

# Showa Sangyo Group Sustainability Data Book 2024

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## Scope of Data

## **Target Organization**

Mainly, Showa Sangyo Co., Ltd. only (Showa Sangyo Group: As of March 31, 2024)

### **Target Period**

FY2019-2023 (April 1, 2019 - March 31, 2024)

## **Reporting Cycle**

Annually

### Month of Publication (Month of Previous Publication)

December, 2024 (previous December, 2023)

## **Environmental Data**

## Environment Management (Non-consolidated Basis)

|                                       |                         | Units | FY2019 | FY2020 | FY2021 | FY2022 | FY2023 | Notes        |
|---------------------------------------|-------------------------|-------|--------|--------|--------|--------|--------|--------------|
| No. of environment committee meetings | Kashima Plant           | Cases | 4      | 4      | 4      | 4      | 4      |              |
|                                       | Kobe Plant              | Cases | 4      | 4      | 4      | 4      | 4      |              |
|                                       | Funabashi Plant         | Cases | 4      | 4      | 4      | 4      | 4      |              |
|                                       | Improvement suggestions | Cases | 11     | 7      | 0      | 8      | 3      | Showa Sangyo |
| Internal audits                       | Improvement proposals   | Cases | 29     | 74     | 37     | 45     | 32     | 3 plants     |

## Material Balance through Business Activities

#### <List of 27 companies subject to calculation>

Showa Sangyo Co., Ltd., Shosan Shoji Co., Ltd., Shikishima Starch MFG. Co., Ltd., Okumoto Flour Milling Co., Ltd., Kida Flour Mills Co., Ltd., Naigai Flour Milling Co., Ltd., Showa Frozen Foods Co., Ltd., Swing Bakery Co., Ltd., Grandsolu bakery Co., Ltd., Oban Co., Ltd., Kyushu Showa Sangyo Co., Ltd., Showa Keiran Co., Ltd., Shourei Co., Ltd., Shosan Kaihatsu Co., Ltd., Shosan Business Services Co., Ltd., Shosan Transportation Co., Ltd.

Companies subject to calculation starting in FY2018: Central Flour Milling Co., Ltd., Garden Bakery Inc., Tower Bakery Co., Ltd., Star Bakery Co., Ltd.

Companies subject to calculation starting in FY2020: Boso oil and fat Co., Ltd., Nagaokayuryo Co., Ltd., Musashiyushi Co., Ltd., Minaminihonkomeabura Co., Ltd., Tokyoyushikogyo Co., Ltd., Kumiaiyushi Co., Ltd., San-ei Sucrochemical Co., Ltd.

\*Saikado Co., Ltd. is removed from the calculation starting in FY2021, and Family-foods Inc. is removed starting in FY2022.

|        |   | Units                   | FY2019          | FY2020          | FY2021          | FY2022         | FY2023         | Notes   |
|--------|---|-------------------------|-----------------|-----------------|-----------------|----------------|----------------|---|
|        | Raw materials   |                         | 2,376           | 2,539           | 2,275           | 2,193          | 2,131          |   |
|        | Grains  | 2                       | 2,357           | 2,507           | 2,239           | 2,154          | 2,084          | 9   |
|        | Vegetable oils and fats   | 7                       | 19              | 32              | 36              | 39             | 47             |   |
|        | Other raw materials   |                         | 76              | 74              | 63              | 73             | 59             |   |
|        | Packaging materials   | Thousand t              | 20              | 19              | 19              | 19             | 13             |   |
|        | Plastics  |                         | 4               | 4               | 4               | 4              | 4              |   |
|        | Paper / cardboard   |                         | 12              | 11              | 11              | 10             | 9              |   |
|        |   |                         | 4               | 5               | 5               | 4              | 4              |   |
|        | Purt<br>Purt<br>Purt<br>Purchased electricity<br>Purchased electricity<br>Purchased electricity<br>Purchased steam power<br>Water intake<br>Water supply<br>Water for industrial use<br>Well water<br>Sea water<br>Sale quantity<br>Flour milling business<br>Vegetable oils and household foods<br>business<br>Starches and sweeteners business<br>Animal feed businesss<br>Group food businesses<br>GHG emissions (Scope 1+2)<br>Scope 1<br>CO2<br>HFC<br>CH4<br>N2O<br>Scope 2<br>Scope 3<br>Food circulation resources<br>Wheat-derived |                         | 5,827           | 7,387           | 7,412           | 7,256          | 7,220          |   |
|        |   |                         | 110             | 297             | 267             | 243            | 264            |   |
| INPUT  |   |                         | 1,784           | 1,855           | 2,665           | 3,251          | 3,167          |   |
|        |   | TJ                      | 1,499           | 1,479           | 595             | 0,201          | 0              |   |
|        |   | 10                      | 231             | 328             | 416             | 373            | 355            |   |
|        |   | 2                       |                 | *<br>*<br>*     | *               |                | 2              |   |
|        |   | 7                       | 2,197           | 2,660           | 2,719           | 2,639          | 2,691          | 4<br>4<br>4<br>9<br>9<br>4<br>4                               |
|        |   |                         | 6               | 768             | 751             | 749            | 743            |   |
|        |   | 2                       | 6,250           | 14,992          | 14,782          | 13,980         | 13,255         | •<br>•<br>•<br>•<br>•   |
|        |   | The. 2                  | 532             | 565             | 532             | 488            | 471            | 4<br>4<br>4<br>9<br>9<br>9                                    |
|        |   | Thousand m <sup>3</sup> | 2,990           | 7,326           | 7,144           | 6,701          | 6,668          |   |
|        |   | 7                       | 2,728           | 2,491           | 2,388           | 2,403          | 1,443          |   |
|        |   |                         | 0               | 4,610           | 4,719           | 4,388          | 4,673          |   |
|        |   |                         | 1,986           | 2,188           | 2,249           | 2,037          | 2,077          |   |
|        |   |                         | 600             | 597             | 565             | 574            | 618            |   |
|        |   | Thousand t              | 287             | 347             | 346             | 328            | 373            |   |
|        |   | Thousand t              | 407             | 543             | 644             | 520            | 523            |   |
|        |   |                         | 644             | 655             | 647             | 570            | 522            |   |
|        |   |                         | 48              | 46              | 47              | 45             | 42             |   |
|        | · · · · · · · · · · · · · · · · · · ·   |                         | 337             |                 |                 |                | 345            |   |
|        |   |                         |                 | 412             | 367             | 339            |                |   |
|        |   |                         | 240             | 250             | 211             | 184            | 184            |   |
|        |   |                         | 236             | 247             | 205             | 179            | 176            |   |
|        |   | Thousand                | 2.1             | 1.0             | 1.3             | 0.8            | 2.4            | Including R22 in calculation                                  |
|        |   | tons - CO2e             | 1.4             | 1.7             | 3.3             | 3.7            | 4.5            | 4<br>4<br>4<br>4<br>4<br>7<br>7                               |
|        | $N_2O$  |                         | 0.7             | 0.8             | 0.8             | 0.7            | 0.7            |   |
|        | Scope 2   |                         | 98              | 162             | 157             | 154            | 161            | Calculated using adjusted emission factor                     |
|        | Scope 3   |                         | 2,065           | 2,300           | 2,252           | 2,196          | 2,185          |   |
|        | Food circulation resources  |                         | 678             | 735             | 896             | 904            | 883            |   |
|        | Wheat-derived   |                         | 194             | 183             | 182             | 182            | 179            | Only officer and state will                                   |
|        | Soy / canola-derived  | Thousand t              | 376             | 369             | 352             | 308            | 323            | Only offices and plants with<br>at least 100t/year production |
| OUTPUT | Corn-derived  | 2                       | 105             | 124             | 299             | 350            | 309            | are included  |
|        | Other   |                         | 4               | 59              | 63              | 65             | 73             |   |
|        | Food recycling rate   | %                       | 99.9            | 99.9            | 99.9            | 99.9           | 99.9           |   |
|        | Amount of unnecessary products  |                         | 78              | 96              | 100             | 86             | 107            |   |
|        | Amount sold as valuable   |                         | 6.7             | 6.9             | 7.3             | 7.3            | 7.6            |   |
|        | Amount recycled   | Thousand t              | 70              | 87              | 91              | 77             | 98             |   |
|        | Amount for landfills / incineration   |                         | 2.0             | 1.9             | 1.7             | 1.2            | 0.9            |   |
|        | Waste recycling rate  | %                       | 97.5            | 98.1            | 98.3            | 98.6           | 99.1           |   |
|        | Amount of waste water   | /0                      | 4,676           | 12,282          | 90.3<br>11,846  | 11,635         | 10,820         |   |
|        |   | Thousand t              |                 |                 |                 |                | 2,292          |   |
|        | Amount of waste water (public sewage)   |                         | 2,449           | 2,258           | 2,091           | 2,112          |                |   |
|        | Amount of waste water (public water)  | Thousand t              | 2,227           | 10,024          | 9,755           | 9,523          | 8,529          | Only specified places of                                      |
|        | Amount of COD burden (public water)   | t                       | 39              | 99              | 119             | 144            | 133            | business are included   |
|        |   |                         |                 |                 |                 |                |                |   |
|        | Amount of pollution / chemical substance emission   |                         |                 |                 |                 |                |                |   |
|        |   |                         | 273             | 284             | 179             | 120            | 123            |   |
|        | emission<br>NOx   |                         |                 |                 |                 |                |                |   |
|        | emission  | t                       | 273<br>34<br>31 | 284<br>29<br>32 | 179<br>27<br>27 | 120<br>10<br>4 | 123<br>11<br>9 |   |

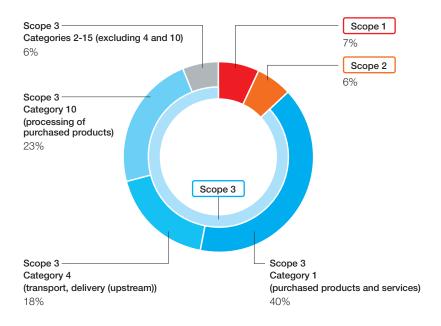
# Initiatives for Reducing Emissions of Nitrogen Oxides (NOx), Sulfur Oxides (SOx) and Other Important Atmospheric Emissions

Toward proper management of pollution prevention and chemical substances, our Group is moving forward by switching fuel to town gas and LNG, which do not include sulfur, as we strive to reduce emission of atmospheric pollutants. The PRTR-subject substance\* our Company handles is hexane used for manufacturing vegetable oils and fats. We assess the amount emitted and amount moved and manage it properly.

\* A "Class 1 Designated Chemical Substance" according to the Act on Confirmation, etc. of Release Amounts of Specific Chemical Substances in the Environment and Promotion of Improvements to the Management Thereof

## Percentage of Supply Chain Emissions (FY2023)

Scope 3 constituted a rate of 85% or more of the total. In particular, emissions derived from grains (production and transport), one of our main ingredients, amounts to a large percentage of roughly 60% of the total.



## Consumer Issue Data

## Food Safety and Quality Management

|                                    |   | Units   | FY2019 | FY2020  | FY2021 | FY2022 | FY2023 | Notes                               |
|------------------------------------|---|---|--------|---|--------|--------|--------|-------------------------------------|
| On-site audits / investigations    |   |   |        |   |        |        |        |                                     |
| Showa Sangyo internal              | Improvement suggestions                                 |   | 49     | 8   | 24     | 16     | 15     |                                     |
| audits                             | Improvement proposals                                   | Cases   | 46     | 40  | 38     | 46     | 65     |                                     |
| Group company audits <sup>*1</sup> | Domestic bases  | Cases   | 14     | 2   | 18     | 18     | 13     | FY2020: 14 cases cancelled to avoid |
|                                    | Overseas bases  |   | 0      | 40         38         46         65           2         18         18         13         FY2020: 14 cases |        |        |        |                                     |
| Vendor plant investigations        | Secondary raw materials                                 |   | 54     | 23  | 100    | 53     | 29     |                                     |
|                                    | Container / packaging<br>materials                      | ing     Cases     10     4     12     51     11       anies     16     10     9     9     10       ies     Cases     13     18     17     17     17 | 10     | 4   | 12     | 51     | 11     |                                     |
|                                    | Outsourced companies                                    |   |        |   |        |        |        |                                     |
| Warehouse investigations           | In-house warehouses                                     | -   | 13     | 18  | 17     | 17     | 17     |                                     |
| warenouse investigations           | Commercial warehouses                                   | Cases   | 41     | 19  | 19     | 16     | 22     |                                     |
| Activities for improving the ab    | ilities of those in quality mana                        | agement   |        |   |        |        |        |                                     |
| Qualifications                     | No. of those taking taste and smell tests               | People  | 362    | 430   | 473    | 517    | 545    |                                     |
| Qualifications                     | No. of those who passed the labeling test <sup>*2</sup> | People  | 34     | 23  | 39     | 15     | 16     |                                     |
| Group quality management           | No. of participating<br>companies                       | Companies   | 16     | 17  | 17     | 15     | 10     | FY2021: held a total                |
| technology training                | Total No. of participating people                       | People  | 43     | 75  | 429    | 240    | 36     | of 4 times                          |
|                                    |   |   |        |   |        |        |        |                                     |

\*1 The aggregation range has fluctuations due to increases and decreases in Group companies. The aggregation range for FY2023 includes 15 companies: Shikishima Starch MFG. Co., Ltd., Okumoto Flour Milling Co., Ltd., Kida Flour Mills Co., Ltd., Naigai Flour Milling Co., Ltd., Swing Bakery Co., Ltd., Grandsolu bakery Co., Ltd., Central Flour Milling Co., Ltd., Garden Bakery Inc., Tower Bakery Co., Ltd., Boso oil and fat Co., Ltd., Tokyoyushikogyo Co., Itd., San-ei Sucrochemical Co., Ltd., Showa Keiran Co., Ltd., Z.Y. Food Company Limited, Dachan Showa Foods Tianjin Co., Ltd.

\*2 The test that evaluates the ability to create and verify food labeling, held by the Food Labeling Test Association

## Dialogue with Customers

|                             |                        | Units   | FY2019 | FY2020 | FY2021 | FY2022 | FY2023 | Notes |
|-----------------------------|------------------------|---|--------|--------|--------|--------|--------|-------|
|                             | Total                  |   | 3,855  | 5,059  | 4,301  | 4,064  | 3,690  |       |
| No. of claims at customer   | Inquiries              | Casaa   | 3,515  | 4,647  | 3,921  | 3,564  | 3,417  |       |
| support center              | Suggestions            | Cases   | 212    | 277    | 226    | 218    | 180    |       |
| Opinions / requests 128 135 | 154                    | 118   | 93     |        |        |        |        |       |
|                             | Total                  |   | 3,515  | 4,647  | 3,921  | 3,564  | 3,417  |       |
| Dataila of inquirioa        | About sales stores     | Cases   | 1,161  | 1,734  | 1,319  | 1,327  | 1,134  |       |
| Details of inquiries        | About best-before date | Cases   | 539    | 629    | 590    | 554    | 499    |       |
|                             | Other                  | 9<br>9<br>9<br>9<br>9<br>9<br>9<br>9<br>9<br>9<br>9<br>9<br>9<br>9<br>9 | 1,815  | 2,284  | 2,012  | 1,683  | 1,784  |       |

# Social Data

## Employment Data

|  |   | Units     | FY2019 | FY2020 | FY2021 | FY2022 | FY2023 | Notes  |
|--|---|-----------|--------|--------|--------|--------|--------|--|
|  | No. at our Company  | People    | 1,202  | 1,244  | 1,269  | 1,276  | 1,270  |  |
|  | No. at consolidated companies                               | People    | 2,421  | 2,899  | 2,870  | 2,863  | 2,858  | Group consolidated companies   |
|  | Average age   | Years old | 39.3   | 39.4   | 39.7   | 40.1   | 40.8   |  |
|  | Male  | Years old | 39.6   | 39.6   | 39.8   | 40.3   | 41.0   |  |
|  | Female  | Years old | 38.6   | 39.0   | 39.3   | 39.7   | 40.4   |  |
| Employees                                  | No. of mid-career hires                                     | People    | 21     | 18     | 19     | 19     | 19     |  |
| Linployees                                 | Male  | People    | 10     | 9      | 13     | 12     | 10     |  |
|  | Female  | People    | 11     | 9      | 6      | 7      | 9      |  |
|  | Percentage of mid-career hires                              | %         | 30.9   | 26.5   | 25.3   | 32.2   | 29.0   |  |
|  | No. of mid-career hires in management positions             | People    | 19     | 20     | 25     | 25     | 37     |  |
|  | Percentage of mid-career hires in man-<br>agement positions | %         | 7.7    | 7.9    | 9.4    | 8.4    | 13.0   |  |
|  | Overall   | Years     | 15.8   | 15.9   | 16.1   | 16.4   | 16.5   |  |
| Average employ-<br>ment duration           | Male  | Years     | 16.7   | 16.7   | 16.9   | 17.3   | 17.4   |  |
|  | Female  | Years     | 13.6   | 13.7   | 14.1   | 14.2   | 14.2   | *<br>•   |
| Full-time employee                         | Total number of employees leaving work                      | People    | 41     | 35     | 53     | 55     | 63     |  |
| turnover                                   | Voluntary separation rate                                   | %         | 43.9   | 48.6   | 79.2   | 74.5   | 57.1   |  |
| Leaving work within                        | No. of people   | People    | 9      | 4      | 7      | 11     | 9      |  |
| three years*                               | Percentage of people in Company                             | %         | 17.3   | 6.9    | 11.1   | 16.4   | 13.2   | *  |
|  | All workers   | %         | -      | -      | -      | 74.7   | 75.2   | Calculated starting<br>in FY2022 based on                            |
| Wage disparity<br>between men and<br>women | Regular workers   | %         | -      | -      | -      | 77.7   | 78.9   | the regulations in the<br>"Act on the Promotion<br>of Women's Active |
|  | Part-time / temporary workers                               | %         | -      | -      | -      | 52.1   | 48.5   | Engagement in Profes-<br>sional Life"                                |

\* In FY2023, we revised the calculation method and applied it to previous years' calculations.

## Workplace Environment

|                        |   | Units        | FY2019 | FY2020 | FY2021 | FY2022 | FY2023 | Notes  |
|------------------------|---|--------------|--------|--------|--------|--------|--------|--|
|                        | Total hours worked (annually)                               | Hours        | 2,002  | 1,990  | 1,996  | 1,974  | 1,999  |  |
| ) A / = ul vize =:     | Average overtime hours worked (monthly)                     | Hours        | 13     | 12     | 12     | 12     | 12     |  |
| Working<br>environment | Percentage of yearly paid leave taken                       | %            | 62.4   | 58.8   | 64.3   | 71.1   | 73.8   |  |
|                        | Average no. of days of yearly paid leave taken              | Days         | 11     | 11     | 12     | 13     | 12     |  |
|                        | No. of people using the nursing care leave system           | People       | 0      | 0      | 1      | 0      | 0      |  |
|                        | No. of people using the shortened time working system       | People       | 71     | 77     | 81     | 87     | 66     |  |
|                        | No. of people using the childcare leave system              | People       | 42     | 28     | 45     | 40     | 37     |  |
|                        | Male  | People       | 24     | 14     | 29     | 22     | 19     |  |
|                        | Percentage taken  | %            | 72.7   | 50.0   | 87.9   | 95.7   | 61.2   | The number of male<br>employees who be-<br>came fathers between<br>April 1, 2023 and March<br>31, 2024 is 31.                                      |
| System utilization     | Female  | People       | 18     | 14     | 16     | 18     | 18     |  |
|                        | Percentage taken  | %            | 100.0  | 100.0  | 100.0  | 100.0  | 100.0  |  |
| System utilization     | Percentage of women who<br>return after childcare leave     | %            | 100.0  | 89.5   | 87.5   | 87.5   | 88.8   | The number of<br>employees returning<br>from childcare leave<br>in FY2023 (16) ÷ The<br>number of employees<br>taking childcare leave in<br>FY2022 |
|                        | Retention rate of women who return<br>after childcare leave | %            | 100.0  | 100.0  | 100.0  | 100.0  | 100.0  | Percentage employed<br>one year after returning<br>The number of<br>employees returning<br>from childcare leave in<br>FY2022 was 14.               |
| Employee activity      | Training cost per employee                                  | Thousand yen | 69     | 59     | 64     | 50     | 55     |  |

## Diversity

|                                   |  | Units  | FY2019 | FY2020 | FY2021 | FY2022 | FY2023 | Notes |
|-----------------------------------|--|--------|--------|--------|--------|--------|--------|-------|
|                                   | Percentage of employees who are women      |        | 27.4   | 27.8   | 28.0   | 27.7   | 28.7   |       |
|                                   | Percentage of managers who are women       |        | 6.0    | 6.3    | 7.2    | 7.9    | 9.2    | ¢.    |
| Participation by                  | Percentage of leaders who are women        |        | 20.3   | 21.8   | 22.8   | 25.9   | 27.5   | ¢.    |
| Participation by                  | Percentage of graduate hires who are women | %      | 38.2   | 35.1   | 44.8   | 56.3   | 51.7   |       |
|                                   | Technology                                 |        | 35.3   | 30.4   | 41.2   | 68.4   | 50.0   |       |
|                                   | Office                                     |        | 41.2   | 42.9   | 50.0   | 38.5   | 53.3   |       |
| Participation by                  | No. of retirement age rehires              | People | 52     | 60     | 66     | 73     | 78     |       |
| seniors                           | Percentage of retirement age rehires       | %      | 71.4   | 93.8   | 100.0  | 100.0  | 90.9   |       |
| Participation by disabled persons | Percentage of disabled person hires        | %      | 1.7    | 2.1    | 2.6    | 2.7    | 2.9    |       |

## Occupational Health and Safety

|                 |                                      | Units | FY2019 | FY2020 | FY2021 | FY2022 | FY2023 | Notes |
|-----------------|--------------------------------------|-------|--------|--------|--------|--------|--------|-------|
|                 | Accidents without lost time          | Cases | 3      | 4      | 8      | 14     | 6      |       |
|                 | Accidents with lost time             | Cases | 2      | 1      | 4      | 3      | 4      |       |
| Mark and dentat | Work accident frequency rate         | -     | 0.8    | 0.4    | 1.6    | 1.2    | 1.6    |       |
| Work accidents* | (Average for manufacturing business) | -     | (1.2)  | (1.2)  | (1.3)  | (1.3)  | (1.3)  |       |
|                 | Work accident severity rate          | -     | 0.00   | 0.00   | 0.09   | 0.00   | 0.04   |       |
|                 | (Average for manufacturing business) | -     | (0.10) | (0.07) | (0.06) | (0.08) | (0.08) |       |

\* Calculated based on the standards of the Ministry of Health, Labour and Welfare's Survey on Industrial Accidents.