

About this Environmental Report

Editorial Policy

The Kirin Group consists of its Japan Beer and Spirits Businesses, Japan Non-alcoholic Beverages Businesses, Oceania Integrated Beverages Business, Pharmaceuticals Businesses and Other Businesses and operates primarily in Japan, Oceania, and Asia. Approximately 65% of net sales are attributable to the Japan Beer and Spirits Businesses, Japan Non-alcoholic Beverages Businesses, and Oceania Integrated Beverages Business.

Initiatives to address the environmental issues are positioned as one key issues of CSV (the creation of value that can be shared with society), which is the core of our management strategy for the realization of sustainable growth.

The editing of this report has taken into account the characteristics of the Kirin Group's business and the positioning of its environmental approaches.

Structure of Corporate Information Disclosure

Information on the corporate activities of the Kirin Group, including this Report, discloses a diverse range of information in the interests of shareholders and investors, as well as the interests of a wide range of stakeholders in our local communities, including our customers.

Kirin Holdings CSV Website
<https://www.kirinholdings.co.jp/english/csv/>



Kirin Holdings Investor Relations Information
<https://www.kirinholdings.co.jp/english/ir/library/>



Kirin Group Environmental Report
<https://www.kirinholdings.co.jp/english/csv/report/env/>



KIRIN CSV REPORT (Integrated Report)
<https://www.kirinholdings.co.jp/english/ir/library/integrated/>



Lion Sustainability Website
<https://www.lionco.com/sustainability>



KYOWA KIRIN Annual Report
<https://ir.kyowakirin.com/en/library/annual.html>



Reporting Period

FY2019 (January–December 2019)

Where necessary, this report also contains historical data showing trends for the past 3 to 5 years.

Organizations Covered by this Report (FY2019)

Business	Company
Japan Beer and Spirits Businesses	Kirin Brewery, Kirin Distillery, SPRING VALLEY BREWERY, Eishogen Kirin Brewery (Zhuhai)
Japan Non-alcoholic Beverages Businesses	Kirin Beverage, Shinshu Beverage, Kirin Beverage Value Vendor Hokkaido Kirin Beverage, Kirin Maintenance Service, KIRIN Tropicana each site of Kirin Beverage Service (Hokkaido, Sendai, Tokyo, Tokai, Chubu, Kansai) Hakodate Daiichi Vending, KIRIN VIVAX, Tokai Beverage Service
Oceania Integrated Beverages Business	Lion
Pharmaceuticals Businesses	Kyowa Kirin, Kyowa Kirin Frontier, Kyowa Medical Promotion, Kyowa Kirin plus, Kyowa Hakko Kirin China Pharmaceutical, Kyowa Kirin Pharmaceutical Research
Other Businesses (all companies included)	Mercian, NIPPON LIQUOR, Daiichi Alcohol, Wine Curation, Myanmar Brewery Interfood, Vietnam Kirin Beverage, AZUMA KIRIN, Four Roses Distillery Kyowa Hakko Bio, KYOWA PHARMA CHEMICAL, KYOWA Engineering, BioKyowa, Shanghai Kyowa Amino Acid, Thai Kyowa Biotechnologies, Kirin Holdings, Kirin Business Expert, KIRIN BUSINESS SYSTEM, KOIWA DAIRY PRODUCTS, Kirin Echo, Kirin and Communications, Kirin Engineering Kirin City, Kirin Techno-System, KIRIN GROUP LOGISTICS

Calculation Method of Environmental Data

About Calculation Method of Environmental Data (→P.90~P.92)

Reference Guidelines

- GRI Standards
- Ministry of the Environment, Government of Japan's Environmental Reporting Guidelines (FY2018 version)
- Recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD Recommendations) (June 2017)
- CDSB framework v2.2 (December 2019)
- SASB Standards (October 2018 version) Food & Beverage Sector/Alcoholic Beverages Industry and Non-Alcoholic Beverages Industry (→P.104~P.110)

Forward-looking statements in this report, including forecasts, targets, and plans, are based on the current assessments by management at the time of preparation of the report. They contain inherent uncertainty that the outcomes will differ from the statements in this report due to changes in a variety of factors. Statements about risks and opportunities are also included in the report from the perspective of proactive information disclosure, even if they do not necessarily constitute risk factors that would have a material impact on investor decisions. The Kirin Group will, upon identification and acknowledgment of various risks associated with its business, strive to strengthen its risk management structure and to prevent and mitigate those risks, and will make its best efforts to respond to risks that become apparent.

Based on the Kirin Group's Environmental Vision 2050, we will create a positive impact on society as a whole

Since Japan entered its new era Reiwa, the world has been hit by increasingly uncertain situations, including serious typhoon damage in Japan, bushfires in Australia, and the outbreak of the novel coronavirus (COVID-19). In this age of ambiguity and uncertainty, I believe it is all the more important to manage the entire group with a solid axis that will not become blurred or lost. What serves as our solid axis is CSV management, which we have been working on since 2013. In the beginning of this fiscal year, the progress and achievement status of CSV commitment was added as a non-financial target on top of financial targets to the evaluation items for executives' remuneration to further promote CSV management throughout the organization. In the area of environmental issues, efforts are underway on a global basis, including the launch of multiple international initiatives such as the Task Force on Climate-related Financial Disclosures (TCFD) after the Paris Agreement and marine plastic pollution now being discussed as a global problem. Furthermore,

measures taken by companies to address environmental issues are evolving from initiatives that can be completed in-house to those that are undertaken with external stakeholders. Against this backdrop, the Kirin Group has revised its environmental vision and formulated a new long-term strategy, the Kirin Group's Environmental Vision 2050, with the aim of enhancing the resilience of society and the company. Based on this vision, we will not only reduce the negative impact that occurs at our operating sites but also create a positive impact on society as a whole. By doing so, we hope to work together with the young generations who will inherit the world and other members of society to create a prosperous world for future generations. The Kirin Group will leverage its strengths in fermentation technology and biotechnology, as well as in crafting and engineering, to contribute to solutions to social issues associated with the environment, food and well-being, and local communities.



President and CEO
Kirin Holdings Company, Limited
Yoshinori Isozaki

Corporate Philosophy

KIRIN brings joy to society by crafting food and healthcare products inspired by the blessings of nature and the insights of our customers.

2027 Vision

A global leader in CSV, creating value across our world of Food & Beverages to Pharmaceuticals

"One KIRIN" Values

Passion Integrity Diversity

Corporate philosophy

KIRIN brings joy to society by crafting food and healthcare products inspired by the blessings of nature and the insights of our customers.

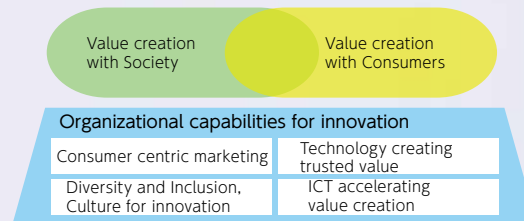
2027 vision

A global leader in CSV, creating value across Food & Beverages to Pharmaceuticals

Outcomes

Create economic value (Financial targets)
Create social value (Non - financial targets)

Strategy framework

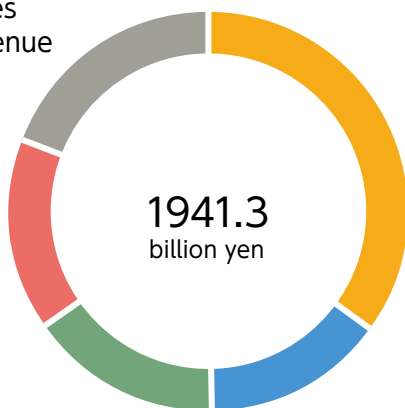


Values "One Kirin" Values

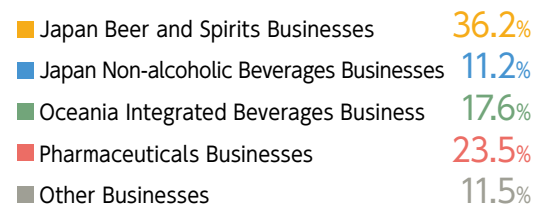
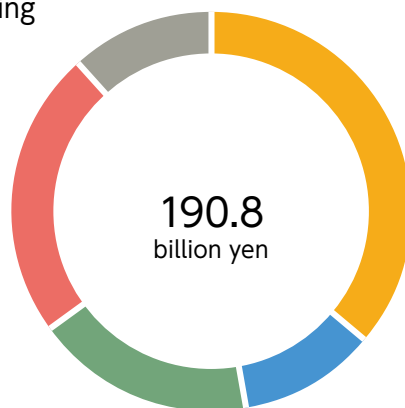
"Passion, Integrity, Diversity"

Corporate Data

Sales revenue



Operating profit

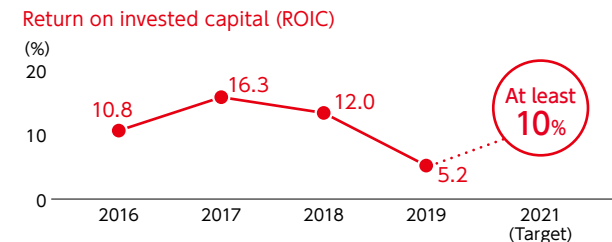


Segment	Food & Beverages	Pharmaceuticals	Health science	Company
Japan Beer and Spirits Businesses	●			Kirin Brewery
Japan Non-alcoholic Beverages Businesses	●			Kirin Beverage
Oceania Integrated Beverages Businesses	●			Lion
Pharmaceuticals Businesses		●		Kyowa Kirin
Other Businesses	●		●	Mercian Myanmar Brewery Kyowa Hakko Bio Other

Company overview

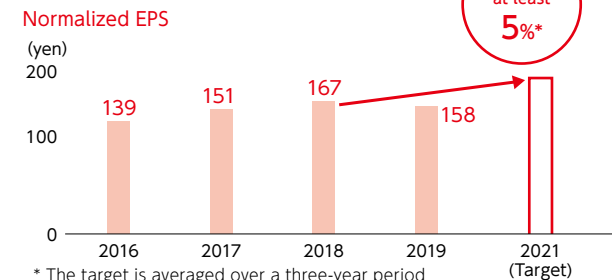
Trade Name Kirin Holdings Company, Limited
Date of Incorporation February 23, 1907
*The Kirin Group adopted International Financial Reporting Standards (IFRS) in December 2017. For details, please refer to the Financial and Non-Financial Highlights of KIRIN REPORT 2018.
Head Office NAKANO CENTRAL PARK SOUTH
 10-2, Nakano 4-chome, Nakano-ku, Tokyo 164-0001, Japan
 +81-3-6837-7000 [Information Desk]
Paid-in Capital 102,045,793,357 yen
Number of Employees 31,040 employees on a consolidated basis (as of December 31, 2019)

Capital efficiency indicator



*Figures up until FY2018 have been retroactively adjusted to reflect changes to accounting policies in FY2019

Profitability and growth indicator



We will solve environmental issues beyond our own value chains

In 2020, the spread of COVID-19 has significantly affected economic activities, causing Japan to declare a state of emergency and many overseas countries to take lockdown measures. Meanwhile, when we see a reduction in greenhouse gas emissions, which was said to be an urgent issue but could not necessarily be tackled by the world in a unified manner, and clear blue skies returning to major cities around the world, many of us may feel that this is like a message from nature. The IPCC Special Report on Global Warming of 1.5°C indicates that global warming is already progressing considerably and that the negative impact will be enormous if countermeasures are not taken. The scenario analysis conducted by the Kirin Group also revealed a potential significant impact on agricultural products and water resources, which are important raw materials.

On the other hand, our scenario analysis also indicates that reinforcing measures to mitigate and adapt to climate change leads to the possibility of reducing negative impacts and embracing business opportunities.

Our new Kirin Group's Environmental Vision 2050 established this year is a long-term strategy aimed at strengthening the resilience of society and the company under these circumstances. The most important message is "positive impact." We will not only eliminate negative impacts but also create positive impacts on society beyond our own value chains and work together with the young generations to solve

environmental issues.

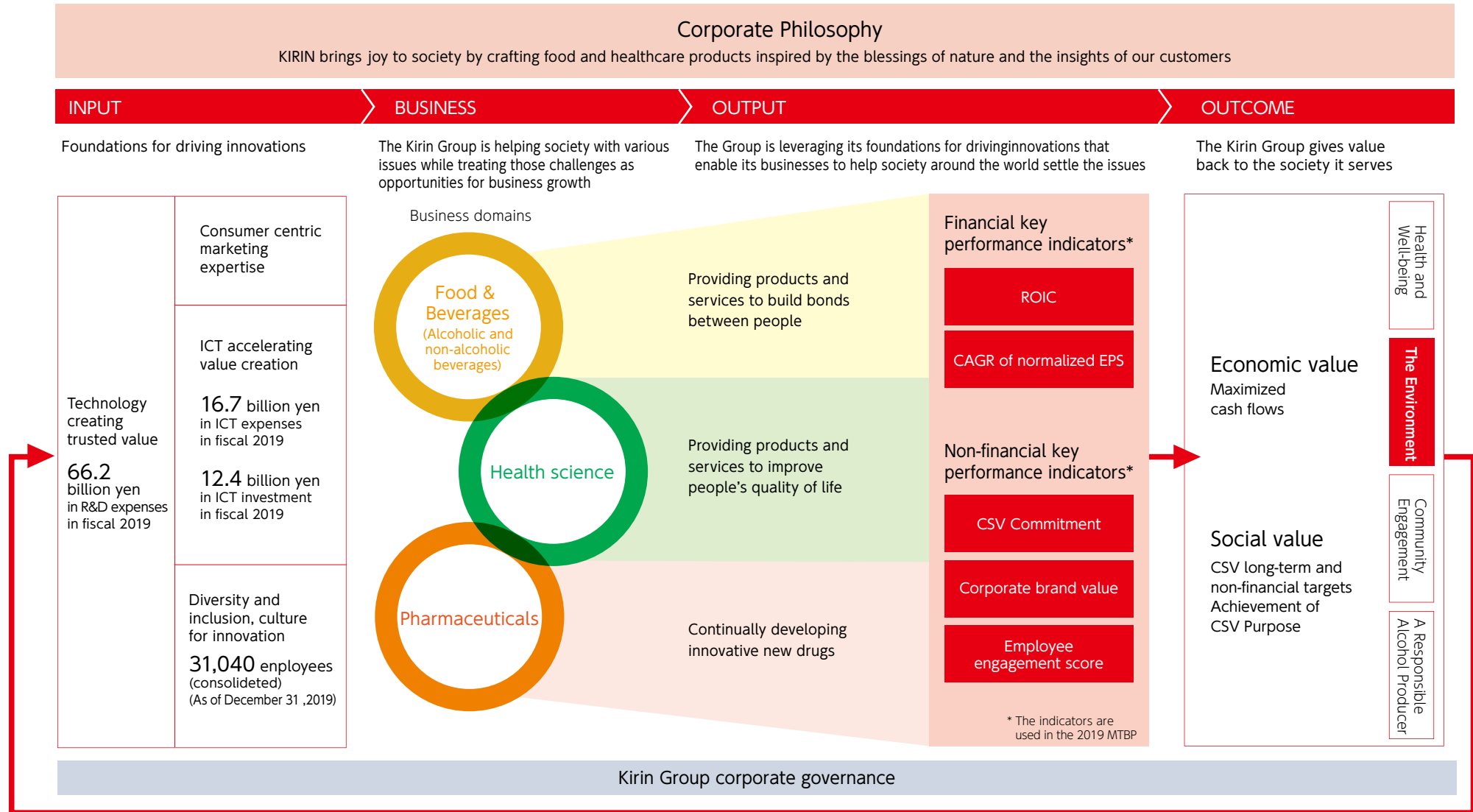
In 2019, the Kirin Group received a great deal of recognition for its initiatives, such as receiving the Gold Award (Minister of the Environment Award) in the ESG Finance Awards Japan. We will live up to this honor without being complacent about it and continue to demonstrate leadership in CSV management to balance the conservation of the natural environment and the sustainable growth of our business.

In Australia, our Group company Lion acquired carbon neutral certification this year and has set a target of using 100% renewable electricity for its operation by 2025. The Kirin Group as a whole aims to achieve carbon net zero throughout its value chains by 2050 and will work to promptly respond to achieve RE100 and SBT 1.5°C. In June of this year, we also agreed to and signed the *Business Ambition for 1.5°C* commitment and supports the statement *Uniting Business and Governments to Recover Better*. We will make containers and packaging 100% sustainable by using recycled materials and biomass by the end of 2050. In the area of biological resources, we will extend our support for acquiring Rainforest Alliance certification also to coffee plantations in Vietnam. The Kirin Group's symbol KIRIN is a mythical creature that protects nature by not stepping on insects or breaking grass. We will continue to take on the challenge of preserving our rich natural environment for future generations, just like the KIRIN does.



Ryosuke Mizouchi
Senior Executive Officer at Kirin Holdings Co., Ltd.
(Head of CSV Strategy, Group Environment Manager)

Value Creation Model



Details can be found in the KIRIN CSV REPORT 2020 P.27~28
<https://www.kirinholdings.co.jp/irinfo/library/integrated/>