

HOKUTO Corporation

Initiatives to Achieve the SDGs

November, 2021



The HOKUTO Group announced its Medium-Term Management Plan in November 2020.

Based on the company policy as the highest-level principle for the Medium-Term Management Plan, and with “ health ” and “ social responsibility,” which are keywords in the Management Vision, at the core, the plan established four initiative themes for the SDGs and the respective priority activities to realize our goal of creating a bright, happy future.

We recognize the importance of societal and corporate sustainability and will make company-wide efforts to achieve it.



Medium-Term Management Plan

<p>Company policy</p>	<p>【 The Five Satisfactions 】 Consumer satisfaction, client satisfaction, community satisfaction, shareholder satisfaction, and employee satisfaction</p>
<p>Management Vision (1)</p>	<p>Expand the market and consumption, with delivering health through mushrooms as our mission</p>
<p>Management Vision (2)</p>	<p>Achieve both generation of profit and social responsibility as a company</p>

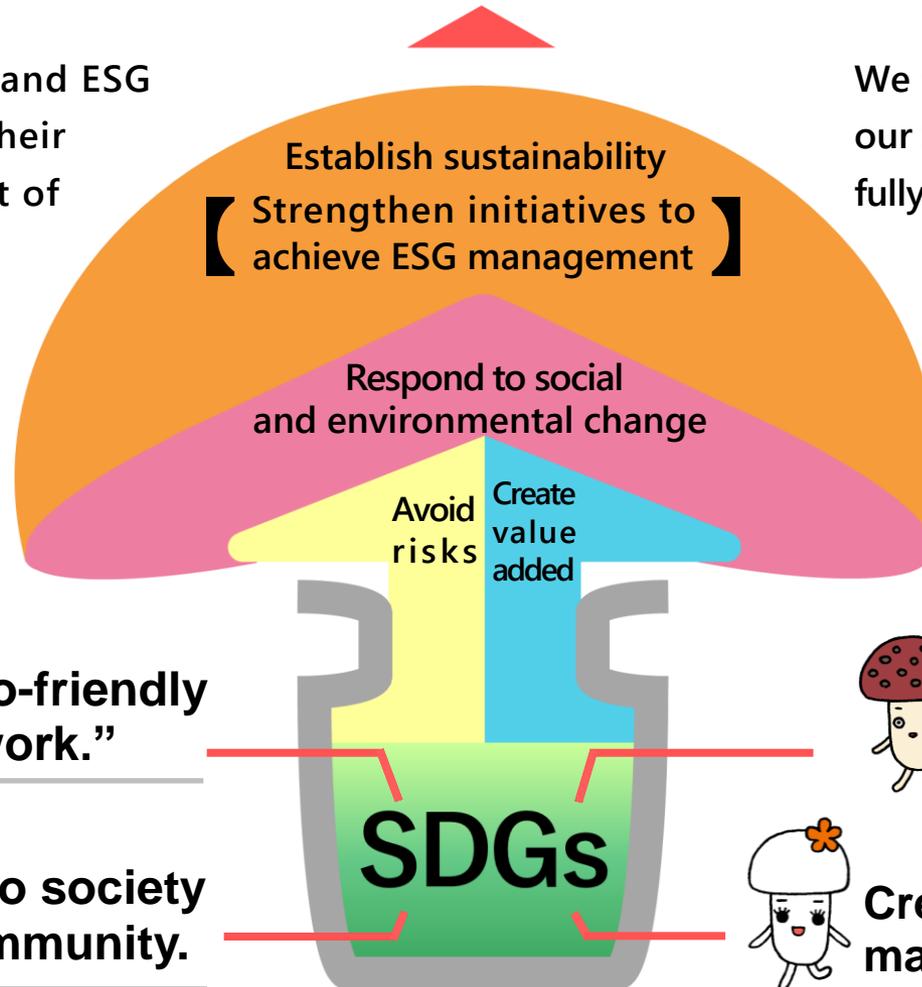
We will make efforts to achieve the SDGs, while considering creating added value and responding to the risks associated with environmental and social change as opportunities to establish sustainability.

Initiative themes	SDGs we can contribute to	ESG actions
<p>【 Establish eco-friendly “ HOKUTO work ” 】 We will work to curb CO₂ emissions, reduce plastics, and reuse raw materials to preserve the global environment.</p>		<ol style="list-style-type: none"> 1. Undertake initiatives to reduce CO₂ emissions and plastics, identifying climate change and environmental pollution as business risks. 2. Undertake initiatives to reuse resources to realize a circular society.
<p>【 Promote healthy lifestyles through mushrooms 】 While working on research to enhance the added value of mushrooms that contribute to health, we will propose lifestyle habits that incorporate mushrooms into our daily diets and bring health to the world.</p>		<ol style="list-style-type: none"> 1. Engage in research on the benefits of mushrooms and provide health, security, and safety.
<p>【 Contribute to society and the community 】 We will be actively involved in the promotion and development of sports, culture, and science, which foster mental and physical health, and we will also engage in the revitalization of local communities and economies.</p>		<ol style="list-style-type: none"> 1. Make investments and undertake initiatives to revitalize local communities. 2. Provide grants for NPOs aimed at promoting science and undertake initiatives to train human resources.
<p>【 Create a workplace that makes employees happy 】 We will achieve a motivating company through the creation of a safe, enriching, and vibrant workplace environment. We will promote diversity and active participation by women.</p>		<ol style="list-style-type: none"> 1. Promote employee health and safety. 2. Promote equal opportunity and labor diversity.

Support from stakeholders Achievement of the company policy

We believe the SDGs and ESG are inseparable and their essence is the pursuit of sustainability.

We firmly believe that evolving our SDGs activities and engaging fully in ESG management will lead to the future achievement of the company policy, which is the HOKUTO Group's management philosophy.



Establish eco-friendly "HOKUTO work."

Promote healthy lifestyles through mushrooms.

Contribute to society and the community.

Create a workplace that makes employees happy.

Overall Picture of the Initiatives to Achieve the SDGs

This table shows the overall picture of the SDGs we can contribute to.

Initiative themes	1 NO POVERTY	2 ZERO HUNGER	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	14 LIFE BELOW WATER	15 LIFE ON LAND	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	17 PARTNERSHIPS FOR THE GOALS	
Establish eco-friendly " HOKUTO work. "							○		○			○	○					○
Promote healthy lifestyles through mushrooms.		○	○															
Contribute to society and the community.			○	○					○									○
Create a workplace that makes employees happy.					○			○		○								
Overall		○	○	○	○		○	○	○	○		○	○					○



This table shows the relationship between each initiative theme and the business department which provides leadership on the theme.

Initiative themes	Mushroom dept . in Japan	Mushroom dept . outside Japan	Processed products dept.	Production dept.	R&D dept.	Administration dept.	Chemical products dept.
Establish eco-friendly " HOKUTO work. "		○	○	○	○		○
Promote healthy lifestyles through mushrooms.	○	○	○		○		○
Contribute to society and the community.	○			○		○	
Create a workplace that makes employees happy.		○				○	

🍄 Establish eco-friendly “HOKUTO work.”



【 Priority activity (1) 】 Reduce CO₂ emissions and use of plastics.

🍄 Reduce CO₂ emissions by introducing solar power generation.

- This table shows the reduction in CO₂ emissions expected through the staged introduction of solar power generation at Komoro Mushroom Center, Hiroshima Mushroom Center, and Mie Mushroom Center using the Power Purchase Agreement (PPA) model.
- We will consider expanding the introduction to other plants and Group companies, taking into account the structure of Center buildings and other factors.

Forecast annual CO₂ reductions
(based on FY2020 emissions factor)

FYE03/22	FYE03/23	FYE03/24
647t	1,314t	949t
Cumulative total		
647t	1,961t	2,910t



🍄 (1) Reduce use of plastics by reviewing mushroom packaging.

- As a major initiative, we will gradually change the packaging for *shimofuri hiratake* from trays to pillow packaging, thereby reducing plastic use. This table shows the forecast reductions based on the amount that would be used in each fiscal year if we continued using the same packaging as before.

Forecast annual plastics reductions

FYE03/22	FYE03/23	FYE03/24
29t	113t	25t
Cumulative total		
29t	142t	167t

Previous packaging



Pillow packaging



🍄 (2) Make recommendations to suppliers of the chemical products business department to reduce plastics.

- We will promote initiatives to reduce the amount of plastic used, such as making trays thinner and proposing a switch to bags.

【 Priority activity (2) 】 Realize a circular society.

🍄 (1) Reuse mushroom cultivation culture media.

- We are already working to reuse culture media as compost and feed and have achieved stable reuse. In the future, we will also work to reuse culture media as fuel for biomass power generation, thereby increasing added value.

🍄 (2) Promote recycling activities in the chemical products business department.

- We will promote collection of used trays and the crushing and reuse of waste plastics such as degraded used mushroom cultivation bottles.



Promote healthy lifestyles through mushrooms.



【 Priority activity (1) 】 Propose healthy eating habits.

 (1) Research mushroom functionalities to improve the intestinal environment and enhance immunity, and make efforts to develop new varieties and establish cultivation methods that contribute to enhancing functionalities.

 (2) Promote “KINKATSU through mushrooms.”

- We will continue to advocate for “KINKATSU through mushrooms,” which is the inclusion of mushrooms in meals every day, and offer factory tours for children and dietary education for communities and educational institutions across Japan. To make these activities more appealing, we will communicate healthy menus and the benefits of mushrooms.



【 Priority activity (2) 】 Ensure safety and reliability.

 (1) We will maintain appropriate production activities through continued GLOBAL G.A.P. certification.

 (2) We will have an external analysis organization regularly test for pesticide residues and heavy metals.

【 Priority activity (3) 】 Address food problems.

 (1) Promote single-serving size items that contribute to reducing food debris.

 (2) Provide food aid in disasters.

 (3) Support the activities of the UN World Food Programme (WFP).

- We will continue to make donations to support school lunches for children in developing countries through our mail-order website.

 (4) In the chemical products business, promote the provision of packaging materials that reduce food loss.

- We will endeavor to provide highly functional packaging materials that lengthen the retention of food quality.



Contribute to society and the community.



【 Priority activity (1) 】 Support regional revitalization and local economies and culture.

(1) Sports sponsorship

- In addition to local professional sports, we provide support for sports activities that foster physical and mental health and the development of athletes.

Sponsorship of AC Nagano Parceiro (professional soccer), Shinano Grandserows Baseball Club (professional baseball / BC League), and Shinshu Brave Warriors (professional basketball), etc.

Support for the Nagano Prefecture Elementary School Sumo Championship Tournament.



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(2) Initiatives to promote culture and the arts

- By having acquired the naming rights for the Nagano Prefectural Cultural Hall (HOKUTO Cultural Hall) we will contribute to creating a platform for the promotion of local culture and arts.

(3) Corporate activities based in the local community

- We promote local employment in each region at our nationwide mushroom centers.
- We value a sense of unity with the local community by participating in local festivals and events and deepening interaction.



【 Priority activity (2) 】 Support research and human resource development in bio-science.

Donations to the HOKUTO Bio-science Promotion Foundation

- We will contribute to the advancement of science and industry, the development of human resources, and the realization of a society full of smiling faces through research grants in the bio-sciences.



【 Priority activity (3) 】 Take initiatives to improve the health of all people.

Support Pink Ribbon* activities and other activities to battle cancer.

- With the hope that all people will be healthy, we will sponsor awareness raising activities and donate a portion of mushroom sales to support Pink Ribbon activities and activities to battle cancer.

*Pink Ribbon: Activities to raise awareness of early detection, diagnosis, and treatment of breast cancer.



Create a workplace that makes employees happy.



【 Priority activity (1) 】 Take initiatives for gender equality.

(1) Promote an increase in the number of days of paid leave taken and work toward zero employees who work an average of 45 hours or more of overtime per month.

- Active participation in parenting is essential for the healthy development of children. At the same time, we will create a worker-friendly workplace environment with the aim of realizing work-life balance for employees.

(2) Promote the use of childcare leave by male employees.

(3) Implement career development initiatives to foster female managers.

- With the aim of appointing women to management positions, we will work on training to change awareness and develop their knowledge and skills, and provide support for their growth.



【 Priority activity (2) 】 Promote diversity.

Work toward creating a workplace environment that allows diverse human resources to demonstrate their abilities.

- We will strive to recruit and utilize women, seniors, people with disabilities, and foreign nationals. We will enhance systems to accommodate diversity and introduce training and other programs so that employees work together with mutual respect.
- In terms of work systems, we will work to enhance and create systems to realize diverse workstyles (personal injury and illness leave system, telecommuting system, etc.).



【 Priority activity (3) 】 Realize health and productivity management.

Work toward achieving certification in the Health and Productivity Management Organization Recognition Program.

- As a company that advocates health, we will work to acquire this certification as part of our efforts to promote sound management and the health of our employees.

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