Analysis of Risks in Kirin Group Supply Chain and Action Plan for 2022-2024

Following the enactment of the Kirin Group Sustainable Procurement Policy and the Kirin Group Sustainable Supplier Code in April 2021, we conducted another risk assessment of agricultural products and processed agricultural products procured by the Kirin Group to promote human rights due diligence in the supply chain. The following is a summary of the results of the study. The main raw materials used for the evaluation are malt (barley), hops, black tea leaves, green tea leaves, coffee beans, grapes, sugar, corn, soybeans, grapefruit juice, and lemon juice. Using the Sedex assessment tool, we identified and prioritized agricultural products and processed agricultural products with high human rights risks based on the two axes of human rights risk and business impact in each raw material procurement country.

*Human rights risks covered: forced labor, freedom of association, health and safety, child labor, adequate wages, working hours, discrimination, gender, regular employment, labor standards

In this analysis, the agricultural products and procuring countries classified as "Highest Priority" in terms of human rights risk in the Kirin Group's supply chain were soybeans (China)*, tea leaves (Sri Lanka), and grapes (Argentina). We will continue to identify the actual situation and human rights risks of these commodities.

*Human rights due diligence has already been conducted for soybeans in 2021.

< Future Human Rights Due Diligence Action Plan >

2022 Impact assessments on supply chain of tea leaves (Sri Lanka)
2023 Impact assessments on supply chain of grape juice (Argentina)
   Report the results of tea leaves (Sri Lanka) and improvement activities to address issues found
2024 Impact assessments on other "High Priority" procurements
   Continuous improvement activities for issues found in tea leaves (Sri Lanka)
   Report the results of grape juice (Argentina) and improvement activities for issues found