

Sustainability Material Issues: Progress and Achievements  
(as of January 2026)

\* 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, which is located in a high-risk water area: - Reduce water usage per unit of production in 2030 by 10% compared to 2023 levels - 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)			
				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	[FY2025 first half results] Number of events contributing to community building: 11 (Ebisu: 7, Sapporo: 4)			
				-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	PS		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							
		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	2030	Contribute to people's well-being by expanding the total demand for lemons through promoting the health benefits of lemons and proposing their various uses and occasions	[FY2024 results] (1) Annual purchase rate 14.76% (2) Annual purchase volume 1.90 (number of bottles per purchaser)			
				-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	

Classification	Top priority	Material Issues	Specific Initiatives	Indicators	Targets Setting Companies	Target Year	Targets	Results for the first half of 2025
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 (*) S4 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%
							DE&I understanding: 6.0 points (*)	[FY2024 result] 6.13 points
					SVL		Number of local employees among the executives: 2	[FY2025 results] Management training conducted in July and August. July results: Participation rate of managers: 100%
				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		
				PK	Engagement (*) : 80% * Indicator based on the "Employee Survey" conducted by PK (Benchmark: 76%)	[FY2025 first half results] 77.0%		
				-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
				-Progress status of human resource development through active investment (management human resources/global core human resources/OX, IT core human resources)	SH, SB, PS, SRE, SLN	2026	Fulfillment of management talent successors  100 core global talents  200 DX, IT core talents	[FY2025 results] Conducted management development meetings and company-wide management talent liaison meetings at the operating company, systematically advancing the development of management talent. [FY2025 results] <Global talents: More than 100 people are secured on a steady basis [FY2023 result] <DX, 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	-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
				-Confirmation status of supply chain structures preventing deforestation	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).
						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.
				-Progress of human rights DD process	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	-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	-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