

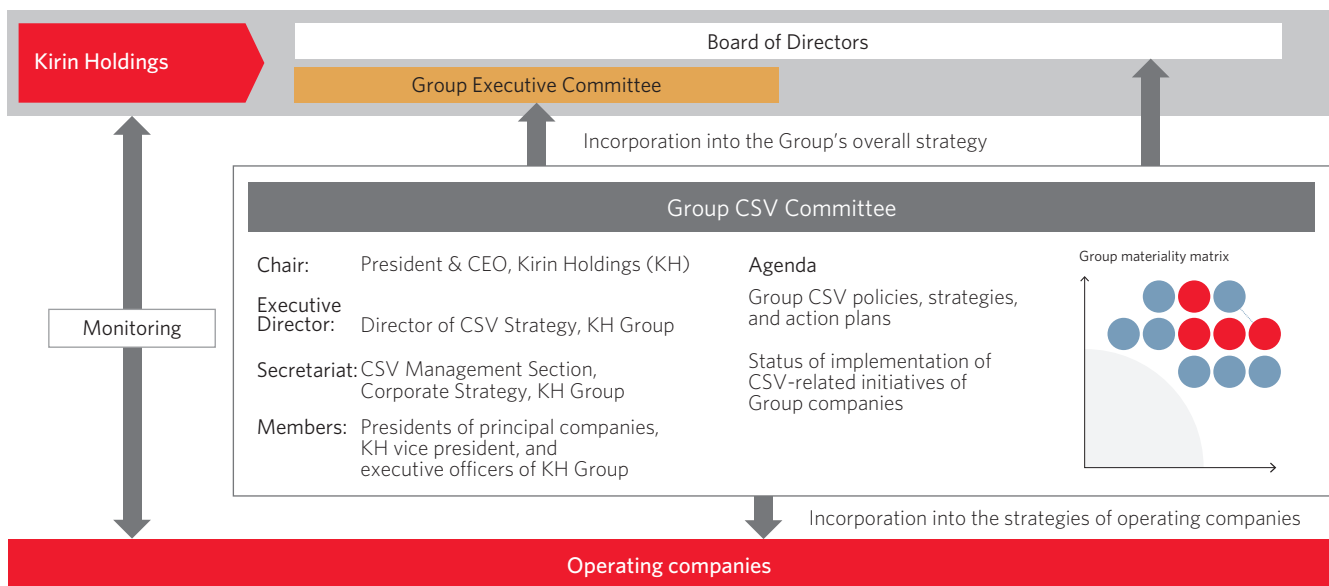
## Group CSV Committee

To proactively and independently support Group companies' CSV management, the Kirin Group convenes the Group CSV Committee once a year, in principle. The presidents of major operating companies also attend committee meetings, which are chaired by the president of Kirin Holdings Company, Limited, as members. The committee members discuss CSV policies, strategies and action plans and monitor the status of the implementation of our CSV commitment.

The details of decisions made by the Group CSV Committee are, as needed, discussed and reported to the Group

Executive Committee and Kirin Holdings' Board of Directors. In addition, the committee chair provides instructions for improvements necessary to promote CSV to all department and Group companies of Kirin Holdings. This increases the effectiveness of CSV policies and strategies determined by the committee. The Kirin Holdings CSV Management Section, which serves as the secretariat for the committee, supports the operating companies and lead units by providing CSV-related information and initiatives taken by each company.

### System to promote CSV



### Report on Fiscal 2017 Activities

The Group CSV Committee held its fiscal 2017 meeting on June 8, 2017. Mr. Toshio Arima, outside director and chairman of the board of Kirin Holdings, and chairman of the board, Global Compact Network Japan and Mr. Minoru Matsubara, chief manager, Asset Management Business Planning Division of Resona Bank, Ltd., who lectured on "ESG and Corporate Valuation."

After the lecture, committee members shared the progress of our CSV commitment and opinions were shared regarding the common issues facing these commitments. Meeting participants also engaged in lively discussions, making comments such as "We should approach environmental investments as part of our overall capital investments, and we should also incorporate environmental investments that reflect our medium- to long-term plan and roadmap." "We should focus on the cost of environmental investments as well as the overall return that can be

realized in a project." And "We need to consider how the Group should acknowledge the evaluation items as investors (urgency, repercussions, incompatibility and range), which were touched on in the lecture given by Mr. Matsubara."



## Corporate activities in line with the United Nations Global Compact

The United Nations Global Compact (UNGC) is a voluntary, global initiative for companies and groups committed to exercising creative leadership for maintaining responsible business practices and sustainability as good corporate citizens. The UNGC asks for the commitment of the senior management of companies that support the 10 principles relating to the protection of human

rights, elimination of unfair labor practices, response to environmental issues, and prevention of corruption.

The Kirin Group announced its participation in the UNGC in September 2005. We are taking steps to achieve the UNGC principles in our corporate activities through our relationship with employees, stakeholders, and the global value chain.



### President's message

The operating environment is drastically changing, and numerous issues have emerged and are growing increasingly serious. There is a growing shared awareness that not only governments and NGOs, but also companies should play a positive role to solve these social issues. Greater voluntary efforts are required by companies in the latest international frameworks for improving global sustainability, such as the United Nations Sustainable Development Targets (SDGs) and the Paris Agreement adopted at the 21st Session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP21).

The Kirin Group is a signatory to the United Nations Global Compact (UNGC) and carries out its social responsibility through its corporate activities worldwide. Based on the 10 principles in four fields established by UNGC (human rights, labor, the environment, and anti-corruption), we are advancing Group initiatives to achieve sustainability for society and companies.

We have drawn up and announced our CSV commitment with regard to SDGs for 2017 and will contribute to solving issues through our business over the medium to long term.



*Gostinori Suogata*

President & CEO

