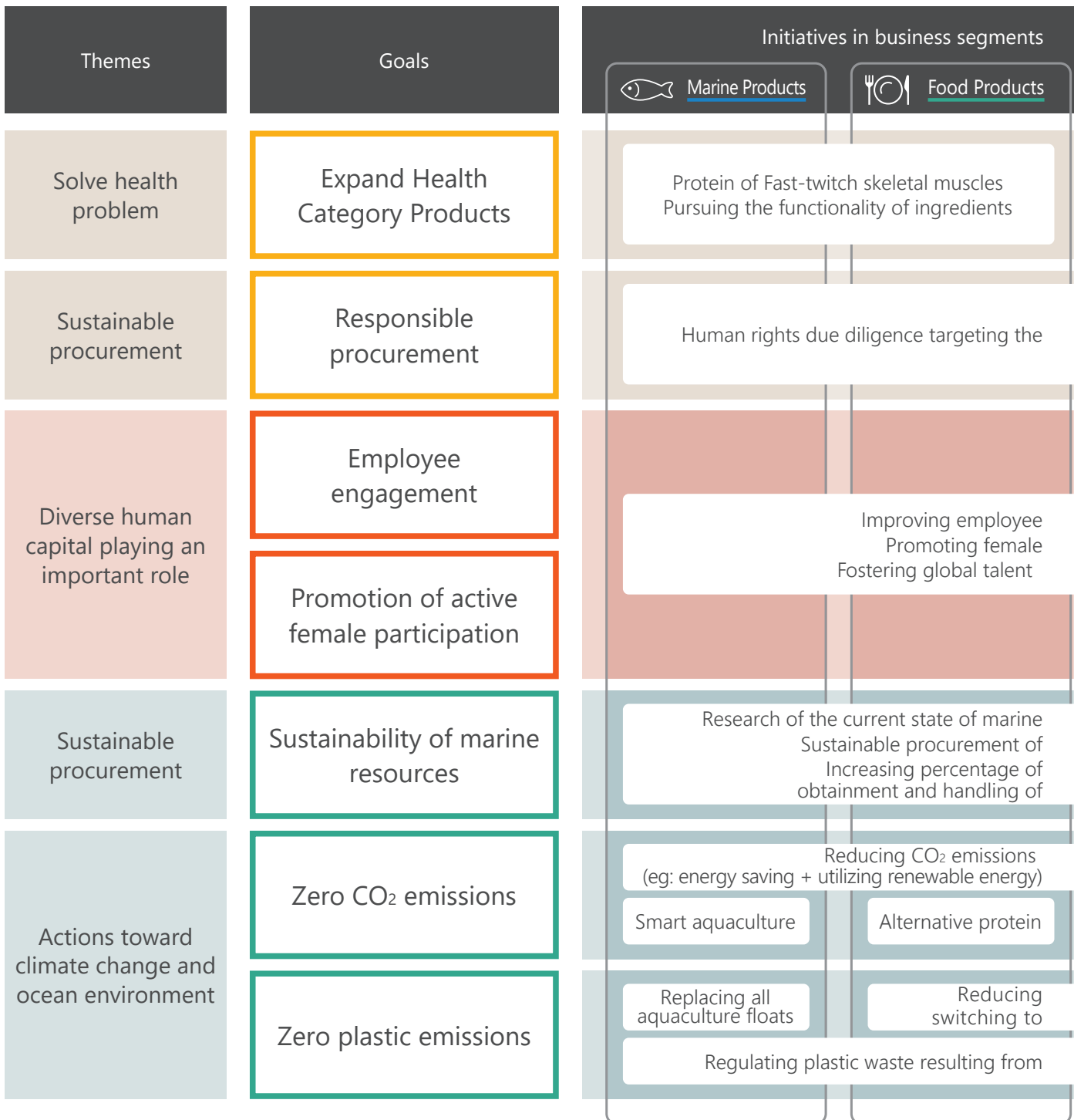


Mid-to-long-term Sustainability Goals

In our long-term vision, we aim to create four types of value, namely social value, value in human capital, environmental value, and financial value, and position sustainability management as a core pillar of our efforts to achieve this vision. Viewing sustainability issues from the dual angles of risk and opportunity, we will strengthen our non-financial capital by engaging in the creation of social value, value in human capital, and environmental value, and connect them to the creation of financial value.



	KPIs		Outcome	
	FY2024	FY2030		
<p>Fine Chemicals</p> <p>Expanding the pharmaceutical ingredient business EC sales of Health Category Products</p>	Sales of Health Category Products (Compared to FY2021)	Expanded by 130%	Expanded by 300%	Social Value
entire value chain	Assessments of Tier-1 suppliers	Nissui only 100%	Group companies 100%	
engagement participation	Employee engagement score [※] (Compared to FY2021)	Improved by 10%	Improved by 20%	Value in Human Capital
	Ratio of female manager [※]	10%	20%	
products we handle marine products certification certified materials	Procurement of sustainable marine resources	80%	100%	Environmental Value
and Fluorocarbon-free Usage of fish oil byproducts as fuel	CO ₂ emissions (Scope 1,2) (Compared to FY2018) (Unit : Absolute quantity)	Reduced by 10%	Reduced by 30%	
plastic packages or biomass plastic business activities	Usage of plastics [※] (Compared to FY2015) (Unit : Per Unit)	Reduced by 10%	Reduced by 30%	

※ Figures are for Nissui only

Social Value

Solving Health Issues

Health and Nutrition Initiatives
 ▶ <https://nissui.disclosure.site/en/themes/218>

<p>Why</p> <p>World average healthy life expectancy (2019) 63.7 years old*</p> <p><small>* Source: WHO "World health statistics 2021"</small></p>	<p>What</p> <ul style="list-style-type: none"> Expanding Health Category Products Expanding pharmaceutical raw materials business Pursuing the nutrient function of fish and ingredients (R&D) Developing post EPA products 	<p>Target by 2030</p> <p>Sales of designated Health Category Products:</p> <p style="font-size: 2em; font-weight: bold; text-align: right;">300%</p>
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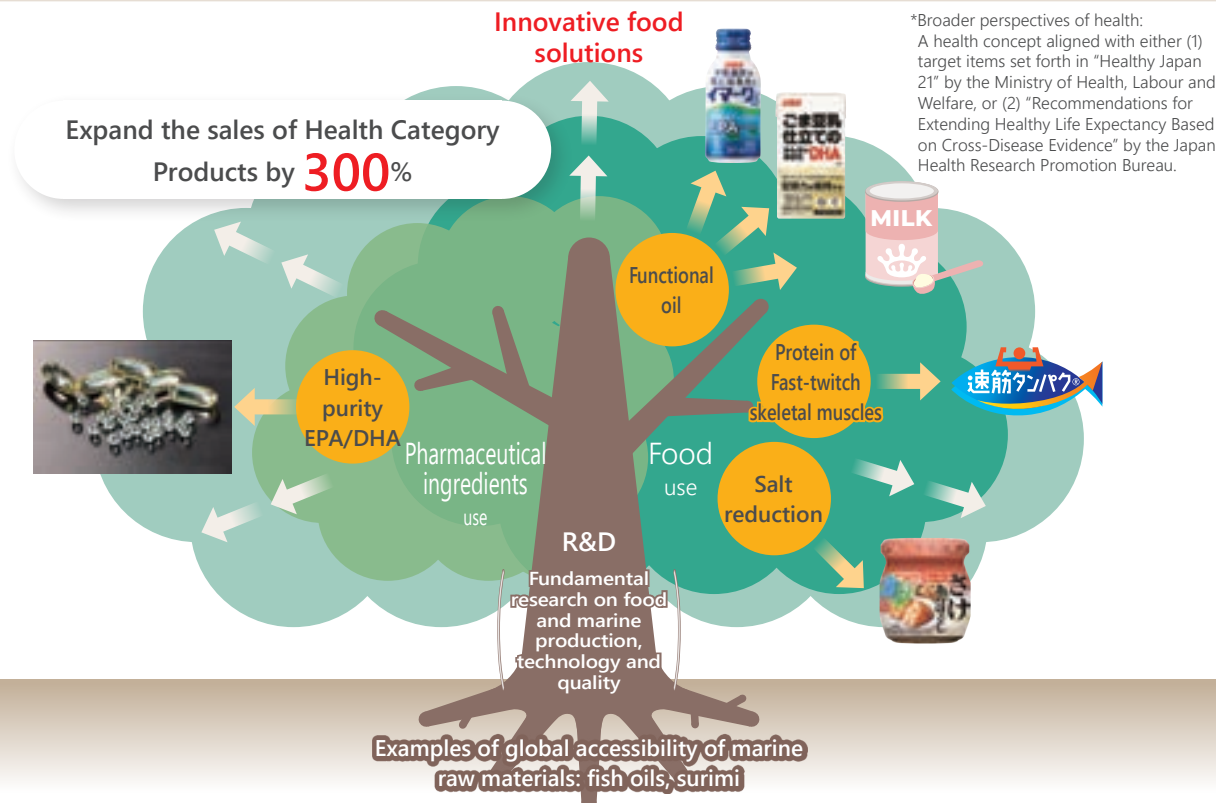
As Japan and other developed countries face an ongoing aging-society, the question of how to reduce the gap between "average life expectancy" and "healthy life expectancy," the period when people can live in good health, is a shared challenge. Developing countries, on the other hand, are still suffering from nutritional deficiencies. Nissui is committed to contributing to the world health challenges through our research and product development of health ingredients using marine resources gifted from the ocean.

Expanding Health Category Products

Nissui intends to continue development and 300% its sales of designated Health Category Products by 2030, building on the strengths it has accumulated since its establishment, such as access to marine raw materials and R&D.

○ Health Category Products (definition)

Products that fall under the category of "Broader perspectives of health*" defined by the Nissui Group, and support customers' healthy lifestyle through innovative food solutions verified by either the national government, academic societies, or Nissui. (Examples: EPA/DHA, Protein of Fast-twitch skeletal muscles, salt reduction)



EPA
 ▶ <https://www.nissui.co.jp/english/corporate/rd/research/health/epa.html>

Alaska Pollock's Protein of Fast-twitch skeletal muscles
 ▶ <https://www.nissui.co.jp/english/corporate/rd/research/health/protein.html>
 Salt reduction
 ▶ <https://www.nissui.co.jp/english/corporate/rd/research/food/mikaku.html>

Sustainable Procurement

Sustainable Procurement

▶ <https://nissui.disclosure.site/en/themes/107>

Why

Respect for human rights in the supply chain

Risk management in raw materials procurement

What

- Human rights due diligence
- Assessment of suppliers
- Suppliers awareness raising
- Internal education

Target by 2030

Assessment of Key Tier-1 suppliers

100%

The Nissui Group procures agricultural, livestock, and fisheries products from around the world, and we are aware that all of our business activities are only possible on the principle of respect for human rights. We recognize that sustainable procurement is also important from a risk management perspective, and therefore in 2016 we established the Nissui Group Basic Procurement Policy and the Nissui Group Supplier Guideline. Although the supply chain of marine products is particularly complicated, we will continue to implement due diligence initiatives for human rights as a company that delivers food to customers around the world, and cooperate with our suppliers to reduce human rights risks promptly.

Respect Human Rights in Our Supply Chain

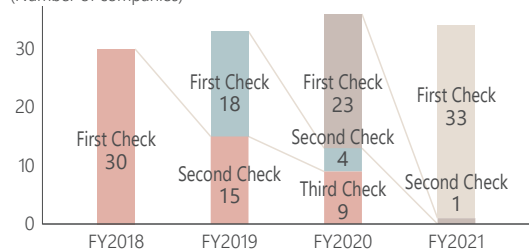
▶ Supplier Self-checks and Hearings

Based on procurement items, country of origin, transaction amount, transaction volume, and business dependency, we selected primary suppliers that we prioritize for verification and have conducted self-checks for 104 companies (total 133 companies) from FY2018 to date. We hold briefings in advance for those participating suppliers and ask for their understanding for our company policy toward sustainable procurement. We evaluate self-check results focusing on their respect for human rights and the environment, and provide feedback. In addition, for those companies that did not meet our standards required for the human rights and environment sections, we conducted interviews either in person or online to learn their intentions and understand their actual situation, and provided advice (for 17 companies, total 22 times since FY2018).



Self-check Rollout Status

(Number of companies)



▶ Revision of Supplier Guideline and Training for Purchasing Employees

The Supplier Guideline was revised in June 2022. To encourage our suppliers to take specific concrete actions, the guidelines focus on human rights and make our expectations clear. We also had briefings for employees who have contact with suppliers before the guidelines were sent out to primary suppliers. We explained the social issues related to human rights, the requests from stakeholders, the need of the guidelines, and the revised points. Total of 220 employees participated.

▶ Assessment of Tier-1 suppliers

For Nissui's 508 Tier-1 suppliers, we plan to have the purchasing employees distribute and explain the Supplier Guideline, collect signatures on the letter of agreement, and conduct self-checks. In the future, we will roll out the system to the Group's remaining suppliers to reduce human rights risks in our global supply chain.

Social Value

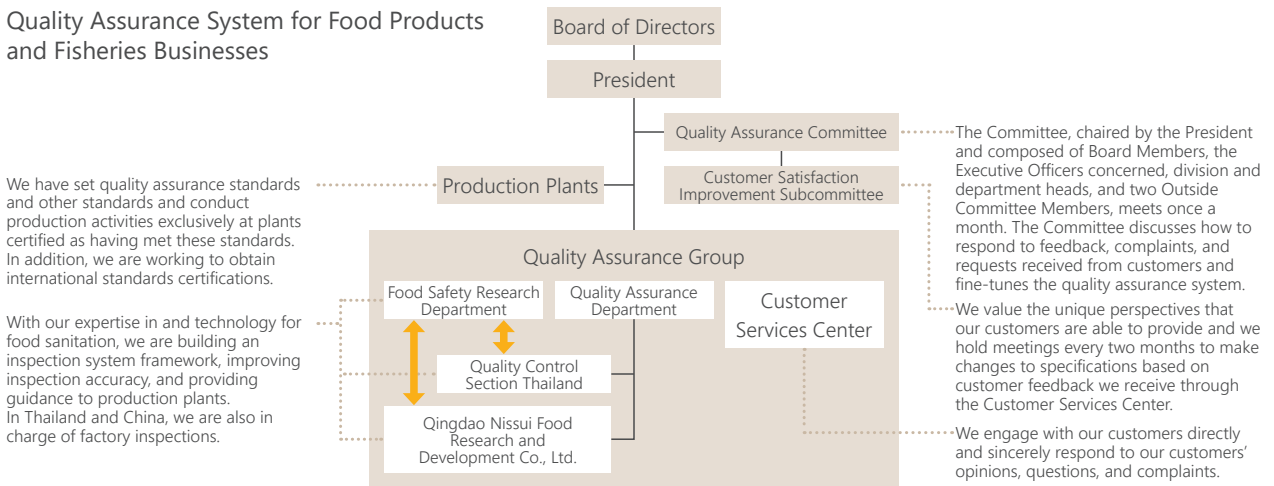
Quality Assurance

- Approach to and Systems to Ensure Safety and Security
 - ▶ <https://nissui.disclosure.site/en/themes/97>
- Initiatives to Ensure Safety and Security
 - ▶ <https://nissui.disclosure.site/en/themes/98>

Approach to and Systems to Ensure Safety and Security

Since its founding, Nissui has remained constant in our commitment to “food safety and security.” We have systems in place to assure quality at a global standard in all of our food, marine, and fine chemical businesses, and we believe that by continuously providing safe products, we will become a company trusted by customers around the world.

Quality Assurance System for Food Products and Fisheries Businesses



International Standards Certification for Food Safety Management Systems

For higher quality assurance, 30 business sites in Nissui have acquired GFSI* certifications, such as FSSC22000, BRC, and IFS. Going forward, we will continue to actively promote acquiring certifications for food safety management systems.

Status of GFSI Certifications

Business	Number of certified business sites				
	FSSC 22000	BRC	IFS	BAP	Total
Food Products	8	7	5	—	20
Marine Products	4	3	—	1	8
Fine Chemicals	2	—	—	—	2
Total	14	10	5	1	30

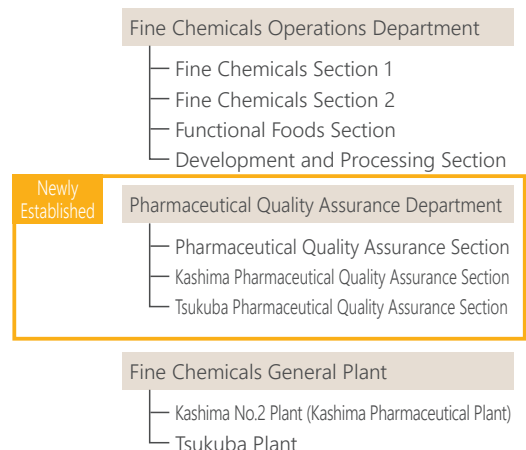
As of June 2022

*GFSI (Global Food Safety Initiative): a private consortium of global food companies collaborating and working together to improve food safety and strengthen consumer confidence in food products through initiatives such as certification of food safety management standards

Pharmaceutical Quality Assurance Department Established at the Fine Chemicals Business Group

In March 2022, the Pharmaceutical Quality Assurance Department was established at the Fine Chemicals Business Group as a quality assurance department with the same authority as the production department. The Pharmaceutical Quality Assurance Section was established at the Head Office, and the Quality Assurance Sections, which are responsible for quality control and quality assurance, were set up at the Kashima No.2 Plant (Kashima Pharmaceutical Plant) and the Tsukuba Plant. The establishment and functioning of this system will strengthen our quality assurance capabilities in the pharmaceutical field. We also conduct management reviews regularly to observe Good Manufacturing Practice (GMP), a requirement for pharmaceutical production.

New Organizational Structure of Fine Chemicals Business Group



Introduction of Quality Control System at Fine Chemicals Pharmaceutical Plant

Kashima No.2 Plant (Kashima Pharmaceutical Plant) and Tsukuba Plant introduced the Laboratory Information Management System (LIMS) as a quality control system in compliance with GMP. This system, which keeps a record of all information and all aspects of workflow, prevents human error, data falsification, and fraud, and enables the company to meet international standards that require the completeness and accuracy of electronic records. It is also expected to improve work efficiency by shifting to a paperless process and reducing the need for double-checking.

FY	Initiatives
2021	U.S. Food and Drug Administration (FDA) review passed and shipments of pharmaceutical raw materials to the U.S. began.
2022	Established Pharmaceutical Quality Assurance Department and introduced LIMS
2023	European Medicines Agency (EMA) certification expected
2024	Kashima No.2 Plant (Kashima Pharmaceutical Plant) liquid combustion equipment* scheduled to be completed

*Liquid combustion equipment:
Equipment that combusts and decomposes a wide variety of waste liquids and inhibits the generation of dioxins and other substances.

Labor Safety

|| Labor Safety
▶ <https://nissui.disclosure.site/en/themes/182>

Production Implementation of Risk Assessment in Businesses (New/Existing)

Members of the Occupational Safety and Health Subcommittee under the Risk Management Committee support the Nissui Group companies in Japan in their initiatives. This includes participation in safety patrols and Safety and Health Committee meetings, and safety education on risk assessment methods and concepts.

Strictly observing laws and regulations, Nissui and our Japan/outside Japan group production plants work together to regularly conduct risk assessments on tools, machinery, equipment, and work methods when handling chemical substances or receiving machinery. Clarifying the potential risks by defining in words the process that may lead to a disaster, we evaluate and study the resulting risk level based on the criticality and urgency of the injury. This allows us to develop effective measures to prevent disasters.

Fisheries Ensuring a Safe Fisheries Work Environment

Sealord Group Ltd., a New Zealand-based fishing company, has ensured good working environment aboard its fishing vessels, as well as supports and welcomes Ministry for Primary Industry placed observers on board their vessels to independently verify standards are met and maintained. Moreover, fishing vessels operated by Australian Longline Pty Ltd. are certified under the Responsible Fishing Vessel Standard (RFVS), and the At Processors Association (APA), with which Glacier Fish Company, LLC in North America is affiliated, is certified under the Fish Standard For Crew certification. These recognitions show that our operation maintains high standards of vessel management and safety systems for our crews on board fishing vessels. (All three companies are accounted for using equity method)



The vessel Antarctic Aurora
Australian Longline Pty Ltd.

General Distribution Ensuring Labor Safety at Logistics Sites

Nissui Logistics Corporation, which is responsible for the Group's logistics functions, conducts safety training using VR and sensors to help employees learn points for safe forklift operation and further develop their ability to foresee the danger that arises when rules are not followed, thereby preventing industrial accidents.

Value in Human Capital

Employee Engagement

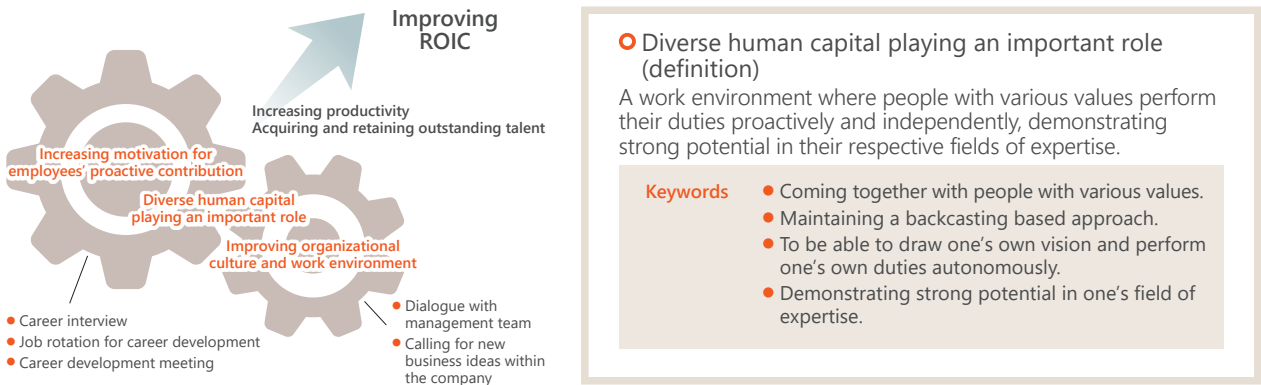
<p>Why To provide opportunities for our employees to demonstrate their fullest potential for higher productivity and innovation</p> <p>Acquiring and Retaining Outstanding Talent</p>	<p>What</p> <ul style="list-style-type: none"> • Raising employees' awareness of our mission • Flexible work styles • Career development 	<p>Target by 2030</p> <p>Employee engagement score*: Improved by 20%</p>
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We believe that the most important factor in increasing corporate value is "human capital." Our continued sustainable growth depends on our employees' engagement. We support our employees to be able to fully demonstrate their potential, feeling a sense of reward and job satisfaction toward the success of our mission through proactive work. We will continue to reform our organization and culture to increase productivity across the company, and thus improve ROIC.

*Employee engagement score: The score represents the "trust and contribution" between the company and its employees based on a survey which measures employees' commitment, contribution motivation, and loyalty, mainly covering the corporate philosophy, scope of business, and organizational culture. This is to check whether individual growth and organizational growth are attained simultaneously.

Engagement for Individual Growth and Organizational Growth

Our employee engagement survey was first conducted in FY2021 to measure our status in the practice of "diverse human capital playing an important role," one of the themes of our vision toward 2030. Based on the survey results, we will implement necessary measures to raise employees' motivation for proactive contribution to the Company and to improve the organizational culture and workplace atmosphere.



▶ Dialogue with Management Team

Starting in FY2022, we hold "One Table Meetings" where the President engages in dialogue with employees in Nissui and its Group companies in Japan. Through dialogue, we work to clearly convey our intention for rebranding and transformation, promoting our mission and long-term vision, and deepening employees' understanding of our mid-term business plan.



▶ Career Development Support

Recognizing that organizational growth relies on self-direction and action by each and every employee, Nissui has been implementing various personnel policies based on our "Independence and Autonomy" policy. We promote our employees' career development through the "career interview system," in which employees review their career objectives through interviews with their supervisors and discuss what they can do and what they will do in the future to meet their career goals. In FY2022, we also started a "job rotation for career development" in which employees are transferred proactively to improve their job skills during their first ten years with the Company, as well as "career development meetings" conducted in each department.

Diversity & Inclusion

Diversity
▶ <https://nissui.disclosure.site/en/themes/148>

Why

To accelerate global expansion and to respond to more diverse and more complex risks and opportunities

Ratio of female managers in FY2021:
6.1%

What

- Reform of organizational culture
- Selective transfers and appointments for career development as a part of succession planning
- D&I training

Target by 2030

Ratio of female managers:

20%

Strengthening diversity and inclusion (D&I) initiatives is a key management issue to respond to changes in the external environment and accelerate global expansion. We seek to foster a robust organizational culture in which diverse human capital can explore the unknown by promoting D&I.

Nissui Selected as a Semi-Nadeshiko Brand for the First Time

In March 2022, Nissui was selected for the first time as a Semi-Nadeshiko Brand, which is second only to the Nadeshiko Brand in the Nadeshiko Brand initiative, in which the Ministry of Economy, Trade and Industry (METI) and the Tokyo Stock Exchange (TSE) jointly select TSE-listed enterprises that are outstanding in terms of encouraging women's success in the workplace. Going forward, we will continue initiatives to promote the success of female employees and to become a better company through human resource development and work-style reforms which create a corporate culture that leverages such human capital, regardless of age, nationality, or work history, as well as gender.



Gender Diversity in the Company's Decision-making Body

Based on discussions in the 30% Club Japan, which the Company joined in January 2021, we are incorporating specific actions into our initiatives that will lead to solutions for problem areas. In FY2022, we set a new quantitative target to increase the number of female executive officers and general managers to 10% in FY2024. We will further promote activities for women's participation in management within Nissui.



Initiatives for Eliminating Unconscious Bias*

We understand that when promoting women's participation in the workforce, we need to overcome fixed attitudes toward gender roles and prejudices and stereotypes regarding gender. We also believe we need to reform mindsets and raise the understanding of both men and women to prevent adverse effects due to unconscious bias. We conducted an unconscious bias diagnosis targeted at all Executive Officers, department managers (i.e., General Managers and Managers) and female employees in FY2020, and based on the results, e-learning and workshops on eliminating unconscious bias were held in FY2021.

*Unconscious bias: prejudices and assumptions one holds unintentionally

Global Human Capital Development

Nissui has operated the "global personnel registry system" since FY2016 to establish an organizational structure which supports our expansion outside Japan, looking ahead to our business portfolio in 2030. Registered employees receive training for transfers outside Japan and short-term assignments, as well as selective training, to build up a population of global human capital.

Environmental Value

Sustainable Use of Marine Resources

Sustainable Use of Natural Marine Resources
 ▶ <https://nissui.disclosure.site/en/themes/212>

Why Harvest from the world's marine resources: 81.2 million tons (Out of which, sustainable level of marine resources: 65.8%*) Total volume of wild-caught fish Nissui Group procured: 2.71 million tons (Volume within the total wild catch of the world: equivalent to 2.7%)	What <ul style="list-style-type: none"> • Conduct survey of procured marine resources sustainability • Increase certification rate and expand procurement of certified ingredients • Join SeaBOS, roundtables, and other global initiatives • Study and develop alternative materials 	Target by 2030 Procurement of sustainable marine resources: 100%
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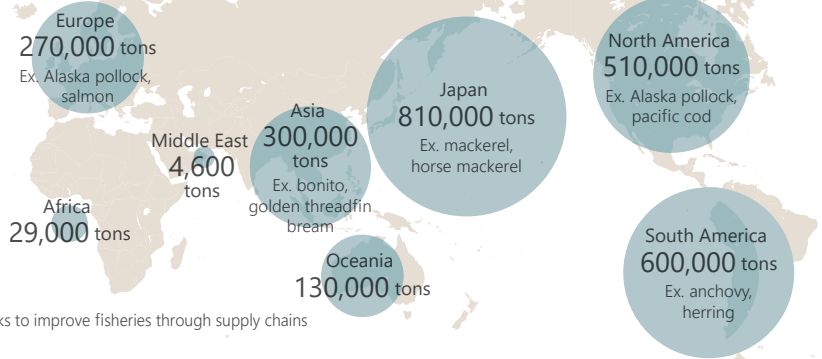
The State of World Fisheries and Aquaculture 2020 (Figure 19) by the Food and Agriculture Organization of the United Nations (FAO) shows that fisheries catch at biologically sustainable levels is only 65.8%. We will work to increase our procurement from sustainable fisheries through regular surveys.

Second Survey of Procured Marine Resources Sustainability (2019)

The survey results show that Nissui Group (20 companies in Japan and 20 companies outside Japan) procured a total of 2.71 million tons (live weight equivalent) of wild-caught fish from 471 stocks in 21 ocean regions across the world in 2019.

Individual resource analysis, including evaluation of stock management status, is outsourced to an external organization (SFP*) to obtain external assurance.

Procured Wild-Caught Fish Stock Types and Ocean Regions (Total of approximately 2.71 million tons in live weight equivalent)



* SFP (Sustainable Fisheries Partnership): A US based NGO that seeks to improve fisheries through supply chains

▶ Assessment Results of the State of Resources Management

The SFP analysis showed that about 71% of the procured items were "well managed" or "managed." Conversely, 8% of resources were shown to be in need of improvement, and 21% could not be scored and therefore were not assessed. We see this as issues to be addressed.

SFP Assessment Results of the State of Resources Management

Four-level evaluation scale

- Well Managed
- Managed
- Needs Improvement
- Not Scored

○ ODP Analysis Method by SFP

Based on scores assigned according to FishSource*1, an online resource for fisheries and resources, the state of resource management is evaluated on a four-level evaluation scale according to the method specified by the ODP*2.

*1 FishSource
 An online resource that provides summaries of publicly available scientific and technical information and provides evaluations on the status of fisheries management and fish stocks from preventive, scientific, enforcement, soundness, and prospective perspectives.

*2 ODP (Ocean Disclosure Project)
 Online reporting platform for voluntary disclosure of the status of procured seafood products, which SFP began operating in 2015

▶ Actions Going Forward

We will make every effort to base our marine resources procurement decisions on verified sustainability, such as certified products and fish species/producing regions with good stock status. We aim to ensure the sustainability of those resources that are difficult to replace through participation in the supplier roundtable and support for the FIP*. We are also working to improve our handling of items that are difficult to trace back to their place of origin by seeking cooperation from suppliers.

*FIP (Fishery Improvement Project): A project, in which fishers, seafood business companies, distributors, NGOs, and other stakeholders work together to improve the sustainability of fisheries

Management of farmed Fish

Promoting Aquaculture
<https://nissui.disclosure.site/en/themes/144>

Management of Fish Health Ensured by Our Research Base

The Nissui Group has established N-AHMS (NISSUI Aquaculture health management system), a system to manage the health of fish. Global aquaculture standards emphasize factors such as reduced medicinal products usage doses and animal welfare. Daily health management of fish is therefore essential. The Oita Marine Biological Technology Center of the Central Research Laboratory, the secretariat of N-AHMS, specializes in aquaculture, and supports the health of fish from scientific aspects with a full-time research staff. We will strengthen its competitiveness in the global market through maximizing this advantage in the future.



Reduction of Antimicrobial Usage

The Nissui Group is working on reducing the use of antimicrobials in aquaculture. We also serve as a member of the SeaBOS* task force to reduce the use of antimicrobials, and collaborate with other member companies and scientists toward our mission.



*SeaBOS (Seafood Business for Ocean Stewardship): An initiative aiming at sustainable fishery business. Nissui joined SeaBOS as a founding member

Prevention of Fish Escape

We aim to reduce the escape of fish to zero with the understanding that fish escaping from farming sites has the risk of affecting the ecosystem. We are committed to preserving biodiversity in the ocean by standardizing inspection of facilities, approaches to employee training, and countermeasures in the event of escaped fish across the Group.

Welfare of Fish

To minimize stress on fish, all fishes are killed in a short time when they are unloaded. In salmon farming, stunning* is executed before killing the fish.

*Stunning: Desensitizing the fish by rendering it unconscious before killing it to prevent it from getting stressed

Environmental Value

Decarbonized Society

Reducing Environmental Impact
 ▶ <https://nissui.disclosure.site/en/themes/88>

Why ▶ P45

Climate change scenario analysis results

- Higher operation costs due to carbon tax (1.5°C/2°C scenarios)
- Procurement risk of marine products due to changes in the marine environment (4°C scenario)

What

- Introduce energy-saving, high-efficiency equipment
- Install more solar power generation facilities
- Utilize electricity derived from renewable sources
- Replace freezer facilities with fluorocarbon-free units (1.5 billion yen investment plan)

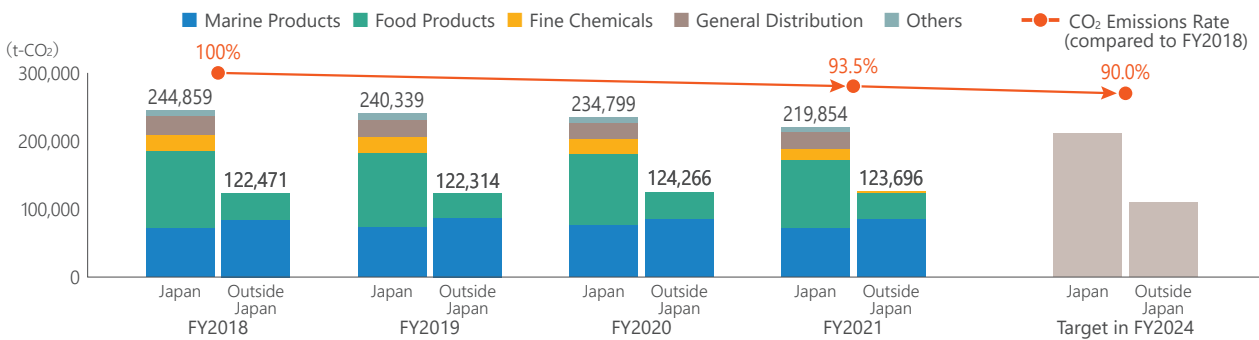
Target by 2030

CO₂ emissions (scope 1, 2):
Reduced by 30%
 Achieve carbon-neutral in 2050

[Other Environmental Benchmarks]
 • **Zero use of refrigerant with CFC, HCFC**

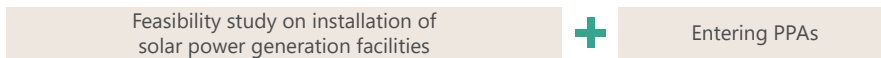
A scenario analysis according to the TCFD recommendations identified various risks and opportunities. In particular, we set a CO₂ emissions reduction target to mitigate the financial impact identified as a risk, and are looking into a long-term plan to meet this target. We will take action with specific measures, such as the use of renewable energy.

CO₂ Emissions



▶ Expanding Use of Renewable Energy

We are expanding the use of renewable energy sources across the Group. We explore every feasible opportunity to install solar power generation facilities along with the possibility of entering PPA*s.



Solar power generation facilities (Thai Delmar Co., Ltd.)

*PPA (Power Purchase Agreement): A company enters into an agreement to purchase electricity derived from renewable sources from a supplier rather than investing its own capital.

▶ Shift to CFC/HCFC-free Refrigerants

Nissui makes group-wide efforts to review the use of refrigerants. We seek zero use of CFCs and HCFCs by FY2030, and intend to increase the ratio of natural refrigerants, not only HFCs.

▶ Modal Shift

Carry Net Co., Ltd., which is responsible for the transportation function, is undergoing a modal shift which reduces the environmental impact of transportation by shifting from conventional truck transportation to utilizing ferries and other non-international coastal trading vessels. In FY2021, Carry Net's modal shift plan between Kawasaki and Fukuoka was approved as a plan for advancement of integration and streamlining of distribution business under the provisions of the Act on Advancement of Integration and Streamlining of Distribution Business of the Ministry of Land, Infrastructure, Transport and Tourism. This plan involves shifting part of our truck transportation to marine transportation using RORO vessels* that primarily transport cargo, operated by our partner MOL Ferry Co., Ltd. This enables us to reduce ground transportation distance from approx. 1,100 km to approx. 120 km and CO₂ emissions by 71%.

*RORO vessels (Roll-on/Roll-off ship): a cargo ship with a deck for vehicles, designed to carry loaded trucks and trailers as they are

Reduction of Plastics

Plastic Problems
<https://nissui.disclosure.site/en/themes/156>

Why

Annual plastic outflow volume into the ocean
 Estimated 8 million tons*1

Procurement risk of containers and packaging

Expectation for lower carbon

Cost reduction

What

- Reduce plastic containers and packaging
- Reduce plastic waste from production sites
- Switch over to aquaculture floats with lower risk of plastic outflow into the ocean
- Participate in GGGI*2 and other global initiatives

Target by 2030

- Plastic usage in containers and packaging: Reduced by **30%**

[Other Environmental Benchmarks]

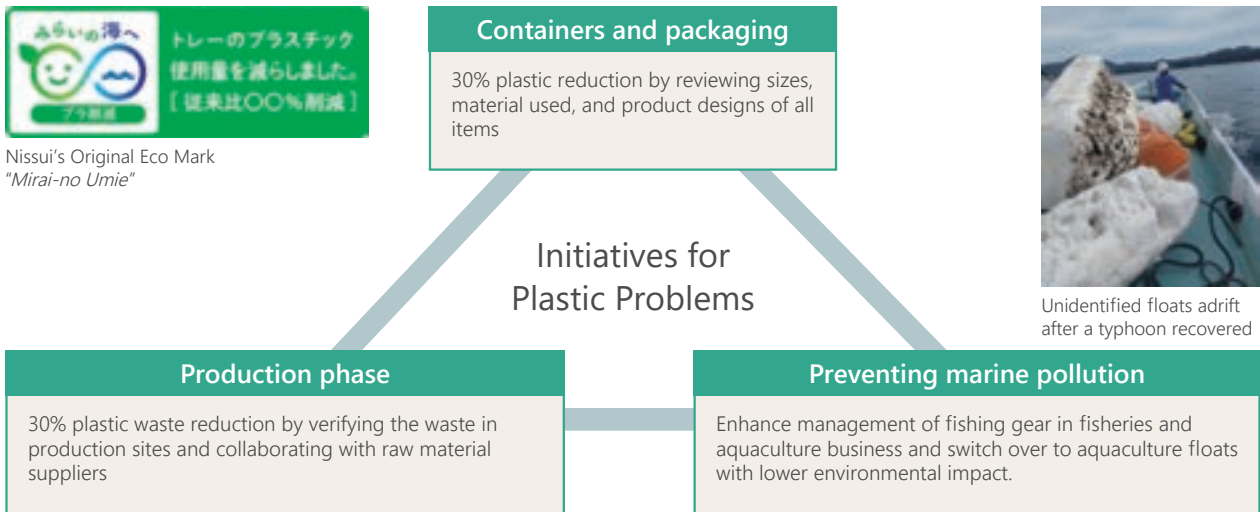
- Plastic waste: Reduced by 30% (compared to FY2017)
- Complete aquaculture float switchover in FY2024

Plastic materials are found everywhere in the world, and recently the problem of marine plastics has been drawing significant attention. Furthermore, being made from petroleum, plastic is also a major contributor to the global warming challenge. Nissui is working on reviewing the use of plastic and preventing outflow into the ocean.

*1 Source: The Ministry of the Environment, "Annual Report on the Environment, the Sound Material-Cycle Society and Biodiversity in Japan" Ellen MacArthur Foundation & McKinsey Company, "The New Plastics Economy"
 *2 GGGI (Global Ghost Gear Initiative): A global organization working on the problem of lost, abandoned, and otherwise discarded fishing gear

Reducing Plastics Throughout the Whole Operation

Our initiatives are based on three perspectives: reducing the use of plastic in containers and packaging, reducing plastic waste at the production phase, and preventing marine pollution.



▶ Actual Reduction of Plastic Containers and Packaging

	FY2018	FY2019	FY2020	FY2021
Reduced Volume (kg)	4,896	15,630	33,465	33,814

▶ Switching over to Floats That Have a Low Risk of Becoming Plastics That Outflow into the Ocean

By the end of FY2024, the Nissui Group will cease the use of polystyrene foam floats in nylon covers for use in aquaculture and completely switch over to floats that have a lower risk of becoming plastic that outflows into the ocean.



Floats after switchover