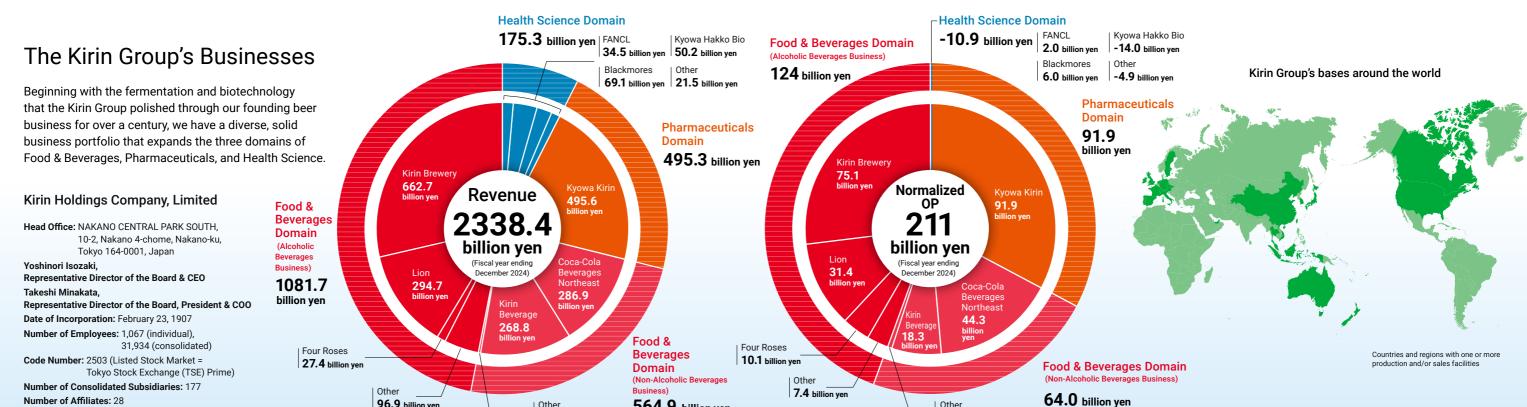
# **Overview of the Kirin Group**



564.9 billion yen

### **Food & Beverages Domain** (Alcoholic Beverages Business)

Revenue

Normalized OP

(As of December 31, 2024)

**Food & Beverages Domain** (Non-Alcoholic Beverages Business)

Revenue

Normalized OP

564.9 billion yen

96.9 billion yen

9.2 billion yer

This business domain, which includes our founding brewing business, constitutes the backbone of the Group. Since the 1990s onward, we have expanded our Food & Beverages Business into Asia, Oceania, and other parts of the world, manufacturing and marketing products under a broad range of value-added brands.

Main subsidiaries Kirin Brewery (10 other companies) Lion (40 other companies) Four Roses



Main subsidiaries Kirin Beverage (10 other companies) Coca-Cola Beverages Northeast



### **Pharmaceuticals Domain**

Revenue Normalized OP

495.3 billion yen

91.9 billion yen

Other

1.4 billion yen

We combined our proprietary fermentation and cultivation technologies acquired from the brewing business with biotechnologies to launch research and development of pharmaceutical products in the 1980s. The Pharmaceuticals Business has since grown to become one of the Group's core businesses, marketing biomedicines and other products in the global arena.

Main subsidiaries Kyowa Kirin (55 other companies)

**Providing** pharmaceuticals that meet unmet medical needs



# **Health Science Domain**

Revenue Normalized OP

175.3 billion yen

Our years of research in the Food & Beverages Domain, into naturally derived materials, as well as into fermentation and cultivation, have led to the discoveries of Lactococcus lactis strain Plasma (LC-Plasm, a postbiotic) and other substances proven to be beneficial to the human body. We intend to continue to make the best use of these assets to evolve the Health Science Business into a growth driver for the Group.

Main subsidiaries FANCL (8 other companies) Blackmores (30 other companies) Kyowa Hakko Bio (10 other companies)



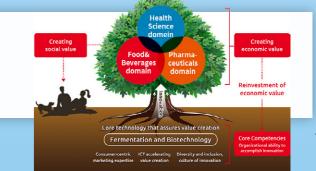






The fermentation and biotechnology at the root of all three domains

We have combined biotechnology with the technologies for controlling fermentation and culture that originated from beer brewing and applied these to the cultivation of various microorganisms, including lactic acid bacteria. This has led to the discovery and extraction of various useful substances (functional substances) in the field of health sciences. It is also used for the cultivation of animal and human cells in the Pharmaceuticals Business, and forms the basis of the Kirin Group's technological capabilities.



Strategies and Reviews of Overview of the Kirin Group TCFD • TNFD Message from Top Management Value Creation in the Kirin Group Strategies and Performance Operating Companies Respect for Human Rights

# **History of Business Development**

#### 2006-2015 2016-2018 2019-1981-2005 1907-1980

Spanning the years from the foundation of Kirin Brewery to the expansion of the Food & **Beverages Business** 

Diversifying into the Pharmaceuticals and **Health Science Business** 

Aggressively pursuing M&A opportunities to become a major player in the global arena

Restructuring and revitalizing Kirin Group Evolving to become a global leader in CSV

Social events Company-wide events

1923 Yokohama Yamate Plant damaged due to the Great Kanto Earthquake and relocated to Namamugi, Yokohama (now Yokohama Brewery, Kirin Brewery Company, Limited).

1975 Formulates "Transformation Initiative 1975."

1981 Formulates the Long-Term Management Vision.

2006 Formulates the Long-Term Management Vision "Kirin Group Vision 2015" (KV2015).

2011 Starts to support areas affected by the Great East Japan Earthquake and begins to adopt CSV management.

2012 Formulates the Long-Term Management Vision "Kirin Group Vision 2021" (KV2021).

2013 Establishes Japan's first CSV-specialized department

2016 Revises to new Long-Term Management Vision "Kirin Group Vision 2021" (new KV2021).

> New Long-Term Management Vision Kirin Group Vision 2021" (new KV2021)

2019 Formulates the Long-Term Management Vision "Kirin Group Vision 2027" (KV2027).

2019 Kirin Group's CSV Purpose formulated. 2019 Health Science Business Department

newly established

Long-Term Management Vision "Kirin Group Vision 2027" (KV2027)

Food & Beverages Since 1907 1885 Japan Brewery Co., Ltd. established.

1888 Kirin Beer introduced

1907 Kirin Brewery Co., Ltd. established.

1928 Kirin Lemon introduced.

1943 Kirin Science Institute (the forerunner of Kirin Central Research Institute) established

1963 Vending Machine Services Co., Ltd. (the forerunner of Kirin Beverage Co., Ltd.) established.

1972 Kirin Seagram Co., Ltd. (the forerunner of Kirin Distillery Co., Ltd.) established.

1976 Koiwai Dairy Products Co., Ltd. established.

1977 KW Inc. (the forerunner of Coca-Cola Beverages Northeast, Inc.) established.



1998 Acquires a stake in Lion Nathan Limited (now Lion Pty Limited) in Australia

2002 Acquires business rights of Four Roses in the United States.

2002 Acquires a stake in San Miguel Corporation in the Philippines. 2006 Makes Mercian Corporation a consolidated subsidiary.



2017 Completes the transfer of Brasil Kirin's Shares.



2020 Makes New Belgium Brewing Company, Inc. a wholly owned subsidiary 2021 Completes the transfer of Lion-Dairy & Drinks Pty Ltd's Shares.

2021 Makes Fermentum Pty Ltd a wholly owned subsidiary.

2022 Makes Bell's Brewery Inc. a wholly owned subsidiary. \*Absorbed by and merged with New Belgium Brewing Company, Inc.

in December 2023. 2022 Completes the transfer of China Resources Kirin Beverages (Greater China) Company, Limited's Shares.

2023 Completes the transfer of Myanmar Brewery Limited's





Pharmaceu-Since 1982

Health Science

Since 1983

1982 Establishes Kirin Brewery's Research and Development Division and begins research and development in the Pharmaceuticals domain.

1984 Kirin-Amgen, Inc. established. 1990 Kirin Brewery introduces ESPO®, an erythropoietin





(EPO) medicine effective on nephrogenic anemia.

2007 Kirin Pharma Co., Ltd. established. 2008 Kyowa Hakko Kirin Co., Ltd. (the forerunner of Kyowa Kirin Co., Ltd.) established.



**KYOWA KIRIN** 

2018 Launches global strategy products Crysvita and Poteligeo in Europe.



POTELIGEO<sup>®</sup>

2023 Begins selling Crysvita in vending machines in North America

2024 Makes Orchard Therapeutics plc (currently Orchard Therapeutics Limited) a wholly owned subsidiary

2024 Partnered with Kuro Oncology



Kirin Brewery's Business Development Division 1983 Launches Refle, a nutritional food made of beer yeast.

1983 A health food project team is formed under

1988 Supported the establishment of La Jolla Institute for Immunology (the forerunner of La Jolla Institute for Allergy

2002 Discovers Lactobacillus paracasei KW3110.





2008 Kyowa Hakko Bio Co., Ltd. established. 2010 Lactococcus lactis strain Plasma discovered.



2017 Launches a new brand iMUSE.



2019 Make a capital and business alliance with

2020 iMUSE accepts notification as Japan's first\* foods with function claims for immune function support. \*The first-ever Japanese brand to be publicly announced as foods with function claims for immune function support.

2023 Makes Blackmores Limited a wholly owned subsidiary.

2024 Agreement on the transfer of Kyowa Hakko Bio Co., Ltd.'s amino acid business and others

2024 Makes FANCL CORPORATION a consolidated

**FANCL** 



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# **Corporate Policy**

### Corporate Philosophy

#### Kirin's enduring, long-term significance in society

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

We pride ourselves on offering products based on what people want. We pride ourselves on our ability to harness the blessings of nature through innovative technology. We pride ourselves on delivering tangible satisfaction and quality in everything we make. All of which ensures that we exceed customers' expectations. And naturally, we do not stop there. As we look forward with vision and dreams, we aim to continue offering food and healthcare products that bring new joy to people's lives everywhere. Always a step ahead, the Kirin Group supports health, pleasure and comfort in your life.

# "One KIRIN" Values

The way of thinking and feelings that we value as members of the Kirin Group

# "Passion. Integrity. Diversity."

- ▶ Passion Our determination to continuously provide our customers and society with new value propositions based on innovative ideas, and our enthusiasm to meet goals with pride in the companies we work for and the brands we offer.
- Integrity Our gratitude to our stakeholders for always helping us move forward, and our promise to remain honest and humble in every business activity to serve them better.
- ▶ Diversity Our respect for different perspectives and values that enable constructive discussions, and our belief that the "differences" have the power to change the world and create better solutions.

### **Corporate Slogan**

A simple expression of Kirin's raison d'etre in the eyes of customers and society

# Joy brings us together



### Management Issues for Sustainable Growth (Group Materiality Matrix)

P.21

Important challenges to be addressed to operate and develop sustainably with society Evaluated and revised as needed

#### **Long-Term Management Vision Kirin Group Vision** 2027 (KV2027) P.34

A strategy to realize becoming "A global leader in CSV, creating value across our world of Food & Beverages to Pharmaceuticals" by 2027

#### Kirin Group Business Plan A more specific strategy for achieving the long-term management vision Revised annually FY2026-FY2028 FY2027-FY2029 Kirin Group Kirin Group Kirin Group Plan for Plan for Plan for FY2028 FY2029 FY2027 (Business Plan (Business Plan for FY2027)

#### **CSV Purpose**

P.21

Guidelines for jointly creating value with society and achieving sustainable growth that act as long-term non-financial goals for KV2027. The guidelines especially focus on the four areas of Health and Well-Being, Community Engagement, The Environment, and Responsibility of Kirin Group which runs Alcoholic Beverage Businesses.

#### **CSV Commitment**

TT P.88-95

An action plan to realize the CSV Purpose As a principle, updated every three years

# Financial and Non-financial Highlights

# Key financial performance indicators

ROIC

2025 Guidance → **7.2**%

2025 Guidance → 185 yen

- \*Results up through 2024 were calculated using the conventional method for calculating normalized profit.
- Normalized EPS = Normalized profit / Average number of shares outstanding during period
- Normalized profit = Profit attributable to Owners of the Company ± Other operating income and expenses and other items after income taxes

We will adopt non-normalized EPS from 2025.

# Key non-financial performance indicators Please refer to page 97 for the Kirin Group's GHG emissions calculation method.

# Environment

Climate Change

Reduction ratio of GHG emission (Scope 1+2) (compared with 2019)

2025 Target → **28**% 2030 Target → **50%** 

### Environment

Containers and Packaging

Percentage of recycled resin used in PET bottles\*1

2025 Target  $\rightarrow$  **40%** 2027 Target  $\rightarrow$  **50%** 

# Environment

Water Resources

Water use intensity at manufacturing sites with high water stress\*2

2025 Target → Under 2.4 kl/kl 2027 Target → Under 2.4 kl/kl

### Health

Progress of mid-term health science strategy

Achievement level in supporting the maintenance of immune function

Recognition rate of LC-Plasma function in Japan\*3

Number of people continuing to take LC-Plasma\*4

780,000

### **Employees** Organizational Culture

Employee engagement score\*5

2025 Target **→72** 2027 Target **→75** 

# Employees

Diversity

Achievement level in "Increasing diversity" Ratio of female managers

2025 Target → 18% 2030 Target → **30**% Ratio of mid-career hires

### **Employees** Occupational health and safety

Lost time injury frequency rate\*9

2030 Target → **0.1** 

\*1 Calculations are based on PET resin used by Kirin Brewery, Kirin Beverage, and Mercian for product packaging.

- \*2 Based on Aqueduct's Water Stress and WRF's Baseline Water Depletion, the three Lion sites of Tooheys Brewery/James Boag Brewery/Castlemaine Perkins are included
- \*3 From 2025, we will change the goal item to "Social impact of the Group's Health Science products (2025 Target: 125 million people)."
- \*4 From 2025, we will change the indicator to "Contribution to the expansion of the immunity market (LC-Plasma) (2025 Target: 2.45 million people).
- \*5 From 2025, we will change the indicator to "CVS practice score (2025 Target: 72)." Major group companies that have production and logistics functions within the group will be included. Partner companies within the plant premises are also included.
- \*6 The data covers original employees of Kirin Holdings Company, Limited. However, executive officers and rehired employees are not included. The Company defines a management position as a position equivalent to the term used in other private-sector companies, such as a manager (a person who directs workers and manages the organization).
- \*7 From 2025, we will change the indicator to "LTIR score (2025 Target: 2.50)." \*8 The ratio of mid-career hires in Japan is based on the employees with a domicile at Kirin Holdings Company, Limited. However, rehired employees are not included.
- \*9 From 2025, we will change the indicator to "Presenteeism (2025 Target: 63.6%)." (Results in 2024)

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