

Environmental management

Yakult Basic Policy on the Environment

We established organizational units focused on environmental conservation measures in November 1991, and instituted the Group-wide Yakult Basic Policy on the Environment in June 1997. In accordance with our Environmental Philosophy and Guidelines for Activities, we are promoting environmental conservation activities throughout all our business fields. From fiscal 2001 to fiscal 2020, we established the Yakult Environmental Action Plan and conducted environmental activities with the participation of all departments, including research and development, manufacturing, marketing, and office units. In fiscal 2021, we established the Yakult Group Environmental Vision, and the entire Yakult Group now works together on initiatives to reduce our burden on the environment.

Yakult Basic Policy on the Environment

Environmental Philosophy

Recognizing that environmental preservation and harmony with society are among the most important corporate management objectives, Yakult Honsha and all Yakult Group business units will give due consideration to environmental preservation with regard to all types and aspects of corporate activities.

Action Guidelines

1. To realize the measures determined by the CSR Promotion Committee within Yakult Honsha, all Yakult Group business units will work concertedly, proactively, and in a sustained manner to address environmental issues associated with business activities.
2. Each business unit will build environmental management systems and systematically work with the participation of all employees to realize the objective of reducing environmental impacts and will also seek to realize sustained improvement in environmental performance by periodically checking the implementation of associated measures, auditing such measures, and reevaluating environmental activities.
3. Besides maintaining rigorous compliance with environment-related laws, regulations, and agreements, each business unit will autonomously set its own environmental standards, and strive to further improve the level of its environmental management and eliminate environmental pollution risk factors before they occur.
4. In all business activities, business units will give due consideration to the environment as well as biodiversity by promoting the reduction of environmental impacts.
5. All employees will be provided with thorough environmental education, and we will make efforts to increase environmental awareness.
6. Information related to environmental activities will be appropriately disclosed, and we will strive to communicate effectively with society at large.
7. The Group will act as an exemplary corporate citizen by proactively supporting and cooperating with activities aimed at protecting the global environment.

Established: June 24, 1997. Revised: March 8, 2004 / January 25, 2010

Please refer to the following URL for the full text of the Yakult Basic Policy on the Environment:

[WEB https://www.yakult.co.jp/english/csr/environment/management/](https://www.yakult.co.jp/english/csr/environment/management/)

Yakult Group Environmental Vision

The world is experiencing climate change and various other environmental issues that are growing more severe with time. The Yakult Group creates products that are available in 40 countries and regions around the world, and we conduct our business on the basis of local production for local sales. We recognize that our corporate activities have not only positive but also negative impacts on local communities and environments in various locations globally.

In March 2021, the Yakult Group created the Yakult Group Environmental Vision to reduce our negative impacts and promote efforts with a positive impact on the global environment with the aim of uniting people and planet as one. We set out our ideal vision for the future in Environmental Vision 2050 and, using backcasting, established short- and medium-term milestones in order to effectively act and make progress toward this vision.



Environmental management structure

The CSR Promotion Committee is responsible for formulating Environmental Targets 2030 and Environmental Actions (2021–2024) as short- and medium-term milestones for Environmental Vision 2050, and for monitoring and evaluating the progress of environmental activities. Every half-year, the secretariat of the CSR Promotion Committee conducts a review of the results and performance of the corporate environmental activities, and uses the findings in developing plans for the following fiscal year.

A committee has been established at each of Yakult Honsha's plants and bottling companies, chaired by either the plant manager or bottling company president. The committees oversee environmental activities, including formulating annual plans, promoting environmental management programs based on ISO 14001 standards and other guidelines.

Instead of each of our facilities working on their own, each year a general meeting brings together representatives of all production facilities to share good practices within the Group and to promote such good measures at all the facilities.

[Related information](#) [p. 88 CSR Promotion Committee](#) >>>

Environmental Vision 2050

To realize a society where people and the planet co-exist as one through a value chain that has zero environmental impact

Our goal is to achieve Net Zero Carbon by 2050 (in Scope 1, 2 and 3).

Environmental Targets 2030

For the three material themes related to the environment, we set Environmental Targets 2030 as medium-term milestones to work on achieving Environmental Vision 2050.

Climate change



Reduce GHG emissions (in Japan, Scope 1 and 2)

by **30%** compared to fiscal 2018 levels

- Initiatives**
- Reduce GHG emissions to create a zero-carbon society
 - Promote energy conservation, adopt renewable energy

Related information → [p. 27 Climate change >>>](#)

Plastic containers and packaging



Reduce plastic containers and packaging (in Japan)

by **30%** compared to fiscal 2018 levels, or make them **recyclable**

- Initiatives**
- Convert to easily recyclable containers and packaging
 - Reduce environmental impact by changing container and packaging materials

Related information → [p. 32 Plastic containers and packaging >>>](#)

Water



Reduce water consumption (at dairy product plants in Japan, per production unit) by **10% compared to fiscal 2018 levels**

- Initiatives**
- Sustainable use of water resources
 - Reduce water consumption

Related information → [p. 36 Water >>>](#)

Environmental Actions (2021–2024)

We set Environmental Actions (2021–2024) as short-term milestones to work on achieving Environmental Targets 2030. In addition to the material themes, we will also continue to promote our efforts to reduce waste and conserve biodiversity.

Priority issues	Targets
1. Achieve a zero-carbon society Climate change 	By the end of fiscal 2024, reduce GHG emissions (in Japan, Scope 1 and 2) by 10% compared to fiscal 2018 levels
2. Convert to fully recyclable containers and packaging Plastic containers and packaging 	(1) By the end of fiscal 2024, reduce plastic containers and packaging (in Japan) by 5% compared to fiscal 2018 levels, or make them recyclable (2) Reduce raw material consumption for containers and packaging (3) Reduce environmental impact by changing container and packaging materials (4) Use plant-based, environmentally responsible materials for containers and packaging
3. Reduce water consumption Water 	(1) By the end of fiscal 2024, reduce water consumption (at dairy product plants in Japan, per production unit) by 3% compared to fiscal 2018 levels
4. Reduce waste	(1) By the end of fiscal 2024, reduce amount of waste generated by 20% compared to fiscal 2010 levels (2) Maintain at least a 95% recycling rate for food loss and waste
5. Conserve and utilize biodiversity	(1) Support and participate in conservation activities (2) Promote biodiversity education

Environmental Vision progress status

Climate change

GHG emissions (in Japan, Scope 1 and 2) were reduced by 5.2% in fiscal 2021 compared to fiscal 2018 through the replacement of five molding machines with energy-saving electric molding machines at three domestic plants, energy-saving activities implemented at individual business sites, and other efforts.

Plastic containers and packaging

We strove to reduce the amount of plastic containers and packaging used (in Japan) in fiscal 2021 through measures like discontinuing the provision of straws for the *New Yakult* series of products. However, due to growing sales of new products, the amount of non-recyclable plastic used is expected to increase by around 6% compared to fiscal 2018.

Water

Water consumption (at dairy product plants in Japan, per production unit) was reduced by 2.4% in fiscal 2021 compared to fiscal 2018. This was achieved by conserving water through such water-saving efforts as reducing the use of water for raw materials by revamping production methods and reviewing automated washing times.

Roadmap for achieving Environmental Vision

The Environmental Promotion Department was established in April 2022 to achieve the goals of Environmental Vision. We will promote various efforts to achieve the targets of Environmental Actions (2021–2024), Environmental Targets 2030 and Environmental Vision 2050.

Climate change

- Convert to renewable energy (purchasing electricity effectively generated from renewable sources, installing in-house solar power generators, etc.)
- Explore the possibility of introducing internal carbon pricing (ICP)
- Promote energy-saving activities

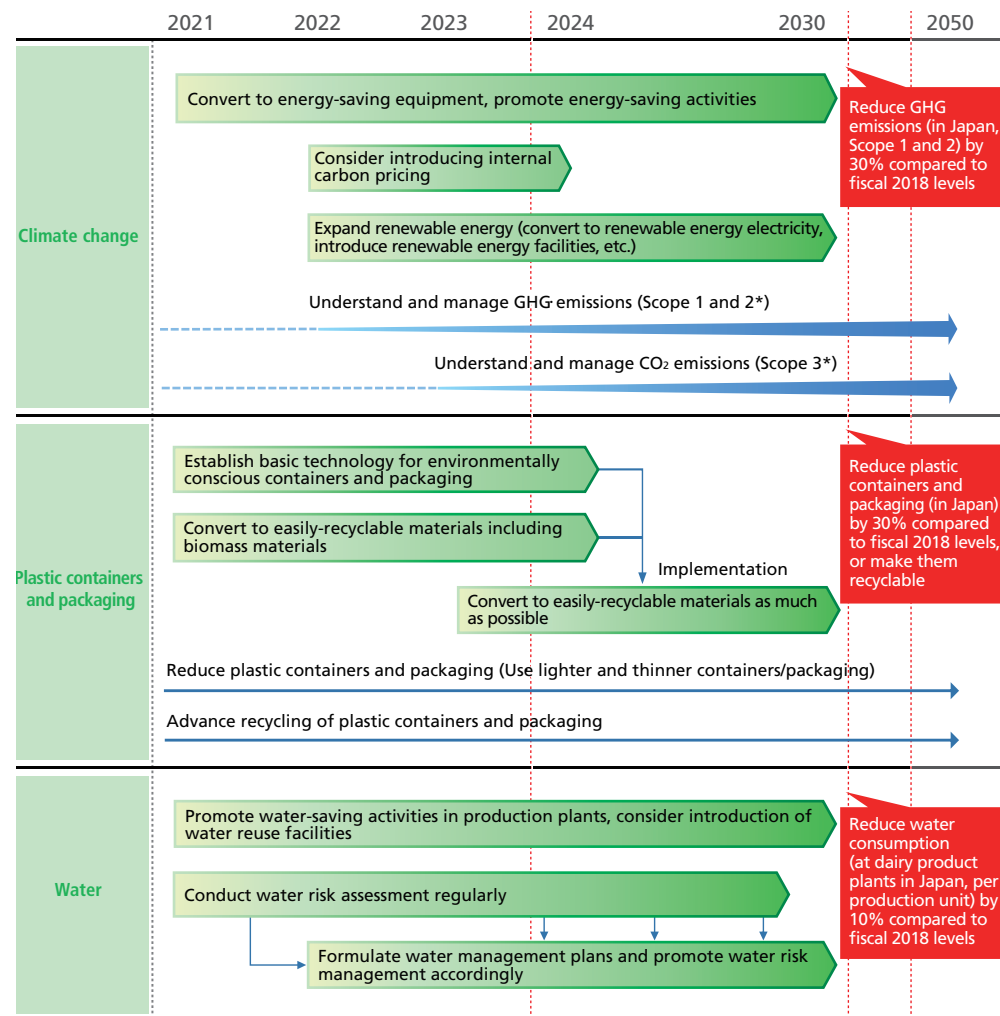
Plastic containers and packaging

- Reduce the amount of plastic used in containers and packaging (lightness, thinness)
- Explore diversification of containers
- Explore options for switching to more easily recyclable materials in containers and packaging (recycled materials, biomass materials, biodegradable materials, etc.)

Water

- Explore the possibility of introducing water cycle systems
- Formulate a water management plan and promote water risk management based on it

Roadmap for achieving Environmental Vision



* Scope definitions
 Scope 1: Direct emissions from fuel used for company's own business activities
 Scope 2: Indirect emissions from generation of electricity, steam and heat purchased from outside company
 Scope 3: Emissions from across supply chain related to company's business activities