Message from the President & COO

In 2025, geopolitical fragmentation deepened to unprecedented levels, while extreme weather events driven by climate change occurred with increasing frequency across the globe. These events often exceeded the capacity of ecosystems and social infrastructure, triggering catastrophic disasters and surging resource prices.

Through our diverse businesses that utilize the bounty of nature as raw materials and harness the power and wisdom of nature, we have continued to evolve our CSV management, which aims to achieve both social and economic value. Rather than addressing environmental challenges—climate change, biological resources, water resources, and containers and packaging—as separate issues, we take an integrated approach, building our actions from the ground up. This foundation is rooted in the philosophy of "Reverence for Life," a Brewing Principle inherited from our founding business, Kirin Brewery, and we practice sustainable value creation within an organizational culture that emphasizes science and technology.

Following COP30 for the UNFCCC held in 2025, the international community has transitioned in earnest into the "implementation phase" of climate action. We align ourselves with this momentum and will share more concretely and more broadly with society our goal of "Enrich the Earth with Positive Impact," as set forth in our Environmental Vision 2050.

The Kirin Group has newly formulated "Innovate2035!" as its long-term management vision looking beyond the Kirin Group Vision 2027 (KV2027). Under this vision, we aim to "vitalize the world as a leading CSV company by continuously creating innovation through the power of people and technology."

Guided by the "KIRIN WAY," the Group's shared values and principles established to realize "Innovate2035!," we will continue to generate innovations that contribute to solving environmental challenges through the combined strength of people and technology.

At the same time, we will steadily promote initiatives toward achieving the two non-financial targets set out in "Innovate2035!". First, with regard to the reduction of Scope 1 and Scope 2 GHG emissions, we will build an energy portfolio resilient to uncertainties in price, supply, and technology by combining three approaches:"enhancing energy efficiency," "expanding the use of renewable energy," and "energy conversion." Second, to ensure sustainable water resource utilization, we will reduce water consumption intensity at Lion's production sites in Australia, where water stress is high, through the introduction of advanced water treatment technologies.

On the regulatory front, the SSBJ standards have been finalized in Japan. In advance of regulatory requirements, the Kirin Group became the first Japanese company to disclose non-financial information simultaneously in both Japanese and English in our Securities Report based on SSBJ standards. Companies are expected to consistently disclose risks, opportunities, strategies, metrics and targets, and transition plans to meet the expectations of investors and society. Going forward, we will further strengthen our disclosure response with both data quality and execution speed, providing highly transparent information.

At the core of my management approach is "the three-actuals principle"—a rigorous commitment to prioritizing "Gemba" (the actual place), "Genbutsu" (the actual things), and "Genjitsu" (the actual situation). By listening carefully to voices from the workplace, the realities on the ground, and the issues actually occurring, and directly linking insights gained to management decisions and strategy formulation, I am convinced that this approach enables effective CSV management that goes beyond mere principles and targets. Together with suppliers, industry associations, distribution and retail partners, customers, academic research institutions, and government authorities, we will reinforce collaboration to transform market mechanisms themselves. We will continue to remain faithful to the fundamentals—going to "Gemba," seeing "Genbutsu," and knowing "Genjitsu"—and forge a better future together with all our stakeholders.

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

Message from the Officer in Charge of CSV Strategy

In recent years, environmental challenges such as climate change, biodiversity loss, and stagnation in resource circulation have been exerting significant impacts on our society and economic activities, intertwining in complex and interconnected ways. Rather than addressing these challenges individually, deriving “integrated solutions” that simultaneously tackle climate, biodiversity, and resource circulation from a holistic perspective has now become a new prerequisite for corporate value creation. We at the Kirin Group are acutely aware that we have contributed to environmental change through our business activities, and we renew our commitment to fulfilling our social responsibility. Proactive and swift action is essential to protect and nurture the foundation for shared value creation for generations to come.

In 2026, a series of international forums will take place, including the Nature Positive Summit in July, the Conference of the Parties to the Convention on Biological Diversity (COP17) in October, and the UN Water Conference in December. Multifaceted and diverse challenges will require attention—not only droughts and water pollution but also WASH (safe water and sanitation), floods, and governance—marking a year when efforts toward biodiversity will further accelerate. Additionally, regulations promoting the transition to a Circular Economy are being strengthened, including the application of the EU’s Packaging and Packaging Waste Regulation (PPWR) and the enforcement of Japan’s revised Resource Circulation Act, which mandates the use of recycled materials.

In response to these developments, we report on our Group’s initiatives and progress as follows. First, regarding climate change, we are steadily advancing Scope 1 and 2 GHG emission reductions toward achieving RE100 by 2040 and realizing Net-Zero by 2050, through enhanced renewable energy deployment and energy-saving investments at domestic and overseas sites. For containers and packaging, we are promoting the adoption of recycled and low-carbon materials, along with design optimization, to curb material-derived emissions and advance resource circulation. In regard to water and biological resources, we have continued support for farmers to obtain sustainable farming certifications and water source conservation in raw material production areas, as well as collaboration within watersheds. In doing so, we have focused on assessing our dependencies on and impacts on natural capital and creating positive impacts. Furthermore, we have disclosed environmental KPIs based on CSV Commitments and are revising their targets for 2027.

Collaboration with our external stakeholders is also accelerating. First, decarbonization collaboration with suppliers: we are advancing supply chain-wide emission quantification and co-creating reduction roadmaps, expanding the implementation of low-carbon solutions across containers and packaging, materials, and logistics domains. Second, cross-industry ecosystem formation: we are promoting market infrastructure development for recycled materials and low-carbon resources, as well as standardization of emission data, in partnership with industry associations and financial institutions. Third, co-creation with consumers and communities: initiatives such as donating a portion of product sales to cherry blossom conservation activities and developing products that simultaneously reduce food loss and support farmers have garnered widespread support. Fourth, in collaboration with academia and regulatory bodies, we are accelerating the interface between science and policy in alignment with ISSB/SSBJ and TNFD, while contributing to the development of nature-related transition plans.

Going forward, we will proceed with establishing systems to ensure third-party assurance of non-financial data, including GHG emissions, and to improve traceability, steadily preparing for SSBJ-compliant disclosures and GX-ETS Phase 2. By combining on-the-ground capabilities within our organization with collaborative strength from external partners, we will continue to challenge ourselves to expand positive impacts for a sustainable society and enhance corporate value. Through this report, we will further deepen dialogue and co-creation with our stakeholders and continue to advance our initiatives. We sincerely appreciate your continued understanding and support.

Hiroaki Takaoka

Senior Executive Officer, CSV Strategy