

Message from Top Management

Message from the President & COO

The Kirin Group has been engaged in CSV (Creating Shared Value) management, striving to generate both social and economic value through its alcoholic beverages, non-alcoholic beverages, pharmaceuticals, and health science businesses. We have positioned four environmental themes as critical management issues within the “Group Materiality Matrix (GMM)” and have taken an integrated approach. As if to confirm that, recent events have highlighted changes in the relationship between business and the environment, emphasizing the growing importance of strategically addressing environmental issues.

In 2025, discussions on maintaining industrial competitiveness while accelerating progress toward climate goals are intensified. Some financial institutions and authorities have withdrawn from international decarbonization frameworks or ease sustainability regulations. Meanwhile, climate disasters such as large-scale forest fires are occurring frequently. Management must steer environmental management under these highly uncertain circumstances. It is crucial to accelerate climate change adaptation and the transition to a decarbonized society as a strategic issue, while maintaining competitiveness. In September 2024, a brewery in Ashville of New Belgium Brewing, a North American craft beer company under the Kirin Group, was temporarily forced to close due to hurricane damage. The safety and well-being of local employees was given top priority, and through cooperation with partner companies and the local community, operations were able to resume before the end of the year. However, this incident served to remind us that climate change is having an impact on the Group’s business.

We recognize the importance of natural capital, which

forms the foundation of our business, and aim to positively impact society through our operations while considering environmental trends and regionality. With the goal of “Enrich the Earth with Positive Impact” by 2050, we are committed to advancing specific measures to address environmental issues in an integrated manner.

The “CSV Commitment” is a medium- to long-term action plan that each business undertakes to achieve the “CSV Purpose,” which translates the Corporate Philosophy into social raison d’être. We review and update our goals annually, report progress to the Kirin Holdings Board of Directors quarterly, and link it to executive performance evaluations. Through the execution of the CSV Commitment, which includes environmental initiatives, we create social value across the group, strengthen competitiveness, and drive business growth, thereby deepening our CSV management.

My creed is “Go to the gemba or actual worksites, See the actual things happening, and Know the actual situation”, which applies equally to our environmental efforts. Achievements in supporting farmers to obtain the biodiversity certifications, steadily advancing decarbonization roadmaps across supply chains and business sites, launching environmentally friendly products, researching chemical recycling of PET bottles for social implementation at the Institute for Package Innovation and efficiency improvements at the distribution and sales stages—all these site-specific efforts

along the value chain contribute to tangible progress. Going forward, I will continue to prioritize the opinions at worksites and strive to realize a sustainable society.



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

Takeshi Minakata

Message from Top Management

Message from the Officer in Charge of CSV Strategy

The message delivered at the World Economic Forum Annual Meeting (Davos Conference) — stating that annual global warming in 2024 reached 1.54 degrees Celsius above the pre-industrial average, exposing many regions worldwide to unprecedented catastrophic extreme weather — was shocking to us as we strive towards the 1.5°C target. Additionally, the significant climate disaster impacting the Asheville brewery of our group company, New Belgium Brewing, and the shortage of orange supply from Brazil due to consecutive heatwaves, underscored the impact of global environmental issues on the Kirin Group's business. Our approach to the environmental challenges related to biological resources, water resources, containers and packaging, and climate change, and the creation of positive impacts are more crucial than ever.

"Double Materiality" is a concept that considers not only the impact of the environment and society on the company (financial materiality) but also the impact of the company's activities on the external environment and society (impact materiality) when identifying the issues the company should address. This concept is crucial for future companies from the standpoint of regulatory compliance, building stakeholder relationships, and enhancing long-term corporate value. As a company aiming to be a leading CSV enterprise, the Kirin Group seeks to consider both external and internal impacts and strives for environmental management to reduce negative externalities.

The Kirin Group conducts its business activities using the bounty of nature as raw materials, as well as the power and wisdom of nature, so the conservation and sustainable

use of biological resources is one of our materialities. To promote CSV, it is necessary to update risk recognition in line with changing external environments and business portfolios. With the addition of Blackmores and FANCL to the Kirin Group in recent years as part of our growth strategy to strengthen the health sciences domain, we plan to revise the "Kirin Group Action Plan for the Sustainable Use of Biological Resources" in 2025. Specifically, we are considering strategies and goal setting for the sustainable use of palm oil in cosmetics and health foods and fish oil in supplements.

To communicate our purpose, vision, initiatives, and achievements to a wide range of stakeholders, the Kirin Group has actively adopted international disclosure standards when issuing environmental reports. This report references the IFRS S1 and S2, the global baseline of sustainability standards published by the International Sustainability Standards Board (ISSB) in 2023. We support these standards, which aim to enhance the reliability and credibility of corporate disclosures related to sustainability. This report is compiled to ensure consistent understanding of the short-, medium-, and long-term environmental risks and opportunities facing our group's business, along with our response strategies, initiatives, and outcomes. As a leading company in environmental management, the Kirin Group will continue to fulfill its accountability.

Kirin Holdings Company, Limited
Senior Executive Officer

Hiroshi Fujikawa

