

Message from Top Management

Message from the COO

As stated in our management philosophy, the Kirin Group's businesses in the Food & Beverages domain, Health Science domain, and the Pharmaceuticals domain cannot exist without natural capital. Natural capital is not only affected by climate change, but is also regional, localized, and unevenly distributed in terms of resource amounts. I believe it is my responsibility to link environmental issues with business risks and opportunities, to have a positive impact on society through our business activities, and to lead the world in terms of environmental management.

The Kirin Group's Environmental Vision 2050 states that we can "Enrich the Earth with Positive Impact," and we have been actively disclosing the dependence on and effect of our business on the environment with the aim of having a positive impact on society as a whole through our business. We disclosed the TCFD in 2017 and have added the TNFD framework since 2022, reexamining our business from both climate change and natural capital perspectives, taking into account their interrelatedness. We believe that initiatives through our business, such as sales of products certified for biodiversity, conservation of water sources, reduction of GHG emissions, steady progress in packaging innovation, and products that contribute to maintaining immunity and combating heatstroke as an adaptive measure against climate change, will have a positive impact on the design, procurement, manufacturing, and distribution sites.

Looking at global trends, the 28th Conference of the Parties to the United Nations Framework Convention on Climate Change (COP28, 2023) once again called for urgent action to limit global temperature rise to 1.5 degrees Celsius. The Emirates Declaration on Sustainable Agriculture was also released at

the same time, clearly highlighting the importance of balancing climate change with strengthening agriculture and food systems. At the Kirin Group, we have long been addressing climate change and natural capital in an integrated manner. We recognize that there are differences in characteristics and impacts based on the cultural and economic backgrounds of each region, and that there are difficulties in achieving a "Just Transition" that takes these differences into account. In order to realize the mental and physical health (Well-being) of diverse people with various values and a sustainable society in which people can live with peace of mind, it is essential to correctly recognize the issues that arise in each "field," and work together with local people in each community to come up with optimal solutions.

I became president of Kirin Holdings at the end of March this year, and my motto is "go to the gemba or actual worksites, see the actual things happening, and know the actual situation," and I believe this is important in all aspects of business, and that this also applies to environmental management. The Kirin Group's environmental initiatives began 50 years ago with the reduction of external diseconomies caused by business activities such as pollution control at the factory sites. Going forward, we will continue to lead integrated environmental management as the world's leading CSV company, as set forth in our long-term management vision KV2027.

Kirin Holdings Company, Limited
Representative Director of the Board, President & COO
Group Business Execution Control
Takeshi Minakata



Message from the Officer in Charge of CSV Strategy

The development of global rules for the environment has made rapid progress in recent years. The final recommendations of the TNFD have been published, and the so-called Global Plastics Treaty is also under discussion. The EU has implemented the CSRD, which aims to strengthen the disclosure of sustainability information by companies, and in April of this year, the ISSB announced that it would launch a research project with the next topics being "biodiversity, ecosystems and ecosystem services" and "human capital." Based on these trends, society is moving toward integrated solutions to sustainability issues.

In the "Kirin Group Long-Term Environmental Vision" disclosed in 2013, we adopted an integrated approach based on the understanding that environmental issues are interrelated and must be resolved comprehensively. In response to the TCFD recommendations, we conducted a scenario analysis in 2018 which revealed that climate change would have a significant impact on the Group's raw agricultural products and water. Understanding the "risks and opportunities" based on the TNFD guidance also makes it clearer that the issues of raw agricultural products, climate change, and improper disposal of used containers and packaging are interrelated. This is why this year we are again not releasing separate TCFD or TNFD reports, but are disclosing information in an integrated manner through our Integrated Report and Environmental Report.

Last year, we began working with the Rainforest Alliance to develop the Regenerative Tea Scorecard, a tool that allows

farmers to use their own judgment to promote environmentally sustainable agriculture. We conducted a pilot test on selected tea plantations in Sri Lanka, a major producer of tea leaves used in Kirin Gogo-no-Kocha. At the Château Mercian Mariko Vineyard, we started a study on the effects of carbon storage and further upgrading of biodiversity assessment of vineyards in collaboration with NARO (National Agriculture and Food Research Organization). The Vineyard has been officially certified as a "Nationally Certified Sustainably Managed Natural Sites" by the Ministry of the Environment. Through these efforts, we plan to accumulate knowledge about the potential of regenerative agriculture. Kirin has also been a member of the Japan Business Coalition for a Global Plastics Treaty, which makes policy recommendations to the Japanese government toward the development of an ambitious international treaty aimed at eradicating plastic pollution, since its inception. With regard to GHG reductions, Scope1 and 2 have been successfully reduced, and Scope 3 has been addressed by the Kirin Supply Chain Environmental Program launched in April 2024.

Going forward, through our integrated approach to water resources, climate change, containers and packaging, and biological resources, which are our four most important issues related to the global environment, we will continue to sustain our businesses that rely on the blessings of nature, while at the same time realizing Nature Positive and Circular Economy, and leading the world in contributing to carbon neutrality by 2050.



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