09 Respect for Human Rights

Further Promotion as a Foundation for CSV Management

1 Kirin Group Human Rights Policy revisions

The Kirin Group established the Kirin Group Human Rights Policy (hereinafter, "the Policy") in 2018 and has since promoted initiatives in line with global standards. Following the Policy, we swiftly decided to withdraw from a joint venture with a partner company in Myanmar after the coup erupted in 2021. This experience underscored the need to step up our human rights initiatives, so we revised the Policy in October 2023. There were three key points to these revisions.

The first is that the Policy represents our Group's commitment to respecting human rights. It has been positioned as the highest-level policy for all documents and standards related to efforts to respect human rights in Group business activities, aiming not only to reduce negative impacts but also to bring about positive impacts on society. The second is that we have once again ensured the policy's compliance with and implementation of international human rights standards. The third is that the Policy requires not only directors and employees but all stakeholders across the value chain to understand, comply with, and apply it in all business practices.

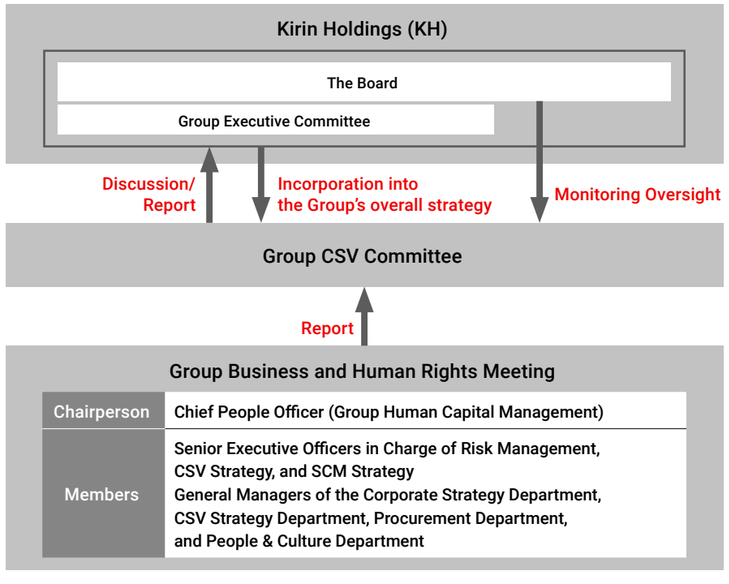
To ensure understanding and widespread adoption among all Group directors and employees, as well as throughout the value chain, the Policy has been translated into and disclosed in eight languages other than Japanese, including English.

Key Points of the FY2023 Kirin Group Human Rights Policy Revisions

- Commitment in Respect for Human Rights
- Compliance with Global Standards
- With All Stakeholders on the Value Chain

2 Governance structure

To build a structure for realizing the revised Policy, we established the Group Business and Human Rights Meeting, a cross-functional structure under the Group CSV Committee that is focused on business and human rights and meets twice a year. The meeting is chaired by the CPO (chief people officer), who has extensive knowledge on CSV, sustainability, human capital strategy, and law. In addition to reviewing progress in the human rights medium- and long-term strategy, the organization also discusses how to address new human rights issues in the context of geopolitical risks. Topics discussed during these meetings are reported to the Group CSV Committee, included in the agenda and reports for the Group Executive Committee and Board of Directors, and then reflected in group-wide strategies.

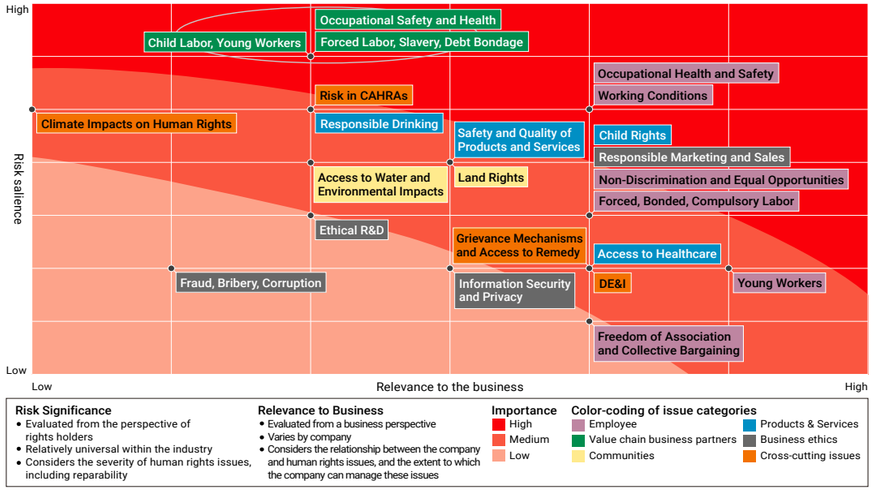


3 Identifying and prioritizing human rights issues

Taking advantage of the policy revisions, we identified 23 issues that could potentially affect stakeholders, mapped them, and prioritized them in order to continuously prevent and reduce human rights violations throughout the Group's value chain.

Toward identifying human rights issues, we reviewed the issues' impacts on the various stakeholders (employees, business partners, communities, consumers, etc.) in our Group's core businesses (Alcoholic and Non-Alcoholic Beverages, Pharmaceuticals, and Health Science). We were careful to include vulnerable groups, such as children, women, and indigenous peoples, who are particularly at risk.

Additionally, we mapped and categorized the issues based on the risk's salience (range of impact, scale, severity, and risk of occurrence) and relevance to the business (relationship between the company and human rights issues, degree of impact, and the condition of management on these issues). Going forward, we will regularly update our identification and mapping of human rights issues.



4 Human rights due diligence: Progress up to 2024 and major plan for 2027

As a result of our Group assigning priority levels to human rights issues, we identified the issues and domains with the highest potential for human rights risks in the value chain are child labor, inappropriate treatment of young workers, forced labor, and occupational health and safety for business partners in the procurement, manufacturing, and logistics domains.

For 2022 to 2024, we set and achieved our goal of conducting three human rights due diligence on supply chains for agricultural products with high human rights risks. Going forward, we plan to continue implementing human rights due diligence on procurement items assessed as having relatively high human rights risks, starting with agricultural products and processed agricultural products.

Additionally, from 2024, we began conducting human rights due diligence assessments on manufacturing and logistics business partners (outsourcing companies). In 2025, we will establish a process for risk evaluation and corrective actions for human rights due diligence at Kirin Brewery Company, Limited, Kirin Beverage Company, Limited, and Kirin Group Logistics Company, Limited. In the future, we will increase our efforts across the Group with a global perspective.

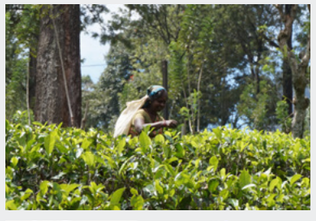
Furthermore, in addition to the above human rights issues, we will also work to prevent and reduce human rights risks using a risk-based approach and take appropriate corrective actions as needed.

Goal for 2022 to 2024	Progress
Implement and disclose human rights due diligence in supply chains for agricultural products with high human rights risks.	Implemented and disclosed in three supply chains: Sri Lankan black tea leaves, Argentinian grape juice, and Brazilian sugarcane (total for 2022–2024).

https://www.kirinholdings.com/en/impact/procurement/promotion/

Example

Implementing human rights due diligence in the supply chain for Sri Lankan tea leaves in collaboration with Mitsui Norin

Kirin Holdings and Mitsui Norin Co., Ltd., the procurer of Sri Lankan black tea leaves used in Kirin Beverage's core brand *Kirin Gogo-no-Kocha*, are implementing human rights due diligence for Sri Lankan black tea plantations in aim of realizing sustainable procurement. We have been developing a designated tea plantation system for procuring and supplying tea leaves from designated plantations. Starting in 2025, we are focusing on reducing and preventing human rights risks through surveys and on-site audits. In the first fiscal year, we are testing the system at four plantations, and by 2030 we aim to procure 80% of all the Kirin Group's tea leaves from sustainable production areas.* Through this, we will improve the wellbeing of plantation workers with an awareness of social issues surrounding plantations.

*Includes plantations at which Mitsui Norin has implemented human rights due diligence or have been Rainforest Alliance certified