

Kirin Holdings wins the Environmental Value Award at the Nikkei SDGs

Management Awards

- The highest overall ranking for two years in a row -

TOKYO, Wednesday December 23, 2020 - Kirin Holdings Company, Limited (Kirin Holdings) has received the Environmental Value Award at the 2nd Nikkei [SDGs Management Awards](#). Kirin Holdings was ranked at ★★★★★ (five stars, a deviation of 70 or higher) in the overall ranking of "[SDG Management](#)" for the second consecutive year.

The award recognizes companies that work toward solving social, economic, and environmental issues through their businesses and improve corporate value by linking SDGs to their management efforts. Based on the results of the “Nikkei SDGs Management Survey” conducted by Nikkei Inc., the External Review Committee comprehensively reviewed the efforts and strategies of 731 companies in Japan.

The award ceremony was held on 24 November 2020.

The Grand Prix award is given to the best company that has both improved corporate value and contributed to the SDGs throughout their corporate activities at a high level. It evaluates the four elements of SDGs strategy / economic value, social value, and environmental value, plus governance, which is the foundation that supports them.

Kirin Holdings’ CEO Yoshinori Isozaki reflected on winning the top award: “We are honored to receive the Environmental Value Award. We promise to continue our leadership in the conservation of the natural environment and the sustainable development of society, in order to achieve the SDGs, and to live up to the honor of the Environmental Value Award.”

● Climate Change Commitments

Kirin Holdings was the first company in the Japanese food industry to endorse [TCFD](#) (Task Force on Climate-Related Financial Disclosure) in 2018.

In addition, with regard to efforts to reduce GHG^{*1} in manufacturing processes, the Group has set a GHG emissions reduction target of 30% by 2030 (compared to 2015), and was the first in the Japanese food industry to implement Science-based Targets (SBTs)^{*2} Initiative (SBTi)^{*3} approval. In addition to intensive energy-saving activities, the company has implemented fuel switching, installed heat pump systems in its domestic breweries, used solar, wind, and hydroelectric power, as well as renewable energy sources such as biogas from wastewater treatment plants to generate electricity.

Kirin Holdings is working on energy conservation, container weight reduction and GHG reduction initiatives along the value chain, including joint deliveries. In addition, in June of this year, Kirin Holdings signed the United Nations Global Compact’s [Business ambition for 1.5°C](#). Kirin Holdings plans to obtain SBTi’s approval for this new target in 2020. Kirin Holdings also joined the [RE100 Initiative](#) most recently in November and will achieve 100% renewable energy for electricity use by 2040.

*1: Greenhouse gases

*2: Greenhouse gas emission reduction targets set by companies for five to 15 years in the future, consistent with the levels required by the Paris Agreement (which aims to limit the global temperature increase to well below 2 degrees Celsius above pre-industrial levels and to limit it to 1.5 degrees Celsius).



At the "2nd Nikkei SDGs Management Awards" awards ceremony Kirin Holdings Company, Ltd. Representative Director and CEO Yoshinori Isozaki at the far left

*3: An initiative established in 2015 by the CDP, the United Nations Global Compact, the World Resources Institute and WWF.

<https://sciencebasedtargets.org>

For reference: <https://www.kirinholdings.co.jp/english/csv/env/climatechange.html>

● Cultivating Climate Change Contributions in Agriculture

In 2018 and 2019, scenario analysis assessed the impact of climate change on future agricultural yields and water risks, such as flooding and water stress in raw agricultural production areas and in domestic manufacturing and distribution channels, as well as the impact of carbon pricing on the cost of carbon emissions of the Kirin Group.

In terms of support for raw material production areas, Kirin Holdings has been supporting tea plantations in Sri Lanka, an important tea production area, to obtain the [Rainforest Alliance](#) certification*4 for tea plantations, and from this year, Kirin Holdings has begun to support coffee plantations in Vietnam. Kirin Holdings is also working on cultivating nature-rich vineyards, including ecosystem regeneration, mainly at the Château Mercian-managed Mariko Vineyard, in Ueda City, Nagano Prefecture.

*4: International system to certify whether the environment, labor, and management are all more sustainable

● Commitment to Creating Shared Value is at the Core

For more than 100 years, Kirin Holdings has been using crops and water as raw materials as well as yeast as a living organism in the manufacturing process, and our business relies on “natural capital.” In February of this year, Kirin Holdings formulated the [Kirin Group Environmental Vision 2050](#), a new vision for strengthening social and corporate resilience, not only to minimize negative impact, but also to make a positive impact on society and to help pass the earth on to the next generation. Initiatives are underway.

In our long-term management concept "Kirin Group Vision 2027" (hereinafter referred to as KV 2027), we aim to "create value in areas ranging from food to medicine, and become a leading company in global CSV*1". In February of this year, as a long-term non-financial goal for KV 2027, we established the new Kirin Group CSV Purpose ("CSV Purpose"), a set of guidelines for creating value with society and achieving sustainable growth. To realize the CSV Purpose, we reviewed our 2017 CSV Commitment and established new performance indicators, which we have included as non-financial indicators in our 2019 mid-term plan. By linking it to our business strategy, we will create social value for the entire group and deepen CSV management by linking it to the economic value of enhanced competitiveness and business growth.



Kirin Group CSV Purpose

In Kirin Holdings' [Kirin Group Vision 2027](#) (KV 2027), Kirin Holdings aim to " A global leader in CSV*5, creating value across our world of Food & Beverages to Pharmaceuticals ". In February of this year, as a long-term non-financial goal for KV 2027, Kirin Holdings established the new [Kirin Group CSV Purpose](#) ("CSV Purpose"), a set of guidelines for creating value with society and achieving sustainable growth. To realize the CSV Purpose, Kirin Holdings reviewed its 2017 CSV Commitment and established new performance indicators, which Kirin Holdings has included as non-financial indicators in our 2019 mid-term plan. By linking these to our business strategy, Kirin Holdings will create social value for all stakeholders and deepen CSV management by linking it to the economic value of enhanced competitiveness and business growth.

*5: Creating Shared Value. Combined added value for consumers as well as for society at large.

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