

CSV Stories

By solving issues confronting people today and creating new value, the Kirin Group is aiming to evolve as a global leader in creating shared value (CSV). Toward that end, we formulated our CSV Purpose, which includes the Group's long-term goals and direction, and our CSV Commitment as an action plan. In connection with these initiatives, we have set priority tasks to pursue under four broad themes of a responsible alcohol producer, health and well-being, community engagement, and the environment.

Kirin Group CSV Purpose and CSV Commitment

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Health and Well-being

Pharmaceuticals business Page 33

CASE 1

Improving quality of life of patients around the world



Health and Well-being

Businesses bridging pharmaceuticals and food & beverages Page 35

CASE 2

Leveraging technological assets to provide functional ingredients that contribute to health



Working towards the sustainability of society and the Kirin Group

The Group's operating environment is undergoing major changes, and it is expected to play an active role in solving issues that communities face today. In that context, Kirin Holdings became a signatory of the United Nations Global Compact in September 2005, and since then, we have been working towards the sustainability of society and the Kirin Group based on the compact's 10 Principles, which are organized under four main categories*. Furthermore, guided by our CSV Purpose established in 2019, the entire Group is striving to help solve social issues associated with the United Nations Sustainability Development Goals through its business activities over the medium to long term.

* The four categories of human rights, labor, the environment, and anti-corruption were selected and agreed upon internationally as universal values.



Kirin Holdings

President & CEO



CASE
3

Community Engagement

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Aiming to boost sales of *Château Mercian* in collaboration with grape-growing communities



CASE
4

The Environment

Page 39

Reducing GHG emissions by 36% and annual fuel costs by 1 billion yen through a switchover to clean energy



CASE
5

A Responsible Alcohol Producer

Page 41

Shaping a positive drinking culture that brings people together in Australia and New Zealand

New guiding principles and targets set for value together with people across society

CSV Purpose established

In 2017, the Kirin Group selected being “a responsible alcohol producer” “health and well-being,” “community engagement,” and “the environment” to be key social issues among the various social issues that affect the Group. To face these issues, the Group has set CSV long-term and non-financial targets in the Kirin Group Vision 2027, our long-term management vision and formulated our CSV Purpose as a guideline to create shared value with society and promote sustainable growth in connection with the United Nations Sustainable Development Goals.

WEB For more information about the establishment of the CSV Purpose <https://www.kirinholdings.co.jp/english/csv/purpose/>



Kirin Group Materiality Matrix revised by the Group CSV Committee

Chaired by the president of Kirin Holdings, the Group CSV Committee meets each year as a rule with the task of facilitating proactive and independent efforts by the Kirin Group as a whole towards creating shared value.

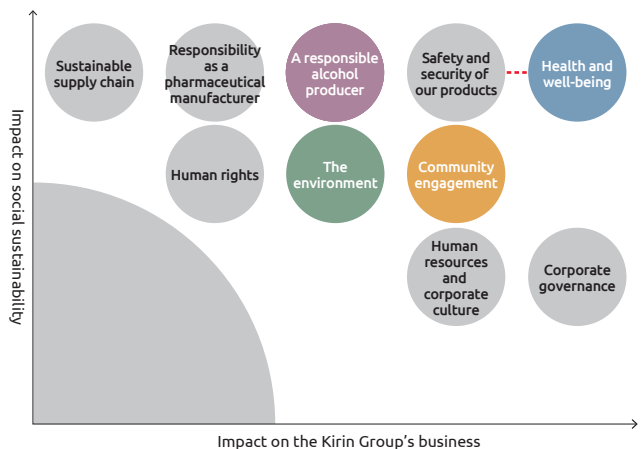
As members of the committee, the presidents of the Group's main operating companies* attend the meetings to discuss optimal CSV policies, strategies, and action plans, as well as to assess the progress made under ongoing plans.

At a meeting held in May 2018, the Group CSV Committee revised the scope and content of the Kirin Group Materiality Matrix in order to integrate it with the new medium-term business plan, and incorporate the views of stakeholders.

* Kirin Brewery Company, Limited; Kirin Beverage Company, Ltd.; Mercian Corporation; Lion Pty Ltd.; Myanmar Brewery Ltd.; and Kyowa Hakko Kirin Co., Ltd.

WEB Various management tasks for ensuring sustainable growth <https://www.kirinholdings.co.jp/english/csv/materiality/>


Kirin Group Materiality Matrix








The approaches and targets of the CSV Commitment

Aiming to realize its long-term management vision, Kirin Group Vision 2027, the Kirin Group set 19 CSV Commitments for each business segment as non-financial targets

in 2019 MTBP. Kirin will actively report on its progress in achieving these targets as the entire Group strives to create even more shared value in the future.

 For more information about our CSV Commitment, the approach and targets, please refer to the following website: https://www.kirinholdings.co.jp/english/csv/commitment/pdf/CSV_all_E.pdf

| | CSV Commitment | Approach | 2021 target |
|--|---|--|--|
| A Responsible Alcohol Producer  CASE5 P.41 | Responsible drinking / passing a culture of enjoying alcoholic beverages to the next generation | 1. Do an education program of appropriate drinking 2. Label products with its alcohol to support responsible drinking habits [Kirin Brewery, Mercian, Lion, and Myanmar Brewery] | 1. Number of participants: One million participants/viewers 2. Percentage of products with alcohol content labels*1 |
| | Supporting self-care for healthy people and people with pre-disease | 1. Develop and expand sales of no-sugar products and products with scientifically proven health benefits [Kirin Beverage and Koiwai Dairy Products] 2. Continue to create new value in ingredients with health benefits (e.g. Lactococcus lactis strain Plasma) [Kirin] | 1. Rate of sales increase*1 2. Number of countries capable of purchasing: Five countries (roughly 650 million people) |
| Health and Well-being  CASE1 P.33  CASE2 P.35 | Evolution in medical treatment | Strengthen our drug discovery foundation to develop and provide new drugs globally based on the strengths of R&D and production capability acquired through developing and providing biologics [Kyowa Hakko Kirin] | Number of new drugs released to market in multiple regions and number of countries: Three or more products launched in over 50 countries |
| | Contributing to community vitalization | Create and increase opportunities that bring people together at dining tables, recreational activities, seasonal events, and sports and music events with Kirin Group's products [Kirin Brewery, Mercian, Kirin Beverage, and Myanmar Brewery] | Number of products and service that create opportunities to bring people together*2 |
| Community Engagement  CASE3 P.37 | More sustainable production of raw materials | Take a long-term perspective to enhance the value of raw materials and support production area and contracted firming toward achieving sustainable procurement and revitalization of production areas 1. Amount of Japanese hops procured [Kirin Brewery] 2. Volume of grapes produced for Japan wine [Mercian] 3. Contracted firming ratio of procured rice for brewing [Myanmar Brewery] 4. Number of small-scale farmers supported for acquisition of Rain Forest Alliance certification [Kirin and Kirin Beverage] | 1. 100 tons in 2027 2. 200 tons in 2027 3. 10 % in 2021 4. 10,000 farmers in 2025 |
| | Actions regarding climate change | Introduce renewable energy and promote energy conservation [Kirin Group] | Reduction ratio of GHG*3 emission: 30% in 2030, compared with 2015 |
| The Environment  CASE4 P.39 | Actions regarding containers and packaging | Strive to maintain the 3Rs and resource circulation for containers and packaging [Kirin Brewery, Kirin Beverage, Mercian] | Conversion rate of PET bottle resin to recycled resin: 50% in 2027 |

*1 Target set by each company *2 Target under consideration *3 Greenhouse gases