

Sustainability Material Issues: Progress and Achievements
(as of October 2025)

* Certified by the Science Based Targets initiative (SBTi)

* Company Abbreviation
SH: Sapporo Holdings, SB: Sapporo Breweries, PS: Pokka Sapporo, SRE: Sapporo Real Estate, SLN: Sapporo Lion, SGF: Sapporo Group Foods, SBL: Sleeman, SUSA: Sapporo USA, SVL: Sapporo Vietnam, PK: Pokka,YSM: Yasuma, FBS: Foremost Blue Seal

Classification	Top priority	Material Issues	Specific Initiatives	Indicators	Targets Setting Companies	Target Year	Targets	Results for the first half of 2025
Harmony with the Environment	●	Realization of a decarbonized society	Reduction greenhouse gas emissions at company sites and supply chains	-Greenhouse gas emissions reduction	Sapporo Group	2030	Scope 1,2: Reduce greenhouse gas emissions by 42% compared to 2022	[2024 results] 167.7 thousand tons (88.6% of 2022 level, 11.4% reduction)
					Sapporo Group (SB, SBL, PS)		Scope 3: Reduce greenhouse gas emissions by 25% compared to 2022	[2024 results] 979.3 thousand tons (86.0% of 2022 level, 14.0% reduction)
							FLAG Scope 1,3: Reduce greenhouse gas emissions by 31% compared to 2022	[2024 results] 53.1 thousand tons (74.1% of 2022 level, 25.9% reduction)
			-Realization of containers and packaging compatible with a recycling-oriented society -Reduction and recycling of plastic resources	-Usage rate of recycled materials in PET bottle products	PS	2030	50% recycled material usage rate for domestically sold PET bottle products	[2024 results] 10.8%
				-Reduction of plastic used in advertisement products	SB	2030	Eliminate single-use plastic advertising materials derived from fossil fuels in Japan as a general rule	[2024 results] 90% reduction compared to 2019
			Reduction of waste and food loss	-Implementation rate of food recycling, etc.	SLN		-Achieved the Food Recycling Law's mandated implementation rate + 1% per year *Already achieved 50% by FY2023	[FY2024 (Apr 2024-Mar 2025) results] Food recycling implementation rate: 51.6%
				-Waste recycling rates at production sites	SB,PS		Achieve a 100% recycling rate of waste at domestic production sites	[FY2024 (Apr 2024-Mar 2025) results] 100%
			Conservation of water resources	-Water usage reduction rate	SVL	2030	-At the Long An Factory: - Reduce water consumption per unit of production by 10% compared to 2023 levels by 2030 - Communicate appropriately with local communities regarding water risks such as flooding and strive to minimize impacts	[2024 results] Water consumption per unit: 4.61 m³/kL (4% decrease compared to 2023)
				-Water risk management	SB, SBL, SUSA, SVL, PS, PK, YSM		-Investigate water risks at all production sites once every three years -Efficient use of water	[2024 results] -Verification of water risk indicators for all production sites via Aqueduct (no change from previous year)
	●	Realization of a society in harmony with nature	Climate change mitigation measures and measures to reduce impacts on nature	Optimal nitrogen fertilizer application rates per unit area for barley/malt, communication on fertilizer optimization	SB	2030	Identify nitrogen fertilizer application rates per unit of barley/malt, and communicate fertilizer optimization strategies *Achieve 100% implementation rate by 2030. *Share our FLAG Scope 1 and 3 targets, conduct on-site visits to gather information on nitrogen chemical fertilizer and organic fertilizer utilization	*Setting from 2025
			Developing ingredients that respond to climate change and developing facilities/communities that coexist with nature	-Progress in developing ingredients to respond to climate change	SB	2030	Apply for domestic variety registration of barley and hops with climate change-resistant traits	[2024 Results] (Barley) Candidate barley varieties with potential resistance to red rust are currently undergoing public trials. (Hops) Candidate powdery mildew-resistant varieties are undergoing registration surveys.
	Co-prosperity with Society	●	Mutual prosperity with local communities		-Progress in sustainable urban development that contributes to improving area brand value	SRE		-Enhance the value of owned properties and create vibrant areas -Form, strengthen, and expand communities with stakeholders in property areas -Create facilities that are accessible to everyone
-Progress of our "regional revitalization business"					SB		-Collaborate with local governments to create sustainable communities by matching local food suppliers with companies at food trade fairs -Achieve a satisfaction rate of 75.0% or higher among municipalities, suppliers, and buyers at trade fairs	[2025 first half results] Contracts have been awarded for 24 projects in 19 municipalities, and efforts are ongoing.
-Improvement of regional value -Resolution of local issues using company resources							Long-term goals: -Pass on the rich land and bounty of Japanese lemon cultivation to future generations and communities Short-term goals: -Increase farmland by a minimum of 2,000 square meters each year -Expand cultivated land in collaboration with partners, not just within the company -Take over farmland with no successors and revitalize abandoned farmland	[2024 results] -Rehabilitation of abandoned farmland (2,000 m²) and transfer to new farmers -Contract agreements with new farmers
-Progress in building an environment for lemon production in Japan					PS			
-Number of regional learning programs (food education, on-site classes, factory tours, etc.) related to the food and beverage business					PS, SGF	2030	Increase by 10 times compared to 2021 (approximately 400 events)	[FY2024 results] 302 events (8.2 times greater than in 2021)
					Providing health value	Providing health value through our business	Total purchase of POKKA Lemon brand products [annual purchase rate (%), annual purchase quantity (units per buyer)].	PS
		-Development status of products that contribute to customer health	PK	2030			Reduce the average sugar content in products sold in Singapore and Malaysia to 4.5% or less (only for POKKA brand products)	*Setting from 2025
		-Status of acquisition of certifications for properties that contribute to the provision of health value	SRE				Obtain certifications for properties that contribute to providing health value	[2025 first half results] Acquired the highest ★5 rating in the DBJ Green Building Certification for the Ebisu Garden Place Tower.
		-Progress in the labeling of net alcohol content	SB	2025			-Display the amount of net alcohol per can (g) on domestically produced and sold canned alcoholic beverages and low-alcohol beverage containers: 100% implementation rate	[FY2025 first half results] Implementation rate of displaying net alcohol content per bottle (g) on the container: 100%
		-Employee participation rate in responsible drinking awareness programs through e-learning, etc.	SB, SLN				- 100% participation in awareness programs such as e-learning for all domestic employees (once or more per year)	[FY2025 first half results] Scheduled for the second half of the year
		-Strengthening initiatives for non-alcoholic, low-alcohol, and reduced-alcohol products	SB	2026			-To meet diverse customer needs, aim to expand options for non-alcoholic, low-alcohol, and reduced-alcohol products.	[FY2025 first half results] Working to expand the number of existing items in 2025
●		Promoting Responsible Drinking	Awareness of responsible drinking		SLN			[FY2025 first half results] Conducted a survey on alcohol consumption among all-you-can-drink menu selectors
	-Satisfaction with responsible drinking seminars			SB	2027	-Provide customers with information on responsible drinking and advance awareness activities to prevent harmful alcohol consumption and contribute to society. *Achieve a satisfaction score of 4 or higher by 2027 in post-seminar surveys (5-point scale).	[FY2025 first half results] Seminar satisfaction score (5-point scale) for the first half of 2025: 4.38	
	-Number of accidental alcohol ingestion incidents at restaurants			SLN		-0 incidents	[FY2025 first half results] -Continue raising internal awareness by designating the 15th of each month as "Preventing accidental ingestion day." -One accidental ingestion incident occurred in February 2025.	
	-Display rate of messages preventing underage drinking on restaurant menus and point-of-purchase materials			SLN		-100%	[FY2025 first half results] -100% display rate of underage drinking prevention messages on restaurant menus and point-of-purchase materials	

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Success of Human Resources	●	Active participation of diverse human resources	Promotion of DE&I (Diversity, Equity, and Inclusion)	-Development status of systems and environments that match diverse values and new work styles	SH, SB, PS, SRE, SLN	2026	Work Engagement (*) 54 or higher * Indicator based on stress checks and employee awareness surveys <deviation value>	[FY2025 survey result] -Work engagement: 54.3
					SBL		Percentage of employees who have received DE&I training: 100%	[FY2025 first half results] Percentage of employees who took the training: 82%
							Percentage of employment leaders who have taken Conscious Inclusion training: 100%	[FY2025 first half results] Percentage of leaders who took the training: 84%
					SVL		DE&I understanding: 6.0 points (*)	[FY2024 result] 6.13 points
							Number of local employees among the executives: 2	[FY2025 results] Management training conducted in July and August. July results: Participation rate of managers: 100%
			PK	Organizational Culture Survey: 6.00 points (*) * Indicator based on the "Organizational Culture Survey" conducted by SVL (out of 7 points)	[FY2024 results] 6.2 points			
				-Progress status of promotion of women's empowerment	SH, SB, PS, SRE, SLN	2026	Female directors ratio: 12% or more, female managers ratio: 12% or more	[2025 results] Total for 5 companies As of end of June 2025 Female directors ratio: 17.2% (SH non-consolidated: 18.2%) Female managers ratio: 8.1%
					SH	2030	Female directors ratio: 30% or more	
					SH, SB, PS, SRE, SLN		Female managers ratio: 20% or more	
			Investing in human capital for growth and productivity	-Progress in fostering a challenging culture for future value creation	SH, SB, PS, SRE, SLN	2026	Integrated Survey "Challenges for Creating Future Value" (*) 3.0 or higher * Unique survey indicator of the Sapporo Group based on stress checks and employee awareness surveys <quantified on a scale of 1.0 to 4.0>	[FY2025 survey results] -2.7
					SH, SB, PS, SRE, SLN	2026	Fulfillment of management talent successors	[FY2025 results] Conducted management development meetings and company-wide management talent liaison meetings at the operating company, systematically advancing the development of management talent.
100 core global talents	[FY2025 results] -Global talents: More than 100 people are secured on a steady basis							
SH, SB, PS, SRE, SLN	200 DX, IT core talents	[FY2023 result] -DT, IT core talents: Completed developing 200 talents						
	-Degree of improvement in productivity due to improved mental and physical health	SH, SB, PS, SRE, SLN	2026	Presenteeism loss rate (*) 33.4% or less * Indicator based on stress checks and employee awareness surveys	[FY2025 survey results] -Presenteeism loss rate: 33.5% *SH and 4 operating companies			
Building a sustainable supply chain		-Respect for human rights in the supply chain -Reduction of environmental impact in the supply chain -Stable procurement	-Compliance rate with the Sustainable Procurement Guidelines	SB, SBL, SUSA, SVL, PS, PK, YSM, FBS, SLN		-Implement initiatives to promote and disseminate the "Procurement Basic Policy" and "Sustainability Procurement Guidelines"	[FY2025 first half results] -Promoted initiatives aimed at ensuring key suppliers understand and adhere to the "Procurement Basic Policy" and "Sustainability Procurement Guidelines." -Worked to share awareness of human rights and environmental issues, progressively obtaining consent agreements.	
				SB, PS		- Achieve a 100% compliance rate with the Sustainability Procurement Guidelines among major suppliers	[FY2024 results] -Achieved a 100% compliance rate	
				Sapporo Group		- Establish and implement a scheme (2) to confirm deforestation-free sourcing for high-risk items (1). (1) Beef, palm oil, soybeans, cocoa, timber/wood fiber (2) Explanation of our policy to suppliers and confirmation of availability and implementation of their own policies and initiatives through surveys, etc.	[FY2025 first half results] -Revised the sustainability procurement survey, adding questions related to preventing deforestation. Currently confirming the existence of policies and initiatives through the survey. -Identified target suppliers for priority initiative items (beef, palm oil).	
			-Progress of human rights DD process	SB, SBL, SUSA, SVL, PS, PK, YSM, FBS, SLN		-Establish and implement a scheme to verify respect for human rights in the supply chain (*). (Prioritize implementation for major raw materials and high-risk raw materials) *1. List the supply chain for each raw material 2. Verify daily activities through surveys, etc. 3. Conduct situation investigations as necessary 4. Verify corrections as necessary	[FY2025 first half results] -Working to visualize the supply chain. -Conducting sustainability procurement surveys across group companies.	
				SB, PS	2005	-Verify that the procurement of major raw materials and high-risk raw materials respects human rights	[FY2025 first half results] -Visualization of secondary and downstream suppliers: In progress -Established and commenced operation of an evaluation correction scheme utilizing Sedex.	
Providing safe products and facilities		Food safety	-Operation and continuous improvement of the food safety assurance system -Number of serious food accidents	SB, SBL, SUSA, SVL, PS, PK, FBS, SLN		-Reflect voices of stakeholders, including customers and internal stakeholders, in the food safety assurance system. -Suppress the occurrence of serious food incidents	[FY2025 first half results] <Examples of reflecting stakeholder feedback in food safety assurance systems> -SB: Reviewed and restructured the Sapporo Group Quality Assurance System to make it simpler and more understandable, considering the Group's overseas expansion. -SLN: Responded to customer requests to take home leftovers by establishing rules and launching operations to reduce food loss. -PS: Based on customer feedback, improved the label of the soft drink "Clear Tansan" where the text "Convenient with measurement marks" partially obscured the measurement scale. <Serious food incidents> No serious food incidents have occurred.	
		Building safe facilities	-Status of initiatives for promoting facility safety	SRE		-Ensure proper emergency power supply for owned properties -Ensure reliable seismic performance for owned properties -Regularly review and conduct drills for emergency response plans	[FY2025 first half results] Implemented as planned	