction for up to a maximum of 5 days.	78*1
Childcare Working Hour Leave	A system to exempt an employee from work for up to 1 hour 40 mins in a day, until the employee’s child finishes the fourth grade of elementary school.	61*2

Nursing Care Leave	A system for approving aggregate leave of up to 1 year for each family member who requires nursing care.	0
Return to Work Program	A system to support employees who have left work due to various reasons such as marriage, childbirth, providing nursing care, work relocation by their spouse, or career enhancement to play an active role again and utilize the expertise, personal connections and experience they have gained during their absence, in addition to the knowledge and experience they built up before leaving work.	0 <sup>*3</sup>
Flextime System	A system for improving productivity and contributing to employee welfare by entrusting the starting and ending times for an employee's appointed monthly working hours to the individual discretion of the employee.	1,509 <sup>*2</sup>
Shortened Work Hours Program for Nursing Care	A system for shortening the prescribed working hours in 30 minute increments by up to a maximum of 2 hours per day. The total amount of leave that can be taken under the Shortened Work Hours Program for Nursing Care and Nursing Care Leave system is limited to 3 years for each family member who requires nursing care.	2
Short-term Nursing Care Leave	A system allowing employees to utilize up to five days a year of accumulated time off (up to 10 days a year if two or more family members require nursing care) before annual paid leave is used.	1
Post-retirement Reemployment	A system for rehiring retirees who meet certain qualifications and express a desire to be reemployed. 42 (28 male, 14 female) <sup>*2 *4</sup>	42 (28 male, 14 female) <sup>*2 *4</sup>

Scope: Employees of Maruha Nichiro Corporation

\*1: Male employees whose spouse has given birth to a child in FY2020

\*2: As of April 1, 2021

\*3: A system that started in April 2020

\*4: Employees on loan included

## Employment of People with Disabilities

In an effort to become a company in which diverse personnel can participate actively, regardless of gender, nationality, age, or disability, we also actively promote employment of those with disabilities. As of April 1, 2020, the employment ratio of those with disabilities reached 2.10%.

### Trend in Employment Ratio of Those with Disabilities

2017	2018	2019	2020
1.86%	1.89%	2.01%	1.94%

Scope: Employees of Maruha Nichiro Corporation



## To Enhance In-house Communication Even in a Telecommuting Environment

In order to foster a culture in which all employees are highly motivated and comfortable working, Maruha Nichiro Corporation launched the in-house web media “DOUBLE WAVE web” (a.k.a. DUB web) on October 1, 2020. This, unlike the quarterly print publication, is a web-based internal newsletter that is only viewable by employees. It features a variety of in-house events, individual ideas, the sharing of successful knowledge, and employee activities in a timely manner, including videos, to encourage employees with diverse potential to meet and connect with each other. It is a forum where information can be shared, with articles introducing people from various departments as well as management, and interviews, in order to serve as a medium to connect smiles among employees.

### Stakeholder Voice



**Mari Saito**

Personnel Department, Maruha Nichiro Corporation  
Section Chief, Diversity and Inclusion Office

Compared to when I first entered the company and now, the environment around us is changing at a tremendous speed. Lifestyles, ways of working, and social values have also changed, and I feel that it is important to aim for a status of inclusion in which all people working here at Maruha Nichiro are able to work enthusiastically and make the most of their personalities and strengths. To achieve this, we must adopt flexible work styles, show mutual respect for each other, recognize diverse values, and create a flexible and strong organizational culture.

Maruha Nichiro Corporation will innovate its personnel system to contribute to the transformation of the company into an organization brimming with innovation. We are also continuing to provide support for balancing work and childcare and nursing care, as well as promoting various systems and activities such as the company-wide introduction of 1-on-1 meetings as a communication policy to facilitate individual growth and the relationship between supervisors and subordinates. I would like to create a workplace culture where each of us, including myself, can think about how we want to change and how we should change.

## Looking Ahead

In order to reach the legal employment ratio of 2.3% of those with disabilities as well as foster a culture that enables everyone to exert their strength, we are taking a two-pronged approach to not only focus on hiring, but create a system that promotes “normalization”, as well as promote awareness internally.



# Health Management

## Basic Approach

Ensuring each employee is healthy in both mind and body, and can fully demonstrate their individuality and skills, is linked to the sustainable development of the company. Together with employees and our Health Insurance Association, the Maruha Nichiro Group is advancing activities to put health management into practice.

## Health Management Policy



## Medium-term Sustainability Management Plan (FY2018–2021)

### Promote Health Management

#### Medium-term Goal

- Promote employee health
- Be selected for Health and Productivity Management

#### FY2020

#### Action Plan (Key measures)

- Strengthen health check follow-up measures
- Strengthen mental health measures
- Hold better health and cancer prevention seminars

#### Achievements

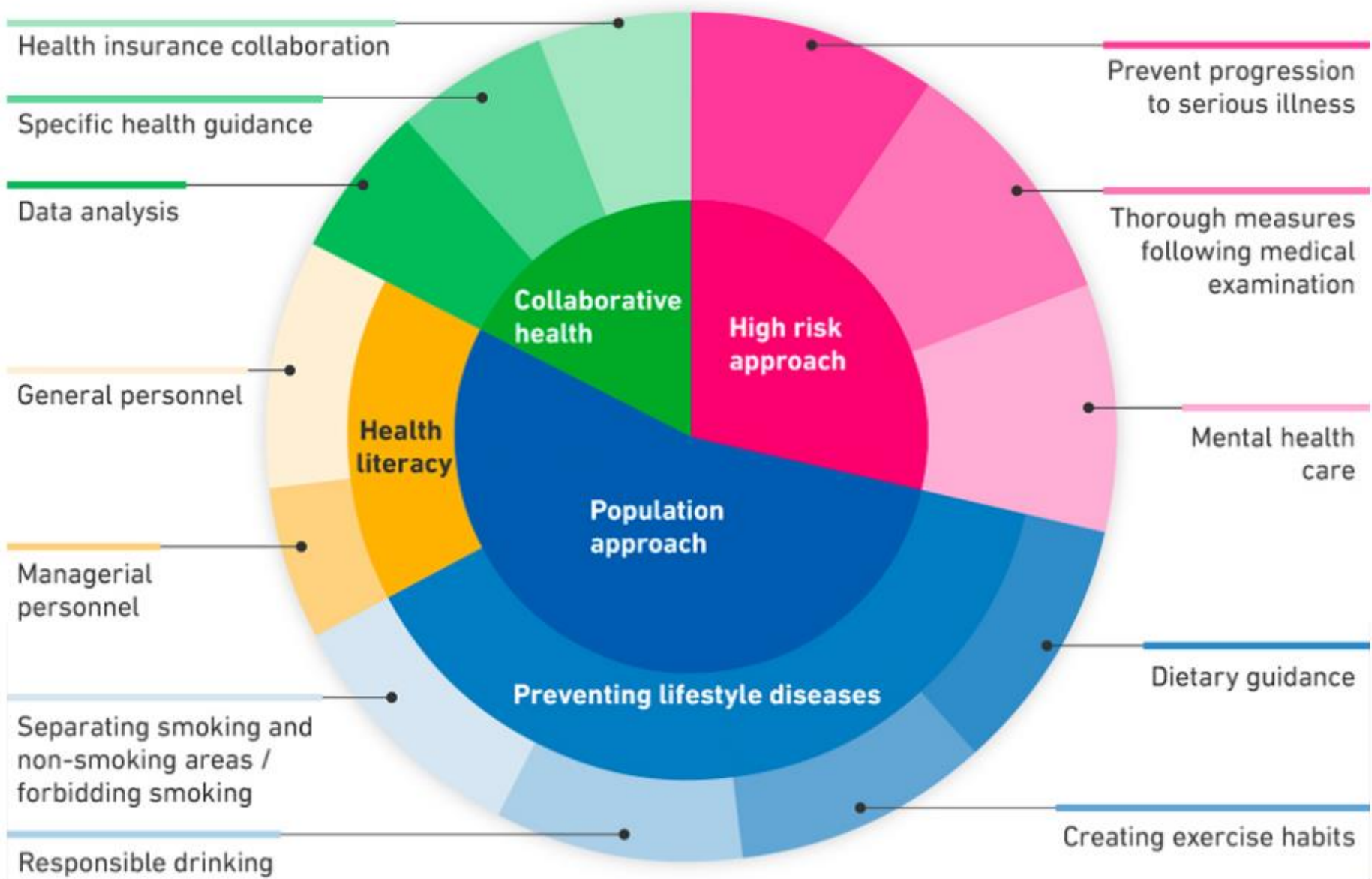
- Enhanced prevention of serious illness through proactive care of employees with high blood pressure, high blood sugar, and impaired liver function
- Held individual interviews with a clinical psychologist for all new FY2020 employees
- Organized a two-month corporate event for employees to improve their dietary habits by utilizing our products

<b>FY2021</b>	<b>Action Plan (Key measures)</b>
	<ul style="list-style-type: none"> <li>• Achieve 100% health checkup participation rate and 90% stress checkup participation rate</li> <li>• Continue activities to reduce the number of employees who leave the company due to personal illness by providing care for those with high blood pressure, high blood sugar, and impaired liver function through the involvement of industrial physicians and consultation with public health nurses</li> <li>• Conduct individual interviews with FY2021 new employees</li> <li>• Enhance health literacy through apps, intranet, and corporate events</li> </ul>
<b>Targets</b>	Maruha Nichiro Corporation
<b>Department in charge</b>	Personnel Department, Maruha Nichiro Corporation

## Health Issues and Goals

In this expert organization, Maruha Nichiro Corporation health issues are organized according to our health management framework, and goals are arranged as follows.

### Health management framework



## Target

### 1. High risk approach

- Reduce the number of untreated patients requiring treatment and deaths while employed to zero through thorough individual guidance.
- Implement interviews with clinical psychologist for 100% of new hires as a precautionary measure.

### 2. Population approach

- Conduct seminars for employees at least twice a year to improve health literacy and foster health consciousness
- Reduce blood lipids by 50% or more in participants of activities (like the DHA challenge) aimed at preventing lifestyle diseases and dietary guidance

## Management Structure

Maruha Nichiro Corporation has established an expert organization supervised by our Director and Senior Managing Executive Officer and comprising the Maruha Nichiro Health Insurance Association, the Personnel Department, and the Maruha Nichiro Health Management Office (industrial doctors, public health nurses, clinical psychologists, and nursing unit clerks), which holds a regular meeting once a month.

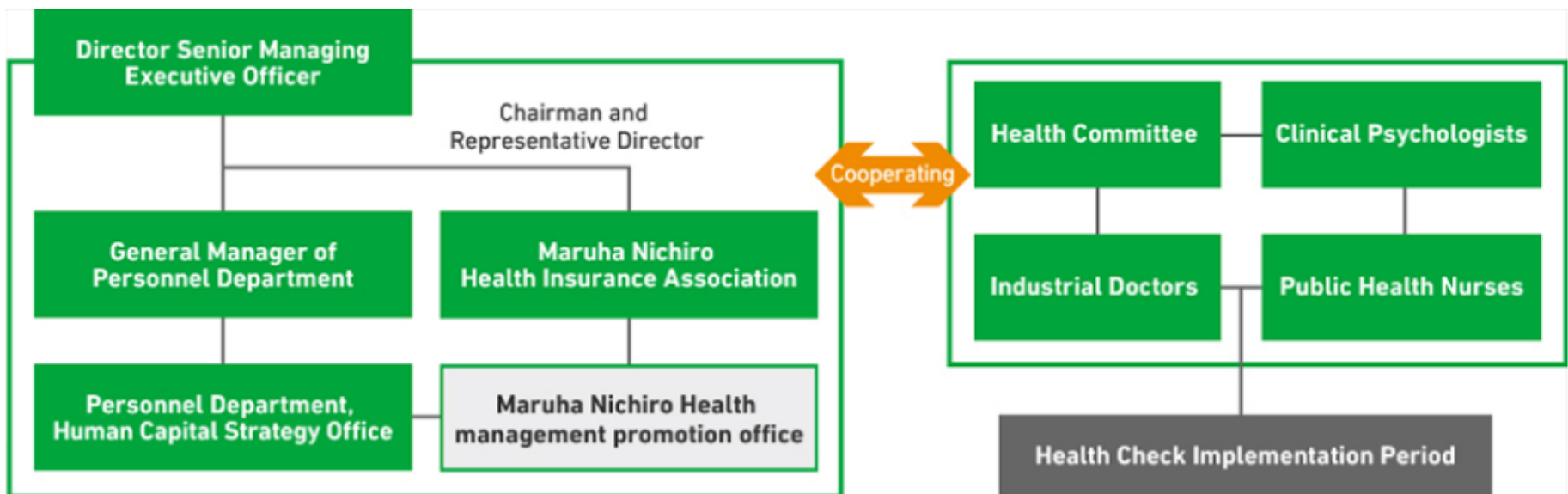


Chart of Health Management Promotion Framework (Maruha Nichiro Corporation)

In addition, we explain the significance of activities and share case studies at meetings of group labor managers, in an attempt to promote health management throughout the entire Maruha Nichiro Group.

## Main Initiatives in FY2020

### Case Study: Health Checks and Follow-up Measures

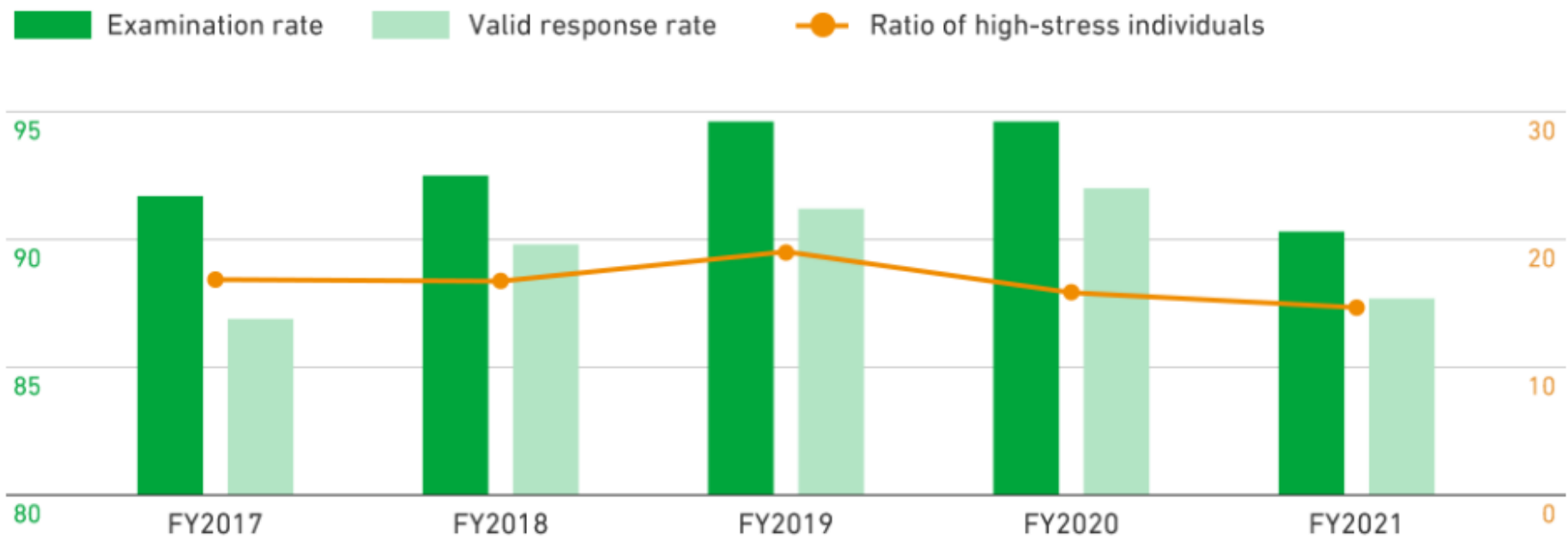
At Maruha Nichiro Corporation, we target a 100% uptake rate of employee health checks and we are working to improve results in follow-up after health checks by utilizing the individualized advice of public health nurses. As a result, we have been able to see improvement in various health indicators.



## Case Study: Implementation of Stress Checkup and Analysis

### Stress Checkup Implementation Status

(%)



In accordance with stress checkups becoming compulsory from December 2015, Maruha Nichiro Corporation began conducting stress checkups at all of our workplaces from FY2016. Going forward, our goal is to achieve a 100% examination rate, in order to quickly attend to those in poor mental health and those at risk, as well as help to improve the workplace environment. Moreover, we plan to strengthen workplace improvement follow-ups based on data analysis.

## Case Study: Implement Interviews with Clinical Psychologist as a Precautionary Measure for New Employees

Maruha Nichiro Corporation requires all new employees, including at our plants and branch offices, to conduct individual meetings with our company clinical psychologists, in hopes that they acquire basic knowledge and prevention methods to avoid falling into poor mental health. In FY2020, we conducted such interviews for 80 new employees.

## Case Study: Improving Employee Health Literacy

At Maruha Nichiro Corporation, we work to promote employee health through various seminars that aim to improve employee health literacy. In FY2020, over the course of about one month, we held the following five events collectively referred to as "Woman's Fest" with a focus on illnesses unique to women with the goal of further promoting health management and stepping up our support for women's health.

- (1) Introduction of health support app for women
- (2) Exercise lessons streamed online
- (3) Roundtable discussion by public health nurses and clinical psychologists
- (4) Equol seminar
- (5) Bone density measurements

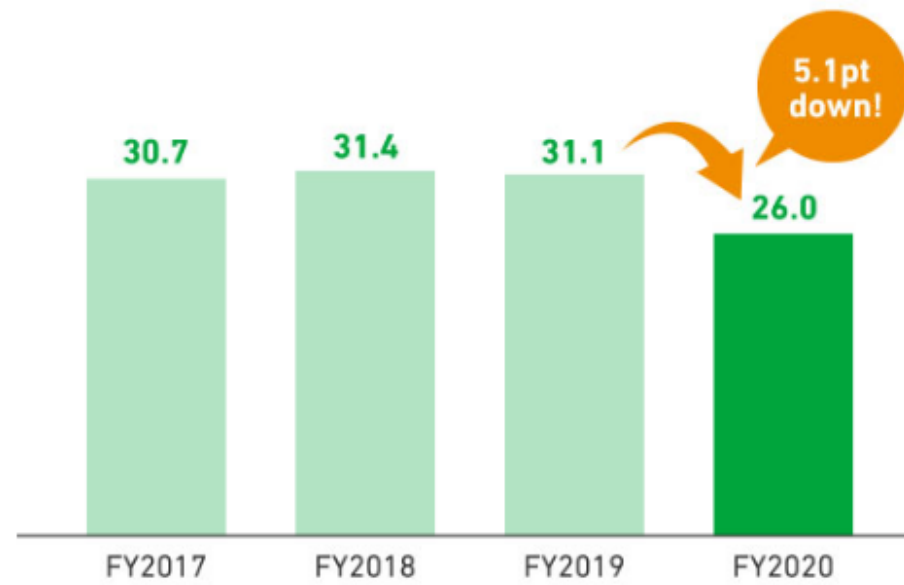
A total of 140 male and female employees participated with the event formats tailored to the COVID-19 pandemic. In a survey conducted after the events, over half of the participants reported that they had deepened their knowledge of women's health issues, communicated with public health nurse and clinical psychologist, and increased their awareness toward improving their diet. As a result, more than 90% of participants responded that they would like to participate again in the future.

In addition, to lower the percentage of employees who smoke, in 2019 we launched a Smoking Cessation Program that provides free support to employees utilizing online interviews and an app to help them quit smoking. As a result, the smoking rate among employees has declined.

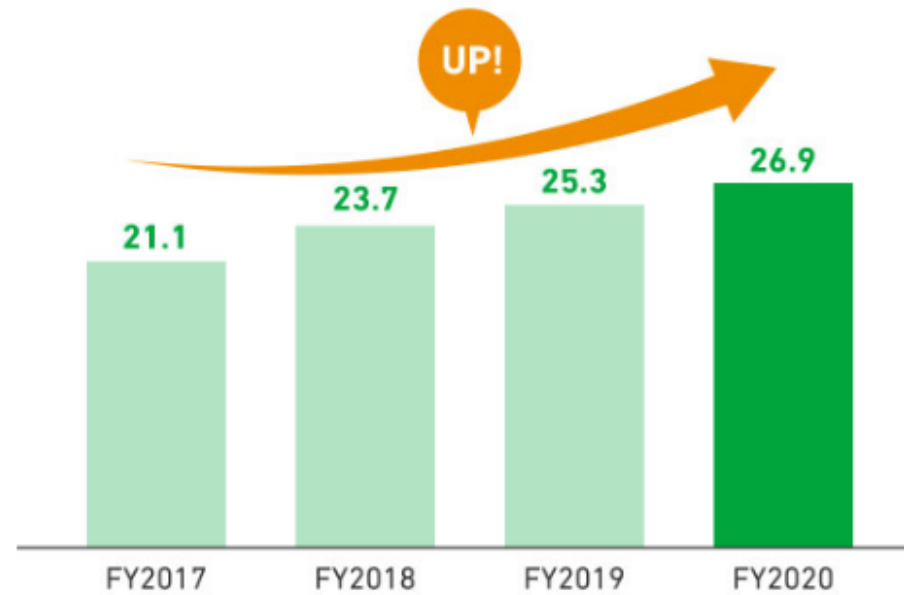


Furthermore, using a health promotion app, we are encouraging employees to exercise through regular streaming of instructional videos. This initiative has resulted in increased exercise among employees in FY2020.

**Trends in employee smoking rate**



**Trends in exercising at least 30 minutes**



**Case Study: Efforts to Promote Health Management Using Our Products**

We aim to promote the health of our employees using our own products that have been developed and provided by the Maruha Nichiro Group to help promote customer health maintenance. Continuing on from FY2019, in FY2020 we conducted the “DHA Challenge,” in which employees ate DHA fortified fish sausage certified for “Food for Specified Health Uses” and canned pelagic fish, and were tested for changes in their levels of neutral fat and total cholesterol. As a result, the number of participants increased by more than 50% from the previous year to more than 100 employees.

Employees who participated, experienced a reduction in blood lipids, and their neutral fat levels in particular were 19% lower on average than the year before.

Through measures such as these, we are attempting to deepen employee understanding of our products as well as promote employee health.



## External Recognition of Our Activities toward Health Management

### Case Study: Outstanding Health and Productivity Management Organization (White 500) Certification

Corporation established the Maruha Nichiro Health Management Office in 2014 as an expert organization dedicated to providing comprehensive health management. The office joins with the Maruha Nichiro Health Insurance Association to offer various programs to maintain and improve the physical and mental health of employees. We seek to increase understanding of mental health issues among employees through internal training led by clinical psychologists, and efforts toward health guidance provided primarily by industrial doctors and public health nurses. These activities have earned us selection as an Outstanding Health and Productivity Management Organization (White 500) in the Minister of Economy, Trade and Industry for four straight years since 2018.



### Case Study: Acquisition of Highest DBJ Health Management Rating

The Development Bank of Japan (DBJ) recognized Maruha Nichiro Corporation as “exceptional efforts to support the health of employees” and granted the company a loan based on its health management assessment rating in October 2020. The DBJ Employee Health Management Rated Loan Program is the world’s first loan menu that grants special lending conditions for companies assessed and selected for having outstanding management of employee health and welfare. The DBJ commended the Company’s disclosure of its Health Management Declaration, the transparency of its organizational structure, and the use of DHA to support and promote the health of its employees. As a result, we have obtained the highest rating level for three consecutive years.



## Efforts to Promote Health Management Using Our Products

We aim to promote the health of our employees using our own products that have been developed and provided by the Maruha Nichiro Group to help promote customer health maintenance. In FY2019 we conducted the “DHA Challenge,” in which employees ate DHA fortified (fish sausage) certified for “Food for Specified Health Uses” and canned pelagic fish, and were tested for changes in their levels of neutral fat and total cholesterol. As a result, close to 50% of employees who participated experienced a reduction in blood lipids, and their neutral fat levels in particular were 15% lower on average than the year before. Through measures such as these, we are attempting to deepen employee understanding of our products as well as promote employee health.

## Looking Ahead

### We Carried Out the Following Initiatives in FY2020.

- Enhanced prevention of serious illness through proactive care of employees with high blood pressure, high blood sugar, and impaired liver function
- Improved health awareness of employees using a health app
- Held individual interviews with a clinical psychologist for all new FY2020 employees
- Organized a two-month corporate event for employees to improve their dietary habits by utilizing our products
- Implemented free smoking cessation program organized by our Health Insurance Association

### In FY2021, We Plan to Practice Health Management Using the Following.

Initiatives with the aim of helping employees achieve healthy lifestyles.

- Through the involvement of industrial physicians and consultation with public health nurses, we continue to care of those with high blood pressure, high blood sugar, and low liver function, and to continue efforts to reduce the number of employees who leave the company due to personal illness.
- Promote collaborative health through cooperation with our Health Insurance Association
- Implement mental health care related to COVID-19
- Conduct individual interviews with FY2021 new employees
- Enhance health literacy through apps, intranet, and corporate events

# Human Rights Awareness

## Basic Approach

The Maruha Nichiro Group aims to engage in activities that consider and deepen understanding of the rights of every individual and promote respect for the fundamental human rights of all people.

## Adherence to the Ten Principles of the UN Global Compact and the Group Code of Conduct

In 2010, the Maruha Nichiro Group joined the United Nations Global Compact, which calls for endorsement of 10 principles which encapsulate the essential values of human rights, labor, environment and anti-corruption in all domestic and international business activities. We endeavor to observe these ten principles, beginning with, "Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and Principle 2: Businesses should make sure that they are not complicit in human rights abuses."

Moreover, our Group Code of Conduct cites "respect for human rights and prohibition of forced and child labor" among its items related to "labor & human rights."

## Medium-term Sustainability Management Plan (FY2018–2021)

### Promote a proactive approach to human rights

<b>Medium-term Goal</b>	Based on proper understanding of human rights issues, foster a corporate culture of respect for everyone — zero tolerance for discrimination
<b>FY2020</b>	<p><b>Action Plan (Key measures)</b></p> <ul style="list-style-type: none"> <li>Promote activities to support human rights awareness</li> <li>Hold in-house seminars on human rights awareness</li> </ul> <p><b>Achievements</b></p> <ul style="list-style-type: none"> <li>In line with the group human rights policy, implemented training via an e-learning program (2,194 participants)</li> </ul>
<b>FY2021</b>	<p><b>Action Plan (Key measures)</b></p> <ul style="list-style-type: none"> <li>Continue training for human rights education through e-learning programs, etc.</li> </ul>
<b>Targets</b>	Maruha Nichiro Corporation
<b>Department in charge</b>	Personnel Department, Maruha Nichiro Corporation



## Management Structure

### Establishing our Human Rights Awareness Promotion Committee

Maruha Nichiro Corporation has established the Human Rights Awareness Promotion Committee to educate and enlighten officers and employees, including those of Group Companies, on human rights in order to deepen their understanding and awareness of various human rights issues and to build a corporate culture that does not tolerate discrimination.

### Maruha Nichiro Corporation Human Rights Awareness Promotion Organizational Chart



### Conducting In-house Human Rights Awareness Training for All Employees

At Maruha Nichiro Corporation, we are working on activities to deepen awareness of respect for human rights, an ideal set forth in the Group Code of Conduct, among each and every employee. As part of these efforts, every year we conduct human rights awareness training targeting all employees. In FY2020, we conducted the training online because of COVID-19, targeting all employees and officers, with 1,894 people participating. Since the occurrence of human rights problems during the COVID-19 pandemic has become a major social issue, we adopted the themes of correct knowledge, identifying prejudice and discrimination, and recognizing causes that require action, with the goal of empowering employees to take action calmly while mindful of human rights.

In addition, we have joined the Tokyo Human Rights Awareness Corporate Liaison Council and The Corporate Federation For Dowa And Human Rights Issues, Osaka, and are actively engaged in awareness raising activities.

### Looking Ahead

We will continue with these initiatives with a focus on providing human rights awareness training to employees.

## Value for Business Partners

### Basic Approach

The Maruha Nichiro Group carries out stable procurement of marine resources from Japan and around the world. We are also working to build a safe and secure supply chain for meat and agricultural products. We recognize that in order to achieve stable and sustainable management into the future, we must cooperate with our business partners and consider social dimensions such as environmental problems, human rights, and occupational safety within our supply chain. Accordingly, we are working to build a CSR-oriented supply chain.

### Establishment of Maruha Nichiro Group Basic Procurement Policy / Supplier Guidelines Basic Procurement Policy

In FY2017, we established the Maruha Nichiro Group Code of Conduct as well as Maruha Nichiro Group Basic Procurement Policy and Maruha Nichiro Group Supplier Guidelines following the approaches of ISO 26000, an international standard for social responsibility, and the Ten Principles of the United Nations Global Compact. We are also committed to fair competition and anti-corruption in overseas markets through our Anti-Corruption Declaration.

We make these policies and guidelines known to our business partners and monitor their compliance. In addition, we also have prepared an explanatory manual on the guidelines and we are working to reinforce our management structure in place to encourage improvement of initiatives based on commentary. We are promoting efforts to construct a supply chain in which the Group and its business partners engage in honest business activities.

- Code of Conduct (PDF: 43 KB/1 page)
- Basic Procurement Policy (PDF: 89 KB/1 page)
- Supplier Guidelines (PDF: 315 KB/7 pages)
- Anti-Corruption Declaration (PDF: 87 KB/1 page)

### Medium-term Sustainability Management Plan (FY2018–2021)

#### Practice sustainable procurement

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**Medium-term Goal**

Implement CSR-oriented supply chain management based on the Basic Policies of Procurement, Supplier Guidelines, and the Declaration of Anti-corruption

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**FY2020**

**Action Plan (Key measures)**

- Raise awareness among suppliers of the Basic Procurement Policy, Supplier Guidelines, and Declaration of Anti-corruption
- Conduct monitoring of suppliers

**Achievements**

- Conducted Self-Assessment Questionnaires on suppliers of business departments and directly managed factories to inform them of the Guidelines and confirm their compliance status
- Conducted Self-Assessment Questionnaires with selected suppliers

**FY2021**

**Action Plan (Key measures)**

- Conduct Self-Assessment Questionnaires with an expanded scope
- Provide feedback based on the results of supply chain Self-Assessment Questionnaires and human rights Self-Assessment Questionnaires
- Create explanatory documents for Supplier Guidelines and establish management systems by creating rules and regulations

**Targets**

Maruha Nichiro Group (Japan and Overseas)

**Department in charge**

Corporate Planning Department, Maruha Nichiro Corporation

## Management Structure

Maruha Nichiro Group's businesses cover a wide range of supply chains, and each business division is responsible for selecting suppliers of raw materials, resources, and products for these business activities. For this reason, each business division will take the lead in supply chain management for the Maruha Nichiro Group, and implement CSR procurement through communication with suppliers based on the Basic Procurement Policy and Supplier Guidelines established in FY2017.

## Main Initiatives in FY2020

### Monitoring of Suppliers

#### Conducting Self-Assessment Questionnaires of Suppliers

At Maruha Nichiro Corporation, we conducted surveys of 1,097 suppliers in Japan and overseas in FY2020 in order to check their compliance with the Supplier Guidelines. All 294 plants certified by Maruha Nichiro that manufacture Maruha Nichiro brand products deemed particularly important suppliers were sent the survey, with responses received from 293 (127 domestic and 166 overseas certified plants) for a response rate of 99.7%. Responses were also received from 804 other suppliers, such as raw materials suppliers of directly managed plants and suppliers of marine products and meat products.

Going forward, we will strive to achieve fair business activities by working to improve the situation collaboratively while communicating with suppliers along with preparing and distributing commentary on the guidelines containing specific examples of actions and required standards, aimed at reliable implementation of the Supplier Guidelines. We will continue to build partnerships with suppliers based on further penetration of the Supplier Guidelines and mutual trust.

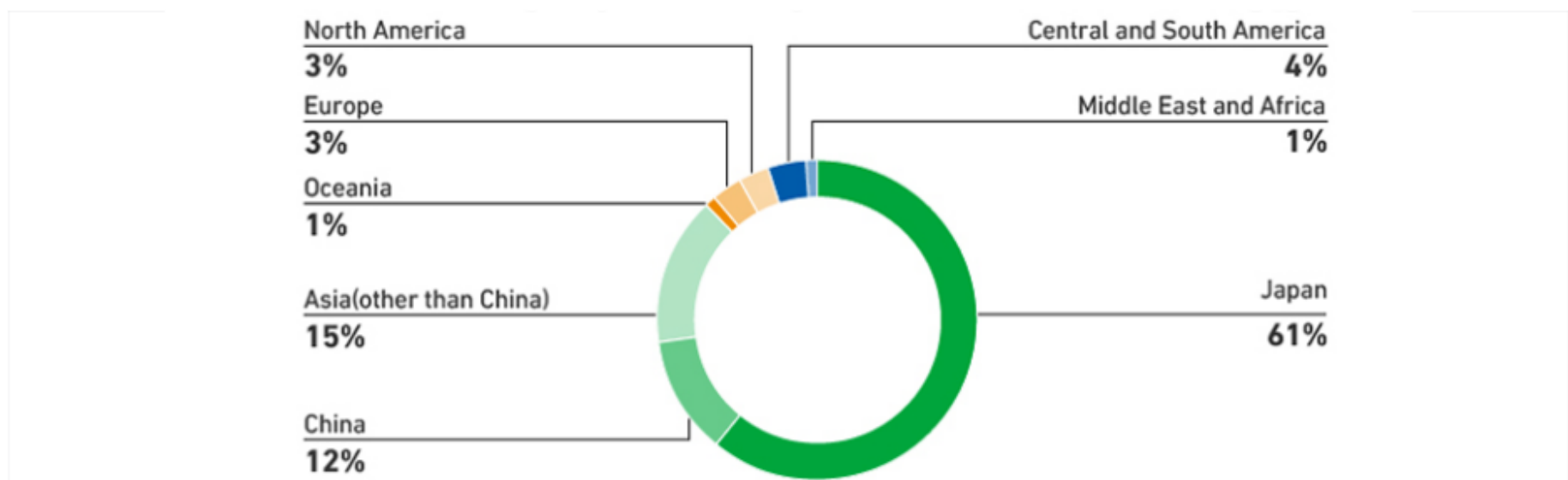
Number of Suppliers Surveyed in FY2020

1097 companies



Target Suppliers	Number of Suppliers Surveyed in FY2020
Domestic plants certified by Maruha Nichiro	127 companies
Overseas plants certified by Maruha Nichiro	166 companies
Suppliers of directly managed plants	242 companies
Other suppliers providing raw materials and other companies' products	562 companies

**Self-Assessment Questionnaires conducted by area**



**Conducting Surveys of Human Rights and Labor Practices in the Supply Chain**

At Maruha Nichiro, in FY2020, we began conducting a survey on some suppliers regarding their human rights and labor practices in order to verify human rights risks in the supply chain. In FY2021, we will expand targeted suppliers and conduct surveys of certified plants that manufacture Maruha Nichiro products. In turn, countermeasures will be implemented for suppliers determined by the survey to pose risks.

**Educating Suppliers through “Quality Assurance Meetings” for Partner Factories**

At Maruha Nichiro, we hold “Quality Assurance Meetings” for partner factories in Japan helping to manufacture our products in order to increase the quality assurance level through stronger collaboration with the supply chain.

In FY2020, in addition to receiving reports on quality initiatives along with complaints and incidents, we planned to hold a presentation led by a representative from the Corporate Planning Department on CSR procurement as well as the Basic Procurement Policy and Supplier Guidelines. However, the meeting was canceled due to the COVID-19 pandemic and information was shared through the provision of meeting materials only.

We intend to continue holding this meeting in the future as an opportunity to educate and share information with partner factories, as well as gain their understanding of the Action Plan and strive for greater collaboration in the supply chain.

**Looking Ahead**

In FY2021, we will tabulate the responses for the FY2020 survey, and we plan to provide suppliers who responded with commentary on the guidelines along with feedback. Additionally, we are considering visiting a selection of suppliers in person to conduct interviews based on the survey results in order to confirm their actual management practices.



# Value for Communities & Society

## Basic Approach

Our business has the potential to affect the local community from an economic, social and environmental standpoint in places where the Maruha Nichiro Group has business locations. We engage in appropriate communication and various activities that contribute to society in order to build good relationships toward the goal of co-existence and co-prosperity.

## Medium-term Sustainability Management Plan (FY2018–2021)

### Coexist with regional communities in mutual prosperity

<b>Medium-term Goal</b>	Convey the importance of food and contribute to the well-being of everyone
<b>FY2020</b>	<p><b>Action Plan (Key measures)</b></p> <ul style="list-style-type: none"> <li>• Suggest foods that help everyone live a healthy life according to various life stages</li> <li>• Offer cooking classes that use sustainable marine resources</li> </ul> <p><b>Achievements</b></p> <ul style="list-style-type: none"> <li>• Held chef-directed parent-child cooking classes in Chiba and Osaka</li> <li>• The cooking class using certified seafood products was postponed due to COVID-19 (organized in April 2021)</li> </ul>
<b>FY2021</b>	<p><b>Action Plan (Key measures)</b></p> <ul style="list-style-type: none"> <li>• Continue organizing the chef-directed parent-child cooking classes</li> <li>• Continue holding cooking classes using MSC/ASC certified seafood products</li> </ul>
<b>Targets</b>	Maruha Nichiro Group (Japan)
<b>Department in charge</b>	Corporate Planning Department, Maruha Nichiro Corporation

<b>Medium-term Goal</b>	Protect the natural environment for the future
<b>FY2020</b>	<p><b>Action Plan (Key measures)</b></p> <ul style="list-style-type: none"> <li>• Participate in the environmental conservation activities of regional communities where offices are located</li> <li>• Spread the use of sustainable environmental resources</li> </ul> <p><b>Achievements</b></p> <ul style="list-style-type: none"> <li>• Organized a beach cleanup as part of the International Coastal Cleanup™ in autumn (due to measures against COVID-19, reduced to 17 people in total)</li> <li>• Conducted eelgrass bed restoration activities (collecting flowering branches, sowing seeds)</li> </ul>

FY2021

**Action Plan (Key measures)**

- Continue cleanup activities in the vicinity of business sites
- Continue eelgrass bed restoration activities

**Targets**

Maruha Nichiro Group (Japan)

**Department in charge**

Corporate Planning Department, Maruha Nichiro Corporation

**Medium-term Goal**

Contribute to the growth of regional communities

FY2020

**Action Plan (Key measures)**

- Cooperation for inheritance of local/regional cultures
- Communicate with regional communities
- Create opportunities that convey the value of manufacturing

**Achievements**

- Participated in Toyosu Festa (make your own can)
- Provided online classes and supported junior and senior high school students visiting companies
- Supported healthcare workers in response to the spread of COVID-19

FY2021

**Action Plan (Key measures)**

- Continue these events while considering the impact of COVID-19
- Continue to conduct online classes for junior and senior high school students

**Targets**

Maruha Nichiro Group (Japan)

**Department in charge**

Corporate Planning Department, Maruha Nichiro Corporation

## Main Initiatives in FY2020

### Food Education Activities

#### Case Study: Fish-eating Promotion Event: “Chef-directed Parent-Child Cooking Class – How to Cook Fish at Home”

Since 2015, Maruha Nichiro Corporation has held cooking classes for parents and children nationwide to inform them about the joy and deliciousness of fish cuisine and to benefit healthier diets. In FY2020 we held two events jointly with Osaka Gas Corporation and Keiyo Gas Corporation on the theme of “Chef-directed Parent-Child Cooking Class – How to Cook Fish at Home.”



Keiyo Gas Corporation Cooking Class

### Case Study: “For the Ocean, for life — Fish Lunch Cooking Class for the Future

In April 2021, Maruha Nichiro Corporation organized the “For the Ocean, for life — Fish Lunch Cooking Class for the Future” jointly with Tokyo Gas Communications, Inc. to teach “ocean and fish sustainability.” In addition to the promotion activities of fish-eating, we created a “Happy Seafood Lunchbox (bento)” using our MSC and ASC certified products to foster greater understanding about the MSC and ASC certification systems for sustainable fishing.

At the beginning of the event, an explanation was given about the severe situation of marine resources given the rising popularity of fish-eating around the world. Next, MSC label was introduced as a way to identify sustainable seafood products that ensure everyone can continue to eat delicious fish.



Sustainable fish seminar



Happy seafood lunchbox (bento)

## Environmental Activities

### Case Study: Ongoing Cooperation with Tokyo Bay Restoration Eelgrass Project

The Maruha Nichiro Group has been participating in activities since 2014 to restore eelgrass beds, which improve water quality in Tokyo Bay, serve as habitats for aquatic organisms, and conserve the coastal environment. Since 2016, we have been selected as a partner company in the Tokyo Bay UMI Project (Project for everyone to love the sea and Tokyo Bay) launched by the Ministry of Land, Infrastructure, Transport and Tourism to improve the environment of Tokyo Bay.

Eelgrass is a species of seaweed that grows naturally around sandy coastlines at a depth of one to several meters. It also cleans the seawater and absorbs carbon dioxide by serving as habitats. As opposed to the carbon dioxide that is captured and sequestered by forests known as “green carbon,” the carbon dioxide captured and sequestered in the sea by seaweed beds for seaweeds such as eelgrass is known as “blue carbon.” In the Green Growth Strategy formulated for Japan’s 2050 Carbon Neutral Declaration announced by the Japanese government in October 2020, considerations for a carbon offset\* system targeting blue carbon are incorporated, which is attracting attention as a measure towards a decarbonized society.

\*Carbon offset is the idea of compensating for emissions of greenhouse gases, such as CO<sub>2</sub>, that cannot be avoided as a result of daily life and economic activities, first by striving to reduce the emissions as much as possible, and for emissions of greenhouse gases that will be emitted, by making investments in greenhouse gas reduction activities that match the amount of emissions.

Maruha Nichiro Corporation has been hosting eelgrass seed harvesting events within the Group, the event was canceled in FY2020 and FY2021 due to the impact of the COVID-19 pandemic. A few members from Maruha Nichiro participated in cooperation with NPO Association for Shore Environment Creation and the Kanto Regional Development Bureau, Ministry of Land, Infrastructure, Transport and Tourism at JF-Kaneda of Kisarazu, Chiba Prefecture on May 29, 2021 with strict infection control measures in place.



Seeds on Eelgrass Seed Stalks



Group photo of participants



**Case Study: Participation in Yume Wakame Workshop and Planting Eelgrass**

Maruha Nichiro Corporation participated in the Yume Wakame Workshop and Planting Eelgrass hosted by NPO Association for Shore Environment Creation in on November 29, 2020. The event has been open to the general public with over 200 participants every year, but this year, it was open to participation by staff only due to the COVID-19 pandemic.

The Yume Wakame Workshop is held to clean the marine environment that has undergone eutrophication through cultivation of seaweed. At the workshop, seed planting of wakame (attachment of seed thread) was performed, while grown wakame was harvested in mid-February. Planting eelgrass is performed in order to restore a rich marine environment and lost eelgrass beds due to large scale landfills during Japan’s period of rapid economic growth.



Attaching seed thread



Harvested wakame

**Case Study: National High School Eelgrass Summit 2020 (Online)**

Since 2017, Maruha Nichiro Corporation has sponsored the National High School Eelgrass Summit. The objective of the summit is for high school students nationwide engaged in efforts to restore the natural environment in the ocean to exchange ideas and information on their projects and to grow as leaders of the next generation.

The summit was held virtually on Sunday, November 15, 2020. Students from 12 high schools around Japan attended the meeting and engaged in questions and answers in a chat format that was livelier than before. Despite the COVID-19 pandemic, we were able to present a platform a little different than before for students to engage in presentations and interactions.



High School Eelgrass Virtual Summit



**Case Study: Cleaning Activities around Offices throughout Japan**

The Maruha Nichiro Group conducts cleaning activities around its plants and offices throughout Japan and is working toward the beautification of local environments. While many events were canceled due the COVID-19 pandemic in FY2020, we attended a smaller scale cleaning activities around the offices with infection control measures in place. We will continue to conduct these activities.



Cleanup activity at Yayoi Sunfoods Kyushu Plant



### Case Study: "Make Sea Happy!" Coastal Cleanup Activity

The Maruha Nichiro Group conducted a beach cleanup activity "Make Sea Happy" at Kasai Rinkai Park (Edogawa City, Tokyo) on Saturday, October 31, 2020. Given COVID-19 pandemic, the event was limited to 17 participants (60 participants in the previous fiscal year) while ensuring strict adherence to measures including social distancing. The event was registered with the International Coastal Cleanup (ICC) sponsored by the Japan Environmental Action Network (JEAN). In accordance with the prescribed rules, the collected waste was sorted into approximately 40 categories, weighed and reported to JEAN. This reported data will be used for things such as policy recommendations in conjunction with data on garbage from each location.



Group photo of participants

## Regional Contribution Activities

### Case Study: Aomori Nebuta Festival

Since entering a large-scale Nebuta float in 1953, Maruha Nichiro Corporation has participated in the Nebuta Festival\* every year (except some years) for over half a century, although the event was canceled again in FY2021 due to the COVID-19 pandemic.

\*Aomori Nebuta is one of the three big festivals in the Tohoku region registered as a National Important Intangible Folk Cultural Asset.

### Case Study: 27th Toyosu Festa

Maruha Nichiro Corporation participated in the Toyosu Festa sponsored by the Koto City Culture and Community Foundation at the Koto City Toyosu Civic Center from October 24 to 25, 2020. This event was attended by local companies and organizations in Toyosu and serves as a place to interact with local residents. Maruha Nichiro Corporation exhibited a "make your own souvenir canned items." The exhibit attracted participation by 50 people over two days as an event enjoyed by families with children.



Families making their own souvenir canned items



**Case Study: Food Bank Donations/Support for Children's Cafeterias**

Maruha Nichiro Group has been implementing activities to donate food products and excess raw food materials that are still edible but can no longer be sold, to NPO Association engaged in food bank activities\* as well as group that runs children's cafeterias. The Group's activities include contributing to efforts to improve social welfare as well as to reduce the amount of food waste.

\*Food bank activities: Donating food products, which can still be eaten but are difficult to distribute for various reasons, to those in need free of charge



Donation to Foodbank Niigata

**Case Study: The Swan-Canning Estuary Restoration Campaign in Perth, Australia**

Austral Fisheries supports the Swan-Canning Estuary restoration campaign which aims to restore the once abundant shellfish reefs in the mouth of the estuary that runs through the center of Perth and improve the river environment. This project is being conducted by the international NGO, The Nature Conservancy, and aims to restore the ecology of the river.

**Cultural and Educational Activities**

**Case Study: Educational Activities for Junior High School Students on the Sustainable Use of Marine Resources**

Maruha Nichiro Corporation responded to virtual interview by Toshimagaoka Joshigakuen Junior High School regarding its activities of utilizing sustainable marine resources, and its advantages and disadvantages through the Environmental Measures Survey on Wednesday, November 18, 2020.

**Case Study: Career Education Activities for High School Students Through Visits and Learning**

On Thursday, November 12, 2020, five students from Shochi Fukaya High School visited the head office of Maruha Nichiro Corporation as part of their career education activities. The visits and learning of Shochi Fukaya High School, which has been engaged for three years, is held for the students to visit various companies and agencies to study their business activities and daily operations further, as well as to appreciate the roles and sense of reward of each job.



We will actively carry out above activities in two ways, virtual and welcoming the students.

## Measures for the Prevention of the COVID-19

### Case Study: Support for Medical Professionals

As the spread of the COVID-19 continues, Maruha Nichiro Corporation has worked together with We Support, a platform that provides food material support to medical professionals, as well as Capital Medica Co., Ltd., which supports hospital management, in order to support those who are involved in operations including infection prevention and treatment at the forefront of the medical settings through food, donating its products to a total of 10 hospitals.



Employees of Kawaguchi Kogyo General Hospital



Employees of Japanese Red Cross Musashino Hospital

## Looking Ahead

While various events were canceled due to the COVID-19 pandemic in FY2020, we will flexibly adapt to the new normal going forward by holding events online or in-person with appropriate infection control measures in place.



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# Environmental Value

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## Environmental Value

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● Management Approach .....	P75
● Climate Change .....	P81
● Recycling .....	P86
● Marine Resources .....	P93

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## Management Approach

### Basic Approach

The Maruha Nichiro Group, which has operated thus far thanks to the abundant blessings of nature, believes that building a business model that allows us to exist together with the Earth's environment is indispensable to sustainable growth as a company.

We aim to create "environmental value" by focusing on our materiality of "Combating Climate Change" through the introduction of energy-saving equipment, improving energy efficiency, and switching to non-CFC freezers, and "Building a Recycling-oriented Society" by reducing manufacturing problems, and turning waste into valuable resources, and increasing the recycling rate.

### Environmental Policy

Presently on Earth, with the rapid increase in the world population, global warming, depletion of resources, and destruction of ecosystems are becoming more and more serious. It is becoming increasingly difficult for humanity to live together with a diversity of plants and animals, or to maintain the Earth's natural productivity going into the future.

Against this backdrop, the Maruha Nichiro Group examined what kind of environmental considerations are needed to continue to sustain "food"—the foundation of all human activity. Then we created the Maruha Nichiro Group Environmental Policy which applies the Maruha Nichiro Group Vision through concrete actions. Thus, the entire group is engaged in environmental management. Our Environment Policy is comprised of the Basic Policy and Principles below. We thoroughly familiarize all our employees with the policy through our website and Intranet, employee training, and other activities as we strive to implement environmental management.

#### Basic Policy

The Maruha Nichiro Group will work to reduce the environmental impact of our global business activities and strive to create a sustainable society in order to contribute to the enrichment of people's lives and their happiness.

#### Principles

1. We will use sustainable resources effectively and work to minimize our environmental impact and mitigate climate change.
2. We will actively engage in environmental conservation efforts, taking biodiversity into consideration.
3. We will provide environmentally friendly products and services.
4. We will implement our environmental management system effectively and work on continuous improvements to boost our environmental performance.
5. We will observe environmental laws and regulations.
6. We will disclose company information related to environmental management as appropriate and work on our communication with society.

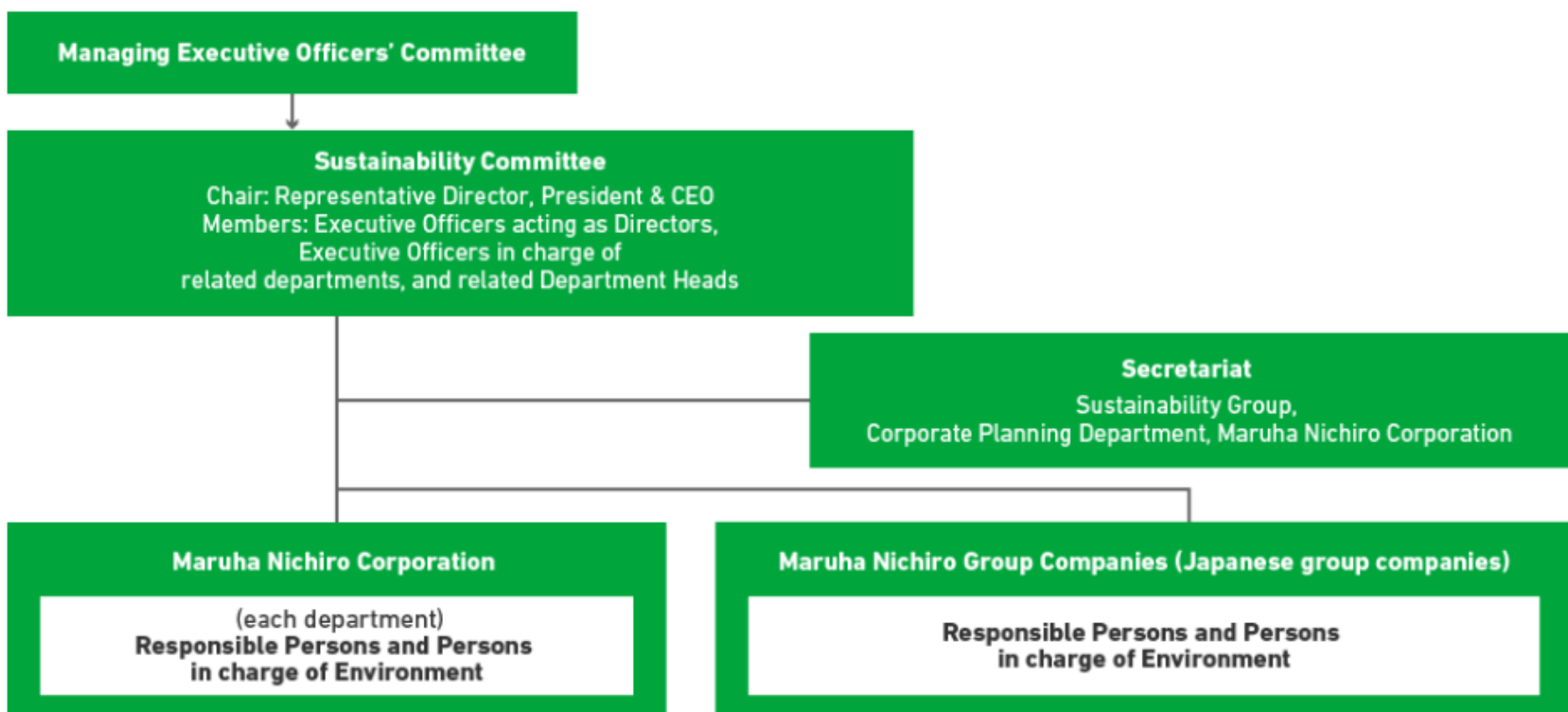
## Management Structure

In FY2018, the Maruha Nichiro Group established a new Sustainability Committee. This committee puts together general plans for the Group's environmental management, establishes goals, and evaluates the activities of Group Companies. It also assigns responsible persons and persons in charge of environment at Group Companies who work on environmental activities tailored to the characteristics of each company's business.

In the Sustainability Committee held in FY2020, discussions on the marine plastics issue, which has become an international issue, were conducted.

In addition, we strive to share and spread information about things such as the roles of responsible persons and persons in charge of environment, regulations related to environmental management, and frameworks for compliance with environmental laws and ordinances, by holding a meeting of responsible persons and persons in charge of environment at the start of each fiscal year.

### Maruha Nichiro Group Environmental Management Structure



## Roles of Responsible Persons and Persons in Charge of Environment

- Execution of environmental management by responsible persons of environment
  1. Promote the Maruha Nichiro Group's Environmental Policy among employees
  2. Comply with environmental regulatory requirements
  3. Establish a structure for environmental regulatory compliance and verify the compliance status
  4. Grasp environmental aspects and data
  5. Plan, operate, evaluate and improve the implementation plan for environmental goals
  6. Prevent, reduce, and implement correctional measures on harmful impacts on the environment
  7. Promptly respond to environmental accidents and implement measures to permanently prevent recurrence
  8. Ensure employee competence and raise environmental awareness
  9. Communicate environmental initiatives with internal and external stakeholders
- Persons in charge of environment are assistants to the responsible persons of environment



## Main Initiatives in FY2020

### ISO 14001 Certification Status

The Maruha Nichiro Group has obtained ISO 14001 certification, the international standard for environmental management systems, at our production plants in Japan and other countries. As of April 2021, eight companies among domestic and international production locations have acquired ISO 14001 certification.

#### Maruha Nichiro Group Companies with ISO 14001 Certification (as of April 1, 2020)

Company Name	Workplaces
Maruha Nichiro Corporation	Head Office (Production Management Department), Foods & Fine Chemicals Department Production Group (Mori, Utsunomiya), Shin-Ishinomaki Plant, Oh-e Plant, Shirataka Plant, Gunma Plant, Utsunomiya Plant, Hiroshima Plant, Shimonoseki Plant
Maruha Nichiro Yamagata Co., Ltd.	-
Maruha Nichiro Kyushu, Inc.	-
Nichiro Chikusan Co., Ltd.	Head Office, Sapporo Plant, Nayoro Plant, Tokachi Plant, Hassamu Distribution Center
Yayoi Sunfoods Co., Ltd.	Production Division, Shimizu Plant, Kyushu Plant, Nagaoka Plant
Maruha Nichiro Kitanippon, Inc.	Production Management Department, Furano Plant, Kushiro Plant, Mori Plant, Aomori Plant
Zhejiang Industrial Group Co., Ltd.	-
Southeast Asian Packaging & Canning, Ltd.	-

### Environmental Regulatory Compliance

At Maruha Nichiro Group, we keep up with the various laws and ordinances for regulating water, air, and soil pollution, bad odors, noise, vibration, energy consumption and waste disposal. Plants that have acquired ISO14001 certification, in particular, manage the environmental laws applicable to their factory in a spreadsheet, and the environmental manager checks the state of compliance more than once a year.

Also, each Group Company compiles information relating to major environmental laws and regulations in a "major environmental laws and regulations manual," which the environmental manager uses to check the company's own state of compliance with laws and regulations.

Furthermore, in FY2020, four cases of environment related incidents occurred within the Maruha Nichiro Group, and measures were taken, including improvement of facilities and revisions to the monitoring management system. There were no serious violations of environmental laws and regulations, and we will continue to strive to prevent environmental incidents.

## Environmental Audits

At each Maruha Nichiro Group factory that has obtained ISO14001 certification, an internal auditor is designated to conduct periodic internal audits.

In addition, Maruha Nichiro Corporation, Maruha Nichiro Kitanippon, Inc., and Yayoi Sunfoods Co., Ltd.—which each have multiple factories—conduct reciprocal internal audits between factories. Not only does this allow auditing to be conducted from a more objective viewpoint, but it helps improve auditing skills and facilitates exchange of environmental information between factories.

In FY2020, in addition to these internal audits, the Internal Auditing Department of Maruha Nichiro Corporation conducted an audit into the state of compliance with environmental laws and regulations at the company.

## Maruha Nichiro Group List of Environmental Audits

Audit Name	Company Audited	Details of Implementation
ISO14001 Internal audit	ISO 14001 certified companies	We formed an internal auditing team based on the requirements of ISO14001, which is the international standard for environmental management, and carried out autonomous checks of the environmental management system.
ISO 14001 Reciprocal internal audit	ISO 14001 certified companies (Maruha Nichiro Corporation, Maruha Nichiro Kitanippon, Inc., Yayoi Sunfoods Co., Ltd.)	For the ISO14001 Internal Audit, auditors were dispatched from factories other than the factory being audited. The aim was to reveal items and points of concern that the employees at the factory being audited had failed to notice.
ISO 14001 External audit	ISO 14001 certified companies	A certification authority conducted a "management system audit" based on ISO14001.
Internal Auditing Department Audit	All Maruha Nichiro Group Companies	The Maruha Nichiro Corporation Internal Auditing Department conducted an audit into the state of compliance with environmental laws and regulations at Group Companies.

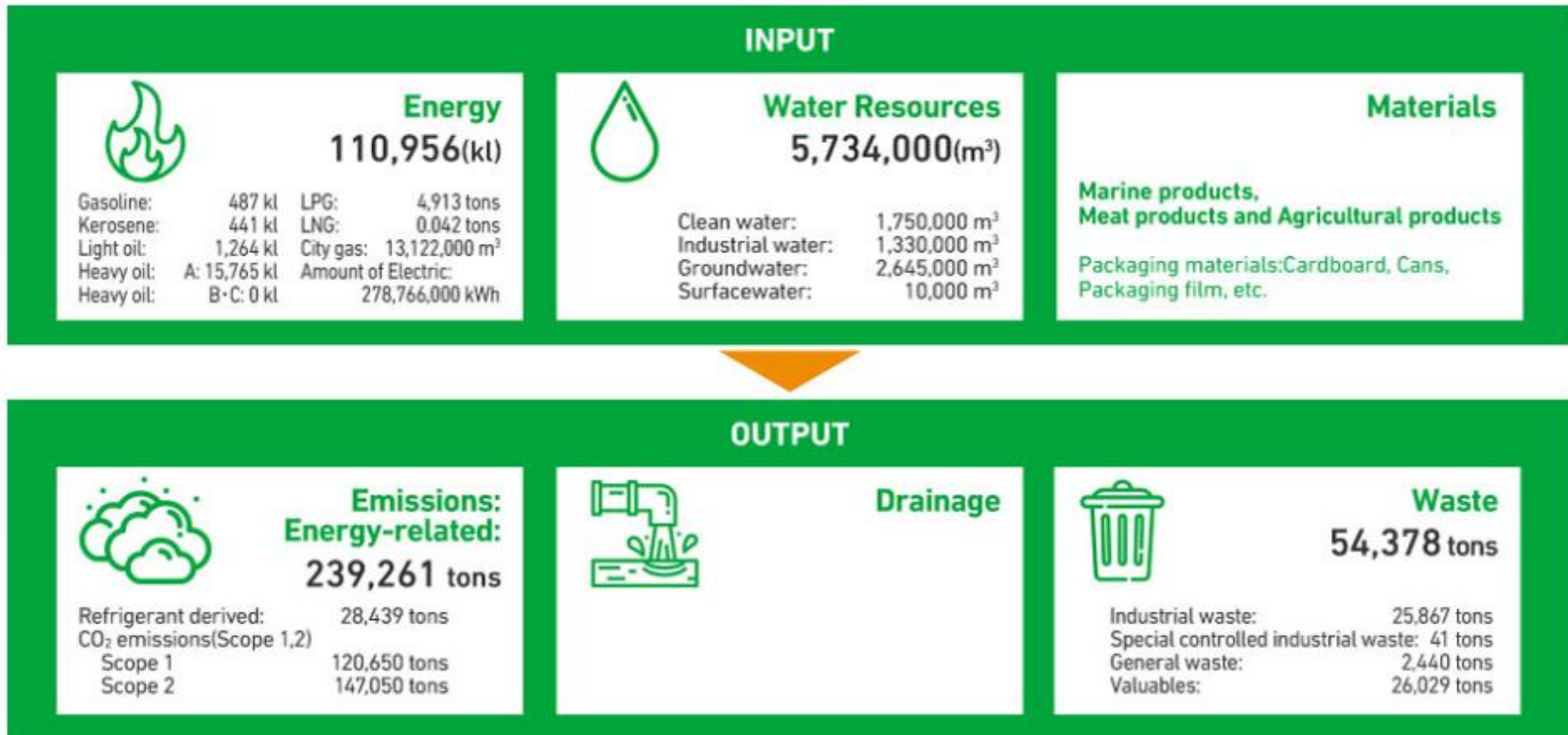
## Case Study: Maruha Nichiro Logistics, Inc. Acquires Green Management Certification

Maruha Nichiro Logistics, Inc. acquired "Green Management Certification," an environmental management system for transport businesses instead of ISO 14001, in FY2010 and all primary centers have maintained certification. This system, promoted by the Foundation for Promoting Personal Mobility and Ecological Transportation, which acts as the certification authority, is included in the Green Management Promotion Manual created by the foundation and the Ministry of Land, Infrastructure and Transport based on ISO 14001. Under the system, businesses set their own energy conservation goals, engage in environmental improvement activities, and undergo audits by the certification authority. We continue to engage in activities such as explaining the system to employees (education) and posting "green management certification awareness posters as we push for this management system to take root.

## Overview of Business Activities and Environmental Impact Over Our Entire Supply Chain

At the Maruha Nichiro Group, we realize that our integrated value chain built around seafood products, which includes “procurement and distribution,” “production and processing” and “storage and logistics,” has various impacts on the environment. To mitigate these impacts, we are implementing activities centered around our Medium-term Sustainability Plan (FY2018 to FY2021).

### Overview of Business Activities and Environmental Impact Over our Entire Supply Chain



#### Defining Supply Chain Emissions

[Scope 1] Greenhouse gases emitted directly by businesses themselves

[Scope 2] Indirect emissions through use of electricity, heat and steam supplied by other companies

[Scope 3] Indirect emissions from procurement of raw materials, through production, sales and disposal, excluding those in Scope 1 or 2.

#### Data Calculation Method

- Target range for calculation: Maruha Nichiro Corporation and 44 related domestic companies (45 total)
- Target period for calculation: April 1, 2020 to March 31, 2021

## Environmental Education

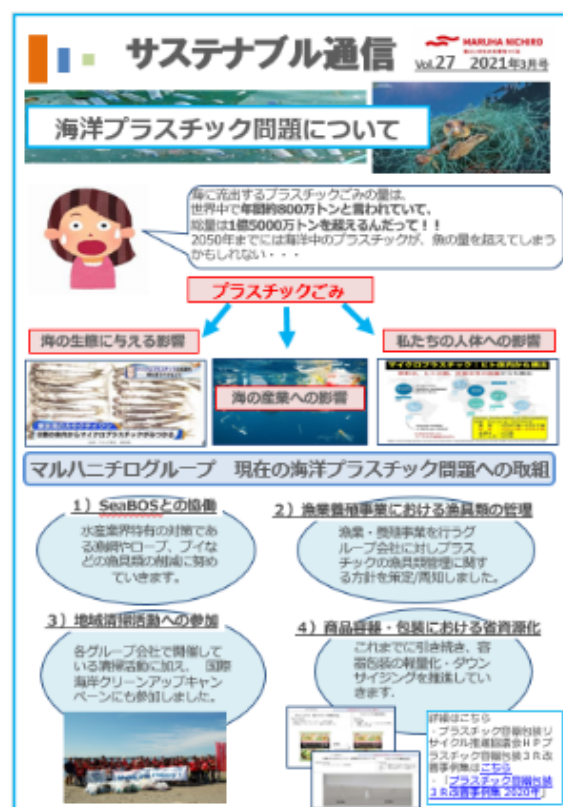
At the Maruha Nichiro Group, we emphasize training and internal education to raise the environmental awareness of each of our employees and promote proactive engagement. We also hold regular briefings for our employees to educate them about environmental laws and ordinances. In FY2020, we asked waste disposal company Kaname Kogyo Co., Ltd. to serve as a lecturer and held an online legal briefing for those in charge of waste disposal within the Group. In FY2021, we will continue to plan legal briefings for those in charge of waste disposal within the Group to ensure compliance with laws and regulations.



## Environmental Briefings Organized in FY2020

Information Session Name	Participants
Briefing on Waste Disposal Law (Basics)	60
Briefing on Waste Disposal Law (Application)	49
Briefing on Waste Disposal Law (On-site Confirmation)	69

In addition, we share information related to the environment both inside and outside the Group through our intranet, which is a tool for sharing information among group officers and employees. We are working to increase environmental awareness among our employees by compiling information related to sustainability into our "Sustainable News," which we publish periodically.



Sustainable News

## Stakeholder Voice



**Mr. Zenichiro Nishino**

Deputy General Manager, Corporate Planning Office  
Kaname Kogyo Co., Ltd.

I have been serving as the main lecturer for the Waste Disposal Act information briefings held by the Group. The Waste Disposal Act is complex and abstruse, however, in response to the strong request of the secretariat for easy-to-understand information and also to the enthusiasm of the participants for learning, these briefings have become a valuable opportunity for me, as a lecturer, to gain many insights as the briefings continue.

Although there were some apprehensions about holding the briefings online in FY2020, we were able to finish the briefings as usual with an enhanced online environment and everyone's unchanged enthusiasm. Through the briefings, I felt the strong conviction of the Group to build a recycling-oriented society. I will continue to do everything in my power to support the realization of this goal.

# Climate Change

## Basic Approach

The Maruha Nichiro Group's business consists of an independent value chain from procurement, through production and processing, to sales. We recognize that climate change poses threats to our business activities such as shifting fishing areas for marine products, shifting production areas for agricultural products, and depletion of marine resources due to the destruction of ecosystems.

As countermeasures against these kinds of risks, we are working to reduce CO<sub>2</sub> emissions through efficient energy use and capital investment.

## Combatting Climate Change

### Medium-term Goal

Reduce CO<sub>2</sub> emissions per unit of sales by more than 4% from FY2017 to FY2021

### FY2020

#### Action Plan (Key measures)

- Enhance energy-saving facilities
- Improve energy efficiency
- Switch to non-CFC freezers
- Reduce electricity usage
- Reduce heavy oil and gas usage

#### Achievements

- Although CO<sub>2</sub> emissions decreased (down 3.7% from FY2017) due to the Group's efforts to reduce usage, CO<sub>2</sub> emissions per unit of net sales increased (up 2.9% from FY2017)
- Reduction of usage by improving the work environment at directly managed plants
- Continued implementing CFC-free construction at logistics bases
- Installed solar power panels at Utsunomiya Plant

### FY2021

#### Action Plan (Key measures)

- Continue to control increased usage by improving the work environment
- Implementation of switching to non-CFC freezers
- Improving energy conservation awareness through in-house enlightenment activities

### Targets

Maruha Nichiro Group (Japan)

### Department in charge

Corporate Planning Department, Maruha Nichiro Corporation

## Progress toward Attainment of Goals

In FY2020, although the Maruha Nichiro Group (in Japan) set reduction targets for each company and introduced equipment such as high-efficiency boilers and high-efficiency freezers, eco-cars, and LED lighting, due to the major impact of the decrease in domestic group net sales, CO<sub>2</sub> emissions per unit of net sales for our entire domestic group totaled 333 t/billion yen- an increase of 6 t/billion yen (2.0%) compared to the previous period.

Our domestic production and distribution sites generally made good progress towards meeting our FY2021 targets. But factors including, primarily, an increase in the number of vessels, had a large effect and the Group as a whole has yet to meet our targets. Henceforth, we will strive to strengthen management to achieve our goals and have all companies work together to reduce CO<sub>2</sub> emissions.

### CO<sub>2</sub> Emissions Targets and Progress

Emissions per unit of sales (t/billion yen)



\*Scope of survey is Group Companies in Japan

\*Data was revised to reflect the error in data published for FY2020.

## Main Initiatives in FY2020

### Expand Energy-saving Equipment and Improve Energy Efficiency

#### Case Study: Introducing State-of-the-art Labor-saving and Energy-saving Equipment

The Maruha Nichiro Corporation Shin-Ishinomaki Plant, which relocated due to damage sustained during the Great East Japan Earthquake of March 2011, has introduced state-of-the-art equipment such as automated guided vehicles that can carry raw materials and other materials to a predetermined position, in addition to various labor-saving devices for use in production. In addition, all the lighting in the plant has been changed to LEDs, and the superheated steam fryers and freezers have been upgraded to the latest energy efficient models. Furthermore, the plant has also adopted an "energy visualization system" that makes it possible to manage all of these energy usage conditions at once.



Shin-Ishinomaki plant



Automated guided vehicle



LED lighting

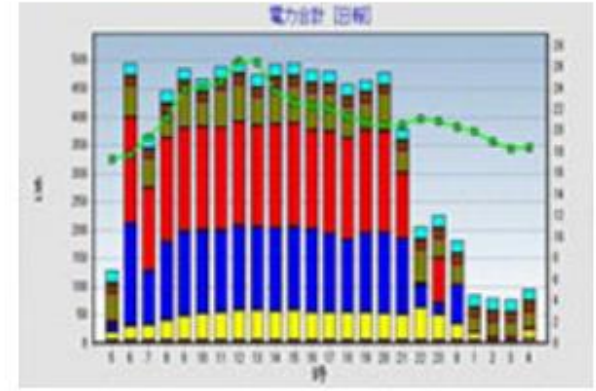




Superheated steam fryers



Energy-efficient freezers



Energy visualization system screen

## Switch to Non-CFC Freezers

### Case Study: Upgrading Freezers for Frozen/Refrigerated Warehouses to non-CFC Equipment

Maruha Nichiro Logistics, Inc. upgraded its high-efficiency natural refrigerant chillers for freezer/refrigerated warehouses to non-CFC equipment that uses ammonia to cool CO<sub>2</sub> at a total of four bases in FY2019. Three of the locations were selected by the Ministry of the Environment to receive financial assistance under its "Project for Accelerated Introduction of Energy-saving Equipment Using Natural Refrigerant for the Early Realization of a Fluorocarbon-free, Low-carbon Society." In FY2020, we reduced CO<sub>2</sub> emissions by 4,282 tons over the year at a total of four bases.

Similarly, in FY2020, we installed non-CFC equipment at the Noda office, Nagoya Logistics Center, and Karatsu Logistics Center, which were selected for a project supported by the Ministry of the Environment, and expect to reduce annual CO<sub>2</sub> emissions by 2,612 tons at the three bases.



Exterior view of Noda office



Noda office's non-CFC freezers



Exterior view of the Nagoya Logistics Center



Nagoya Logistics Center's non-CFC freezers



Exterior view of Karatsu Logistics Center



Karatsu Logistics Center's non-CFC freezers

## Renewable Energy Use

### Case Study: Installation of Solar Panels

In March 2021, we installed solar panels on the roof of the building at the Maruha Nichiro Corporation's Utsunomiya Plant. This has enabled us to supply part of our purchased electricity through solar power. As a result, we expect to be able to generate approximately 245,000 kWh and reduce CO<sub>2</sub> emissions by approximately 120 tons annually.





Exterior view of Utsunomiya Plant



Solar panels

## Other Activities

### Case Study: Express Support for TCFD Recommendations

The Maruha Nichiro Group has designated “Combating Climate Change” as one of the main objectives in the creation of “environmental value” in the Medium- to Long-term Sustainability Management Plan formulated in 2018. We are aware of the risks that climate change poses to our current business activities, and we believe it is important to promote appropriate responses to these risks, as well as to consider and prepare for multiple scenarios of new business opportunities. In July 2021, Maruha Nichiro Corporation entered a project sponsored by the Ministry of the Environment to support scenario analysis of climate risks and opportunities in line with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), and we were selected as a participating company in the project. At the same time, we expressed our support for the TCFD recommendations and joined the TCFD Consortium.



In the future, in accordance with the Ministry of the Environment’s “Climate risk/opportunity scenario analysis support project in line with TCFD,” we will continue scenario analysis and, in line with TCFD recommendations, conduct climate-related financial disclosures on governance, strategy, risk management, requirements, and targets.

### Case Study: Adoption of Biomass Ink

Maruha Nichiro Group is helping to reduce CO2 emissions by actively utilizing biomass resources. We have adopted the use of plant-derived biomass ink in a portion of ink used on the packaging films for commercial frozen foods.




**入っているもの**  
具入りスープ

**やってはいけないこと**  
外袋ごと電子レンジ不可  
※外袋はアルミ使用のためレンジ加熱すると発火の恐れがあります。

栄養成分表示 1人前(482g)当り (分析値)	
エネルギー	443 kcal
たんぱく質	14.9 g
脂質	10.6 g
炭水化物	71.9 g
食塩相当量	7.5 g
(麺)	0.6 g
(具入りスープ)	6.9 g

※この表示値は、目安です。

この袋のインキの一部に、植物由来の原材料を使用しています。




**やってはいけないこと**  
この袋ごと電子レンジ不可  
必ず調理時間を設定してください。

この袋はアルミ使用のためレンジ加熱すると発火の恐れがあります。

**調理上の注意 やけどに注意**

- 調理時間は機種や商品の温度および入れる量により多少異なります。
- 冷たい場合は10秒ずつ加熱を追加してください。
- 必要以上の加熱は調理不良の原因になります。
- 加熱後はかなり熱くなっていますので、電子レンジから取り出す際は必ずご注意ください。

この袋のインキの一部に、植物由来の原材料を使用しています。

### Case Study: Promoting Carbon Neutral Activities

Austral Fisheries Pty Ltd. in Australia has obtained carbon neutral\* certification and is promoting a tree-planting program in the wheat belt of Western Australia as a part of that effort. Our Group organization with locations in Australia that have acquired a carbon neutral certification are recognized as members of the Climate Active Network. This carbon neutral undertaking is positioned as a further step toward stable supply of marine resources. Products are marked with the “CN fish” brand logo, and the company is working to expand sales of environmentally friendly products.



\*Carbon neutral: Refers to business activities that release net zero CO<sub>2</sub> emissions into the atmosphere by offsetting the total amount of emissions through the implementation of measures that reduce CO<sub>2</sub> in the atmosphere by the same amount.



## Looking Ahead

While we will expand energy-saving equipment, improve energy efficiency, and switch to non-CFC freezers, we will also continue to consider further utilization of renewable energy.



# Recycling

## Basic Approach

The Maruha Nichiro Group, which uses marine resources as its main source of business activities, recognizes that resource depletion is inextricably linked to its business survival, and poses a risk with great impact that could lead to the decline or end of its business. We will continue to pursue technologies and systems for the effective use of resources.

## Medium-term Sustainability Management Plan (FY2018–2021)

### Building a Recycling-oriented Society

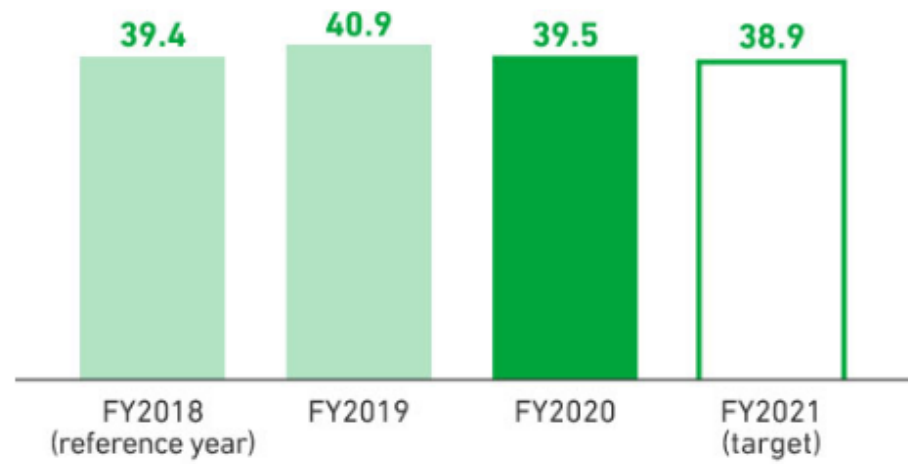
<b>Medium-term Goal</b>	<ul style="list-style-type: none"> <li>Reduce the volume of waste per unit of sales by more than 4% from FY2017 to FY2021</li> <li>Aim for 99% waste recycling rate by FY2021</li> </ul>
<b>FY2020</b>	<p><b>Action Plan (Key measures)</b></p> <ul style="list-style-type: none"> <li>Reduction of manufacturing problems</li> <li>Reduction of waste of raw materials, resources and products</li> <li>Turn waste into valuable resources</li> </ul> <p><b>Achievements</b></p> <ul style="list-style-type: none"> <li>Although waste emissions decreased significantly (down 8.8% from FY2017) due to the Group's efforts to reduce usage, the target was not achieved on a per-unit basis (down 2.5% from FY2017)</li> <li>The waste recycling rate, etc. stayed at 95.7%, falling short of the target</li> <li>Reduced manufacturing problems by utilizing the systems</li> <li>Promoted food loss reduction activities through visualization (creating maps) of food loss in brand actions, etc.</li> </ul>
<b>FY2021</b>	<p><b>Action Plan (Key measures)</b></p> <ul style="list-style-type: none"> <li>Reduced manufacturing problems through ongoing system-based maintenance activities</li> <li>Promoting food loss reduction activities by using brand actions</li> </ul>
<b>Targets</b>	Maruha Nichiro Group (Japan)
<b>Department in charge</b>	Corporate Planning Department, Maruha Nichiro Corporation

### Progress toward Attainment of Goals

The Maruha Nichiro Group (in Japan), led by Group Companies with plants, has made efforts to curtail product defects by improving processes, reduce waste material generated by equipment by enhancing maintenance, and reuse resources, among other activities. Nevertheless, due to influences such as a sudden unexpected increase in waste matter, the volume of waste per unit of sales for our entire domestic Group decreased in FY2020 to 39.5 t/billion yen, a decrease of 1.4 t/billion yen (3.4%) compared to the previous period. Also, due to factors such as a decrease in valuable materials, the recycling ratio for waste matter, etc. was 95.7%, 0.6 percentage points better than the previous period.

### Waste Emissions Targets and Progress

Waste emissions per unit of sales (t/billion yen)

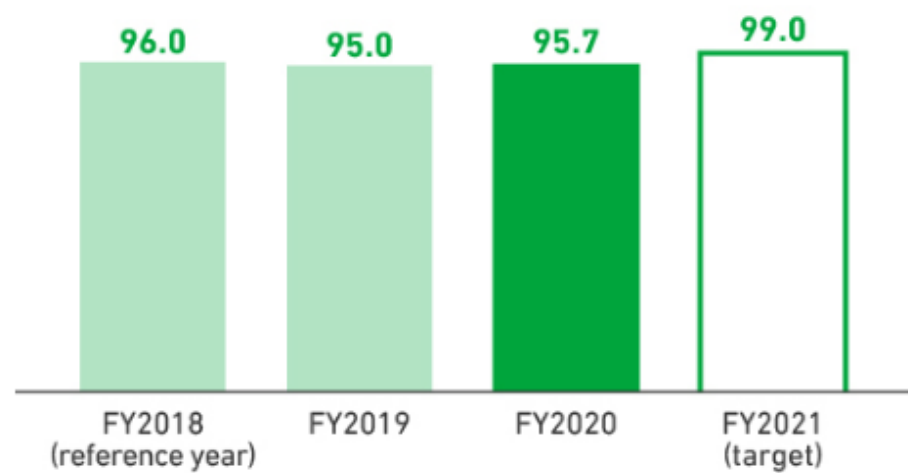


\*Scope of survey is group companies in Japan

\*Data was revised to reflect the error in data published for FY2020.

### Waste Recycling Rate Target and Progress

(%)



\*Scope of survey is group companies in Japan

\*Data was revised to reflect the error in data published for FY2020.

## Main Initiatives in FY2020

### Reduce Manufacturing Problems

#### Case Study: Adopting a New Production Management System

Starting in FY2016, we have been progressively introducing a new production management system at plants directly operated by Maruha Nichiro Corporation. Our goal is to visualize and optimize all of the operations for the entire plant, from production planning through inspections, quality control, profit and loss management, facility management, etc. This system not only reduces troubles such as mixing errors, which reduces waste in raw materials and products, but also contributes to going paperless.



## Reduce Waste of Raw Materials, Resources and Products

### Case Study: Efforts to Save Resources on Product Containers and Packaging

Within the Maruha Nichiro Group, we are working to develop containers with a low environmental impact. We expect lighter containers to not only save resources, but to decrease CO<sub>2</sub> emissions during distribution due to lower weights, increase delivery efficiency through smaller packaging sizes, and bring other benefits.

In FY2020, Maruha Nichiro Corporation used thinner plastic trays for frozen fried white fish and thinner packaging film for cut vegetables with meat, which reduced the amount of plastics used by about 5.2 tons and around 15.5 tons in CO<sub>2</sub> emissions equivalent. As for the films used on bottled products, the film size was revised to become more compact, which reduced the amount of plastics used by about 7%.



Thinner plastic trays



Products with thinner packaging film



Salmon flakes packaging with a smaller film size

## Turn Waste into Valuable Resources

### Case Study: Use and Application of Foodstuff Residues in Cooperation with Group Companies

Since March 2018, Aquafarm Co., Ltd., which is the production site for our egg-to-harvest bluefin tuna, has been using residues from canned mackerel production at Maruha Nichiro Kitanippon, Inc.'s Aomori Plant as feed for its egg-to-harvest bluefin tuna production. In FY2020, we produced approximately 205 tons of feed, which not only reduced losses from waste, but led to stable procurement of feed materials. These activities have been extremely effective from the perspective of sustainable aquaculture. We aim to maximize resource efficiency through these kinds of partnerships between Group Companies.





Mackerel processing residues reused by Aquafarm Co., Ltd.

**Case Study: Effective Reuse of Waste at Biogas Power Generator**



Shimonoseki plant biogas power generator

In FY2013, the Maruha Nichiro Corporation Shimonoseki Plant installed a biogas power generator and is effectively utilizing food scraps discharged as food waste by the plant as feedstock for the generator. Being able to use waste as feedstock for the biogas power generator has greatly reduced the amount of waste discharged by the plant. In FY2020, the plant was able to reduce waste output by a total of 267 tons. We will continue working to decrease and reduce the volume of waste we emit.

Maruha Nichiro Corporation's Oh-e Plant began operations of a biogas plant in March 2021. The foodstuff residues and scrap materials generated from the plant are methane fermented using methane bacteria to produce biogas with methane as the main ingredient. The methane gas extracted from the biogas is then used to power a generator, and the electricity and heat generated are utilized for the plant facilities. The introduction of this equipment is projected to reduce CO<sub>2</sub> emissions by approximately 700 tons per year and waste by 1,382 tons per year.



Mechanical building where the biogas power generator is installed



A fermentation tank for fermenting food residue, etc.



Generators that generate electricity using methane gas



### Case Study: Effective Use of Cooking Oil as Biofuel

Up until now, the cooking oil waste generated in the process of product development had been disposed after being solidified by saponification at Maruha Nichiro Corporation's Tokyo Development Center. Since the end of FY2020, we started a program to collect cooking oil waste for effective reuse as a raw material of biofuel. In FY2021, approximately 0.4 tons of cooking oil is expected to be effectively utilized for the year.



Tokyo Development Center's waste oil recovery site

### Case Study: Froth Reuse

The Maruha Nichiro Kitanippon, Inc. Kushiro Plant produces primarily canned salmon, Pacific saury and sardines. During the production of canned Pacific saury and sardines, a suspension with high oil content known as "froth" is produced in large quantities. Previously, we were not able to reuse this, so it was treated as industrial wastes. But in FY2013, we installed a high-efficiency dehydrator in order to reduce the volume of froth and turn it into a resource. This processing made it possible to use the froth as a raw material for fertilizer, which led to a reduction in waste of about 1,061 tons in FY2020.



Kushiro plant



Dehydrator with a greatly improved dehydration rate



Froth after dehydration

### Case Study: Turning Food Scraps into Meal

In 2014, Kingfisher Holdings acquired International Fishmeal and Fish Oil Organization Standard for Responsible Supply certification. The company makes fish meal out of the heads, backbones, skin, and internal organs of raw fish that are left over during production of canned and frozen foods.

Kouyou Suisan Co., Ltd. uses salmon, sardines, Pacific saury and mackerel to produce products such as sashimi, fillets, and salmon roe. The backbones, and internal organs of raw fish used when producing products were originally discarded as waste. But in June 2017, the company began operating a meal plant in order to reduce and reuse waste. We expanded the facilities in FY2020, which led to a reduction of waste products by about 3,200 tons a year.





Meal production line



Backbones, organs, etc. used as raw materials



Product (fish meal)

### Case Study: Promoting Efforts to Reduce Food Loss through Branding Activities

Maruha Nichiro Corporation launched the Brand Enhancement Creation Project in FY2019 and is promoting it as a whole company activity. In the “Friendlier to the Earth Project,” one of the actions we take, we are putting many initiatives into action under the theme of reducing food loss based on the concept of turning things to be thrown away into gifts.

Specifically, we provide employees with food items that are still edible, but would otherwise have been disposed of, to take home. Furthermore, we distributed original of, Cold-strage bags made of fishing nets to make it easier for employees to bring food home. We also map the food loss occurring within the company in promoting visualization. In addition, we invite submissions of recipes that use food scraps and share them on our communication tool.



### Stakeholder Voice



#### Hitomi Ayusawa

Insurance Section, Finance  
Department  
Maruha Nichiro Corporation

I had the desire to increase Maruha Nichiro’s degree of recognition and brand value, so I participated in this year’s “Brand Enhancement Creation Project.” It is because Maruha Nichiro has such a broad-ranging value chain that each generation and each working department has its own vision of Maruha Nichiro. I learned this project that Maruha Nichiro has many different facets, including fisheries and food manufacturing, and that these facets are our strengths and brand value. The issue we addressed this time, the reduction of food loss, is an issue that we are closely tied to as a company involved in food. I feel that food loss can still be reduced by leveraging Maruha Nichiro’s lateral communication. I will start off with what I can do in my immediate surroundings and continue to work on that.

### Initiatives Related to the Problem of Marine Plastics

In FY2019, the Maruha Nichiro Group established a policy to prioritize the execution of the following four activities and began to carry out various activities.

#### 1) Work in tandem with SeaBOS

We cooperate with the GGGI (Global Ghost Gear Initiative)—which SeaBOS participates in through its SeaBOS Task Force —and work to reduce fishing gear such as nets, ropes and buoys as a measure specific to the seafood industry.



2) Manage fishing gear in aquaculture operations

We have created a policy regarding the management of plastic fishing gear and disseminated it among Group companies (in Japan) engaged in fisheries and aquaculture operations.

3) Proactively participate in local cleaning activities

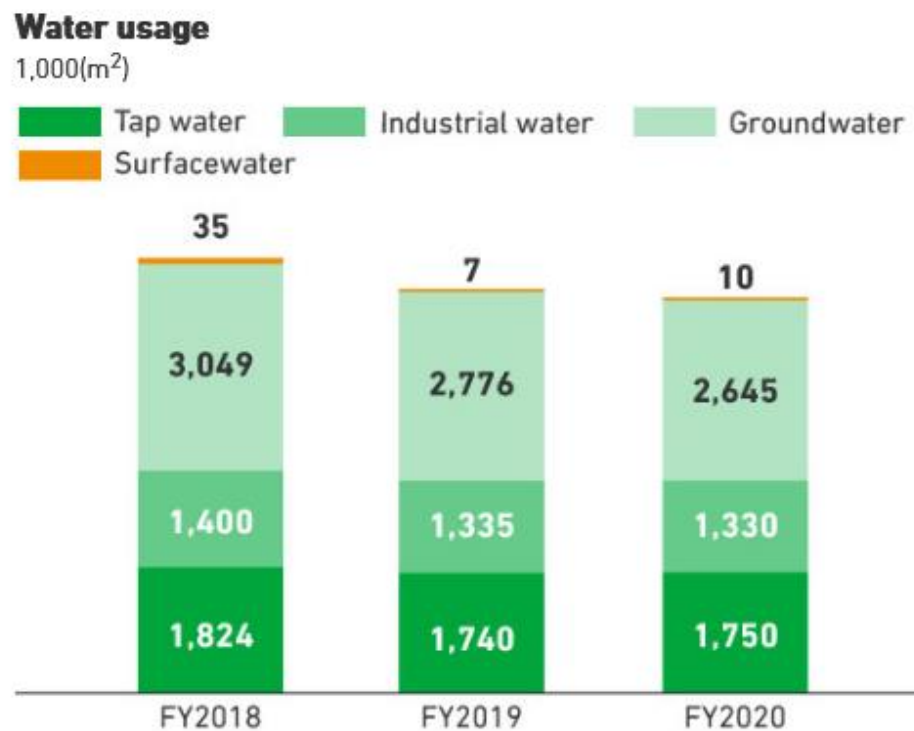
In addition to the cleaning activities hosted and joined in by each Group Company, we also participated in international coastal cleanup campaigns sponsored by the general incorporated association "JEAN."

4) Save resources on product containers and packaging

We will continue to promote downsizing and weight reduction of product packaging, just as we have up until now.

**Activities Related to Water Use and Wastewater Recycling**

In FY2020, the Maruha Nichiro Group (in Japan) reduced water usage by approx. 120,000 m<sup>3</sup> compared to FY2019. We conclude that the various activities for effective utilization of water resources, including conserving water used to clean equipment and recycling water from drains, which were carried out by each plant and office, were very effective.



**Looking Ahead**

Going forward, we will continue to strive to reduce production problems, reduce waste of raw materials and products, and turn waste products into valuable goods, in order to reduce waste and improve recycling rates. In addition, we will also put efforts into reducing food waste through inner branding.

# Marine Resources

## Basic Approach

The Maruha Nichiro Group has a history rooted in the sea and spanning over 140 years. Precious natural resources and the natural life force of the sea have supported our growth.

With the increase in the world's population and the economic development of emerging countries, the demand for fish-eating is expected to increase in the future. In order to meet demands and protect marine resources, we will continue to contribute to the creation of a sustainable global environment and society through our business activities.

## Medium-term Sustainability Management Plan (FY2018–2021)

### Promote Sustainable Use of Marine Resources

<b>Medium-term Goal</b>	<ul style="list-style-type: none"> <li>• Promote acquisition of sustainable fisheries and aquaculture certification</li> <li>• Strengthen efforts to eliminate IUU(illegal, unreported, and unregulated) fishing</li> <li>• Expand egg-to-harvest business</li> <li>• Promote eco-friendly farming technology</li> </ul>
<b>FY2020</b>	<p><b>Action Plan (Key measures)</b></p> <ul style="list-style-type: none"> <li>• Promote the use of marine products obtained through sustainable fishing/aquaculture certificates (MSC/ASC)</li> <li>• Promote the acquisition of sustainable aquaculture certificates</li> <li>• Implement stricter verifications of imported fishery product traceability</li> <li>• Participation in domestic and international dialogues</li> <li>• Increase production of egg-to-harvest bluefin tuna</li> <li>• Strengthen R&amp;D systems for aquafarming technologies</li> </ul> <p>-----</p> <p><b>Achievements</b></p> <ul style="list-style-type: none"> <li>• MSC, ASC and other eco-labeled products decreased by 2,133 tons (down 387 tons from FY2020) and 19 tons (down 131 tons from FY2020), respectively</li> <li>• Increased sales of MSC certified fish species such as Atlantic herring, Pacific ocean perch, and Saithe</li> <li>• Promoted activities of the task force (no IUU fishing, no forced labor, etc.) in the Keystone Dialogues (SeaBOS)</li> <li>• Shipped 20,900 egg-to-harvest bluefin tuna</li> <li>• Yellowtail and greater amber-jack eggs are collected and incubated at the Aquaculture Technology Development Center, and then shipped out to sea</li> </ul>
<b>FY2021</b>	<p><b>Action Plan (Key measures)</b></p> <ul style="list-style-type: none"> <li>• Expand sales of products with eco-labels such as MSC/ASC and continue product development</li> <li>• Promote the activities of the task force within SeaBOS</li> <li>• Plans to limit egg-to-harvest bluefin tuna production, taking into account deteriorating business profitability and the production volume required for technological transfer and innovation for the future (11,000 fish planned)</li> <li>• Carry out egg-to-harvest and seedling production of greater amberjack</li> </ul>
<b>Targets</b>	Maruha Nichiro Group (Japan)
<b>Department in charge</b>	Corporate Planning Department, Maruha Nichiro Corporation

## Main Initiatives in FY2020

### Conducting Survey of Marine Resources

In order to implement sustainable procurement as a “sustainable corporate group,” the Maruha Nichiro Group conducted a survey on the products and raw materials of Maruha Nichiro Group companies to ascertain the current volume of seafood products handled and to evaluate the state of natural seafood resources between July and September in 2020.

Through this survey, we are aware that the strengths and challenges of the marine resources handled by the Maruha Nichiro Group have been clarified.

The Maruha Nichiro Group will examine ways to maintain or expand our strengths in the marine resources handled by the Group and strive to resolve the issues that have become apparent.

#### Stakeholder Voice



**Mr. Jim Cannon**

Sustainable Fisheries Partnership  
Foundation  
CEO



Sustainable Fisheries Partnership works with the seafood industry toward a world where all seafood is produced sustainably and protects marine biodiversity. We commend Maruha for the extensive work you have done to map the sources of your seafood products. With sourcing from hundreds of fisheries globally, this was no easy task but necessary to be able to assess the environmental sustainability of fish stocks using SFP’s Fish Source database.

You have created a process to collect and monitor this sourcing information that will enable Maruha to maintain and improve the sustainability of its seafood products into the future. SFP also applauds Maruha’s transparent disclosure of the summary of this assessment and encourages you to use your leverage to improve fisheries identified as not yet sustainable.

As one of the world’s largest seafood companies, you (can) could have tremendous impact and drive important change in fisheries management and practices across the world. SFP recommends that Maruha join with existing fishery improvement efforts such as Supply Chain Roundtables and other pre-competitive collaborations – as it has done with SeaBOS – to ensure the long-term environmental sustainability of fisheries and the health of the ocean, and aligned the UN Sustainable Development Goal 14, life under water.

\*1 Sustainable Fisheries Partnership (SFP): Founded in 2006, it is a marine conservation organization working toward a world where the oceans are healthy and abundant, all seafood is produced sustainably, and everyone has access to sustainable seafood. It leverages the power of seafood buyers and retailers in every part of the seafood supply chain to rebuild depleted fish stocks, reduce the environmental impacts of fishing and aquaculture, and address social issues and advance economic opportunities for fishers and their communities. The SFP Supply Chain Roundtable provides a forum to allow seafood suppliers to work together in a pre-competitive environment to promote and support improvements in fishery and aquaculture practices, management, and policy.

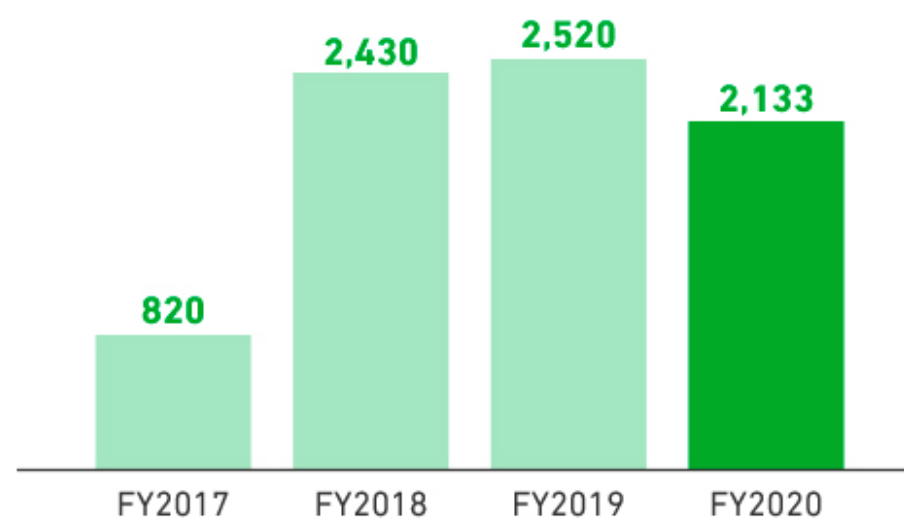


## Use of Seafood Products Obtained through Sustainable Fishery/Aquaculture Certificates (MSC/ASC)

The Maruha Nichiro Group actively promotes the handling of MSC/ASC-certified seafood products. As of April 2021, Maruha Nichiro Corporation has handled 2,133 tons of frozen foods for household use bearing the MSC label in FY2020, which was less than the 2,520 tons in FY2019. The amount of foods bearing the ASC label handled in 2020 (period between January 1 and December 31) was approx. 19 tons, which largely decreased from approx. 150 tons in 2018. One of the main reasons was the drastic downturn in demand for prepared foods used in lunch bento boxes due to the COVID-19 pandemic. However, with the decreasing risks of infection, demand is expected to recover with the amount of handling quantities set to increase.

### Trend in Volume of Frozen Foods for Household Use Bearing the MSC Label

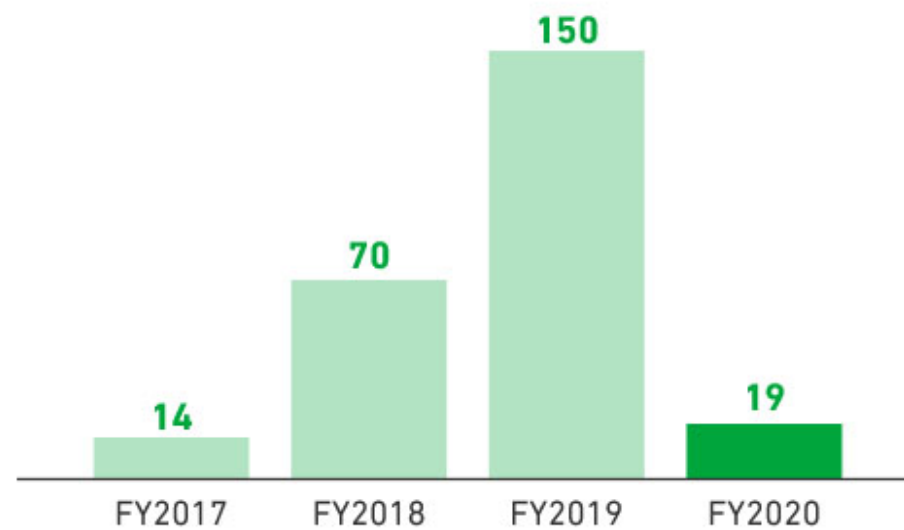
(t)



\*Scope of survey is Maruha Nichiro Corporation

### Trend in Volume of Processed Foods for Household Use Bearing the ASC Label

(t)



\*Scope of survey is Maruha Nichiro Corporation

## Full-scale Shipment of the World's First ASC Certified Greater Amberjack by Amami Yougyo Inc.

Amami Yougyo Inc. obtained ASC certification for its greater amberjack farm in July 2019, making it the first fish farm in the world to do so. It began full-scale shipment in May 2020, and shipped out approx. 21 tons of ASC certified products in FY2020. We deliver our products to our customers through a coherent value chain that entails unloading a catch, live transport, fillet processing in a specified plant contracted by Maruha Nichiro, and sale through mass retailers.

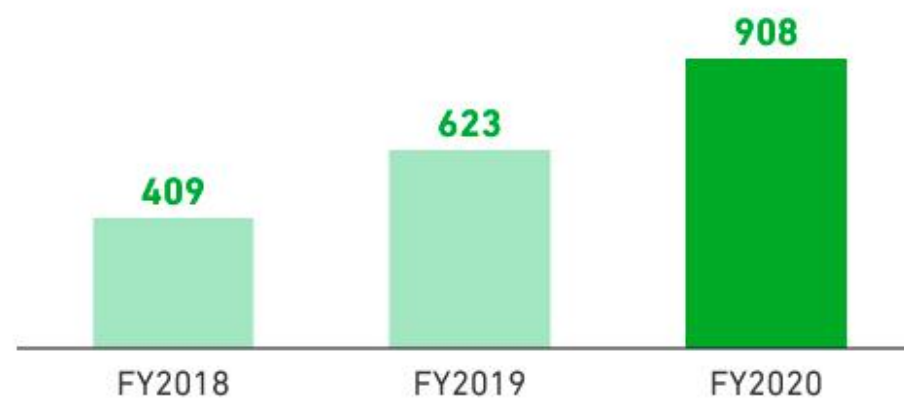


Greater amberjack farming

## Increase Production of Egg-to-harvest Bluefin Tuna

Maruha Nichiro is a pioneer of egg-to-harvest bluefin tuna production. One of Maruha Nichiro's Group companies, Aquafarm Co., Ltd., officially began shipping from its aquaculture farm specializing in farmed bluefin tuna in FY2019, and shipped 908 tons in FY2020. In order to strive for further production efficiency, we will temporarily reduce our annual shipping amount to approximately 500 tons, and further focus on the development of production technology.

**Amount of Egg-to-harvest Bluefin Tuna Shipped**  
(t)



\*Scope of survey is group companies in Japan

## Efforts Put in the Development of Egg-to-harvest Technology Development

We work with the National Research and Development Agency's Fisheries Research and Education Agency (located in the city of Yokohama, Kanagawa Prefecture, hereinafter, "FRA") to develop basic and applied technologies for breeding improvement of egg-to-harvest bluefin tuna.



National Research and Development Agency's Fisheries Research and Education Agency (Headquarters)





Japan's only onshore tank for parent bluefin tuna at FRA onshore tank (Photo courtesy of FRA)



The only hatched larvae of bluefin tuna in Japan at FRA (Photo courtesy of FRA)

As for yellowtail, we began shipping artificially hatched yellowtail in FY2020, and plan to start selling egg-to-harvest yellowtail in FY2022. In the future, we will continue to focus on the development of egg-to-harvest technology in contributing to the sustainable use of marine resources.

### Feed Development to Reduce the Use of Fish Meal in Fish Feed

Maruha Nichiro's Central Research Institute is undertaking efforts, including developing feed to reduce the use of fish meal in fish feed, as part of its initiatives to preserve marine resources. To make effective use of plant proteins such as soybeans, we are conducting research on fermentation processing of raw materials and the use of intestinal bacteria in cultured fish. We are carrying out fish feed testing with the test feed manufactured using the extruder granulator at the Central Research Institute.



Test feed



Test tank

### Sakurajima Yougyo Introduces Fish Counting Machine with AI Tracking

We have worked with an outside contractor to develop an automatic counting system for the number of cultured fish that incorporates AI-based image processing technology. This machine began operation at Sakurajima Yougyo Co., Ltd., a Group company that cultivates yellowtail and greater amberjack, in April 2020. Currently, there are six machines at Sakurajima Yougyo Co., Ltd. and two at Aquafarm Co., Ltd., with the plan to further expand going forward. (As of June 2021)

By automating the counting of farmed fish on board offshore vessels, which used to be done manually, we have reduced the labor of employees who previously spent an entire day at sea counting visually, and improved efficiency by reducing human error. Not only is it employee-friendly and effective at improving efficiency, but it is expected to reduce the risk of marine pollution by allowing the amount of feed to be properly calibrated. Going forward, we plan to expand this technology to smaller juvenile fish and other fish species outside of yellowtail and greater amberjack.





From conventional counting work to automation

## Attending the Review Meeting on Optimization System for Seafood Trade as a Committee Member

As world demand for seafood products increases, it is said that in order to make the Japanese fishing industry a growth industry, it is necessary to establish a distribution framework for exports that is competitive in terms of both quality and cost.

Therefore, in order for Japan, as a major importer of marine products, to fulfill its international responsibilities in terms of thorough resource management, eradication of illegal, unreported, and unregulated (IUU) fishing, and promotion of exports, a legal system for catch certification, which is the starting point for traceability introduced in Europe, the United States, and other countries, is being developed.

In order to establish a more effective system, the Review Meeting on Optimization System for Seafood Trade was launched in September 2019, with the Fisheries Agency's Fisheries Administration Department's Processing and Distribution Division as the secretariat. After considering preventive measures on the distribution of illegally acquired marine animals and plants, an act concerning regular results of domestic distribution of specific marine animals and plants was enacted and issued in December 2020. The same Act entrusts the specifics of the system, including specification criteria for first- and second-class specific marine animals and plants, as well as fish types included, to ministerial ordinances. Since it is essential to promptly discuss the details, the Review Meeting on Optimization System for Seafood Trade came into existence in order to discuss the contents of the system from both viewpoints of risk base and feasibility of implementation.

Maruha Nichiro Corporation has been attending this "Review Meeting on Optimization System for Seafood Trade" as a member since the first meeting held on May 17, 2021, following the "Investigative Commission on Catch Certification Systems" held from September 2019 to June 2020.

While we will continue to attend and be involved in this meeting, following enforcement of this legal framework, we will properly implement this system and forge ahead more powerfully with the construction of a sustainable seafood products distribution system for the entire Maruha Nichiro Group supply chain.

## Initiatives at Overseas Group Companies

### Southeast Asian Packaging and Canning, Ltd. (Thailand)

Southeast Asian Packaging and Canning, Ltd. (hereinafter "SEAPAC") participates in the fishing vessels monitoring program for longtail tuna fishing boats within Thai waters together with Thailand's Department of Fisheries and Ocean Mind, a non-government organization, since 2017 to prove its catch of raw materials procured is not a result of illegal, unreported and unregulated fishing. In 2020, a total of 23 fishing vessels were monitored.

The implementation of this program proves that the operation of SEAPAC in procuring raw materials by fishing vessels is in compliance with laws and regulations as well as contributes to the improvement of the monitoring program itself. More information is published on the website noted below. Please refer to it for details.

<https://www.kingfisher.co.th/Updates.php>

### **Austral Fisheries PTY Ltd. (Australia)**

Our Group company, Austral Fisheries PTY Ltd. has been certified by MSC as a sustainably managed fishery for all four of the primary fisheries in Australia where it conducts its business activities. See the Austral Fisheries PTY Ltd. website for details.

<https://www.australfisheries.com.au/sustainability>

### **Seafood Connection Holding B.V.**

Seafood Connection Holding B.V., our Group company in the Netherlands, actively promotes the handling of MSC/ASC-certified seafood products. In FY2019, the company began handling Naturland Certified\* Nile perch fillets.

\*Naturland (German organic agriculture association): Jointly established in 1982 by organic farmers and consumers in southern Germany as an organic agriculture organization. Naturland farmers and processors conform to Naturland standards and produce the highest quality food products from apples, to cabbage, turkey, salmon, olive oil, coffee, milk and more. All food products produced in accordance with Naturland standards protect the environment and ensure safe employment. Today, there are more than 43,000 Naturland farms around the world practicing cultivation in accordance with Naturland standards.

<https://seafoodconnection.nl/media/certificates/naturland.pdf>

## **Looking Ahead**

We will expand our activities to implement sustainable seafood procurement within the Group, with the above activity examples as our main focus.

## External Assessments

### Outstanding Health and Productivity Management Organization (White 500)

For four straight years since 2018, the Certified Health and Productivity Management Organization Outstanding Recognition Program run by the Ministry of Economy, Trade and Industry has recognized Maruha Nichiro Corporation as an Outstanding Health and Productivity Management Organization (Large Enterprise Category) (White 500) for practicing especially excellent health management.



### Kurumin Certification Recognizing Corporate Support for Employees Raising Children

At Maruha Nichiro Corporation, to help all employees involved in child-rearing achieve a positive balance between work and childcare, we have expanded the period of childcare leave and introduced short-term childcare leave.

We received our third Kurumin certification from the Minister of Health, Labour and Welfare in FY2020 in recognition of the rate of taking childcare leave by both female and male employees (including short-term leave).

Going forward, we will undertake a variety of initiatives, not only on taking childcare leave, but also on supporting the balance of work and childcare in accordance to the child's growth, encouraging further participation in childcare by not only female but also male employees, as well as promoting understanding among supervisors.



### Eruboshi Certification Recognizing Promotion of Women in the Workplace

The Minister of Health, Labor and Welfare recognized Maruha Nichiro's efforts to promote women in the workplace with a "Second-level Eruboshi" certification in November 2017. The Eruboshi program was created under the Act on Promotion of Women's Participation and Advancement in the Workplace.





## MSCI Japan Empowering Women Index (WIN)

The MSCI Japan Empowering Women Index (WIN) is an ESG index containing excellent Japanese companies empowering women in the workplace. The companies are selected by American finance company MSCI from the MSCI Japan IMI Top 700 Index. Maruha Nichiro Corporation has been selected as a constituent of the index for two straight years since 2019.

MSCI Japan Empowering Women Index (WIN) Disclaimer:

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2021 CONSTITUENT MSCI JAPAN  
EMPOWERING WOMEN INDEX (WIN)

## Obtained Highest DBJ Health Management Rating

The Development Bank of Japan (DBJ) recognized Maruha Nichiro Corporation's "exceptional efforts to support the health of employees" and granted the company a loan based on its health management assessment rating in October 2021. The DBJ Employee Health Management Rated Loan Program is the world's first loan menu that grants special lending conditions for companies assessed to have superlative management of employee health and welfare. For the second consecutive year, the DBJ commended the company's disclosure of its Health Management Declaration, the transparency of its organizational structure, and the use of DHA to support and promote the health of its employees.



## Inclusion in SOMPO Sustainability Index

Sompo Asset Management Co., Ltd. selected Maruha Nichiro Corporation as a constituent of the SOMPO Sustainability Index in June 2021. Sompo Asset Management Co., Ltd. uses the index to serve pension funds and institutional investors seeking to invest in a wide range of companies with high environmental, social, and governance (ESG) assessments. This asset management product for long-term investors seeking to build their asset portfolios evaluates companies for long-term corporate value by identifying hidden risks and management quality not evident in financial statements.



## Selected as Partner Company in the Bay Renaissance Project

As a public-private partnership initiative, the Ministry of Land, Infrastructure, Transport and Tourism selected Maruha Nichiro Corporation to be a partner company in the ministry's "Tokyo Bay UMI Project" to improve the bay environment in March 2016. As part of this project, Maruha Nichiro conducts annual eelgrass bed regeneration activities to restore Tokyo Bay as a rich marine ecosystem, by increasing the number of eelgrass, which helps purify water and reduce CO<sub>2</sub> emissions.



# Disclosure Policy

## Report Profile

### Basic Approach

The Sustainability Report (online version) reports on targets for FY2021 and on major efforts, accomplishments, and changes in FY2020, with a focus on main objectives and with the Medium-term Sustainability Plan (FY2018 to FY2021) that started in April 2018 serving as a framework for management. We actively disclose quantitative data, and we will work to strengthen management and further expand information disclosure in the future.

This report provides a wide array of stakeholders with clear information on the Maruha Nichiro Group's sustainability efforts. To ensure the accuracy, transparency, and comprehensiveness of this information, the disclosures herein conform with the Core option requirements of the GRI Sustainability Reporting Standards ("GRI Standards" below). These standards provide a common global set of guidelines on disclosing information on sustainability.

\*GRI Sustainability Reporting Standards: Guidelines published by the non-profit organization Global Reporting Initiative (GRI) that provide global standards for sustainability reporting.

\*For the main objectives and GRI requirements, see the [GRI Content Index](#).

The Group also publishes the Integrated Report, available as a printed booklet and in PDF format. This report contains both financial and non-financial information. In writing reports, we have referenced resources from the International Integrated Reporting Council (IIRC) to disclose information for investors and anyone else with an interest in the Group. For more on how we organize the information in the media the Group publishes, see the map below.



## Reference Guidelines and Indicators

- GRI Sustainability Reporting Standards
- ISO26000 Guidance on Social Responsibility
- Ten Principles of the UN Global Compact
- Sustainable Development Goals (SDGs).
- Ministry of Economy, Trade and Industry Guidance for Value Creation

## Reporting Period

FY2020 (April 2020 – March 2021)

\*Some information from April 2021 or later also included.

## Organizations Covered by Reporting

77 companies subject to consolidation in the Maruha Nichiro Group

\*Some organizations may not fall within the scope of reporting, depending on the matters being reported. Reporting of limited scope is denoted as such.

## Disclaimer

Neither this reporting media nor any of its contents whatsoever were produced for the purpose of encouraging investment. We ask that investors take personal responsibility for their investment decisions. Other than information providing facts on the past or present, the contents of this report contain plans, forward-looking forecasts, strategies, and other such information that was available at the time of the report's writing. Therefore, the contents come with an element of risk and uncertainty with regard to such matters as economic conditions, market trends, changes to laws and other systems, etc. Accordingly, due to these various factors, the reader should understand that any performance or other information announced in the future may vary.