

Yakult CSR Action Plan (Fiscal 2022 Achievements)

| | |
|---------------------|---|
| ■ Period covered | Japan: April 2022–March 2023 Overseas: January 2022–December 2022 |
| ■ 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

E (Environment)

■ Materiality: Climate change/Plastic containers and packaging/Water

| Issues | Fiscal 2022 Action Target | Fiscal 2022 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> | <p>1. By the end of fiscal 2024, reduce GHG emissions (in Japan, Scope 1 and 2) by 10% compared to fiscal 2018 levels</p> | <ul style="list-style-type: none"> ● CO₂ emissions reduced by 41.5% (compared to fiscal 2018). | ◎ |
| | <p>2.</p> <p>(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</p> <p>(2) Reduce raw material consumption for containers and packaging</p> <p>(3) Reduce environmental impact by changing container and packaging materials</p> <p>(4) Use plant-based, environmentally responsible materials for containers and packaging</p> | <ul style="list-style-type: none"> ● Plastic containers and packaging (non-recyclable) use increased by approximately 24.1% (compared to fiscal 2018). | × |
| | <p>3.</p> <p>(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</p> <p>A) Water conservation activities</p> <p>B) Formulate a “water management plan”</p> | <ul style="list-style-type: none"> ● Water consumption (per production unit) reduced by 13.9% (compared to fiscal 2018). | ◎ |
| | <p>4.</p> <p>(1) By the end of fiscal 2024, reduce waste generation by 20% compared to fiscal 2010 levels</p> <p>(2) Maintain at least a 95% recycling rate for food loss and waste</p> | <ul style="list-style-type: none"> ● Waste generation reduced by 22.3% (compared to fiscal 2010). ● Food waste recycling rate: 88.9% | ○ |

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■ Materiality: Innovation

| Issues | Fiscal 2022 Action Target | Fiscal 2022 Achievements | Level |
|---|--|---|-------|
| Resolve social issues through products and services | 1. Continue considering products that can contribute to resolving social issues | <ul style="list-style-type: none"> ● Launched new products with functional benefits in response to customer needs, such as <i>Yakult no Oishii Hakkou Kajitsu</i> and <i>Tough-Man Refresh</i> (notification submitted for both as Food with Function Claims). ● Reviewed the design of straw wrappers and clarified instructions for their removal from paper containers. ● Reviewed the text printed on paper containers to clarify how straw wrappers should be classified for waste separation purposes. | ◎ |
| | 2. Continue research that can contribute to resolving social issues | <ul style="list-style-type: none"> ● Conducted R&D with the aim of providing new value in resolving health and social issues through joint research with external research institutions. | ○ |
| | 3. Consider products and services that meet the needs of each country and region | <ul style="list-style-type: none"> ● Introduced <i>New Yakult</i> containing galactooligosaccharides (Taiwan) ● Introduced a new information-providing app for consumers (Vietnam) ● Renewed our processed soymilk product with low-sugar content and fortified ingredients (Brazil) ● Expanded use of paper packaging for <i>Yakult</i>-series products (Switzerland) ● Introduced <i>Yakult Light</i> (Indonesia) | ○ |

■ **Materiality: Value co-creation with communities**

| Issues | Fiscal 2022 Action Target | Fiscal 2022 Achievements | Level |
|--|---|---|-------|
| <p>Promote social contribution activities</p> <p>Activities for solving local issues</p> | <p>1. Promote dispatch of lecturers and health-related lectures</p> | <ul style="list-style-type: none"> ● In Japan: Took thorough measures to prevent the spread of COVID-19 when group events were held. <ul style="list-style-type: none"> • Dispatch of guest lecturers: 3,509 lectures, 171,639 participants (up 1,037 lectures and 60,098 participants from previous year) • Health-related lectures: 31,447 lectures, 223,136 participants (up 20,006 lectures and 111,694 participants from previous year) • Beauty workshops: 965 workshops, 8,179 participants (up 123 lectures and 2,510 participants from previous year) ● Outside Japan: Facilitated web-based activities aimed at maintaining and strengthening communication with customers. <ul style="list-style-type: none"> • Dispatch of guest lecturers: 25,488 lectures, 1,756,958 participants (up 15,260 lectures and up 799,103 participants from previous year) • Health-related lectures: 240,907 lectures, 9,415,776 participants (up 37,975 lectures and up 3,532,630 participants from previous year) <p>Note: The results are for group and online activities combined.</p> | ○ |
| | <p>2. Accept more visitors to plants and the Yakult Central Institute (including online tours)</p> | <ul style="list-style-type: none"> ● In Japan: Total of 32,184 participants in online plant tours at dairy plants, Shonan Cosmetic Plant and Yakult Health Foods Co., Ltd. Note: In-person plant tours were suspended. <ul style="list-style-type: none"> • Facilitated preparations for the start of online tours at the Yakult Central Institute's Shirota Memorial Museum. Established standards for plant visits in fiscal 2023. • Implemented an online company visit program for junior high and high school students. (532 students from 22 schools participated) ● Outside Japan: 533,203 participants in plant tours (including online tours) | ○ |
| | <p>3. Promote the continuation of Courtesy Visit Activities, community safety watch and crime prevention activities</p> | <ul style="list-style-type: none"> ● Courtesy Visit Activities: 33,646 older people visited by 2,514 Yakult Ladies from 51 marketing companies in response to requests from 117 local governments in Japan. ● Community safety watch and crime prevention activities: Conducted by 26,461 Yakult Ladies from 2,043 centers of 101 marketing companies in cooperation with 959 local governments and other groups. | ○ |

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|---|---|---|-------|------------------|----------------|------------------|-------|-----------|----------|-------|-----------|--------|----|---------|-------|-------|-----------|----------|
| <p>Promotion of social contribution activities</p> <p>·</p> <p>Contribution to resolving local issues</p> | <p>4. Promote activities for solving local issues</p> | <ul style="list-style-type: none"> ● Implemented social contribution activities at support facilities for people with disabilities in cooperation with pachinko and pachislot cooperative associations: Asked 108 facilities in 9 prefectures to attach stickers that include New Year greetings to our products, totaling around 580,000 bottles. ● Operated a Bowel Cancer Information website. Distributed information on topics to raise awareness regarding bowel cancer screenings. ● Created posters for bowel cancer awareness month encouraging people to get screenings for bowel cancer and distributed them to 58,000 drug stores in Japan. ● Continued social contribution activities by supporting or donating to events near plants and the Yakult Central Institute. ● Concluded an agreement with Kunitachi City to supply water in the event of a disaster, worked with a children's emergency hotline. ● Organized or co-organized various symposiums outside Japan (seven locations). ● Supported and cooperated with the Pink Ribbon campaign (Singapore, Vietnam). ● Made courtesy visits to elderly residents/Provided children from impoverished families breakfasts under the breakfast for kids project (China). ● Provided support for impoverished elderly residents and children (Germany, Malaysia). ● Supported children with serious disabilities (Guangzhou). ● Donated (dairy products) to support healthcare workers fighting COVID-19 (Cumulative total from January to December 2022). <table border="1" data-bbox="1082 1006 1821 1235"> <thead> <tr> <th></th> <th>No. of donations</th> <th>No. of bottles</th> </tr> </thead> <tbody> <tr> <td>Asia and Oceania</td> <td>1,905</td> <td>1,149,581</td> </tr> <tr> <td>Americas</td> <td>4,092</td> <td>6,902,527</td> </tr> <tr> <td>Europe</td> <td>68</td> <td>131,428</td> </tr> <tr> <td>Total</td> <td>6,065</td> <td>8,183,536</td> </tr> </tbody> </table> | | No. of donations | No. of bottles | Asia and Oceania | 1,905 | 1,149,581 | Americas | 4,092 | 6,902,527 | Europe | 68 | 131,428 | Total | 6,065 | 8,183,536 | <p>○</p> |
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|--|--|--|-------|
| <p>Promotion of social contribution activities</p> <p>Contribution to resolving local issues</p> | <p>5. Further sports promotion (Consider implementation of certain events based on the spread of COVID-19)</p> | <p>Some 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 ● Toda Rugby Festival cooperation/Tag rugby clinics: cancelled ● Japan Bound Tennis Association championship series: October (911 participants) ● Japan Bound Tennis Association Gold Tournament: October (128 participants) | △ |
| | <p>6. Deepen exchanges with local communities through plant festivals</p> | <ul style="list-style-type: none"> ● All plant festivals were cancelled. | × |

■ Supply chain management

| Issues | Fiscal 2022 Action Target | Fiscal 2022 Achievements | Level |
|--|--|---|-------|
| <p>Promote CSR procurement</p> <p>Provide “safe and secure” products</p> | 1. Continue to promote CSR procurement | <ul style="list-style-type: none"> ● Ascertained supplier risks in and outside Japan. <ul style="list-style-type: none"> - Carried out CSR procurement survey: 134 business partners - Utilized responses to Sedex’s Self-Assessment Questionnaire: 77 business partners ● Conducted interviews with four business partners following ascertainment of supplier risks. ● Created supplier lists at 18 overseas business sites (446 overseas suppliers). ● Held an explanatory session on CSR procurement policy for overseas business sites to explain the CSR procurement survey and the Sedex questionnaire. ● Held an online briefing for suppliers regarding our CSR Procurement Policy (participating suppliers: approximately 160 companies, approximately 400 people). ● Began utilizing paper with forest certification as packaging materials for dairy products and soft drinks (paper containers and corrugated cardboard) and added the forest certification mark. ● Began utilizing paper with forest certification as packaging materials for some cosmetics boxes. Began utilizing biomass ink in the printing of some boxes. | ◎ |
| | 2. Provide “safe and secure” products | <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: 14,347 Yakult Ladies) ● Published information on delivery quality in each issue of <i>Kencho</i>, a booklet for Yakult Ladies; established August and September as a period for strengthening “basic practices” for deliveries; and held training and activities under the theme of “our methods for improving customers’ first impressions of us.” ● Established “safety and security” enhancement months (product management in July–August and traffic safety in September–November) to strengthen measures relating to product management and traffic safety. ● Ensured implementation of recurrence prevention measures for product-related claims against plants: 100% implementation (40/40 issues) / 15 total plants ● Conducted technical training sessions on production management and quality control for employees to be posted to overseas business sites. Attended by 24 employees scheduled for overseas assignment (including online participants). ● Perforated packaging boxes for newly introduced pharmaceutical products to improve ease of disposal in reference to the views of medical personnel. The boxes were downsized to save space and reduce the amount of waste materials. ● Continued use of universal design fonts, except for designated logos, to improve identification. ● Abolished package inserts in boxes in accordance with the revised Pharmaceutical and Medical Devices Act and replaced with electronic instructions (implementation completed for 22 of 26 products, including completion of preparations). | ○ |

S (Social)

■ Supply chain management

| Issues | Fiscal 2022 Action Target | Fiscal 2022 Achievements | Level |
|--|---|---|-------|
| Promote CSR procurement · Provide “safe and secure” products | 3. Promote certification of various international standards | <ul style="list-style-type: none">● Overseas plants<ul style="list-style-type: none">• Number of certifications acquired: HACCP (20 plants), GMP (8), ISO 9001 (11), ISO 14001 (7), ISO 22000 (8), FSSC 22000 (3), SQF (2), ISO 45001 (2) .• Halal certification (Taiwan, 2 Thailand plants, Philippines, Singapore, 2 Indonesia plants, Malaysia) | ○ |

| Issues | Fiscal 2022 Action Target | Fiscal 2022 Achievements | Level |
|---|---------------------------------------|---|-------|
| Respect for human rights · Promote diversity · Promote work-life balance · Promote occupational health and safety | 1. Promote human rights due diligence | <ul style="list-style-type: none"> ● Made thorough efforts to prohibit discrimination in recruitment activities (regarding matters prohibited or to be taken into consideration, education was provided to interviewers and clearly stated on the recruitment website in March 2023). ● Established “business and human rights” awareness month for Yakult Group employees. ● Distributed the Yakult Group Human Rights Policy Guidelines (in Japanese and English) to promote understanding of our human rights policy. ● Promoted the viewing of a training video on sustainability at overseas business sites. ● Surveyed Yakult and supply chain workers using the Sedex questionnaire on human rights issues. ● Conducted a survey on whether an internal reporting system has been introduced at overseas business sites. | ○ |
| | 2. Prevent harassment | <ul style="list-style-type: none"> ● Provided explanations of harassment in rank-specific training and in pre-assignment training for employees scheduled to be assigned overseas. ● Conducted harassment training at the Yakult Okayama Wake Plant. ● Created animated training videos on harassment prevention (four times during the year), encouraging all Yakult Group employees in Japan to view the webcasts. ● Compliance staff members were provided with training materials enabling them to conduct harassment training in their own departments. ● Conducted awareness-raising and dissemination activities using harassment prevention videos and the harassment prevention book. ● Conducted training sessions on harassment and compliance (for 271 participants). | ◎ |
| | 3. Promote diversity | <ul style="list-style-type: none"> ● Achieved 10.4% ratio of female managers (as of April 2023), compared to the target of 8% or higher in fiscal 2022. ● Conducted “Career Development Training for Women” with 141 participants (101 eligible participants and 40 in upper management). ● Assessed employment of women outside of Japan: <ul style="list-style-type: none"> - 50,192 Yakult Ladies - Ratio of female board members: 19.3% - Ratio of female managers: 32.6% - Ratio of female employees: 32.3% ● Ratio of employees with disabilities: 2.54% (maintained the statutory target employment rate of 2.3%) ● Held a Life Plan Seminar for employees aged 55 (60 participants) (Attendance rate: 100%). | ◎ |

| Issues | Fiscal 2022 Action Target | Fiscal 2022 Achievements | Level |
|--|---|--|-------|
| <p style="text-align: center;">Respect for human rights</p> <p style="text-align: center;">·</p> <p style="text-align: center;">Promote diversity</p> <p style="text-align: center;">·</p> <p style="text-align: center;">Promote work-life balance</p> <p style="text-align: center;">·</p> <p style="text-align: center;">Promote occupational health and safety</p> | 4. Promote occupational safety and health | <ul style="list-style-type: none"> ● Utilization rate of subsidies for equipment and materials to improve the working environment for Yakult Ladies: 95.3% (budget: 210 million yen), of which 111 million yen was used to subsidize the purchase of 810 vehicles ● Number of certificates obtained to certify that the guidance and supervision standards for unlicensed childcare facilities have been met: 331 out of 784 locations (57.8%) ● Installed safety equipment (rear-view monitors, drive recorders, etc.) on newly introduced subsidized route delivery vehicles: 50 vehicles (100% installation rate) Note: Installation of rear-view monitors and drive recorders was mandatory to qualify for a vehicle equipment subsidy. ● Provided safe driving training for all employees of pharmaceutical branches. (Classroom training. Provided driving classes to those involved in accidents for which they were responsible.) Responsible accident rate: 11.0% ● From October, conducted sobriety checks before and after driving for all drivers of company vehicles at pharmaceutical branches. ● Conducted risk assessments at each plant to identify dangerous areas and implement improvements. Implemented measures to prevent heat stroke during work. ● Conducted regular safety and health inspection tours at each plant and made improvements based on the findings: 98.2% improvement rate Note: Improvements are scheduled for items not yet addressed. ● Conducted a survey of water-related disaster risks at the Yakult Central Institute, created a business continuity plan, and revised the disaster preparedness manual. | ○ |
| | 5. Promote health-focused management | <ul style="list-style-type: none"> ● Acquired the “White 500” certification awarded to corporations that proactively promote employee health and productivity management (sixth consecutive year). ● Conducted three online health seminars on the following topics, encouraging employees to participate through notices on the intranet. <ul style="list-style-type: none"> (1) “Women’s health”: 95.1% attendance rate (2) “Importance of health checks”: 96.7% attendance rate (3) “Basics of workplace care” (for managers): 92.8% attendance rate; “Basics of self-care” (for both managers and non-managers): 95.7% attendance rate ● Ratio of employees who undertook re-examination based on the results of regular health checks: 100% ● Breast cancer screening rate: 60.0% Uterine cancer screening rate: 60.0% (preliminary figures) Note: The need for screenings was conveyed during the online health seminars. Fees were subsidized for those receiving both the breast cancer and uterine cancer screenings. ● Provided guidance on diet and exercise under the lifestyle improvement program conducted by outside instructors (117 participants in four in-person and online sessions). | ◎ |

S (Social)

| Issues | Fiscal 2022 Action Target | Fiscal 2022 Achievements | Level |
|---|-------------------------------------|---|----------|
| <p>Respect for human rights</p> <ul style="list-style-type: none"> · Promote diversity · Promote work-life balance · Promote occupational health and safety | <p>6. Promote work-life balance</p> | <ul style="list-style-type: none"> ● Ratio of male employees who took childcare leave: 95%, average number of days taken: 25.5 | <p>◎</p> |

G(Governance)

| Issues | Fiscal 2022 Action Target | Fiscal 2022 Achievements | Level |
|---|---|---|----------|
| <p>Establish a governance structure appropriate for a global company</p> <p>·</p> <p>Implement the corporate governance code</p> <p>·</p> <p>Promote business while ensuring compliance</p> <p>·</p> <p>Disclose corporate information and promote communication with society</p> | <p>1. Strengthen compliance with the corporate governance code</p> | <ul style="list-style-type: none"> ● Introduced a performance-based remuneration system for directors. ● Held various management meetings regularly (Board of Directors: 9 times, Executive Officers Committee: 20 times). ● Conducted a tour of the Yakult Okayama Wake Plant for Outside Directors as part of a meeting to consider topics for executive discussion, providing an opportunity for them to deepen understanding of the Company. ● Established the Nominating and Compensation Advisory Committee and oversaw its meetings. | <p>◎</p> |
| | <p>2. Ensure that the Yakult Ethical Principles and Code of Conduct are thoroughly known to all employees</p> | <ul style="list-style-type: none"> ● Explained the Yakult Ethical Principles and Code of Conduct at rank-specific training sessions, and encouraged compliance personnel to reread and raise awareness about these documents at meetings. | <p>◎</p> |

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