

May 27, 2021

Kirin Group-supported Coffee Plantations in Vietnam Acquiring Rainforest Alliance Certification Doubles in Two Years

- Kirin Holdings-supported Rainforest Alliance-verified sustainable farms double to 700
- Increasing sustainable raw material production sites in world's #2 coffee bean producer
- Vietnam follows Sri Lanka in Kirin Holdings' sustainable farming initiatives

TOKYO, Thursday May 27, 2021 – Kirin Holdings Company, Limited (Kirin Holdings) has doubled the number of coffee farms it supports in Vietnam that have obtained the [Rainforest Alliance Certification](#)^{*1}. In addition to the 350 small farms certified last year, Kirin Holdings has added 350 new small farms to the list of recipients, doubling the number to a total of 700 coffee farms. Vietnam is the world's second largest coffee bean producer after Brazil, and approximately 30% of the coffee beans imported by the Kirin Group in 2019 came from Vietnam. Kirin Holdings has been conducting a similar project at tea plantations in Sri Lanka since 2013.

*1 An international certification system in which a third-party certification body independently audits and assures that a farm's agricultural activities are more sustainable in terms of environmental protection, social justice, and economic competitiveness, in light of sustainable agriculture standards.

Kirin Holdings launched this full-scale initiative in April 2020 to support coffee farms in Vietnam to obtain Rainforest Alliance certification as part of its efforts to work with farmers in production areas in order to improve sustainability and ensure the stable use of high-quality raw materials in the future.

Rainforest Alliance certification activities



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Specific activities in Vietnam in 2020

- Due to effects from COVID-19, Kirin Holdings and the Rainforest Alliance had to connect with local farmers online in order to support creation of small farms through an agronomist from the Rainforest Alliance. The project team conducted a situational analysis and activity planning for plantations including nutrient management and soil fertility protection, among others. The challenges these farmers had regarding planting trees, shading, water protection, etc. became apparent.
- Trained 7 instructors (group leaders) on sustainable agriculture and created opportunities for them to learn about efficient and effective farming operations. The seven instructors were then trained in sustainable agriculture, creating opportunities for them to learn about efficient and effective agricultural management. The seven instructors were then trained in soil nutrient management, shading, harvesting and storage methods. Seven instructors then trained 309 producers on soil nutrient management, shading, harvesting and storage methods to pass on their knowledge. The second phase of the training was on the new Rainforest Alliance certification standards and integrated pest management.

● Experience and Results in Sri Lanka

Kirin Holdings started supporting tea plantations farms in Sri Lanka in obtaining the certification in 2013. Since then, 93 major tea plantations have obtained certification with the support of the Kirin Group as of the end of 2020. This is equivalent to about 30% of the total number of tea plantations in Sri Lanka that have obtained Rainforest Alliance certification. In 2018, Kirin Holdings began supporting small-scale tea plantations to obtain certification, as well as support water source conservation activities. By the end of 2025, Kirin Holdings plans to support more than 10,000 small farms to obtain Rainforest Alliance certification.

● Climate Change Negatively Affects Coffee Bean Production More

In comparison to what was found in Sri Lanka, in a scenario analysis based on the TCFD^{*2} recommendations, Kirin Holdings found that coffee beans are more likely than tea leaves to experience yield loss due to climate change – thus the initiatives in Vietnam. In 2021, in addition to the existing training, Kirin Holdings will also be working to improve the water retention capacity of the farmland. Furthermore, due to a change in the criteria for Rainforest Alliance certification, the audit will be conducted after July 2021, when the new criteria will be applied.

*2 The Task Force on Climate-related Financial Disclosures

● Fostering Better Farms

In addition, the majority of coffee farms in Vietnam are small farms and often lack proper education opportunities. Training to support certification will help farmers acquire diverse knowledge about agriculture, such as reducing water consumption, preventing river pollution, caring for biodiversity, introducing shade cultivation, preventing soil erosion, and using appropriate pesticides and fertilizers, as well as improving their understanding of and ability to adapt to climate change. The project also aims to help farmers improve the quality of their coffee while lowering production costs.

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Kirin Holdings also plans to launch new products using ingredients from Rainforest Alliance-certified farms by the end of this year.

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About Kirin Holdings

Kirin Holdings Company, Limited is an international company that operates in the Food & Beverages domain (Food & Beverages businesses), Pharmaceuticals domain (Pharmaceuticals businesses), and Health Science domain (Health Science business), both in Japan and across the globe.

Kirin Holdings can trace its roots to **Japan Brewery** which was established in 1885. Japan Brewery became **Kirin Brewery** in 1907. Since then, the company expanded its business with fermentation and biotechnology as its core technologies, and entered the pharmaceutical business in the 1980s, all of which continue to be global growth centers. In 2007, Kirin Holdings was established as a pure holding company and is currently focusing on boosting its Health Science domain.

Under the [Kirin Group Vision 2027](#) (KV 2027), a long-term management plan launched in 2019, the Kirin Group aims to become “A global leader in CSV*, creating value across our world of Food & Beverages to Pharmaceuticals.” Going forward, the Kirin Group will continue to leverage its strengths to create both social and economic value through its businesses, with the aim of achieving sustainable growth in corporate value.

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