

Yakult CSR Action Plan (Fiscal 2021 Achievements)

■ Period covered	Japan: April 2021 - March 2022 Overseas: January 2021 - December 2021
■ Achievement level	◎: Target achieved (100 points (%) or more) ○: Target almost achieved (80 to 100 points (%)) △: Target not adequately achieved (Less than 80 points (%)) ×: No efforts were made (0 point (%))

Yakult

I . Consumer Issues

Key Themes	Fiscal 2021 Action Targets	Fiscal 2021 Achievements	Level
<p style="text-align: center;">Provide “safe and reliable” products</p> <p style="text-align: center;">·</p> <p style="text-align: center;">Customer-first principle</p> <p style="text-align: center;">·</p> <p style="text-align: center;">Protect customer personal information</p>	<p>1. Improve customer Satisfaction</p>	<ul style="list-style-type: none"> ● Had Yakult Ladies perform self-checks after taking a health check course for safe delivery on the Safety and Security Clinic website. (Participants: 16,427 Yakult Ladies) ● Published information on delivery quality in Kencho, a booklet for Yakult Ladies, established campaigns for strengthening “basic response” for deliveries (July), and held training and activities under the theme of “our methods to improve customers’ first impression of us.” ● Provided educational materials regarding the protection of personal information on “Yakult Delivery Net” for marketing company staff. ● Emphasized rules for customer visits by distributing handbooks that integrate the Yakult Beautience handbooks and Yakult Lady handbooks to Yakult Beauty Advisors. Shared information through training and magazines on safe and secure product delivery to improve service (3,385 magazines distributed). ● Prevented leakage of personal information and virus infection due to security incidents in e-commerce. ● Ensured implementation of recurrence prevention measures for product-related claims against plants: 100% implementation (50/50 issues) / 15 total plants ● Introduced <i>Y1000</i> and <i>Kan Fine</i> products with functional benefits that meet customer needs. ● Made the illustration shown near the opening of the multi-shrink film for <i>New Yakult</i> and <i>New Yakult Calorie Half</i> more visible, and added a note of caution when opening the film. ● Changed the printing position of the expiration date on <i>Yakult 1000</i> to improve visibility. 	○
	<p>2. Promote certification of various international Standards</p>	<ul style="list-style-type: none"> ● Promote certification of various international standards (Overseas plants/as of August 2022). Number of certifications acquired: HACCP (21 plants), GMP (9), ISO 9001 (10), ISO 14001 (6), ISO 22000 (8), FSSC 22000 (3), ISO 45001 (2), SQF (2) * The newly certified plant is the Foshan Plant of Guangzhou Yakult Co., Ltd. Halal certification (2 Thailand plants, Philippines, 2 Indonesia plants, Singapore, Malaysia, Taiwan) 	○
	<p>3. Promote universal Design</p>	<ul style="list-style-type: none"> ● Adopted universal fonts for the packaging design of <i>LACTDEW</i>, <i>GRANTIA coffret</i>, <i>Coculme</i>, and <i>PARABIO SERUM SAJ</i>, as well as for pharmaceutical products, to make them easy to read for all people, regardless of age or disability. 	◎
	<p>4. Accept more visitors to plants and research institute (Promote online tours)</p>	<ul style="list-style-type: none"> ● In Japan: To prevent the spread of COVID-19, tours of plants in Japan and the Yakult Central Institute were cancelled. <ul style="list-style-type: none"> • Conducted online plant tours. (May: Hyogo Miki Plant, September: Expanded to nationwide dairy product plants) • Promoted the establishment of an online tour for customers of marketing companies (Shonan Cosmetics Plant). • Implemented an online company visit program for junior high and high school students. (620 students from 19 schools participated) ● Supported educational programs conducted at universities. ● Outside Japan: Online plant tours were tested to prevent the spread of COVID-19. 	○

II. Community Involvement and Development

Key Themes	Fiscal 2021 Action Targets	Fiscal 2021 Achievements	Level
<p>Promote social contribution activities</p> <p>Respect for local cultures and customs</p> <p>Activities for solving local issues</p> <p>Strengthen relations with local Communities</p>	1. Promote dispatch of guest lecturers and health-related lectures (Promote online lectures)	<ul style="list-style-type: none"> In Japan: When group events are held, we take thorough measures to prevent the spread of COVID-19. Dispatch of guest lecturers: 2,472 lectures, 111,541 participants (up 961 lectures, up 44,691 participants from previous year) Health-related lectures: 11,471 lectures, 111,442 participants (up 3,847 lectures, up 7,587 participants from previous year) Beauty workshops: 842 workshops, 5,669 participants (up 220 lectures, up 1,287 participants from previous year) * We have created the “Onaka Genki Classes,” which is the dispatch of guest lecturers’ program via online (introduced nationwide in March). In fiscal 2022, we will develop a new dispatch of guest lecturers’ program, which will be held through interactive communication, to meet the demand for non-face-to-face and non-contact lectures and will continue to develop activities to enhance corporate value in the region. Outside Japan: Online plant tours were tested to prevent the spread of COVID-19. Dispatch of guest lecturers: 10,228 lectures, 957,855 participants (down 6,904 lectures, down 321,355 participants from previous year) Health-related lectures: 210,276 lectures, 7,303,118 participants (up 94,257 lectures, down 592,678 participants from previous year) *The results for fiscal 2020 used for the comparison with the previous year include figures before the COVID-19 pandemic. 	○
	2. Promote Courtesy Visit Activities, community safety watch and crime prevention activities	<ul style="list-style-type: none"> Courtesy Visit Activities: 35,279 older people visited by 2,650 Yakult Ladies from 51 marketing companies in response to requests from 120 local governments in Japan. Community safety watch and crime prevention activities: Conducted by 26,115 Yakult Ladies from 2,037 centers of 101 marketing companies* in cooperation with 932 local governments and other groups 	○
	3. Further sports Promotion (The holding and method of implementation shall be considered depending on the COVID-19 pandemic)	<p>Activities were cancelled to prevent the spread of COVID-19.</p> <ul style="list-style-type: none"> Baseball clinics (by current players)/Tsubame baseball clinics: cancelled Yakult running clinics/ Coach/athlete dispatch to local governments and schools: cancelled Participation in cleanup activities: cancelled Toda Rugby Festival cooperation/ Tag rugby clinics: cancelled Japan Bound Tennis Association championship series: cancelled Japan Bound Tennis Association Gold Tournament: cancelled 	×

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<p>Promote social contribution activities</p> <ul style="list-style-type: none"> Respect for local cultures and customs Activities for solving local issues Strengthen relations with local Communities 	<p>4. Implement cooperative activities with local municipalities and other organizations</p>	<ul style="list-style-type: none"> Backing support facilities for persons with disabilities in cooperation with pachinko and pachislot cooperative associations: Asked 72 facilities in 20 prefectures to attach stickers that include New Year greetings to our products, totaling around 740,000 bottles Operated Bowel Cancer Information website. Distributed topics to raise awareness towards bowel cancer screenings. 15 million total cumulative visitors. Disclosed payments totaling 564 million yen in accordance with the Transparency Guidelines for Relations Between Corporate Activities and Medical Institutions. Concluded an agreement with Kunitachi City to supply water in the event of a disaster, worked with a children's hotline. Supported and cooperated with the Pink Ribbon campaign (Singapore, Indonesia, and Vietnam). Supplied 24,960 bottles of Yakult nearing their best by date to a food bank VLA (Europe). Supported a campaign providing breakfasts to disadvantaged elementary school students in the mountains of Yunnan (China). Donated AUD 10,000 (approximately 830,000 yen) to a charity for pediatric cancer patients. (Australia) Donated to support healthcare workers fighting COVID-19. Donated Yakult and other products to hospitals, government institutions, nursing homes, schools, armed forces, police forces, regional communities and other organizations (Cumulative total from January to December 2021). <p>【Number of bottles donated】</p> <table border="1" data-bbox="721 811 1416 963"> <tbody> <tr> <td>Asia and Oceania</td> <td>2,140 facilities</td> <td>3,524,325 bottles</td> </tr> <tr> <td>Americas</td> <td>3,472 facilities</td> <td>8,947,290 bottles</td> </tr> <tr> <td>Europe</td> <td>40 facilities</td> <td>124,165 bottles</td> </tr> <tr> <td>Total</td> <td>5,652 facilities</td> <td>12,595,780 bottles</td> </tr> </tbody> </table>	Asia and Oceania	2,140 facilities	3,524,325 bottles	Americas	3,472 facilities	8,947,290 bottles	Europe	40 facilities	124,165 bottles	Total	5,652 facilities	12,595,780 bottles	○
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	<p>5. Deepen exchanges with local communities through plant festivals (The holding and method of implementation shall be considered depending on the COVID-19 pandemic)</p>	<ul style="list-style-type: none"> All plant festivals were cancelled to prevent the spread of COVID-19. Activities to sponsor and make donations to community events were conducted at each plant. Number of activities: 41 (at a total of 15 plants) 	△												

III. The Environment

Key Themes	Fiscal 2021 Action Targets	Fiscal 2021 Achievements	Level
<p>Realize a low-carbon society</p> <p>•</p> <p>Convert to resource-recyclable containers and packaging</p> <p>•</p> <p>Reduce water consumption</p> <p>•</p> <p>Reduce waste</p> <p>•</p> <p>Conserve and Utilize biodiversity</p>	1. Reduce greenhouse gas emissions (domestic Scope 1 and 2) by 10%, compared to fiscal 2018 level, by the end of fiscal 2024	<ul style="list-style-type: none"> ● CO2 emissions reduced by 5.2% (compared to fiscal 2018) <u>Achievement rate 52%</u> 	◎
	2. (1) Reduce plastic containers and packaging (in Japan) by 5%, compared to fiscal 2018 level, by the end of fiscal 2024, or convert them to recyclable materials. (2) Reduce container and packaging materials used. (3) Reduce environmental impact by changing container and packaging materials. (4) Use plant-derived, environmentally friendly container and packaging materials.	<ul style="list-style-type: none"> ● Plastic containers and packaging used <p>[Preliminary figures] Expected to increase by approximately 6 % (non-recyclable) (compared to fiscal 2018)</p>	×
	3. (1) Reduce water consumption (at dairy product plants in Japan: per production unit) by 3%, compared to fiscal 2018 level, by the end of fiscal 2024. ① Water conservation activities ② Formulate a “water management plan”	<ul style="list-style-type: none"> ● Water consumption reduced (per production unit) by 2.4% (compared to fiscal 2018) <u>Achievement rate 80%</u> 	◎
	4. (1) Reduce waste generation by at least 20%, compared to fiscal 2010 level, by the end of fiscal 2024. (2) Maintain a recycling rate for food waste of at least 95%.	<ul style="list-style-type: none"> ● Waste generation reduced by 23.6% (compared to fiscal 2010) ● Food waste recycling rate: 96.2% 	◎
	5. Conserve and utilize biodiversity. (1) Support and participate in nature conservation activities. (2) Promote education related to biodiversity.	<ul style="list-style-type: none"> ● Implemented tree-planting activities (13 plants and laboratories nationwide). ● Supported OISCA Children’s Forest Program. ● Continued participating in a public afforestation initiative to combat desertification in the Inner Mongolia Autonomous Region of China, donating 2,000 saplings each year since 2015 (Fiscal 2015-2021 total: approximately 14,000 saplings, equivalent to 350,000 yuan or 6.28 million yen). ● Partnered with a global NGO in Europe to plant 10,000 trees in Africa, South America, and other regions over a three-year period. The progress is scheduled to be monitored (from Jan. 2022). 	○

IV. Labour Practices

Key Themes	Fiscal 2021 Action Targets	Fiscal 2021 Achievements	Level															
<p>Promote workplace safety and health</p> <p>·</p> <p>Promote work-life balance</p> <p>·</p> <p>Promote active roles for women</p> <p>·</p> <p>Promote diversity</p>	<p>1. Promote Health-focused Management</p>	<ul style="list-style-type: none"> ● Promoted health-focused management (promoted the workplace health and safety). · Acquired “White 500” certification for a corporation that proactively promotes employee health and productivity management (five consecutive years). · Conducted web-based health lectures (5 lectures in total) and publicized them on a nationwide bulletin board to encourage employees to undergo screenings. <table border="0" style="margin-left: 20px;"> <tr> <td>① August 2 to August 20</td> <td>Do you know about “cancer”?</td> <td>[Attendance rate] 83%</td> </tr> <tr> <td>② August 16 to August 31</td> <td>Smoking and Health</td> <td>84%</td> </tr> <tr> <td>③ October 1 to October 15</td> <td>Sleep and Rest</td> <td>87%</td> </tr> <tr> <td>④ January 17 to January 28</td> <td>Health Care for Working People</td> <td>92%</td> </tr> <tr> <td>⑤ March 7 to March 18</td> <td>Basics of Self-Care</td> <td>88%</td> </tr> </table> · Ratio of employees who undertook re-examination based on the results of regular health checks: 100% · Breast cancer screening rate: 49% Uterine cancer screening rate: 51.2% · Conducted web-based health lectures on the theme of “cancer” to raise awareness towards the need to undergo cancer screening, and created an environment that makes it easier for employees to undergo cancer screening, such as by allowing screening during working hours. 	① August 2 to August 20	Do you know about “cancer”?	[Attendance rate] 83%	② August 16 to August 31	Smoking and Health	84%	③ October 1 to October 15	Sleep and Rest	87%	④ January 17 to January 28	Health Care for Working People	92%	⑤ March 7 to March 18	Basics of Self-Care	88%	<p>◎</p>
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<p>2. Conduct health and safety inspection tours in plants</p>	<ul style="list-style-type: none"> ● Conducted safety and health inspection tours at each of our plants and responded to any findings for improvement: 520 inspection tours, 1,759 findings, 1,726 improvements (98.2%) (15 plants in total) *Currently working on improvements for findings not yet addressed. 	<p>◎</p>																
<p>3. Increase the number of paid leave days used/ Reduce overtime work</p>	<ul style="list-style-type: none"> ● Annual paid leave usage rate: 76.5% (average of 14.3 days used) (difference from the previous year: 1.0 day) ● Overtime hours per employee: 9.0 hours/month (difference from the previous year: 0.9 hours/month) 	<p>○</p>																

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	<p>5. Achieve a 10% ratio of female managers by fiscal 2025</p>	<ul style="list-style-type: none"> Ratio of female managers: 7.6% (as of April 2022) Conducted “Career Development Training for Women” 187 participants (115 eligible participants and 72 superiors). Assessed employment of women outside of Japan/Ratio of female managers: 27.0% 	○
	<p>6. Maintain the legally mandated ratio of employees with disabilities</p>	<ul style="list-style-type: none"> Ratio of employees with disabilities: 2.59% (Difference from the previous year: 0.32 %) 	◎

V. Human Rights

Key Themes	Fiscal 2021 Action Targets	Fiscal 2021 Achievements	Level
Promote diversity . Respect for personalities and human rights	1. Periodically run human rights awareness training	<ul style="list-style-type: none"> ● Conducted the “Human Rights Training” as a part of the training for new employees to raise employees’ awareness towards the importance of respect for personalities and human rights. 	○
	2. Run anti-harassment workshops	<ul style="list-style-type: none"> ● Discussed harassment during level-specific training (training for general managers, training for newly appointed managers, and training before promotion to supervisory positions). ● Reported the results of the compliance survey conducted in 2020 to the representatives and compliance officers of each office and group company using ZOOM and other tools, and raised their awareness towards harassment prevention. (Conducted 141 times for 129 companies (including our company)). ● Created an animated training video for the purpose of preventing harassment, and encouraged all Yakult Group employees in Japan to view it (8,473 employees in total, viewed 13,233 times). 	◎

VI. Fair Operating Practices

Key Themes	Fiscal 2021 Action Targets	Fiscal 2021 Achievements	Level
<p>Promote fair and sound transactions</p> <p>Promote CSR procurement</p>	<p>1. Ensure thorough compliance</p>	<ul style="list-style-type: none"> ● Maintained and improved sound business relationships in compliance with the basic transaction agreement between Yakult Honsha and marketing companies. ● Improved compliance awareness in all workers through education such as group trainings utilizing the Yakult Ethical Principles and Code of Conduct and the Compliance Guidebook. ● Held a web-based training program for medical representatives to promote compliance with the guidelines for sales information provision activities. Launched Understanding the Code Promotion Month (November) to raise awareness. ● Held monthly Yakult Pharmaceutical Product Information Summary Review Board meetings to review promotional and other materials to comply with the Ministry of Health, Labour and Welfare’s guidelines on activities providing sales information. Number of materials reviewed: 292 ● Introduced and operated the anti-bribery rules at overseas business sites. 	<p>◎</p>
	<p>2. Implement CSR procurement</p>	<ul style="list-style-type: none"> ● Carried out the third CSR procurement survey of 124 business partners (top 90% of total procurement amount in applicable departments). ● Held an “Explanatory Session on CSR Procurement Policy for Suppliers” (online) to explain the Group’s CSR Procurement Policy and CSR Guidelines for Suppliers, and requested understanding and cooperation. (Participating suppliers: 158 companies, approximately 400 people; relevant departments: approximately 100 people) ● Appointed a person responsible for or in charge of promoting CSR procurement at each overseas business site. Conducted online seminars and distributed reference books to deepen understanding within the Group regarding CSR. 	<p>◎</p>

VII. Organizational Governance

Key Themes	Fiscal 2021 Action Targets	Fiscal 2021 Achievements	Level
<p>Implement corporate governance</p> <p>Promote business while ensuring compliance</p> <p>Ensure confidentiality</p> <p>Disclosure of corporate information and communication with society</p>	<p>1. Deepen understanding of our founder's philosophy (Shirota-ism)</p>	<ul style="list-style-type: none"> ● Held Shirota-ism Workshops in and outside Japan during group training sessions and training for new Employees. 	○
	<p>2. Strengthen support of the Corporate Governance Code</p>	<ul style="list-style-type: none"> ● Held various management meetings regularly (Board of Directors: 8 times, Executive Officers Committee: 27 times). ● Held discussions prior to important meetings by directors and officers as an opportunity to provide information mainly to outside independent directors and officers. ● Established the Nominating and Compensation Advisory Committee and held the Committee meetings. ● Submitted the corporate governance report in compliance with the revised governance code. ● Established Yakult Group policies on “human rights,” “anti-corruption,” “taxation,” “advertising,” and “basic quality.” ● Signed the United Nations Global Compact. 	○
	<p>3. Promote disclosure of information to stakeholders</p>	<ul style="list-style-type: none"> ● Continued to appropriately disclose information using convocation notices with a revised format to be easily understood. ● Disclosed further information on CSR activities and ESG through our CSR Report and CSR Communication Book. ● Renovated the “CSR Activities” page of the Company's website, posting the information on the page by categorizing them by ESG and focusing on the main points of its activities, to promote stakeholders' understanding towards the Group's initiatives. 	○
	<p>4. Enhance understanding of the Yakult Ethical Principles and Code of Conduct</p>	<ul style="list-style-type: none"> ● Explained the Yakult Ethical Principles and Code of Conduct at level-specific training and encouraged review at meetings for personnel in charge of compliance to raise awareness. ● Revised and published the “Manual concerning the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade,” which describes the basics and practical considerations regarding the said ACT, and conducted e-learning to improve basic knowledge. ● Revised and published the “Compliance Guidebook” and newly published a supplemental “Harassment Prevention Book” to promote understanding. ● Launched a “Legal Affairs Room for Everyone,” a database providing legal information, to enhance convenience. ● Held meetings of the Compliance Committee (September and February) and received opinions and recommendations from outside expert committee members. ● Held a meeting of the Corporate Ethics Committee (November) and received confirmation and opinions/recommendations from the committee members, including outside experts, regarding its transaction monitoring activities. 	◎

VII. Organizational Governance

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