



KANEMATSU CORPORATION

Kanematsu begins supplying domestically produced rice combined with added environmental value to Skylark
—Project to reduce supply chain emissions from raw ingredient production and procurement—

Kanematsu Corporation (“Kanematsu”) has begun supplying domestically produced rice with environmental value added in the production process to Skylark Holdings Co., Ltd. (“Skylark”).

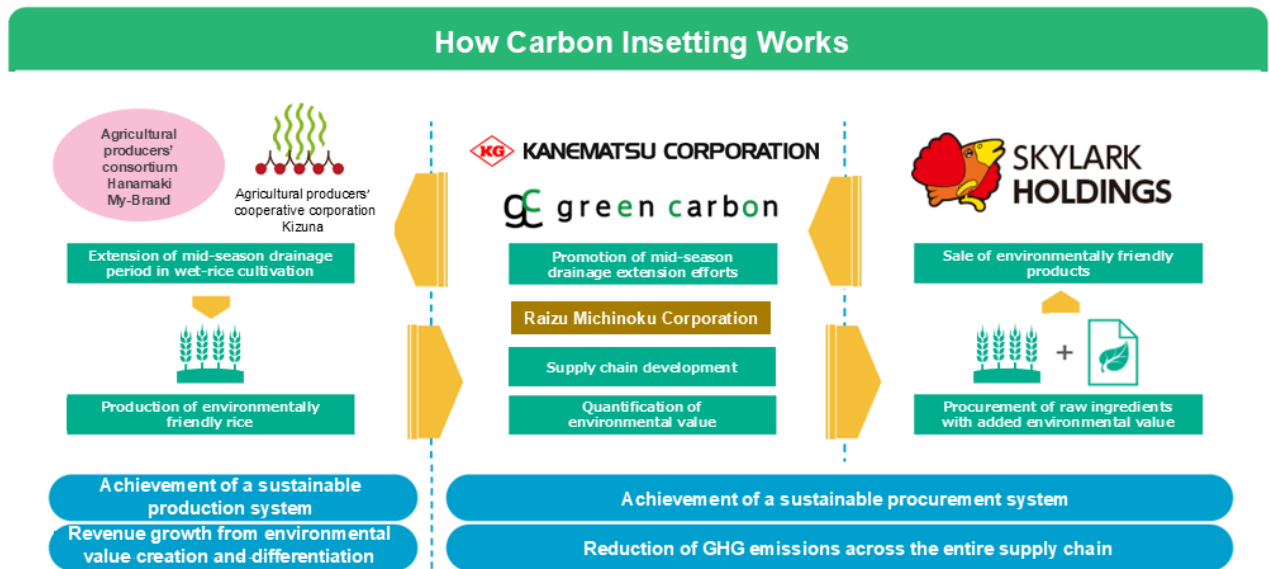
This was made possible through cooperation and collaboration with the following diverse stakeholders committed to supplying sustainable domestically produced rice: Skylark, a downstream company in the supply chain; Raizu Michinoku Corporation (“Raizu Michinoku”), a rice distributor; Agricultural producers’ consortium Hanamaki My-Brand and Agricultural producers’ cooperative corporation Kizuna (“Producers”), rice producers; and Green Carbon, Inc. (“Green Carbon”), responsible for environmental value creation.



Stakeholders at the Producers’ rice paddy in Hanamaki

This project is based on the concept of “carbon insetting”—the benefits of GHG emissions reduction and elimination efforts carried out within the domestically produced rice supply chain are leveraged within the same supply chain. It will help Skylark and other businesses involved in the supply chain reduce their Scope 3 emissions.

To create added environmental value, the Producers extend the mid-season drainage period in accordance with J-Credit methodology AG-005, “prolongation of mid-season drainage in paddy rice cultivation.” Green Carbon creates J-Credits based on the reduced GHG emissions, then retires the credits on behalf of Skylark. Kanematsu and Raizu Michinoku supply the domestically produced rice to Skylark while ensuring its traceability.



Throughout its extensive involvement in the rice trading business, Kanematsu has worked alongside Skylark, Raizu Michinoku, Hanamaki My Brand Study Group, and Kizuna Agricultural Producers' Cooperative Corporation to create a system for the stable supply of safe, traceable rice to our customers.

In May 2024, Kanematsu and Green Carbon entered into a partnership agreement for creating carbon credits through reducing rice paddy methane emissions and for jointly promoting the distribution of environmentally friendly rice cultivated using that method, and have since carried out various projects that build on it. Leveraging our connecting role as a trading company in the supply chain, we are implementing the current project as an initiative to build a sustainable food supply chain that creates new added value.

The four companies and Producers are committed to developing and expanding this sustainable production and procurement system for domestically produced rice while further strengthening mutual trust. Furthermore, Kanematsu and Skylark will actively pursue carbon insetting-based partnerships in other supply chains as well. We will work together in areas such as environmental sustainability, climate change mitigation, and biodiversity conservation, aiming to build a sustainable production and procurement system for raw ingredients and contribute to a sustainable society.

◆ **List of Kanematsu's carbon insetting initiatives (press releases)**

1. Kanematsu enters into a partnership agreement with Denmark's Danish Crown to spread sustainable pork products in Japan
2. Kanematsu enters into a partnership agreement with Green Carbon, Inc. aiming to reduce "rice paddy methane" emissions and spread environmentally friendly rice to address global warming
3. Kanematsu and green and agritech venture TOWING partner to expand adoption of the high-performance biochar "Soratan" in Japan and the U.S.
4. Kanematsu partners with Morinaga Milk Industry and TOWING to build a sustainable supply chain for Brazilian coffee beans
5. Kanematsu invests in Nagoya University based green and agri-tech venture TOWING: Driving the development of sustainable food supply chains globally
6. Kanematsu and dsm-firmenich start promoting joint initiatives for reducing the environmental impact of livestock products by utilizing a feed additive that reduces cattle methane emissions
7. Kanematsu participates in the Insetting Consortium toward strengthening "GX for agriculture and food"

【Corporate Profile】

Name	SKYLARK HOLDINGS CO., LTD.
Establishment	April, 1962
Representative	Minoru Kanaya, President & COO
Address	1-25-8 Nishikubo, Musashino-shi, Tokyo 180-8580, Japan
Business	Food services and related businesses
URL	https://corp.skylark.co.jp/en/

Name	Green Carbon, Inc.
Establishment	December, 2019
Representative	Jun Okita, COO
Address	Hanzomon PREX North 9F, 2-3-2 Kojimachi, Chiyoda-ku, Tokyo Japan
Business	CO ₂ reduction, plant and microbial R&D, carbon credit trading, agricultural projects, environmental projects, and ESG consulting
URL	https://green-carbon.co.jp/en/

【Contact】

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<https://www.kanematsu.co.jp/en/inquiry/>