

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, USA: 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	[FY24 results] 182.7 thousand tons (88.6% of 2022 level, 11.4% reduction)	
						Scope 3: Reduce greenhouse gas emissions by 25% compared to 2022	[FY24 results] 320.4 thousand tons (97.3 thousand tons (86.0% of 2022 level, 14.0% reduction))	
		Reduction of waste and food loss	-Usage rate of recycled materials in PET bottle products	PS	2030	FLAG Scope 1,3: Reduce greenhouse gas emissions by 31% compared to 2022	[FY24 results] 53.1 thousand tons (74.1% of 2022 level, 25.9% reduction)	
			-Reduction of plastic used in advertisement products	SB	2030	50% recycled material usage rate for domestically sold PET bottle products	[FY24 results] 10.8%	
			-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%	
	● Realization of a society in harmony with nature	Conservation of water resources	-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%	
			-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	[FY24 results] Water consumption per unit: 4.61 m³/kL (4% decrease compared to 2023)	
		Developing ingredients that respond to climate change and developing facilities/communities that coexist with nature	-Water risk management	SB, SBL, SUA, SVL, PS, PK, YSM		-Investigate water risks at all production sites once every three years -Limit water usage of water	[FY24 results] -Verification of water risk indicators for all production sites via Aqueduct (no change from previous year)	
			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	[FY24 results] *Setting from 2025	
			-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	[FY24 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	-Improvement of regional value -Resolution of local issues using company resources	-Progress in sustainable urban development that contributes to improving area brand value	SRE		-Enhance the value of owned properties and create vibrant areas -Plan, stimulate, 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	[FY2025 first half results] Contracts have been awarded for 24 projects in 19 municipalities, and efforts are ongoing.	
			-Progress in building an environment for lemon production in Japan	PS		Long-term goals: -Pass on the rich land and bounty of Japanese lemon cultivation to future generations and communities	[FY24 results] -Rehabilitation of abandoned farmland (2,000 m²) and transfer to new farmers -Contract agreements with new farmers	
			-Number of regional learning programs (food education, on-site classes, factory tours, etc.) related to the food and beverage business	PS, SGF	2030	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		
						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	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)	[FY2024 results] *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	[FY2025 first half results] Acquired the highest v5 rating in the DB3 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	
● Promoting Responsible Drinking	Awareness of responsible drinking	-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		
			-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] Conducted a survey on alcohol consumption among all-you-can-drink menu selectors	
			-Number of accidental alcohol ingestion incidents at restaurants	SLN		-0 incidents	[FY2025 first half results] -Continuous 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)	<ul style="list-style-type: none"> -Development status of systems and environments that match diverse values and new work styles -Progress status of promotion of women's empowerment 	<ul style="list-style-type: none"> -Work Engagement (*) 54 or higher * Indicator based on stress checks and employee awareness surveys <deviation value> -Percentage of employees who have received DE&I training: 100% -Percentage of employment leaders who have taken Conscious Inclusion training: 100% -DE&I understanding: 6.0 points (*) -Number of local employees among the executives: 2 -Organizational Culture Survey: 6.0 points (*) * Indicator based on the "Organizational Culture Survey" conducted by SVL (out of 7 points) -Engagement (*) : 80% * Indicator based on the "Employee Survey" conducted by PK (Benchmark: 76%) -Female directors ratio: 12% or more, female managers ratio: 12% or more -Female directors ratio: 30% or more -Female managers ratio: 20% or more 	SH, SB, PS, SRE, SLN	2026	<ul style="list-style-type: none"> [FY2025 survey result] -Work engagement: 54.3 [FY2025 first half results] Percentage of employees who took the training: 82% [FY2025 first half results] Percentage of leaders who took the training: 84% [FY2024 result] 6.1 points [FY2025 result] Management training conducted in July and August. July results: Participation rate of managers: 100% [FY2024 result] 6.2 points [FY2025 first half results] 77.0% 		
		Investing in human capital for growth and productivity		<ul style="list-style-type: none"> -Progress in fostering a challenging culture for future value creation -Progress status of human resource development through active investment (management human resources/DO, IT core human resources) -Degree of improvement in productivity due to improved mental and physical health 	SH, SB, PS, SRE, SLN	2026	<ul style="list-style-type: none"> [FY2025 results] Total for 5 companies [FY2025 results] As of end of June 2024 [FY2025 results] Female directors ratio: 17.2% (SH non-consolidated: 18.2%) [FY2025 results] Female managers ratio: 8.1% 		
						SH, SB, PS, SRE, SLN	<ul style="list-style-type: none"> [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] -DT, IT core talents: Completed developing 200 talents 		
							<ul style="list-style-type: none"> [FY2025 survey results] -2.7 [FY2025 results] -Promoted initiatives aimed at ensuring key suppliers understand and adhere to the "Procurement Basic Policy" and "Sustainability Procurement Guidelines." [FY2025 results] -Worked to share awareness of human rights and environmental issues, progressively obtaining consent agreements. 		
Building a sustainable supply chain		<ul style="list-style-type: none"> -Respect for human rights in the supply chain -Reduction of environmental impact in the supply chain -Stable procurement 	<ul style="list-style-type: none"> -Compliance rate with the Sustainable Procurement Guidelines -Confirmation status of supply chain structures preventing deforestation -Progress of human rights DD process 	<ul style="list-style-type: none"> -Implement initiatives to promote and disseminate the "Procurement Basic Policy" and "Sustainability Procurement Guidelines" -Achieve a 100% compliance rate with the Sustainability Procurement Guidelines among major suppliers -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. -Establish and implement a scheme to verify respect for human rights in the supply chain (*). (Priority implementation for major raw materials and high-risk raw materials) 1. Set a priority chain for investigation 2. Verify daily activities through surveys, etc. 3. Conduct situation investigations as necessary 4. Verify corrections as necessary -Verify that the procurement of major raw materials and high-risk raw materials respects human rights 	SB, SBL, SUA, SVL, PS, PK, YSM, FBS, SLN	2026	<ul style="list-style-type: none"> [FY2025 first half results] -Achieved a 100% compliance rate [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. [FY2025 first half results] -Identified target suppliers for priority initiative items (beef, palm oil). 		
							<ul style="list-style-type: none"> [FY2025 first half results] -Working to visualize the supply chain. [FY2025 first half results] -Conducting sustainability procurement surveys across group companies. 		
Providing safe products and facilities		Food safety	<ul style="list-style-type: none"> -Operation and continuous improvement of the food safety assurance system -Number of serious food accidents 	<ul style="list-style-type: none"> -Reflect voices of stakeholders, including customers and internal stakeholders, in the food safety assurance system. -Suppress the occurrence of serious food incidents 	SB, SBL, SUA, SVL, PS, PK, FBS, SLN	2025	<ul style="list-style-type: none"> [FY2025 first half results] -Visualization of secondary and downstream suppliers: In progress [FY2025 first half results] -Established and commenced operation of an evaluation correction scheme utilizing Sedex. 		
		Building safe facilities	-Status of initiatives for promoting facility safety	-Ensure proper emergency power supply for owned properties -Ensure reliable seismic performance for owned properties -Regularly review and conduct drills for emergency response plans	SRE		<ul style="list-style-type: none"> [FY2025 first half results] -Implemented as planned 		