

Company name: Nissen Holdings Co., Ltd.  
President: Toshio Katayama  
Stock code: 8248  
Stock exchange listing: Tokyo Stock Exchange, First Section  
Osaka Securities Exchange, First Section  
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## **Notice of the Establishment of an ESG Committee**

Nissen Holdings Co., Ltd. has reorganized its Corporate Governance Committee into an Environmental, Social, and Governance (ESG) Committee as outlined below. This move reflects the company's decision to expand the scope of the Nissen Group's corporate citizenship activities beyond the area of governance reform – which has consisted of promoting the transparency and objectivity of group management, establishing the separation of supervision and execution, delegating authority, and clarifying lines of responsibility – to encompass contributions to environmental protection and welfare improvement as part of an ongoing program aimed at building a solid business base to improve the Group's medium- and long-term corporate value.

### 1. Policies

The Nissen Group, from its inception, has consistently endeavored to strengthen its position for future growth, and its management policies emphasize the importance of maintaining responsible business practices to ensure harmonious coexistence and co-prosperity with all its stakeholders. To further demonstrate its commitment to these policies, Nissen Holdings has adopted the Principles for Responsible Investment advocated by the United Nations, and has set out to become a leader in environmental, social, and governance best practices by developing and implementing concrete action plans in these areas.

### 2. Responsibilities

The ESG Committee will be responsible for providing advice and making recommendations to the Board of Directors, the Nomination and Compensation Committee and other bodies with respect to the Nissen Group's ESG policies and measures.

### 3. Composition

#### ■ Chairperson

- Scott Trevor Davis (External Corporate Auditor, University Professor)

#### ■ External Members

- Takeshi Isokawa (External Director, Lawyer)
- Yoshiharu Takahashi (External Corporate Auditor, Businessperson)

#### ■ Internal Members

- Toshio Katayama (President and Representative Director, Nissen Holdings)
- Nobuyuki Ichiba (Director and Managing Executive Officer, Nissen Holdings)

■ Environment

- ✓ Mounted a “We Love Organic” sales promotion for eco-friendly organic cotton products
- ✓ Launched a line of stylish eco-bags developed in collaboration with Bunka Fashion College
- ✓ Joined Plantation Platform of Tasmania Pty. Ltd., a tree-planting venture in Tasmania, Australia, dedicated to reduction of greenhouse-gas emissions, afforestation of denuded land, and improvement of the water storage capacity of forests

■ Society

- ✓ Began supporting the Pink Ribbon campaign aimed at encouraging and promoting early detection of breast cancer, and donated a portion of sales revenue from the “Sign of Love” campaign to the Japan Fund for Breast Cancer (from 2009)
- ✓ Initiated support for the Children’s Cancer Association of Japan, and ran a children’s cancer awareness campaign that involved flying an airship across Japan in order to support the dreams and hopes of these children
- ✓ Established u&n as a special-purpose subsidiary dedicated to promoting the employment of people with disabilities, and initiated direct marketing of products made in disability facilities to help disabled workers achieve financial independence
- ✓ Began using products made at vocational aid centers as gifts for investors attending shareholders’ meetings, and added the option of donating to charities including social welfare organizations as one of the shareholder benefits

■ Governance

- ✓ Change the composition of the Board of Directors of Nissen Holdings, increasing the number of independent outside directors, while decreasing the number of internal directors to as low as possible (from six to three, the minimum required by law) to ensure that outside directors comprise the majority of board members.
- ✓ Changed the composition of the Corporate Governance Committee (now ESG Committee), appointing the chairperson from outside the company and ensuring that external members would comprise the majority
- ✓ Changed the composition of the Nomination and Compensation Committee, appointing the chairperson from outside the company and ensuring that external members would comprise the majority
- ✓ Introduced a performance-based directors’ compensation system that is also directly linked to medium- and long-term improvement in the Nissen Group’s corporate value
- ✓ Abolished the “Introduction of Policy regarding Large Acquisition of Nissen Shares” adopted by a past general meeting of shareholders

End