

Yakult

Sustainability Report 2025



Contents

02 About the Sustainability Report 2025

- 03 Editorial Policy
- 04 Overview of Yakult’s Operations
- 05 Yakult’s Business Operations
- 06 Top Commitment
- 09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

- 28 Environmental management
- 35 Climate change mitigation and adaptation
- 46 Transition to sustainable plastic containers and packaging
- 51 Sustainable water source management
- 54 Biodiversity conservation
- 57 Reducing waste and food loss

59 Social Activities Report

- 60 Provision of safe and secure products and transparent information disclosure
- 65 Value co-creation with communities
- 70 Establishment of a resilient and sustainable supply chain
- 78 Promotion of health initiatives rooted in local communities
- 80 Creation of health value that meets diverse health needs
- 84 Worker health, safety and well-being
- 91 Initiatives for Yakult Ladies
- 92 Development of innovative human resources capable of delivering new value
- 95 Embracing the diversity of our workforce
- 99 Human rights
- 106 Customer satisfaction

109 Governance Report

- 109 Corporate governance
- 116 Risk management
- 118 Compliance
- 121 Third-party opinion
- 122 External evaluation
- 123 ESG Data

About the Sustainability Report 2025

Contents

- 03 Editorial Policy
- 04 Overview of Yakult’s Operations
- 05 Yakult’s Business Operations
- 06 Top Commitment
- 09 Yakult’s Beginnings
- 11 Sustainability
 - 11 Yakult Ethical Principles and Code of Conduct
 - 11 Signing the UN Global Compact
 - 12 Yakult Group Global Vision 2030
 - 13 Materiality assessment
 - 19 What the SDGs mean to the Yakult Group
 - 19 The Yakult Group’s contributions to the SDGs
 - 20 The SDGs Yakult is contributing to through its business activities
 - 21 The Yakult Sustainability Action Plan
 - 21 Group-wide awareness of sustainability
 - 22 Dialogue with stakeholders
 - 23 Deepening understanding through dialogue

- 27 Environmental Activities Report
 - 28 Environmental management
 - 35 Climate change mitigation and adaptation
 - 46 Transition to sustainable plastic containers and packaging
 - 51 Sustainable water source management
 - 54 Biodiversity conservation
 - 57 Reducing waste and food loss
- 59 Social Activities Report
 - 60 Provision of safe and secure products and transparent information disclosure
 - 65 Value co-creation with communities
 - 70 Establishment of a resilient and sustainable supply chain
 - 78 Promotion of health initiatives rooted in local communities
 - 80 Creation of health value that meets diverse health needs
 - 84 Worker health, safety and well-being
 - 91 Initiatives for Yakult Ladies
 - 92 Development of innovative human resources capable of delivering new value
 - 95 Embracing the diversity of our workforce
 - 99 Human rights
 - 106 Customer satisfaction

- 109 Governance Report
 - 109 Corporate governance
 - 116 Risk management
 - 118 Compliance
- 121 Third-party opinion
- 122 External evaluation
- 123 ESG Data

On the terms used in this report

In this report “workers” refers to persons working for the Yakult Group, including independent contractors such as Yakult Ladies and Yakult Beauty Advisors. The term “employees” includes regular employees, full-time contract employees, contract employees and temporary staff, and excludes the independent contractors.

How to use this PDF

This PDF contains links that direct to related pages and external sites.

Navigating throughout the report

Clicking on the left or right arrow ◀ ▶ at the top of each page navigates to the previous or next page.

Clicking on the return arrow ↶ at the top of each page returns you to the page viewed directly previously.

Using the sidebar

Clicking on an item navigates you to the relevant section.



Yakult’s corporate communications tools

- Company profile
<https://www.yakult.co.jp/english/company/index.html>
- *Integrated Report*
<https://www.yakult.co.jp/english/ir/library/integrated.html>
- Sustainability website
<https://www.yakult.co.jp/english/sustainability/>
- *Sustainability Report* (this report)
- *Sustainability Stories*
<https://www.yakult.co.jp/english/sustainability/download/>
- IR information website (management policy, financial and stock information)
<https://www.yakult.co.jp/english/ir/>

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Editorial Policy

The *Yakult Sustainability Report 2025* was prepared based on the following key concepts from the Yakult Group’s sustainability activities in fiscal 2024.

■ Comprehensively disclosing sustainability activities

Through dialogue and sincere communication with stakeholders, the Yakult Group aims to further develop its sustainability activities and respond to the expectations of society.

We have prepared this report as a communications tool aimed at investors, those working at ESG research organizations and other stakeholders, using a comprehensive and structured presentation of our sustainability activities that allows us to both verify the results of our own efforts and have those efforts evaluated by society.

We also publish *Sustainability Stories* as a communications tool aimed at general consumers.

■ Presenting the Yakult Sustainability Action Plan by ESG area

Organizing our sustainability activities in line with ESG categories, we use the Yakult Sustainability Action Plan to identify and work on achieving specific annual action targets. The initiatives detailed in this report are presented under each separate ESG area: environmental, social and governance.

■ Greater reporting on materiality

The Yakult Group identified six material themes in March 2021. Accordingly, we set goals aimed at addressing these themes and promoted relevant initiatives. However, over the past four years, sustainability challenges have become increasingly diverse. In response, and to further enhance environmental and social sustainability while ensuring the Yakult Group’s continued growth, we reviewed our material themes in October 2025. Following this review, 12 material issues were established, and this report outlines our main initiatives relating to these themes.

■ Timely disclosure of sustainability activities

We update our sustainability website to provide information about Yakult Group sustainability activities in a timely manner. Relevant information is disclosed on an ongoing basis.

Publishing date

Japanese edition: October 2025

(Previous edition: November 2024, next edition: October 2026)

English edition: November 2025

(Previous edition: November 2024, next edition: November 2026)

Publishing format

Published online only (in both Japanese and English)

Period covered

Fiscal 2024

In Japan: April 1, 2024, through March 31, 2025

Outside Japan: January 1, 2024, through December 31, 2024

Note that for information considered important, this report covers periods before or after fiscal year 2024.

Scope of data

The report covers all business sites of Yakult Honsha Co., Ltd. and the Yakult Group. References to the “Yakult Group” contained in this report include Yakult Honsha, marketing companies, logistics companies and affiliated companies in Japan as well as business sites outside Japan.

Scope by type of data

Financial data: Yakult Honsha Co., Ltd., 71 subsidiaries and 18 affiliated companies

Environmental and social data: Scope indicated individually

Governance data: Yakult Honsha Co., Ltd.

Guidelines referenced

- GRI Sustainability Reporting Standards (Core option)
Note: GRI Guidelines Cross-Reference Table published on our website
- Environmental Reporting Guidelines
- Environmental Accounting Guidelines

Third-party assurance and opinions

This report includes expert third-party opinions on sustainability and ESG, which are incorporated into the PDCA cycle. To enhance the reliability of this report, the data it includes on GHG emissions and environmental and social performance is undergoing third-party verification by SOCOTEC Certification Japan.

Disclaimer

If information provided in previous sustainability and CSR reports has been revised or restated, or if significant changes have been made, the details will be included in this report.

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Overview of Yakult’s Operations

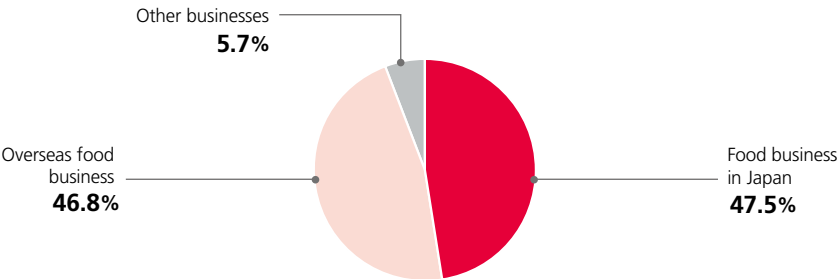
Profile of Yakult Honsha (as of March 31, 2025)

Name:	Yakult Honsha Co., Ltd.
Address:	1-10-30, Kaigan, Minato-ku, Tokyo, Japan
Founded:	April 9, 1955
Businesses:	Manufacturing and marketing of food and beverages, pharmaceuticals, and cosmetics and other operations
Paid-in capital:	31.118 billion yen
Net sales:	(April 1, 2024, to March 31, 2025) 171.98 billion yen (non-consolidated) 499.68 billion yen (consolidated)
Total assets (consolidated):	864.32 billion yen
Net assets (consolidated):	629.52 billion yen
Business sites:	1 research institute, 5 branches, 7 plants, 12 logistics centers, 1 pharmaceutical distribution center
Number of employees:	2,859 (including 448 seconded employees and 170* contract employees)
* Of whom 37 are seconded	

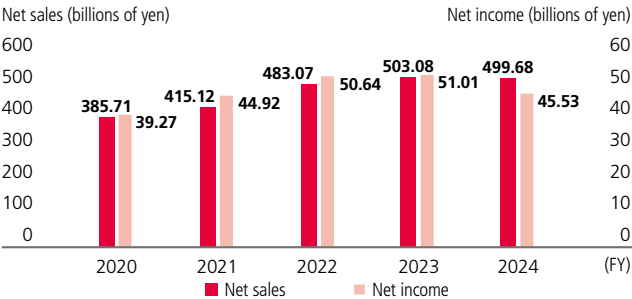
Profile of Yakult Group (as of March 31, 2025)

■ Japan	■ Overseas
Marketing companies:	Companies:
Number of employees:	Number of employees:
Number of Yakult Ladies:	Number of Yakult Ladies:
Number of Yakult Beauty Advisors:	Marketing regions:
Bottling companies:	* As of December 2024
Affiliated companies, etc.:	

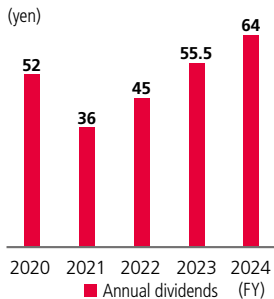
Sales by segment (consolidated)



Five-year overview of net sales and net income (consolidated)



Annual dividends



Note: The dividends shown have been retroactively adjusted for the impact of the two-for-one stock split of common shares carried out on October 1, 2023.

Overseas operations (as of March 31, 2025)

The Yakult Group is developing its global business with a local focus, based on local production and local sales. We have established sales offices and production plants with deep ties to local communities, and actively hire local employees. We also operate our original Yakult Lady home delivery sales system in 12 countries and regions around the globe.

■ 27 companies

- ① Yakult Taiwan Co., Ltd.

② Hong Kong Yakult Co., Ltd.

③ Yakult (Thailand) Co., Ltd.

④ Korea Yakult (hy Co., Ltd.)

⑤ Yakult Philippines, Inc.

⑥ Yakult (Singapore) Pte., Ltd.

⑦ PT. Yakult Indonesia Persada

⑧ Yakult Australia Pty. Ltd.

⑨ Yakult (Malaysia) Sdn. Bhd.
- ⑩ Yakult Vietnam Co., Ltd.

⑪ Yakult Danone India Pvt. Ltd.

⑫ Yakult Middle East FZCO

⑬ Yakult Myanmar Co., Ltd.

⑭ Yakult (China) Corporation

⑮ Guangzhou Yakult Co., Ltd.

⑯ Tianjin Yakult Co., Ltd.

⑰ Wuxi Yakult Co., Ltd.

⑱ Yakult S/A Ind. E Com. (Brazil)
- ⑲ Yakult S.A. de C.V. (Mexico)

⑳ Yakult U.S.A. Inc.

㉑ Yakult Europe B.V.

㉒ Yakult Nederland B.V.

㉓ Yakult Belgium N.V./S.A.

㉔ Yakult UK Ltd.

㉕ Yakult Deutschland GmbH

㉖ Yakult Oesterreich GmbH

㉗ Yakult Italia S.R.L.

■ 39 countries and regions

Asia and Oceania	Americas	Europe
Taiwan, Hong Kong, Thailand, South Korea, Philippines, Singapore, Brunei, Indonesia, Australia, China, Malaysia, New Zealand, Vietnam, India, United Arab Emirates, Oman, Bahrain, Qatar, Kuwait, Myanmar	Brazil, Mexico, Uruguay, United States of America, Canada, Belize	Netherlands, Belgium, France, United Kingdom, Germany, Luxembourg, Spain, Ireland, Austria, Italy, Malta, Switzerland, Denmark

Note: As a rule, each Group company produces and sells products locally, but some sell products that are supplied by other Group companies in neighboring countries.

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult's Operations

05 Yakult's Business Operations

06 Top Commitment

09 Yakult's Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

■ Yakult's Business Operations

Building on a foundation of life science, our operations have expanded to include not only fermented milk drinks and other food and beverage products but also cosmetics and international business ventures.

Food and Beverage Business

In 1930, Dr. Minoru Shirota, the founder of Yakult, successfully strengthened and cultured a strain of lactic acid bacteria, and in 1935, *Yakult*, a beverage containing *L. paracasei* strain Shirota,* was born. In 1963, the Yakult Lady home delivery system was launched throughout Japan to disseminate the value of *Yakult*. Products in the Food and Beverage Business include *Yakult* fermented milk drinks, *Joie* and other fermented milk products, as well as other beverages.

- Fermented milk drinks ■ Fermented milk products
- Other beverages

*Until March 2020, it was classified as *Lactobacillus casei* strain Shirota.



- Basic skin-care products ■ Makeup products
- Hair-care products ■ Toiletries

Yakult's Cosmetics Business began with the discovery of the cosmetic efficacy of a fermented lactic acid bacteria extract by Dr. Shirota. In 1955, Yakult launched a skin lotion and a moisturizing cream and introduced the Yakult Beauty Advisor delivery system in 1970. Based on the concept of preserving the health of the skin through life science, Yakult provides a variety of cosmetic products under the Yakult Beautiens brand centering on basic skin-care products.

Cosmetics Business

International Business

The expansion of Yakult's business to overseas countries flowed naturally from a desire to fulfill Dr. Shirota's wish to "help protect the health of people throughout the world." In 1964, Yakult Taiwan Co., Ltd. commenced operations, marking the start of Yakult's overseas business. *Yakult* is presently sold in 40 countries and regions (including Japan) spanning Asia and Oceania, the Americas and Europe.

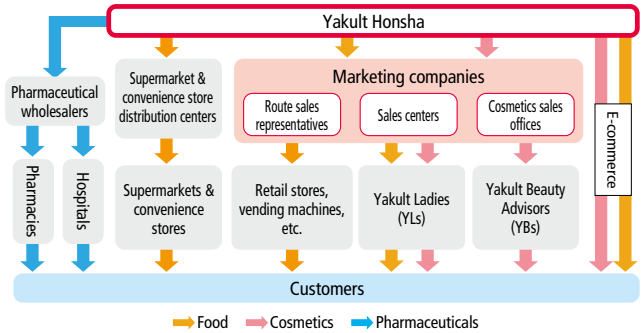


To support our evolution into a healthcare company with its core in probiotics, we are expanding our business domains into such areas as wellness and lifestyle support, health and beauty, and medical care and nutrition.

Other businesses

Product distribution system

Headed by Yakult Honsha, the Yakult Group consists of marketing companies that sell Yakult products, subsidiary bottling companies that turn *Yakult* concentrate into bottled products, and other related companies. There are approximately 140 Group companies in Japan (approximately 170 when including overseas companies).



■ Route sales representatives

These representatives deliver products to such destinations as retail stores, vending machines and schools (to be served during meals). They carefully check the temperature and best-before dates so that customers can safely enjoy Yakult products. They also offer information for sales floors and make efforts toward service improvements.

■ Yakult Ladies

Since 1963, we have operated our unique home delivery system with Yakult Ladies, who now deliver *Yakult 1000* series and *Yakult 400* series products and other food and beverages, as well as cosmetic products to customers. Many Yakult Ladies are independent contractors who deliver and sell products after receiving thorough training in food hygiene and Yakult products. Sales centers are important hubs for customer support where products are stored and where Yakult Ladies can share information.

■ Yakult Beauty Advisors

In addition to conducting door-to-door sales of cosmetics, Yakult Beauty Advisors (YBs) with specialized knowledge of beauty and cosmetics also offer beauty treatments among other services. Cosmetics sales offices are where products are stored and where YBs can share information. Some offices also provide beauty treatments.

■ Yakult Delivery Net

An e-commerce site that accepts regular orders for dairy products and soft drinks, primarily those handled by Yakult Ladies.

■ Yakult Wellness Online

An e-commerce site selling health foods, supplements and other products of the Yakult Group.

Contents

- 02 About the Sustainability Report 2025
- 03 Editorial Policy
- 04 Overview of Yakult’s Operations
- 05 Yakult’s Business Operations

06 Top Commitment

- 09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

- 28 Environmental management
- 35 Climate change mitigation and adaptation
- 46 Transition to sustainable plastic containers and packaging
- 51 Sustainable water source management
- 54 Biodiversity conservation
- 57 Reducing waste and food loss

59 Social Activities Report

- 60 Provision of safe and secure products and transparent information disclosure
- 65 Value co-creation with communities
- 70 Establishment of a resilient and sustainable supply chain
- 78 Promotion of health initiatives rooted in local communities
- 80 Creation of health value that meets diverse health needs
- 84 Worker health, safety and well-being
- 91 Initiatives for Yakult Ladies
- 92 Development of innovative human resources capable of delivering new value
- 95 Embracing the diversity of our workforce
- 99 Human rights
- 106 Customer satisfaction

109 Governance Report

- 109 Corporate governance
- 116 Risk management
- 118 Compliance
- 121 Third-party opinion
- 122 External evaluation
- 123 ESG Data

■ Top Commitment

Aspiring to support the health of the planet and all living things



Hiroshi Narita
President and Representative Director

Guided by the ideals of Shirota-ism

In 1935, long before the concept of using beneficial microorganisms to promote human health gained global recognition, Yakult’s founder, Minoru Shirota, made a groundbreaking discovery. He identified *L. paracasei* strain Shirota,*1 which was capable of reaching the intestines alive and exerting beneficial effects. With the help of colleagues, Dr. Shirota used this lactic acid bacteria to develop *Yakult*, a fermented milk drink designed to strengthen intestinal functions and contribute to people’s health, and he began sharing this value with the world. Today, around 38 million*2 of our dairy products are enjoyed daily by people in 40 countries and regions around the world, including Japan.

Dr. Shirota pioneered a value that was unprecedented at the time and expanded it globally with a spirit similar to today’s entrepreneurial startups. Guided by his founding aspiration “to contribute to people’s health,” we consider it our mission to carry on this legacy. We continue to develop and deliver products and services that support the health of people around the world.

*1 Until March 2020, it was classified as *Lactobacillus casei* strain Shirota.
*2 As of fiscal 2024.

Redefining material themes in line with our business strategy

The Yakult Group has always sought to address the prevalent social issues of the day. In recent years, *Yakult 1000* and *Y1000* drinks have been widely embraced as part of our efforts to offer solutions to modern-day health concerns like stress and sleep quality. In response to growing customer awareness of sugar and calorie intake, we introduced *Yakult 1000 Toshitsu Off* and *Y1000 Toshitsu Off*. Recognizing the importance of supporting the health not only of humans but also of companion animals, in 2023 we began working with another company to develop products using Yakult’s proprietary ingredients. This collaboration led to the launch of a supplement for cats in 2024, followed by dog food products in 2025.

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

These initiatives are just a few examples of our efforts to achieve the long-term goals of Yakult Group Global Vision 2030 (YGGV2030), established in 2021. YGGV2030 articulates our vision to evolve into a healthcare company that provides products and services to meet the diverse needs of people around the world. This vision is grounded in our corporate philosophy: “We contribute to the health and happiness of people around the world through pursuit of excellence in life science in general and our research and experience in microorganisms in particular.” To this end, we have established and are implementing long-term business strategies aligned with the following three qualitative goals: deliver good health to as many people as possible around the world, offer customers new value that matches their needs, and realize a society in which people and the planet co-exist.

In 2025, four years after establishing YGGV2030, we announced our Medium-term Management Plan 2025–2030, titled *Paving the Way to Our Centenary*. This plan positions non-financial strategies as a vital foundation for maximizing corporate value, with an emphasis on achieving sustainability through the strengthening of human capital and natural capital.

In line with this initiative, we have revised our material themes to better reflect the changing social environment and increasingly diverse issues confronting society. To ensure continued global growth, we established new material themes aligned with the three qualitative goals of YGGV2030, as follows:

Deliver good health to as many people as possible around the world

- Provision of safe and secure products and transparent information disclosure
- Value co-creation with communities
- Establishment of a resilient and sustainable supply chain

Offer customers new value that matches their needs

- Promotion of health initiatives rooted in local communities
- Creation of health value that meets diverse health needs

Realize a society in which people and the planet co-exist

- Climate change mitigation and adaptation
- Transition to sustainable plastic containers and packaging
- Sustainable water source management
- Biodiversity conservation

In addition, recognizing that people are the foundation for achieving these goals, we have newly established material themes centered on human capital supporting business growth.

- Worker health, safety and well-being
- Development of innovative human resources capable of delivering new value
- Embracing the diversity of our workforce



Concrete initiatives addressing material themes

Among the qualitative goals outlined in YGGV2030, the aspiration to “realize a society in which people and the planet co-exist” strongly reflects our belief that “in order for people to be healthy, everything around them must also be healthy.” This goal is linked to our four environment-related material themes, namely: climate change mitigation and adaptation, transition to sustainable plastic containers and packaging, sustainable water source management, and biodiversity conservation. Each represents a critical issue for the continuity of our business. Guided by our Environmental Vision 2050, which calls for management approaches aimed at achieving zero environmental impact across the value chain, we are advancing various initiatives, including the introduction of renewable energy and development of horizontal recycling systems for plastic containers and packaging.

The role of Yakult Ladies is deeply connected with four material themes, namely, value co-creation with communities and the three centered on human capital. In the context of Japan’s demographic shift toward population aging and declining birth rates, Yakult Ladies’ role within local communities continues to grow. Across the country, our marketing companies collaborate with many municipalities to engage in community-based activities, such as monitoring older adults living alone and supporting crime prevention efforts. Yakult Ladies thus not only contribute to customer health but also help deepen community ties. By building strong relationships, fostering trust in the Yakult Group and contributing to society, they represent one of our greatest assets.

We believe that addressing the 12 material themes described above will advance the achievement of YGGV2030 and the realization of our corporate philosophy, thereby enhancing the sustainability not only of the Yakult Group but also of society and the planet.

- 02 About the Sustainability Report 2025
- 03 Editorial Policy
- 04 Overview of Yakult's Operations
- 05 Yakult's Business Operations

11 Sustainability

28	Environmental management
35	Climate change mitigation and adaptation
46	Transition to sustainable plastic containers and packaging
51	Sustainable water source management
54	Biodiversity conservation
57	Reducing waste and food loss

60	Provision of safe and secure products and transparent information disclosure
65	Value co-creation with communities
70	Establishment of a resilient and sustainable supply chain
78	Promotion of health initiatives rooted in local communities
80	Creation of health value that meets diverse health needs
84	Worker health, safety and well-being
91	Initiatives for Yakult Ladies
92	Development of innovative human resources capable of delivering new value
95	Embracing the diversity of our workforce
99	Human rights
106	Customer satisfaction

109	Corporate governance
116	Risk management
118	Compliance
121	Third-party opinion
122	External evaluation
123	ESG Data

Sustainability is a core concept that directly impacts our business itself. In today's world, business continuity depends on management practices that account for the sustainability of the planet and society.

To this end, we have reinforced our governance structure for promoting sustainability. In 2024, we established the Sustainability Advisory Committee as a body tasked with deliberating on sustainability-related measures and responses and reporting to the Board of Directors. This fiscal year, we merged the CSR Promotion Committee and the Committee to Address Plastic Containers to form the new Sustainability Promotion Committee under the Board of Directors. This committee is responsible for discussing and promoting basic strategy and measures for sustainability. By strengthening the oversight function of the Board of Directors, we are further advancing sustainability management.

This year marks the 90th anniversary of Yakult's founding, and we will be celebrating our centennial—a major milestone—in 2035. Yet when compared to the long history of *Homo sapiens*, even 100 years is but a fleeting moment. I imagine that the evolution of humanity, which has overcome countless diseases, has been greatly aided by intestinal bacteria. Much like space exploration, the study of the intestines remains a frontier with many unknowns, and there are likely many beneficial microorganisms that have yet to be discovered. I believe that new strains will continue to emerge, ones that will support the health of not only humans but also animals and plants.

Health is a universal, irreplaceable value for all living beings, transcending national borders and cultural differences. As a manufacturer of probiotics, we aspire to be a company that supports the health of the planet and all living things.

November 2025

Contents

02

About the Sustainability Report 2025

03

Editorial Policy

04

Overview of Yakult’s Operations

05

Yakult’s Business Operations

06

Top Commitment

09

Yakult’s Beginnings

11

Sustainability

27

Environmental Activities Report

28

Environmental management

35

Climate change mitigation and adaptation

46

Transition to sustainable plastic containers and packaging

51

Sustainable water source management

54

Biodiversity conservation

57

Reducing waste and food loss

59

Social Activities Report

60

Provision of safe and secure products and transparent information disclosure

65

Value co-creation with communities

70

Establishment of a resilient and sustainable supply chain

78

Promotion of health initiatives rooted in local communities

80

Creation of health value that meets diverse health needs

84

Worker health, safety and well-being

91

Initiatives for Yakult Ladies

92

Development of innovative human resources capable of delivering new value

95

Embracing the diversity of our workforce

99

Human rights

106

Customer satisfaction

109

Governance Report

109

Corporate governance

116

Risk management

118

Compliance

121

Third-party opinion

122

External evaluation

123

ESG Data

■ Yakult’s Beginnings

The birth of Yakult

Yakult’s founder, Minoru Shirota, a doctor of medicine, began his medical studies in 1921 at Kyoto Imperial University (now Kyoto University). Japan was still a poor country at the time, and unsanitary conditions caused large numbers of children to die of infectious diseases.

Concerned about these conditions, while still a medical student, Dr. Shirota set his sights on the field of preventive medicine, which aims to help people avoid sickness rather than treating diseases after they occur, and started down the path of microorganism research.

Dr. Shirota focused on how lactic acid bacteria were able to suppress harmful bacteria within the intestines. In 1930, he succeeded in strengthening and culturing a strain that could reach the intestines alive and exert beneficial effects. This is now known as *L. paracasei* strain Shirota.*

In addition to preventive medicine, Dr. Shirota also advocated the idea that “a healthy intestinal tract leads to a long life” (humans absorb nutrients through the intestines, so making them healthy leads to a long life), and looked for ways to offer products at “a price anyone can afford” (in order to make *L. paracasei* strain Shirota, which protects the intestines, available to as many people as possible). These ideas became known collectively as Shirota-ism.

Together with those sharing his vision, Dr. Shirota developed an inexpensive, delicious drink so that many people could benefit from *L. paracasei* strain Shirota. This is how *Yakult* was born in 1935.

Dr. Shirota dedicated himself to helping protect the health of people throughout the world. His passion, ideas and relentless spirit of inquiry live on today.

* Until March 2020, it was classified as *Lactobacillus casei* strain Shirota.

Enduring legacy

Yakult products are not just sold in stores but are also delivered door-to-door to homes and other locations. This approach of reaching out directly to users is rooted in Dr. Shirota’s principles of emphasizing the dissemination of information about preventive medicine and the idea that a healthy intestinal tract leads to a long life, as well as his wish to promote sincerity, gratitude and harmonious human relations. The concepts of “sincerity,” “gratitude,” “harmonious human relations,” “honesty and kindness,” “caring enough to broaden acceptance” and “caring enough to make home deliveries” have remained constant over the years and are still touchstones for Yakult today.

Worldwide recognition

Yakult develops its business based on the corporate philosophy expressed as: “We contribute to the health and happiness of people around the world through pursuit of excellence in life science in general and our research and experience in microorganisms in particular.” This is a philosophy that is

based on Shirota-ism.

Our corporate philosophy is applied to everything from R&D to production, the delivery of health products to people around the world and contributions to the health of the planet and society.

Our various businesses in the Yakult Group work closely together in the spirit of Shirota-ism, infused with a desire to contribute to the health and happiness of people around the world. Yakult’s guiding philosophy now reaches people in countries worldwide.

Moving forward, to fulfill the trust placed in us by customers across borders and generations, we at Yakult will continue to honor our corporate philosophy based on the ideals of Shirota-ism.

Corporate Philosophy

We contribute to the health and happiness of people around the world through pursuit of excellence in life science in general and our research and experience in microorganisms in particular.

Corporate Slogan

In order for people to be healthy, everything around them must also be healthy.

The belief embodied in our corporate slogan

Yakult believes that everything on the Earth must be healthy —from the water, soil, air, plants and animals to humans— in order for people to be able to live healthily and to build a sound society.

Contents

02

About the Sustainability Report 2025

03

Editorial Policy

04

Overview of Yakult’s Operations

05

Yakult’s Business Operations

06

Top Commitment

09

Yakult’s Beginnings

11

Sustainability

27

Environmental Activities Report

28

Environmental management

35

Climate change mitigation and adaptation

46

Transition to sustainable plastic containers and packaging

51

Sustainable water source management

54

Biodiversity conservation

57

Reducing waste and food loss

59

Social Activities Report

60

Provision of safe and secure products and transparent information disclosure

65

Value co-creation with communities

70

Establishment of a resilient and sustainable supply chain

78

Promotion of health initiatives rooted in local communities

80

Creation of health value that meets diverse health needs

84

Worker health, safety and well-being

91

Initiatives for Yakult Ladies

92

Development of innovative human resources capable of delivering new value

95

Embracing the diversity of our workforce

99

Human rights

106

Customer satisfaction

109

Governance Report

109

Corporate governance

116

Risk management

118

Compliance

121

Third-party opinion

122

External evaluation

123

ESG Data

Keeping Shirota-ism alive

To pass on and disseminate the ideals of Shirota-ism, the root of our business, we conduct Shirota-ism workshops on various occasions for all of the approximately 130,000 workers in the Yakult Group.

Particularly for Yakult Honsha employees, providing milestone-level-specific education that is aligned with each employee’s position helps to both deepen understanding of Shirota-ism and foster shared values.



A Shirota-ism workshop at Yakult (Malaysia) Sdn. Bhd.

Shirota Memorial Museum

The Shirota Memorial Museum, located within the Yakult Central Institute, is open to the public and accepts visitors. It introduces the pioneering work of our founder, Minoru Shirota, from his initial efforts to advance preventive medicine to his success in strengthening and culturing a strain of lactic acid bacteria beneficial to health (later known as *L. paracasei* strain Shirota), as well as the research and product development activities being undertaken in the spirit of Shirota-ism by the Yakult Central Institute. Visitors can also deepen their interest in science, learning directly from Institute researchers and observing *L. paracasei* strain Shirota under a microscope.

Yakult timeline

1930s

1940s

1950s

1960s

1970s

1980s

1990s

2000s

2010s

2020s

1930

Dr. Minoru Shirota succeeds in strengthening and culturing a strain of lactic acid bacteria beneficial to health (*L. paracasei* strain Shirota)

1935

Start of production and sale of *Yakult*

1940

Offices of the Association for Promotion of Protective Bacteria Strain Shirota established in each region, specializing in sales, later becoming marketing companies

1955

Yakult Honsha Co., Ltd. and a research institute in Kyoto established

1963

Yakult’s unique Yakult Lady home delivery system introduced

1964

Yakult Taiwan Co., Ltd. starts operations as the first overseas office

1967

Center of research is relocated to Kunitachi City, Tokyo (later renamed the Yakult Central Institute)

1968

Plastic bottle introduced

1970

Launch of *Joie* fermented milk

1970s

Yakult daycare centers established

1971

Start of full-scale sales of cosmetics products

1972

Start of Courtesy Visit Activities by Yakult Ladies

1975

Launch of *Biolactis Capsules* medical drug, marking Yakult’s entry into the pharmaceutical business

1978

Launch of *Mil-Mil*

1980

Launch of *Tough-Man*

1981

Listed on the First Section of the Tokyo Stock Exchange

1990

Customer Support Center opened (toll-free number introduced)

1992

The Yakult Bioscience Foundation (now a public interest incorporated foundation) established

1994

Anticancer chemotherapy drug irinotecan approved for pharmaceutical production and launched under the brand name *Campito*

1998

Yakult is approved for labeling as a Food for Specified Health Uses

1999

Launch of *Yakult 400*

2005

Yakult Honsha European Research Center for Microbiology VOF (YHER) starts operations

2008

Launch of *Yakult 400LT*

2009

Launch of *Yakult Calorie Half*

2012

Start of Yakult Space Discovery Project

L. paracasei strain Shirota obtains GRAS Certification from the US Food and Drug Administration (FDA)

Basic Policy on CSR established

2019

Launch of *Yakult 1000*, the first Yakult product to be certified as a Food with Function Claims

2021

Long-term Yakult Group Global Vision 2030 established

Yakult Group Environmental Vision established

Launch of *Y1000*

2022

Deforestation and Conversion Free (DCF) Commitment to Responsible Sourcing established

2024

Entry into the plant-based food market

2025

Revised Environmental Targets 2030 for achieving the Yakult Group Environmental Vision

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Sustainability

The Yakult Group Basic Policy on CSR was established based on our corporate philosophy as well as our belief that “in order for people to be healthy, everything around them must also be healthy.” We will also contribute to the achievement of a sustainable society through initiatives based on our material themes.

Basic Policy on CSR

We at the Yakult Group will implement corporate social responsibility (CSR) activities by generating tangible benefits in accordance with our corporate philosophy and realizing sustainable corporate growth. Specific CSR activities in accordance with this objective are articulated in our Basic Policy on CSR, which was established in April 2012.

By systemizing the CSR initiatives undertaken at Yakult Group units, we increase the clarity of Yakult’s CSR management policies and undertake appropriate disclosure of information to stakeholders.

Basic Policy on CSR All of us in the Yakult Group will strive through corporate activities based on our corporate philosophy to earn the trust of all the Group’s stakeholders and promote mutually beneficial relationships with all stakeholders.

Yakult Ethical Principles and Code of Conduct

The Yakult Ethical Principles and Code of Conduct serve as standards of compliance for correctly implementing Yakult’s founding spirit, Shirota-ism. They set forth the principles and behavioral guidelines for proper corporate activities within the Yakult Group, providing specific guidance and illustrative examples.

Revisions are made as needed, such as by appending specific conduct standards and concrete examples of such standards, in response to changing times.

In addition, a pocketbook including the Yakult Ethical Principles and Code of Conduct has been distributed to employees so that they can easily refer to them at any time when they need to confirm a particular decision-making process.



WEB

For details, see the Yakult Ethical Principles and Code of Conduct

<https://www.yakult.co.jp/english/csr/company/ethics.html>

Signing the UN Global Compact

In May 2021, the Yakult Group signed the United Nations Global Compact (UNGC), the UN’s international framework for sustainable growth.

The UNGC calls on companies and organizations to take part in solving global issues and provides a principle-based framework for healthy globalization and a sustainable society.

The Yakult Group’s top management is committed to supporting the 10 principles of the UNGC relating to human rights, labor, the environment and anti-corruption, and we will work with the global community to apply these principles in all of our business activities as a good corporate citizen that contributes to society.

WE SUPPORT



The 10 Principles of the UN Global Compact (UNG10)

Human Rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and Principle 2: make sure that they are not complicit in human rights abuses.
Labour	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; Principle 4: the elimination of all forms of forced and compulsory labour; Principle 5: the effective abolition of child labour; and Principle 6: the elimination of discrimination in respect of employment and occupation.
Environment	Principle 7: Businesses should support a precautionary approach to environmental challenges; Principle 8: undertake initiatives to promote greater environmental responsibility; and Principle 9: encourage the development and diffusion of environmentally friendly technologies.
Anti-Corruption	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Related information

p. 99 Human rights
p. 99 Labor practices
p. 27 The environment
p. 118 Anti-corruption

Contents

02	About the Sustainability Report 2025
03	Editorial Policy
04	Overview of Yakult’s Operations
05	Yakult’s Business Operations
06	Top Commitment
09	Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28	Environmental management
35	Climate change mitigation and adaptation
46	Transition to sustainable plastic containers and packaging
51	Sustainable water source management
54	Biodiversity conservation
57	Reducing waste and food loss

59 Social Activities Report

60	Provision of safe and secure products and transparent information disclosure
65	Value co-creation with communities
70	Establishment of a resilient and sustainable supply chain
78	Promotion of health initiatives rooted in local communities
80	Creation of health value that meets diverse health needs
84	Worker health, safety and well-being
91	Initiatives for Yakult Ladies
92	Development of innovative human resources capable of delivering new value
95	Embracing the diversity of our workforce
99	Human rights
106	Customer satisfaction

109 Governance Report

109	Corporate governance
116	Risk management
118	Compliance
121	Third-party opinion
122	External evaluation
123	ESG Data

Yakult Group Global Vision 2030

Yakult has formulated its long-term vision, “Yakult Group Global Vision 2030,” which aims to evolve into a healthcare company that continues contributing to people’s health around the world. Leveraging the management resources cultivated to date, we will create value that supports the health of each individual while coexisting with local communities and society, thereby contributing to the realization of a sustainable society.

Yakult Group Global Vision 2030

Evolve into a healthcare company that continues contributing to people’s health around the world

Qualitative goals

Deliver good health to as many people as possible around the world

Key theme

Strengthening global expansion

- Make “a healthy intestinal tract leads to a long life” a realization for as many people as possible.
- Develop new channels to create an environment that enables anyone to acquire our products.
- Support people’s healthy lives with the pillars of preventive medicine and therapeutic medicine.

Offer customers new value that matches their needs

Key theme

Expansion of business domain

- Offer products and services corresponding to individual health issues and next-generation health.
- Evolve into a healthcare brand that responds to the health needs of people around the world.
- Contribute to prolonged health expectancy through locally rooted sales organizations and connections with individual customers.

Realize a society in which people and the planet co-exist

Key theme

Responding to environmental issues

- Fulfill our social responsibility as a global company while co-existing with the local community and being in harmony with the environment.
- Contribute to the realization of a sustainable society.
- Establish healthy lifestyles and develop safe and secure communities.

Contents

02	About the Sustainability Report 2025
03	Editorial Policy
04	Overview of Yakult’s Operations
05	Yakult’s Business Operations
06	Top Commitment
09	Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28	Environmental management
35	Climate change mitigation and adaptation
46	Transition to sustainable plastic containers and packaging
51	Sustainable water source management
54	Biodiversity conservation
57	Reducing waste and food loss

59 Social Activities Report

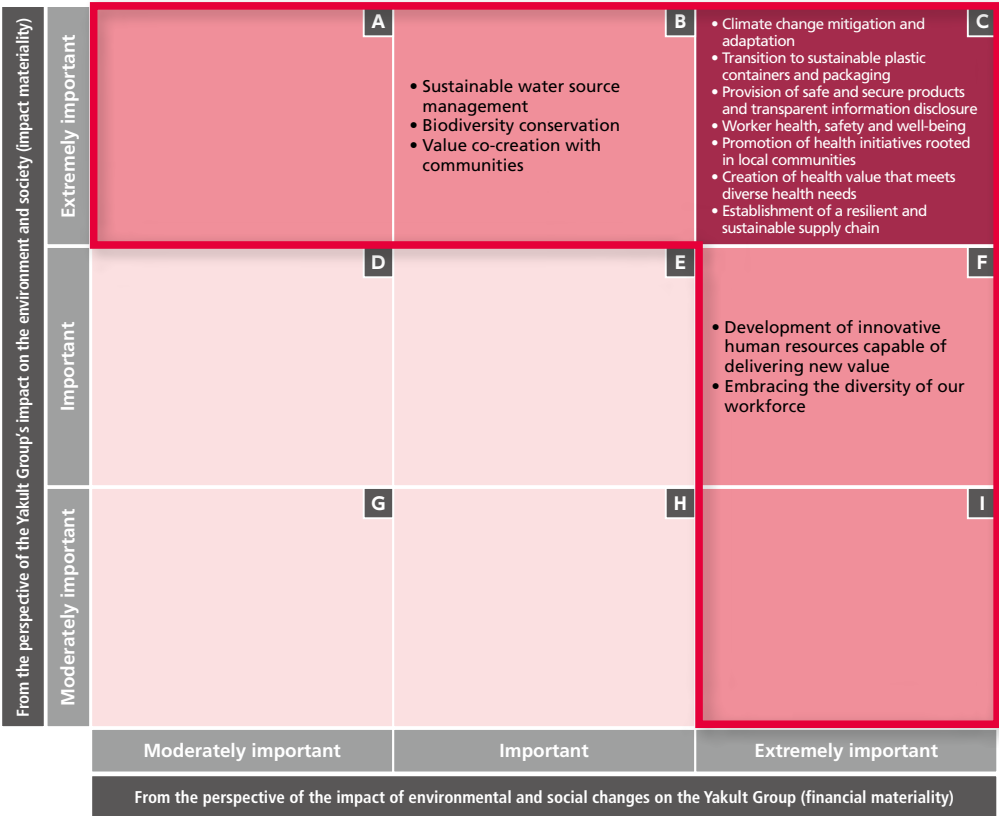
60	Provision of safe and secure products and transparent information disclosure
65	Value co-creation with communities
70	Establishment of a resilient and sustainable supply chain
78	Promotion of health initiatives rooted in local communities
80	Creation of health value that meets diverse health needs
84	Worker health, safety and well-being
91	Initiatives for Yakult Ladies
92	Development of innovative human resources capable of delivering new value
95	Embracing the diversity of our workforce
99	Human rights
106	Customer satisfaction
109	Governance Report
109	Corporate governance
116	Risk management
118	Compliance
121	Third-party opinion
122	External evaluation
123	ESG Data

Materiality assessment

Based on our belief that “in order for people to be healthy, everything around them must also be healthy,” the Yakult Group has identified material themes to achieve sustainability and has been working to resolve social issues. At the same time, to guide the sustainable growth of our business and flexible adaptation to change, we established our long-term vision Yakult Group Global Vision 2030 in 2021.

Four years have passed since the formulation of this long-term vision. In response to evolving social issues, we undertook a review of our material themes over approximately nine months, starting in June 2024, in order to ensure the realization of the long-term vision toward 2030.

In this review process, with the cooperation of external experts, candidates for material themes were selected by organizing them based not only on ESRS topics,*1 SASB Standards,*2 and our own management strategy, but also on such external factors as social issues and industry trends. We are well aware of the significant impact our Group’s business activities have on society and the environment, and we view our contribution to a sustainable society as ultimately linked to



our financial value. With this understanding, these themes were then mapped along two axes based on the concept of double materiality: “impact materiality,” referring to the Yakult Group’s impact on the environment and society, and “financial materiality,” referring to the impact of environmental and social changes on the Yakult Group. Each axis was categorized into three levels—“extremely important,” “important,” and “moderately important”—and a matrix analysis was conducted.

The analysis results were evaluated by 45 employees in and outside Japan, sustainability experts and institutional investors regarding the alignment of the themes with our business model and the validity of the impact and financial assessments for each theme. Incorporating this feedback, the Management Policy Council, the Executive Officers Committee, the Sustainability Advisory Committee and the Board of Directors engaged in deliberations, leading to the identification of 12 material themes of extreme importance to the Yakult Group.

For the 12 identified material themes—including those still under review—we are establishing key performance indicators and formulating strategies and plans to promote the achievement of Yakult Group Global Vision 2030 and the realization of our corporate philosophy, while also enhancing the sustainability of not only the Yakult Group but also the planet and society at large. In addition, we will regularly review our material themes in the light of evolving internal and external conditions and feedback from our stakeholders.

*1 ESRS topics: Specific disclosure topics under the European Union’s European Sustainability Reporting Standards (ESRS).
*2 SASB Standards: A framework for ESG (environmental, social and governance) disclosures published by the Sustainability Accounting Standards Board, which defines sustainability-related items across 77 industries.

Identifying material themes



Contents

- 02 About the Sustainability Report 2025
- 03 Editorial Policy
- 04 Overview of Yakult’s Operations
- 05 Yakult’s Business Operations
- 06 Top Commitment
- 09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

- 28 Environmental management
- 35 Climate change mitigation and adaptation
- 46 Transition to sustainable plastic containers and packaging
- 51 Sustainable water source management
- 54 Biodiversity conservation
- 57 Reducing waste and food loss

59 Social Activities Report

- 60 Provision of safe and secure products and transparent information disclosure
- 65 Value co-creation with communities
- 70 Establishment of a resilient and sustainable supply chain
- 78 Promotion of health initiatives rooted in local communities
- 80 Creation of health value that meets diverse health needs
- 84 Worker health, safety and well-being
 - 91 Initiatives for Yakult Ladies
- 92 Development of innovative human resources capable of delivering new value
- 95 Embracing the diversity of our workforce
 - 99 Human rights
 - 106 Customer satisfaction
- 109 Governance Report
 - 109 Corporate governance
 - 116 Risk management
 - 118 Compliance
- 121 Third-party opinion
- 122 External evaluation
- 123 ESG Data

The 12 material themes for achieving the long-term goals of Yakult Group Global Vision 2030 (YGGV2030)

YGGV2030 long-term goals	Deliver good health to as many people as possible around the world	Provision of safe and secure products and transparent information disclosure	Value co-creation with communities	Establishment of a resilient and sustainable supply chain	
		  ▶ p. 60	  ▶ p. 65	  ▶ p. 70	
	Offer customers new value that matches their needs	Promotion of health initiatives rooted in local communities	Creation of health value that meets diverse health needs		
		  ▶ p. 78	  ▶ p. 80		
	Realize a society in which people and the planet co-exist	Climate change mitigation and adaptation	Transition to sustainable plastic containers and packaging	Sustainable water source management	Biodiversity conservation
		  ▶ p. 35	  ▶ p. 46	  ▶ p. 51	  ▶ P.54
	Human capital supporting business growth	Worker health, safety and well-being	Development of innovative human resources capable of delivering new value	Embracing the diversity of our workforce	
		  ▶ p. 84	  ▶ p. 92	  ▶ p. 95	

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Qualitative goals and potential impact, risks and opportunities of Yakult Group Global Vision 2030

Long-term vision	Material theme	The Group’s commitment	Specific initiatives	Potential impact	Risks and opportunities	Fiscal 2030 targets
Deliver good health to as many people as possible around the world	Provision of safe and secure products and transparent information disclosure  ▶ p. 60	To deliver safe and secure products and services to our customers, we strive to ensure safety and security at every stage of the value chain, provide high-quality products and engage in sound marketing practices.	▪ Promoting quality management ▪ Advancing initiatives for ethical and responsible advertising and marketing ▪ Protecting customers’ personal information ▪ Implementing worker education, including training for Yakult Ladies and route sales representatives	▪ Selling products that do not meet safety standards may adversely affect consumer well-being, leading to deterioration of health or even loss of life ▪ Discriminatory treatment in the provision of products and services—such as failing to ensure fair and equitable access based on nationality, race, gender or other consumer group attributes—may foster perceptions of unfairness and lead to deterioration of physical and mental health ▪ Provision of information without sufficient scientific evidence may result in physical and mental health damage due to improper product use or unsuitable health behaviors	(Risks) ▪ Administrative penalties (fines, suspension of operations) and loss of competitiveness due to inability to comply with evolving regulatory requirements ▪ Business interruption resulting from unforeseen circumstances that compromise product safety or result in health damage ▪ Lawsuits and decline in brand image or consumer trust caused by reputational damage or insufficient disclosure of product information (Opportunity) ▪ Enhanced competitiveness through the development of high-safety products and strengthening of manufacturing processes	Under development
	Value co-creation with communities  ▶ p. 65	We believe that building trust with local communities serves as a driving force behind business development. By leveraging our unique home delivery system, we contribute to communities through local investment and community-based activities.	▪ Contributing to the health of regional communities ▪ Supporting the building of safe and secure communities ▪ Deepening interactions with local communities through festivals at Yakult’s plants	▪ Can improve community health through the cultivation of knowledge and culture related to health maintenance, as well as better lifestyle habits ▪ Can enhance individual well-being through job creation in local communities and collaboration and support involving municipalities, NGOs and NPOs	(Opportunities) ▪ Increased product purchases driven by communication activities in local communities ▪ Enhanced brand image through job creation and contributions to regional revitalization via sales activities firmly rooted in local communities ▪ Strengthened trust through deeper regional collaboration, achieved by identifying and addressing community-specific challenges and respecting the human rights of local communities	Under development
	Establishment of a resilient and sustainable supply chain  ▶ p. 70	A sustainable supply chain is essential in delivering high-quality products that are safe and secure to people around the world. In addition to considering quality and cost, we will promote initiatives to enhance transparency throughout the supply chain to ensure respect for human rights, prevent corruption and reduce the environmental burden.	▪ Promoting sustainable procurement ▪ Building sound relationships with business partners ▪ Ensuring stable procurement of raw materials ▪ Optimizing logistics	▪ Forced labor, child labor and excessive working hours within the supply chain may result in loss of opportunities, loss of life or deterioration of physical and mental health among workers ▪ Appropriate management and oversight of the supply chain can improve public health through the mitigation of broad environmental and social impacts	(Risks) ▪ Threats to product manufacturing (e.g., suspension of operations) due to weakening of the systems ensuring stable procurement of raw materials ▪ Decline in trust resulting from human rights violations at business partners (e.g., forced labor, child labor) (Opportunities) ▪ Stabilized supply chain through cooperation with business partners, leading to reduced transaction costs and creation of new sales opportunities ▪ Enhanced quality assurance capabilities through securing of traceability ▪ Enhanced evaluation from customers and investors through sustainable procurement	Under development

Contents

02

About the Sustainability Report 2025

03

Editorial Policy

04

Overview of Yakult’s Operations

05

Yakult’s Business Operations

06

Top Commitment

09

Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28

Environmental management

35

Climate change mitigation and adaptation

46

Transition to sustainable plastic containers and packaging

51

Sustainable water source management

54

Biodiversity conservation

57

Reducing waste and food loss

59 Social Activities Report

60

Provision of safe and secure products and transparent information disclosure

65

Value co-creation with communities

70

Establishment of a resilient and sustainable supply chain

78

Promotion of health initiatives rooted in local communities

80

Creation of health value that meets diverse health needs

84

Worker health, safety and well-being

91

Initiatives for Yakult Ladies

92

Development of innovative human resources capable of delivering new value

95

Embracing the diversity of our workforce

99

Human rights

106

Customer satisfaction

109 Governance Report

109

Corporate governance

116

Risk management

118

Compliance

121

Third-party opinion

122

External evaluation

123

ESG Data

Long-term vision	Material theme	The Group's commitment	Specific initiatives	Potential impact	Risks and opportunities	Fiscal 2030 targets
Offer customers new value that matches their needs	Promotion of health initiatives rooted in local communities  ▶ p. 78	We are working to deepen and expand our presence in sales markets to help address diverse health challenges around the world. We aim to bring health to more people by tailoring our products and services to the specific circumstances of each country and region and making them accessible to all.	▪ Expanding entry into new countries ▪ Expanding e-commerce and other channels ▪ Developing and providing products and services for each country and region	▪ Offering health value at prices that reflect the socioeconomic conditions of each country and region can improve health outcomes and extend healthy life expectancy for people around the world.	(Risks) ▪ Reduced business resilience due to product offerings that rely heavily on specific dairy items ▪ Failure to penetrate markets stemming from product designs that do not align with the cultural norms, health awareness, and dietary habits of each country or region ▪ Loss of business opportunities resulting from delays in pipeline expansion or disruptions to the stable supply of safe and secure products amid rapid growth in demand (Opportunities) ▪ Expansion of the health, nutrition and healthcare markets driven by global population growth and increased capital inflows to developing countries from public institutions ▪ Creation of new market needs through the development of products tailored to the cultures and dietary practices of individual countries	Under development
	Creation of health value that meets diverse health needs  ▶ p. 80	We will provide products and services that lead to solutions for health and social issues by pursuing new health value through the utilization of our research findings and extensive experience with lactic acid bacteria and other beneficial microorganisms, as well as through collaboration with outside resources.	▪ Developing products using plant-derived ingredients ▪ Expanding the medical biome business ▪ Promoting joint research and corporate collaborations ▪ Investing in and utilizing intellectual property and intangible assets	▪ Providing products that improve quality of daily life can enhance well-being ▪ Offering products and services tailored to individual health challenges can reduce health disparities ▪ Supplying products that serve a valuable role in medical settings can enhance well-being	(Risk) ▪ Decline in market competitiveness due to delayed response to consumer needs (Opportunities) ▪ Expansion of new healthcare markets driven by increasing health consciousness ▪ Creation of new markets through provision of products and services that address emerging health needs ▪ Generation of innovation by promoting joint research	Under development
Realize a society in which people and the planet co-exist	Climate change mitigation and adaptation  ▶ p. 35	The Yakult Group recognizes that significant greenhouse gas (GHG) emissions are generated across its entire value chain. To address this, we are advancing GHG emissions reduction efforts in our own operations by further promoting energy conservation and proactively utilizing renewable energy. We are also collaborating with business partners and local communities to reduce emissions throughout the value chain.	▪ Engaging in energy conservation activities ▪ Proactively introducing renewable energy	▪ Reduced water availability caused by intensified natural disasters (e.g., typhoons, floods) and increased droughts resulting from rising temperatures may lead to deterioration of people's physical and mental health ▪ Loss of natural environments and degradation of ecosystem services caused by shifts in climate patterns driven by climate change may lead to a decline in residential environmental quality ▪ Failure to address acute and chronic physical risks associated with climate change may increase health risks for employees, supply chain workers and consumers, as well as reduce agricultural yields ▪ The provision of products that help mitigate the health impacts of climate change can reduce physical and mental health risks	(Risks) ▪ Higher costs due to the introduction of carbon pricing ▪ Falling share prices and diminished access to capital resulting from inadequate decarbonization efforts and lack of transparency ▪ Decreased sales and higher costs due to damage to plants and suspension of production and distribution, as well as decline in corporate value ▪ Decreased sales and higher countermeasure costs due to lower sales staff activity caused by heat stress and higher turnover rates (Opportunities) ▪ Increased sales due to expanded e-commerce marketing ▪ Sales growth through development of products using protein sources other than milk ▪ Cost reductions by promoting adoption of energy-saving measures and renewable energy	1. Reduce GHG emissions (scopes 1 and 2) by 42% (compared to FY2022) 2. Reduce GHG emissions (scope 3) by 25% (compared to FY2022) 3. Reduce GHG emissions (FLAG*) by 31% (compared to FY2022) ▶ p. 29 * An acronym for Forest, Land and Agriculture. It encompasses scopes 1 and 3 emissions from land use changes and land management.

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Long-term vision	Material theme	The Group's commitment	Specific initiatives	Potential impact	Risks and opportunities	Fiscal 2030 targets
Realize a society in which people and the planet co-exist	Transition to sustainable plastic containers and packaging  ▶ p. 46	While plastics are essential for preserving freshness and quality and ensuring efficient transport, the Yakult Group recognizes that plastic waste poses serious environmental and ecological challenges. We are committed to reducing the use of plastic containers and packaging, introducing sustainable materials, and promoting efforts toward recycling.	- Introducing sustainable materials - Diversifying container development - Establishing horizontal recycling system for <i>Yakult</i> containers	- Pollution of marine and other natural environments due to improper disposal of plastic containers and packaging may have long-term impacts on ecosystems and public health - Rising temperatures exacerbated by GHG emissions from plastic waste processing may cause natural disasters and water scarcity and adversely affect human health - Resource depletion from continued use of petroleum-based plastics may have long-term impacts on the foundations of future generations' livelihoods and the realization of a sustainable society	(Risks) - Additional costs arising from regulatory changes in and outside Japan related to plastic use (e.g., bans on single-use plastics, stricter extended producer responsibility [EPR] frameworks) requiring adjustments to packaging materials and the development of collection and recycling systems - Decline in market competitiveness due to delayed response to plastic-related issues (Opportunities) - Generation of innovation by promoting joint research - Enhanced corporate value, consumer support and capturing of new market opportunities by utilizing biomass and recycled materials	- Implement sustainable initiatives equivalent to 20% or more of the plastic containers and packaging usage (Japan and overseas) (in FY2030) - Establish a Bottle-to-Bottle recycling system for <i>Yakult</i> containers ▶ p. 29
	Sustainable water source management  ▶ p. 51	The Yakult Group offers many products in which water serves as a primary ingredient. Recognizing that water-related issues, such as water inequality and water-related disasters, pose critical risks to our business operations, we will manage water risks at our production bases, strive to reduce water usage and promote both conservation and sustainable use of water resources.	- Reducing water use - Conducting water risk assessments - Promoting appropriate wastewater treatment measures - Implementing water source conservation activities	- Reduced water availability near water sources due to diminishing water resources may lead to deterioration of health among local community members (e.g., dehydration, increased risk of infectious diseases from consuming or using unclean water) - The loss of the natural environment and degradation of ecosystem services due to diminishing water resources near water sources may lower the quality of the residential environment	(Risks) - Suspension of operations caused by land subsidence and depletion of water resources resulting from excessive groundwater extraction - Revocation of operating permits due to delayed response to water-related requests from local communities or failure to comply with laws and regulations (Opportunity) - Strengthening of sustainable, low-water-use manufacturing and management methods	- Identify issues in each region with detailed water risk assessments at dairy product plants in Japan and overseas and implement measures for all high priority issues - In addition to continuing water use reduction efforts, implement water source conservation activities targeting the amount of water used in products manufactured in FY2030 (at dairy product plants in Japan and overseas) ▶ p. 29
	Biodiversity conservation  ▶ p. 54	In response to growing threats to ecosystems caused by climate change, water pollution, and deforestation, we will promote biodiversity conservation through climate change mitigation and sustainable water resource management, while also advancing forest conservation initiatives in collaboration with local communities.	- Ascertaining protected areas and status of endangered species near production sites and evaluate impacts on local ecosystems - Conducting tree planting activities tailored to local ecosystems - Using resources accredited under international certification systems	- The loss of the natural environment and degradation of ecosystem services resulting from rising temperatures may lead to deterioration of health - Rising concentrations of air pollutants may lead to deterioration of health (e.g., bronchial disorders) among local community members - The loss of the natural environment and degradation of ecosystem services caused by expanding land-use conversion may lower the quality of the residential environment	(Risks) - Erosion of trust from local communities caused by biodiversity loss associated with business activities and delays in responding to laws and regulations - Procurement risks and rising costs stemming from deforestation, excessive water use, and increasing indispensability of water resources at raw material sourcing sites - Decline in corporate value due to delays in implementing ecosystem protection, restoration and rehabilitation initiatives (Opportunities) - Acquisition of new customers through biodiversity conservation initiatives - Enhanced corporate value due to strengthened relationships of trust with local communities through forest conservation and other initiatives	- Promote support and participation in biodiversity conservation activities in local communities - Understand the impact of business activities on biodiversity and implement impact reduction measures ▶ p. 29

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Long-term vision	Material theme	The Group’s commitment	Specific initiatives	Potential impact	Risks and opportunities	Fiscal 2030 targets
Human capital supporting business growth	Worker health, safety and well-being  ▶p. 84	We will enhance the workplace environment and strengthen related systems based on our belief that enabling all workers around the world to thrive in a safe, secure and enjoyable working environment and to achieve work-life balance contributes to sustained business growth.	- Ensuring safe and hygienic workplace environments - Paying fair wages - Promoting health-focused management - Developing various systems that support work-life balance - Creating a workplace environment free from harassment	- Occurrence of accidents at work (in plants or during commutes) may lead to deterioration of physical and mental health or even loss of life - Illnesses caused by prolonged working hours may lead to deterioration of physical and mental health or even loss of life - Failure to prevent violence, verbal abuse or harassment in the workplace may lead to deterioration of psychological safety	(Risks) - Reputational damage caused by accidents at work - Rising labor costs due to labor shortages in Japan and economic growth in emerging markets - Loss or departure of human resources and compensation claims from lawsuits, etc. (Opportunity) - Fostering safe, secure and enjoyable working environments enhances productivity, encourages long-term relationships with workers, and creates a positive impression in the recruiting market	Under development
	Development of innovative human resources capable of delivering new value  ▶p. 92	Based on the belief that people represent the core strength of our business operations and are indispensable assets, we are committed to developing innovative human resources who are highly motivated, take initiative in learning and growing continuously, and are capable of delivering new value.	- Providing diverse educational programs - Utilizing a human resource evaluation system to evaluate results appropriately - Utilizing human resource systems that make work more rewarding	- Increased income and sense of personal fulfillment can contribute to the maintenance and enhancement of long-term, stable living standards and an overall rise in subjective well-being - Development of products and services rooted in local issues by innovative human resources can contribute to improved community health and welfare and enhance people’s well-being	(Risk) - Decline in market competitiveness due to difficulty in securing the human resources needed for innovation and business operations amid imbalances in workforce supply and demand (Opportunities) - Aligning behavioral evaluations and training with corporate values helps prevent the outflow of talented human resources and improve the retention rate and organizational cohesion - Proactive human resource development initiatives can enhance employee capabilities and engagement and achieve long-term corporate growth	Under development
	Embracing the diversity of our workforce  ▶p. 95	We respect the race, gender, ethnicity, beliefs and sexual orientation of all workers in the Group. By harnessing high-quality innovation and ideas generated by a diverse workforce, we will respond to rapidly changing external environments and the diversifying needs of customers.	- Providing training to eliminate unconscious bias - Promoting the active engagement of diverse human resources	- Establishment of an organization that includes individuals with diverse attributes (e.g., gender, age, race, disability status, nationality or beliefs) can improve psychological safety - Provision of equitable employment, work environments, treatment, advancement, and growth opportunities to individuals with diverse attributes (e.g., gender, age, race, disability status, nationality or beliefs) can improve psychological well-being	(Risk) - Decline in trust and market competitiveness due to delays in diversity-conscious efforts, resulting in challenges securing talented human resources (Opportunities) - Strengthened acquisition of human resources and global responsiveness by fostering a workplace culture that values diversity - Development of products and new businesses that meet diverse consumer needs by leveraging a broad spectrum of ideas	Increase the proportion of women in management positions to over 20% by fiscal 2030 ▶p. 95

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

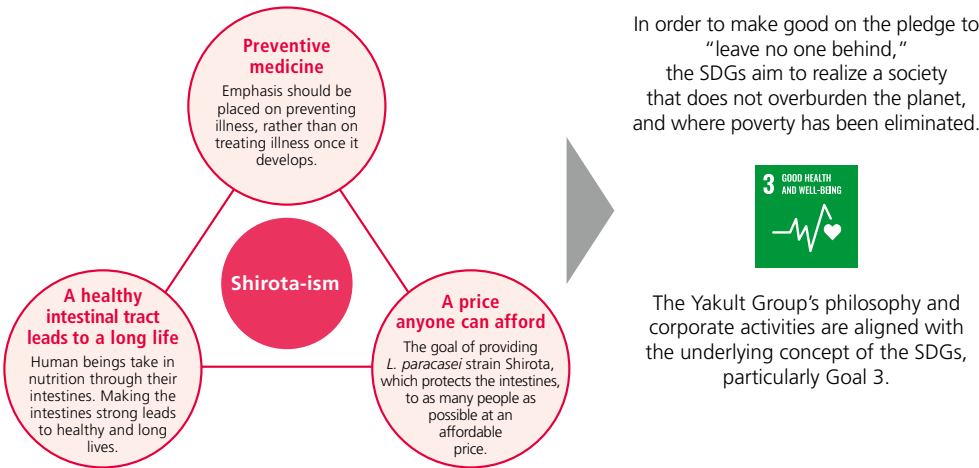
What the SDGs* mean to the Yakult Group

Our passion for and approach to health can be traced back to our founder’s wish to protect the health of people around the world. Yakult engages in business activities based on our corporate philosophy, expressed as: “We contribute to the health and happiness of people around the world through pursuit of excellence in life science in general and our research and experience in microorganisms in particular.” We see these activities as contributing to Goal 3, “Ensure healthy lives and promote well-being for all at all ages,” of the Sustainable Development Goals (SDGs).

Yakult’s founder, Minoru Shirota, a doctor of medicine, began his medical studies in 1921. At the time, unsanitary conditions caused large numbers of children to die of infectious diseases in Japan. Under the circumstances, Dr. Shirota set his sights on the field of preventive medicine, which aims to help people avoid sickness rather than treating diseases after they occur. After years of microorganism research, Dr. Shirota strengthened and cultured *L. paracasei* strain Shirota. Together with like-minded individuals, he then developed an inexpensive, delicious drink so that many people could benefit from *L. paracasei* strain Shirota. This is how *Yakult* was born.

Yakult products are not just sold in stores but, since our founding, are also delivered door-to-door to homes and other locations. This approach of reaching out directly to customers is rooted in Dr. Shirota’s principles of emphasizing the dissemination of information about preventive medicine and the idea that a healthy intestinal tract leads to a long life, as well as the value he placed on sincerity, gratitude and harmonious human relations.

The SDGs were established as goals to be achieved by 2030 so that humanity can continue living



on Earth. “Ending poverty in all its forms everywhere” is identified as the most important goal, and “leave no one behind” is the central promise of the SDGs.

The foundational philosophy of Yakult and our corporate belief that “in order for people to be healthy, everything around them must also be healthy” are perfectly matched with the aims of the SDGs, so it is a matter of course for us to strive to achieve those goals. Yakult will thus continue working to create a society where humans can live in harmony with the planet, based on our goal of uniting “People and Planet as One.”

* The Sustainable Development Goals, adopted by the United Nations in 2015, are 17 global goals aimed at achieving a better and more sustainable world for all by 2030.

The Yakult Group’s contributions to the SDGs

The Yakult Group’s corporate activities are broadly related to all 17 SDGs, but in the light of the recent revision of our materiality, we have reexamined the goals that are most closely connected to our business, resulting in the selection of the following 15 goals. Moving forward, the entire Yakult Group will continue contributing to achieving the SDGs.



Contents

02	About the Sustainability Report 2025
03	Editorial Policy
04	Overview of Yakult’s Operations
05	Yakult’s Business Operations
06	Top Commitment
09	Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28	Environmental management
35	Climate change mitigation and adaptation
46	Transition to sustainable plastic containers and packaging
51	Sustainable water source management
54	Biodiversity conservation
57	Reducing waste and food loss

59 Social Activities Report

60	Provision of safe and secure products and transparent information disclosure
65	Value co-creation with communities
70	Establishment of a resilient and sustainable supply chain
78	Promotion of health initiatives rooted in local communities
80	Creation of health value that meets diverse health needs
84	Worker health, safety and well-being
91	Initiatives for Yakult Ladies
92	Development of innovative human resources capable of delivering new value
95	Embracing the diversity of our workforce

99	Human rights
106	Customer satisfaction

109 Governance Report

109	Corporate governance
116	Risk management
118	Compliance
121	Third-party opinion
122	External evaluation
123	ESG Data

The SDGs Yakult is contributing to through its business activities

Business activity	Related SDGs	Specific initiatives
R&D We undertake research to realize the concepts of preventive medicine and the idea that a healthy intestinal tract leads to a long life, and are applying research results in the development of food and beverages, pharmaceuticals and cosmetics, and healthcare products. 	     	■ Disclosure of research results ■ Opening of the Shirota Memorial Museum to the public to improve communication with consumers ■ Online corporate visit program for junior high and high school students ■ Product safety evaluation at the product development and post-marketing stages ■ Product safety assurance by analysis and testing ■ Reliability assurance by auditing of research data ■ Joint research with universities, hospitals and research institutes ■ Sponsorship of academic conferences and symposiums ■ Thorough management of chemical substances by research institute internal committee activities, etc. ■ Strengthening of measures to prevent leakage of information by building a robust system and collaborating with external service providers
Procurement We procure raw materials such as skim milk powder, sugar and packaging materials through fair trade. 	      	Selection of sound business partners ■ Prior consultation and credit checks for new business partners ■ Conclusion of contracts (including clauses regarding excluding antisocial forces) ■ Verification of financial status of business partners Promotion of fair trade ■ Implementation of an evaluation system for business partners Stable procurement of raw materials ■ Purchasing from multiple business partners (suppliers) and appropriate stock management ■ Promotion of business continuity plan (BCP) measures Promotion of sustainable procurement ■ Risk assessment using sustainable procurement survey and Sedex platform, interviews with business partners ■ Formulation of Supplier CSR Guidelines ■ Hosting CSR procurement policy briefings for suppliers ■ Traceability survey of key raw materials
Production We use finite resources efficiently and employ environmentally conscious methods to manufacture high-quality products that are safe and offer peace of mind to customers. 	      	Reduction in occupational accidents ■ Health and safety education and health and safety inspection tours ■ Continuous capital investment to create a working environment where everyone can work in a healthy and safe manner Promotion of energy saving, waste reduction and recycling ■ Reduction in CO2 emissions and energy consumption by introducing highly efficient facilities and equipment, improved workflows, LEDs and solar power ■ Waste reduction and appropriate disposal ■ Proper management of wastewater and reduced water usage Establishment of a risk management system ■ Establishment of a system to enable production to continue and a fast recovery in the event of a disaster ■ Establishment and occasional review of BCP and disaster preparedness manual ■ Installation of earthquake early warning systems to achieve fast initial response Understanding of environmental impacts and risks ■ Implementation of water risk surveys ■ Implementation of biodiversity risk surveys
Logistics By ensuring eco-driving (fuel-efficient driving) and choosing delivery methods that have reduced environmental impacts, we are reducing the amount of CO2 emissions deriving from product shipments. 	     	Promotion of collaboration with other companies in the same industry ■ Promotion of collaboration with other companies at distribution centers and in transportation to mass retailers to reduce energy consumption and costs Promotion of day-to-day efficiency ■ Introduction of a system to visualize vehicle load factor and achieve a higher load factor by allocating vehicles appropriately, using two-temperature-zone transportation ■ Promotion of eco-driving by using terminals in logistics company trucks ■ Switch to eco-friendly vehicles and reduction in empty transportation zones
Sales We provide customers with not only products but also accurate product information and health tips. 	     	■ Dispatch of lecturers for children ■ Health-related lectures for customers and businesses ■ Disclosure of information on our website ■ Health-related campaigns ■ Value dissemination activities at stores ■ Assisting support facilities for persons with disabilities ■ Development of infrastructure to enable orders 24 hours a day, 365 days a year through Yakult Delivery Net ■ Increased customer satisfaction by introducing cashless payment ■ Provision of learning content for a Yakult Ladies online training site ■ Provision of health information through a website offering useful information for Yakult Ladies ■ Provision of basic, delivery-related advice regarding such items as traffic safety, product temperature control, and personal appearance through a magazine for Yakult Ladies ■ Introduction of heat pump vending machines

Contents

02	About the Sustainability Report 2025
03	Editorial Policy
04	Overview of Yakult’s Operations
05	Yakult’s Business Operations
06	Top Commitment
09	Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28	Environmental management
35	Climate change mitigation and adaptation
46	Transition to sustainable plastic containers and packaging
51	Sustainable water source management
54	Biodiversity conservation
57	Reducing waste and food loss

59 Social Activities Report

60	Provision of safe and secure products and transparent information disclosure
65	Value co-creation with communities
70	Establishment of a resilient and sustainable supply chain
78	Promotion of health initiatives rooted in local communities
80	Creation of health value that meets diverse health needs
84	Worker health, safety and well-being
91	Initiatives for Yakult Ladies
92	Development of innovative human resources capable of delivering new value
95	Embracing the diversity of our workforce
99	Human rights
106	Customer satisfaction

109 Governance Report

109	Corporate governance
116	Risk management
118	Compliance
121	Third-party opinion
122	External evaluation
123	ESG Data

The Yakult Sustainability Action Plan

The Yakult Group has formulated the Yakult Sustainability Action Plan to take effective action based on the Basic Policy on CSR. We systemized our sustainability activities by ESG area in fiscal 2022, and relevant departments have been setting concrete action targets and implementing activities in each ESG area in accordance with our material and other important themes.

WEB Yakult Sustainability Action Plan (fiscal 2024 achievements)

https://www.yakult.co.jp/english/pdf/sustainability_result_2024_en.pdf

Group-wide awareness of sustainability

Promoting training in sustainability

We provide opportunities to learn and think about sustainability by way of new employee training and level-specific training. These training courses introduce the Yakult Group’s sustainability activities, their significance and recent trends in sustainability.

We also provide training in sustainability as an e-learning program to all employees.

In fiscal 2024, as part of environmental training for Group employees, we provided two rounds of video distribution and e-learning, through which they were able to acquire basic knowledge about our environmental material themes, thereby raising awareness and fostering understanding of sustainability. The participation rate of Yakult Honsha employees was 94.6% for the first round, which focused on water, and 88. 3% for the second round, offering an overview of three material themes.

Raising awareness of the SDGs

We conduct ongoing awareness programs for workers so that they can see the essence of the SDGs and take personal responsibilities themselves.

In 2018, we created posters showing the connection between the activities at each stage of the Yakult Group’s business operations and the SDGs in nine languages, including Japanese.

In addition, the Yakult Ethical Principles and Code of Conduct were revised in April 2020 to include the SDGs related to each item of the Code of Conduct, in order to show workers that their thoughts and actions when properly carrying out corporate activities directly lead to the Group’s CSR as well as contribute to achieving the SDGs.

A Group-wide Yakult Sustainability Campaign has been held each year since 1994 to raise awareness among Group workers of issues relating to sustainability and the SDGs.

Yakult Sustainability Campaign

We have been implementing a Yakult Sustainability Campaign (called Yakult CSR Campaign through fiscal 2021) for all workers since fiscal 1994. In fiscal 2024, we carried out activities aimed at resolving climate change issues under the theme of the Group-wide sustainability action pledge selected in fiscal 2022: “Let’s act now for people and planet.”

Each Yakult business site was asked to submit “Our Act Now” pledges outlining specific goals aimed at resolving climate change issues. A total of 167 business sites participated in the campaign, with 37,543 workers achieving their goals. By providing 100 yen for each person who achieved their goal, we were able to donate 3,754,300 yen to the Japan International Forestry Promotion and Cooperation Center (JIFPRO). The donation will be used by JIFPRO for its forest conservation activities.

We also donated to OISCA’s Children’s Forest Program and implemented an afforestation project around Yakult plants as part of the Environmental Actions (2021–2024).



Campaign poster

Poster detailing outcomes

Sustainable menu

The employee cafeteria of the head office held a special menu event in March titled “Let’s Eat Together: Sustainable Menu” to raise environmental awareness among employees. During the event period, one sustainable menu item was served each day, such as soy meat, blue seafood and locally grown seasonal vegetables, which were prepared by dietitians from Yakult Management Service Co., Ltd., in an effort to raise environmental awareness among Yakult Honsha employees through food-based initiatives in the head office cafeteria.



A sustainable meal served during the event: “Fried white fish fillet (hoki)”

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Dialogue with stakeholders

To continually grow as a corporation and fulfill our social responsibility, we believe it is essential to actively disclose our corporate activities and engage in two-way communication with stakeholders. The Yakult Group therefore conducts regular dialogue with various stakeholders, such as customers, local communities, shareholders and investors, workers, business partners and civil society organizations. The insights we gain are then reflected in our business activities. Moving forward, we will continue deepening our relationships with stakeholders and taking action to build trust.

Industry groups and academic societies
(as of the end of June 2025)

The Yakult Group is a member of the following industry groups and academic societies. We share information and cooperate with each group to promote the interests of industry as a whole, in addition to striving to implement improvements in our own corporate activities.

- Japan Dairy Industry Association
- Japanese Association of Fermented Milks and Fermented Milk Drinks (Chairman: Yakult Honsha President and Representative Director Hiroshi Narita, Senior Managing Executive Officer: Advisor Kouichi Hirano)
- Japan Soft Drink Association
- Japan Society for Dietary Education
- Japan Food Safety Management Association (Councilor: Yakult Honsha Executive Officer Tomoyuki Masuda)
- FOSHU Fair Trade Council
- Japan Health and Nutrition Food Association (Executive Director: Advisor Kouichi Hirano)
- The Beverage Industry Environment Beautification Association
- The Intestinal Microbiology Society (Director: Yakult Honsha Managing Executive Officer Masato Nagaoka)
- Japan Society for Lactic Acid Bacteria (Public relations: Yakult Central Institute Director of Basic Research Masaki Serata)
- The Japan Dietetic Association
- Japan Climate Initiative

Customers

We provide high-quality products and services based on an accurate understanding of customer needs and in consideration of the customer's point of view.

- Number of inquiries to the Customer Support Center (received by Yakult Honsha): 21,901 (fiscal 2024)
- Issues of the *Healthist* magazine: 6 per year (in Japanese only)
- Participants in plant tours:
In person: Around 140,000 in Japan; around 560,000 outside Japan
Online: Around 14,000 in Japan; around 530,000 outside Japan (January–December 2024)
- Participants in tours of the Shirota Memorial Museum at the Yakult Central Institute: In person: 1,577
Online: 497

▶ pp. 106–108

Shareholders and investors

We promote fair and transparent corporate activities by disclosing accurate information to shareholders and investors in a timely and appropriate manner.

- General shareholders meeting
- Business results briefings: 4 times a year
- Interviews (in-person, web, phone): as needed
- Conference participation, roadshows, business site tours, etc.: as needed
- Communication tools: shareholder newsletters, integrated report, company profile, sustainability report, Yakult overviews, corporate website (IR pages, etc.)

Business partners

We are committed to fair, transparent and free competition and to conducting appropriate transactions with the aim of growing together with our business partners.

- Communication through purchasing activities
- Holding of CSR procurement policy briefings for suppliers
- Global sustainable procurement survey and sharing of results (144 companies responded)
- On-site visits and other partner consultations (with 7 partners)
- Maintenance of a fair and impartial trading environment via online purchasing system: 93 participating business partners (Yakult Central Institute)
- Health-focused workshops for workers at business partners
- Study session on logistics quality for business partners (approx. 140 logistics partners)

▶ pp. 70–77

Local communities

We respect regional cultures and customs and promote corporate activities in cooperation with local communities.

- Dispatch of lecturers*
In Japan: 4,853 lectures, 280,868 participants (fiscal 2024)
Outside Japan: 67,830 lectures, 4,523,617 participants (January–December 2024)
- Health-related lectures*
In Japan: 18,991 lectures, 356,199 participants (fiscal 2024)
Outside Japan: 249,624 lectures, 13,217,655 participants (January–December 2024)
- Courtesy Visit Activities: Around 27,000 older adults visited (fiscal 2024)
- Community safety watch and crime prevention activities: 1,092 local governments (fiscal 2024)
- Cleanup campaigns: 77 venues (fiscal 2024, all plants and the Yakult Central Institute)
- Social activities with vending machines

▶ pp. 65–69

Workers

We strive to create worker-friendly environments, while also recognizing and respecting each person's individuality through a variety of interactions.

- Individual interviews
- Worker questionnaires
- Sharing information via the Company intranet
- Internal newsletter
- Training programs
- Employee consultation desk
- Staff social events

▶ pp. 84–98

Civil society organizations

We are working to further advance our business and sustainability activities based on our policy of cooperating with civil society organizations that specialize in resolving various issues.

- Social contribution activities
- Internal and external seminars
- Support projects (Japan: OISCA's Children's Forest Program; Overseas: China's Million Tree Project)

▶ pp. 56, 65–69

* Online lectures have been developed and offered in Japan. Similar activities are being implemented in other countries and regions. The figures for health-related lectures and participants in Japan are for events conducted at public facilities and similar venues. (Lectures attended at home are not included.)

Contents

- 02 About the Sustainability Report 2025
- 03 Editorial Policy
- 04 Overview of Yakult’s Operations
- 05 Yakult’s Business Operations
- 06 Top Commitment
- 09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

- 28 Environmental management
- 35 Climate change mitigation and adaptation
- 46 Transition to sustainable plastic containers and packaging
- 51 Sustainable water source management
- 54 Biodiversity conservation
- 57 Reducing waste and food loss

59 Social Activities Report

- 60 Provision of safe and secure products and transparent information disclosure
- 65 Value co-creation with communities
- 70 Establishment of a resilient and sustainable supply chain
- 78 Promotion of health initiatives rooted in local communities
- 80 Creation of health value that meets diverse health needs
- 84 Worker health, safety and well-being
 - 91 Initiatives for Yakult Ladies
- 92 Development of innovative human resources capable of delivering new value
- 95 Embracing the diversity of our workforce
- 99 Human rights
- 106 Customer satisfaction

109 Governance Report

- 109 Corporate governance
- 116 Risk management
- 118 Compliance
- 121 Third-party opinion
- 122 External evaluation
- 123 ESG Data

■ Deepening understanding through dialogue

Fostering employee commitment to sustainability

In 2025, the Yakult Group is redefining its material themes—positioning them as core components of its overall business strategy—and accelerating initiatives to more effectively achieve the long-term goals of Yakult Group Global Vision 2030. Young employees from divisions central to our sustainable growth met with the Group’s director in charge of sustainability to discuss the path ahead.



Participants

Masato Ozeki
Planning & Development Section Two,
Development Department

Yuri Arai
Corporate Planning Section,
Corporate Planning Department

Hiroyuki Kawabata
Director and Managing Executive Officer,
Divisional General Manager,
Management Support Division

Mizuho Togao
Human Resources Development
Center

Akiko Suzuki
Home Delivery Planning Section,
Home Delivery Sales Department

Issei Marutani
Business Development Section,
International Business Department

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Yakult’s sustainability priorities

ISSEI MARUTANI: I work in the International Business Division, and I’ve noticed that overseas stakeholders often have a stronger awareness of environmental issues than is typical in Japan. In Europe, for example, some major retailers have requested that we obtain SBT* certification, and sustainability-related demands from our business partners are intensifying. I believe that we at Yakult should proactively engage with these issues, even if doing so entails additional costs.

* SBT (Science Based Targets): Greenhouse gas reduction targets set by companies in line with the levels required under the Paris Agreement.

AKIKO SUZUKI: I’m engaged in the home delivery business, so the stakeholders I interact with most directly are our customers. I believe their foremost expectation of the Yakult Group is the promotion of health. I had the opportunity to personally recommend *Yakult 1000* to customers, and many expressed strong interest in its advanced functional properties. It prompted some of them to reflect on their sleep quality and overall well-being. These interactions reinforced my belief that our products contribute to raising health awareness among our customers.

MIZUHO TOGAO: As a member of the Human Resources Development Center, I regard our employees as my primary stakeholder group. We focus on creating worker-friendly environments and enhancing workplace satisfaction through training and education programs that support skills development and self-directed career growth. I believe that innovation emerges when diverse attributes and individual strengths—such as gender and experience—come together, so my goal is to create a workplace environment where all employees remain motivated and can contribute actively. We offer sustainability-related training, but access is currently limited to certain groups, resulting in somewhat modest awareness within the organization. I hope we will consider broadening target groups in the future.



MASATO OZEKI: My work in the Development Department often means collaborating closely with suppliers, particularly in the area of packaging materials. When I was responsible for sourcing packaging that complies with environmental regulations in the United States and India, I was able to deepen my understanding of eco-friendly components, such as biodegradable, biomass and recycled materials. However, environmental considerations span a wide spectrum, and consumer needs also vary greatly, and I sometimes find myself wondering how far we need to go in our environmental response and whether our efforts are truly aligned with society’s expectations.

YURI ARAI: I’m currently preparing to launch new services aimed at extending healthy life expectancy. When speaking with external partners, I sense growing expectations not only for health-promoting products but also for new value creation and further growth of the Yakult Group. As part of a company committed to contributing to



people’s health, I hope we can provide services that benefit our customers in a variety of ways.

HIROYUKI KAWABATA: I understand Ozeki-san’s concerns, but I would note that our Customer Support Center receives many inquiries about how to sort and dispose of packaging materials. I think this reflects growing environmental awareness among our customers.

I also engage quite frequently with investors, many of whom raise sustainability-related questions, including environmental issues. This reinforces the importance of these issues from a management perspective, and I agree with Arai-san that stakeholders have high expectations of us in this area. So, Ozeki-san, I encourage you to remain committed to developing eco-friendly packaging, since such efforts are valued by

both our customers and investors.

Employee-led initiatives to address material themes

KAWABATA: As you’ve all observed, the sustainability efforts expected of the Yakult Group span a wide range of areas—from contributing to people’s health and creating new value to promoting diversity in our human resources and addressing environmental concerns.

I, too, used to associate sustainability almost exclusively with environmental issues, but the scope today has clearly broadened, and companies are expected to do much more. Sustainability is a concept to ensure both the continuity of our business and the long-term resilience of society.

We’re currently reviewing the seven material themes we had previously identified in our sustainability efforts. New ones are being identified that will be central to our business strategy and will help us achieve the long-term goals of Yakult Group Global Vision 2030. This revision reflects



Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

growing expectations for us to address a broader range of sustainability challenges. It will shape all aspects of Yakult’s businesses, both in continuing our core operations and in encouraging bold steps into new areas.



SUZUKI: With the number of Yakult Ladies on the decline, maintaining the structure of our home delivery system is becoming a challenge. To support Yakult Ladies in their work and strengthen our connections with customers, we’ve developed the Yakult app. Yakult Ladies represent a core strength for the entire Group, but building rapport with customers is a personal skill, and the ability to understand customer needs varies from person to person. That’s why we’re advancing the digital transformation of our operations and using the app to collect, store and share key customer information. We hope this will allow us to provide more tailored services and to further strengthen our customer relationships.

OZEKI: In my product development work, I always aim to maintain a customer-centered perspective and try not to let my own assumptions dominate the process. In that sense, the insights we can gather through tools like the Yakult app could become valuable in enhancing our offerings.

ARAI: When launching new services, a key consideration is collaborating with external partners who have the resources that are currently lacking in our Group. That said, identifying partners who genuinely understand the kind of things we’re hoping to do can be quite challenging.

KAWABATA: Working with partners possessing specialized knowledge and skills can definitely speed things up when developing a new business. Over the course of our history, though, we haven’t actively sought out collaborative relations because our business model is built on a highly



unique sales channel centered on the Yakult Lady sales network. While continuing to value what we’ve cultivated over the years, I believe that we’ll need to actively collaborate with others for future growth.



MARUTANI: I’m interested in highlighting initiatives like our effective reuse of collected containers to raise public awareness of Yakult’s value to society. In the Philippines and Indonesia, the collection and recycling of plastic containers is mandatory, and *Yakult* containers are repurposed into items like chairs and pen holders. By contributing not only to people’s health through our products but also to their quality of life via container recycling, I believe we can deepen people’s trust in the Yakult Group.

TOGAO: The Human Resources Development Center works closely with our international divisions to develop globally minded human resources, with one key training initiative being the global internship system. We believe the importance of overseas expansion will

continue to grow, given the ongoing decline in Japan’s population. Younger employees in particular see themselves as having joined a global company. That’s why we offer two-week overseas internships to help them envision a career path extending beyond Japan while also deepening their understanding of our international operations and the cultures of other countries.

MARUTANI: When I was previously stationed in Guangzhou, I was deeply impressed by the enthusiasm with which our local staff promoted Yakult products to customers in the community. This inspired me to redouble my efforts in support of the team working there. I think the chance to see our operations on the ground through the global internship system will foster such synergies of mutual motivation and deeper engagement.

KAWABATA: Whenever I travel abroad, I always visit local shops and check out the dairy section. Finding our products on the shelf among a wide array of dairy products from around the world fills me with a sense of pride. And I’m reminded of how vital it is to clearly communicate the value we bring and to build trust with local communities.

Many of our Group’s marketing companies also proactively share information in an effort to foster trust in the community. They see their role as serving as local platforms—engaging in initiatives with municipalities and community groups, building supportive work environments for employees and Yakult Ladies, and strengthening local ties. They’re also deepening customer relationships and embracing digital transformation. We in the head office value such efforts and are committed to pursuing our own initiatives with equal enthusiasm.

We should take note that this community-rooted approach is closely aligned with the principles of sustainability.

Contents

- 02 About the Sustainability Report 2025
- 03 Editorial Policy
- 04 Overview of Yakult’s Operations
- 05 Yakult’s Business Operations
- 06 Top Commitment
- 09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

- 28 Environmental management
- 35 Climate change mitigation and adaptation
- 46 Transition to sustainable plastic containers and packaging
- 51 Sustainable water source management
- 54 Biodiversity conservation
- 57 Reducing waste and food loss

59 Social Activities Report

- 60 Provision of safe and secure products and transparent information disclosure
- 65 Value co-creation with communities
- 70 Establishment of a resilient and sustainable supply chain
- 78 Promotion of health initiatives rooted in local communities
- 80 Creation of health value that meets diverse health needs
- 84 Worker health, safety and well-being
 - 91 Initiatives for Yakult Ladies
- 92 Development of innovative human resources capable of delivering new value
- 95 Embracing the diversity of our workforce
- 99 Human rights
- 106 Customer satisfaction

109 Governance Report

- 109 Corporate governance
- 116 Risk management
- 118 Compliance
- 121 Third-party opinion
- 122 External evaluation
- 123 ESG Data

In our *Sustainability Report*, we try to clearly communicate to our stakeholders what we’re striving to achieve and the specific initiatives we’re undertaking around our material themes. Even if we fall short of certain targets, I believe that sincerely explaining our actions and sharing our outlook for achieving those targets will help build stakeholder trust and ultimately advance our sustainability goals.

Looking ahead to Yakult’s centennial in 2035

SUZUKI: When I imagine the Yakult Group in 2035, I see delivery robots working alongside Yakult Ladies, especially as the working population continues to decline. Even if the way we deliver our products changes, our corporate philosophy of contributing to the health and happiness of people around the world will remain just as important. I hope that we’ll continue to embrace new challenges and evolve into a healthcare company that delivers health not just through our products but also in many other ways.

TOGAO: My impression is that Yakult is home to many kind and compassionate people. I hope we’ll continue to nurture this caring culture and preserve the business foundations built by our predecessors while also creating an environment where everyone, regardless of age, gender or position, can work in a way that aligns with their lifestyles and personal needs. I also hope this inclusive environment will give rise to innovations that lead to entirely new products and services that contribute to the health of even more people.

OZEKI: There will likely be significant shifts in customer needs over the next 10 years. For example, during the COVID-19 pandemic, there was a dramatic rise in consumer awareness about immunity, sparking a surge in demand for *Yakult 1000* and turning it into a new pillar of our business. I hope we continue to identify emerging and latent consumer needs and build multiple pillars to support our growth.

Our dialogue today has inspired me to better understand the initiatives of other divisions and explore areas of collaboration in product development. By recognizing and leveraging the perspectives and roles of each division, I believe we can more effectively address our material themes.

ARAI: I hope that the new services we’re now developing will bear fruit and enable us to provide comprehensive, probiotics-centered support for people’s health. I also hope that, through these efforts, our Group will continue to earn the support of customers for decades

to come. My personal aspirations are to work alongside my Yakult colleagues to help address emerging social and health issues.

MARUTANI: Our corporate belief that “in order for people to be healthy, everything around them must also be healthy” may be the perfect expression of our commitment to sustainability. I hope that in addition to caring for our planet, the Company will continue to place people at the heart of everything we do in the decade ahead. I wish for the good health of everyone who loves Yakult products, and I think it’s equally important for all Group workers to continue working in good health.

KAWABATA: I’m sure that if each of you continues to approach your work with a strong awareness of sustainability and actively engage with the material themes relevant to your role, the ideal vision of Yakult to which you aspire will be realized by our 100th anniversary in 2035. By then, I hope we’ll have evolved from a dairy-focused food manufacturer into a company providing a broad range of services for people of all generations. I look forward to meeting you again and continuing our dialogue.



July 2025

Related information p. 13 Materiality assessment



Contents

- 02 About the Sustainability Report 2025
- 03 Editorial Policy
- 04 Overview of Yakult’s Operations
- 05 Yakult’s Business Operations
- 06 Top Commitment
- 09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

- 28 Environmental management
 - 35 Climate change mitigation and adaptation
 - 46 Transition to sustainable plastic containers and packaging
 - 51 Sustainable water source management
 - 54 Biodiversity conservation
 - 57 Reducing waste and food loss
- 59 Social Activities Report
- 60 Provision of safe and secure products and transparent information disclosure
 - 65 Value co-creation with communities
 - 70 Establishment of a resilient and sustainable supply chain
 - 78 Promotion of health initiatives rooted in local communities
 - 80 Creation of health value that meets diverse health needs
 - 84 Worker health, safety and well-being
 - 91 Initiatives for Yakult Ladies
 - 92 Development of innovative human resources capable of delivering new value
 - 95 Embracing the diversity of our workforce
 - 99 Human rights
 - 106 Customer satisfaction

109 Governance Report

- 109 Corporate governance
- 116 Risk management
- 118 Compliance
- 121 Third-party opinion
- 122 External evaluation
- 123 ESG Data

Environmental Activities Report

Yakult has promoted the idea of preventive medicine since its founding, and our approach to environmental issues is the same. Aiming for a society in which “people and the planet co-exist,” we strive to pursue our corporate activities without negative impact on the environment and to create a society in which people and the planet can sustainably co-exist.

Contents	
28	Environmental management
35	Materiality Climate change mitigation and adaptation
46	Materiality Transition to sustainable plastic containers and packaging
51	Materiality Sustainable water source management
54	Materiality Biodiversity conservation
57	Reducing waste and food loss



Fiscal 2024 legal compliance

There were no serious violations of laws or internal regulations related to the environment in fiscal 2024. Nor were any fines or penalties paid in relation to the environment.

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

■ 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 Action Guidelines, 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 Group 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 Sustainability 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 / October 27, 2025

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/>

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 milestones in order to effectively act and make progress toward this vision.



Environmental management structure

We manage progress on Environmental Targets 2030, which are milestones toward Environmental Vision 2050. Progress on environmental activities is monitored and analyzed by the Sustainability Department, which reports its findings to the Sustainability Promotion Committee. When these reports include important matters, committee procedures stipulate that the Management Policy Council, the Executive Officers Committee and the Board of Directors must be consulted on said matters. In fiscal 2024, we also established a Sustainability Advisory Committee that acts as an advisory body to the Board of Directors, debating basic strategy, policies and progress related to sustainability efforts directed toward resolving environmental and social problems and reporting its conclusions.

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 facility working on its 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. 114 Sustainability governance](#)

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).

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Environmental Targets 2030 (Revised May 2025)

Regarding material themes related to the environment, we set and currently pursue Environmental Targets 2030 as medium-term milestones to work on achieving Environmental Vision 2050.

Upon the completion of Environmental Actions (2021–2024), we explored possible new objectives for fiscal 2025 and beyond, taking into account our progress and current social conditions, and updated Environmental Targets 2030 in May 2025.

Regarding our exploration of possible new objectives, first, we expanded the applicable scope from Yakult Honsha and Japanese bottling companies to all domestic and international consolidated subsidiaries. We also reviewed our material themes related to environmental issues and, in light of our business’s impact on the natural environment, added “Biodiversity conservation.” We also adopted the following new names for existing material themes to make it easier for stakeholders to understand their content: “Climate change mitigation and adaptation,” “Transition to sustainable plastic containers and packaging” and “Sustainable water source management.”

Climate change mitigation and adaptation



Scope: Corporate headquarters and all domestic and international consolidated subsidiaries

- 1. Reduce GHG emissions (scopes 1 and 2) by 42% (compared to FY2022)
- 2. Reduce GHG emissions (scope 3) by 25% (compared to FY2022)
- 3. Reduce GHG emissions (FLAG*) by 31% (compared to FY2022)

Related information p. 35 Climate change mitigation and adaptation

Transition to sustainable plastic containers and packaging



- 1. Implement sustainable initiatives equivalent to 20% or more of the plastic containers and packaging usage (Japan and overseas) (in FY2030)
- 2. Establish a Bottle-to-Bottle recycling system for Yakult containers

Related information p. 46 Transition to sustainable plastic containers and packaging

Sustainable water source management



- 1. Identify issues in each region with detailed water risk assessments at dairy product plants in Japan and overseas and implement measures for all high priority issues
- 2. In addition to continuing water use reduction efforts, implement water source conservation activities targeting the amount of water used in products manufactured in FY2030 (at dairy product plants in Japan and overseas)

Related information p. 51 Sustainable water source management

Biodiversity conservation



- 1. Promote support and participation in biodiversity conservation activities in local communities
- 2. Understand the impact of business activities on biodiversity and implement impact reduction measures

Related information p. 54 Biodiversity conservation

* An acronym for Forest, Land and Agriculture. It encompasses scopes 1 and 3 emissions from land use changes and land management.

Environmental Actions (2021–2024)

We formulated Environmental Actions (2021–2024) as short-term milestones to work on achieving Environmental Targets 2030, and pursued these through fiscal 2024.

Taking our progress into account, in May 2025 we updated Environmental Targets 2030.

Priority issues	Targets	Results
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	Reduced by 47.1% Major success due to introduction of electricity generated from renewable sources, solar power, etc.
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	Increased by 14.3% Not yet achieved due to major increases in sales
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	Reduced by 9.4% Major success via conserving water through such water-saving efforts as reducing the use of water as a raw material by revamping production methods
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	(1) Reduced by 28.0% (2) Achieved recycling rate of 98.9%
5. Conserve and utilize biodiversity	(1) Support and participate in conservation activities (2) Promote biodiversity education	(1) Performed afforestation activities (2) Carried out worker education

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

SBT certification obtained for FLAG and other GHG emissions reduction targets

On August 28, 2025, the Yakult Group obtained SBT certification from the Science Based Targets initiative (SBTi).^{*1} This certifies that the greenhouse gas (GHG) emissions reduction targets set by the Group in Environmental Targets 2030 (revised in May 2025) meet the levels set by the Paris Agreement.^{*2} Environmental Targets 2030 defines medium-term milestones toward achieving the Environmental Vision of the Yakult Group.

The SBTi certified the following GHG emissions reduction targets set by the Yakult Group:

- Fiscal 2030 targets
- (Scope: Corporate headquarters and all consolidated subsidiaries in Japan and overseas)
- (1) GHG emissions (Scope 1 and 2): Reduced by 42% compared to fiscal 2022 levels
- (2) GHG emissions (Scope 3): Reduced by 25% compared to fiscal 2022 levels
- (3) GHG emissions (FLAG): Reduced by 31% compared to fiscal 2022 levels

Rising temperatures caused by climate change represent an important issue that could affect various aspects of the Yakult Group’s business, including impact on the agricultural products that become our raw materials, hazards to human health caused by heat stress, and deterioration of the working environment. We continue to address the issue of climate change as we aim to realize a sustainable society.

^{*1} The Science Based Targets initiative (SBTi) is a joint initiative of CDP, the World Resources Institute (WRI), the United Nations Global Compact (UNGC), and the World Wide Fund for Nature (WWF). The organization supports companies in establishing science-based GHG emissions reduction targets and validates these targets.

^{*2} The Paris Agreement is a globally adopted international framework for addressing climate change by limiting the increase in the global temperature to well below 2°C above pre-industrial levels and pursuing efforts to limit warming to 1.5°C above pre-industrial levels.



Environmental Vision progress status

Climate change mitigation and adaptation

GHG emissions (of Yakult Honsha and Japanese bottling companies, Scope 1 and 2) were reduced by 47.1% in fiscal 2024 compared to fiscal 2018 as a result of switching to CO₂-free electricity or installing solar generation equipment, implementing energy-saving activities at individual business sites, and other efforts.

Climate change mitigation and adaptation was also pursued across the whole Group in fiscal 2024, including at overseas offices like Tianjin Yakult Co., Ltd. and PT. Yakult Indonesia Persada, where solar generation equipment was installed.

Transition to sustainable plastic containers and packaging

We strove to reduce the amount of plastic containers and packaging used (in Japan) in fiscal 2024 by introducing lighter packaging for *Yakult 1000* and adopting plastic containers and packaging (containers, shrink labels, multi-pack film) that are sustainability-friendly via the mass balance method. However, due to growing sales of *Yakult 1000* and other products, the amount of non-recyclable plastic containers and packaging used in fiscal 2024 increased by around 14.3% compared to fiscal 2018.

We are currently working to acquire international sustainability accreditation as a step toward further broadening our initiatives.

Sustainable water source management

Water consumption (at dairy product plants in Japan, per production unit) was reduced by 9.4% in fiscal 2024 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. We are also formulating water management plans as objectives for appropriate water use, with four Yakult Honsha dairy product plants taking this step in fiscal 2024 following the first initiative at our Fuji Susono Plant in fiscal 2023. In overseas plants, too, we are continuing water risk surveys and identifying plants where water risk is expected to be high. In fiscal 2024, we performed detailed water risk surveys at Yakult S.A. de C.V. (Mexico)’s Ixtapaluca Plant and Yakult (Malaysia) Sdn. Bhd.’s Seremban Plant.

Biodiversity conservation

As part of our biodiversity conservation efforts, we support and participate in various activities in and outside Japan. Not only did 15 Yakult Group plants and other sites in Japan perform afforestation activities, Yakult S.A. de C.V. (Mexico) supported afforestation activities, while Yakult (China) Corporation supported to participate in afforestation public service to improve the desert environment in the Inner Mongolia Autonomous Region.

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Roadmap for achieving Environmental Vision

We are pursuing a range of efforts to achieve the targets of Environmental Targets 2030 and Environmental Vision 2050.

We have also increased our planned investment in sustainability-related fields, including manufacturing investments accompanying a review of environmentally friendly container materials, to 80 billion yen by fiscal 2030.

Climate change mitigation and adaptation

- Expand use of renewable energy (switching to electricity generated from renewable sources, installing renewable energy facilities, etc.)
- Promote low-carbon investment and climate change countermeasures by introducing and using an internal carbon pricing (ICP)* scheme
- Convert to energy-saving devices, promote energy-saving through deployment of more efficient new technology

* A mechanism for creating economic incentives to reduce CO₂ emissions by assigning an intracompany price for carbon, which is then used to theoretically convert CO₂ emissions into costs, thereby promoting low-carbon investment and climate change countermeasures.

Transition to sustainable plastic containers and packaging

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

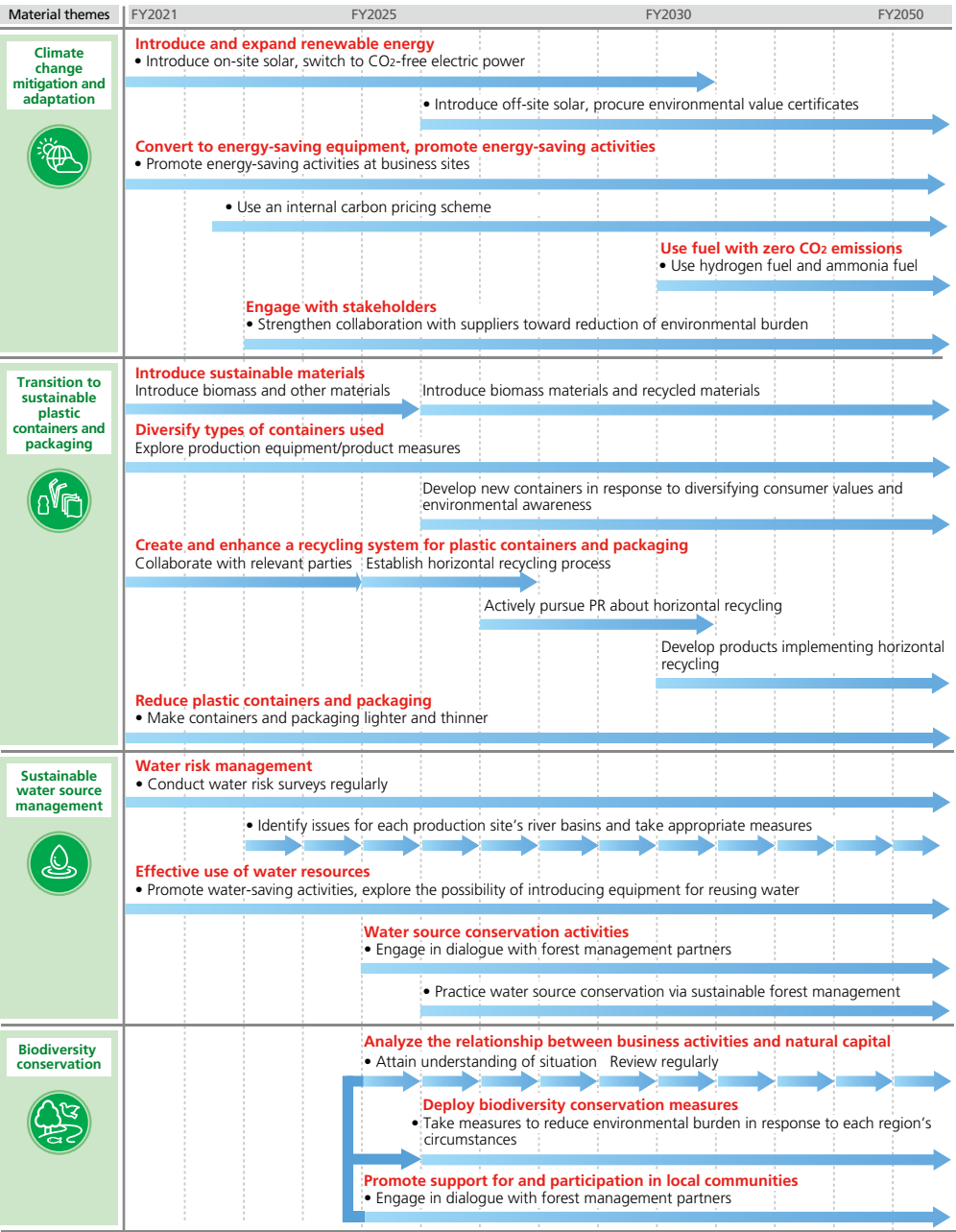
Sustainable water source management

- Regularly conduct water risk surveys at production sites
- Identify issues for each production site’s river basins and take appropriate measures
- Promote water-saving activities, explore the possibility of introducing equipment for reusing water
- Practice water source conservation via sustainable forest management

Biodiversity conservation

- Attain an understanding of the situation via analysis of the relationship between business activities and natural capital
- Through dialogue with forest management partners, promote support for and participation in local communities
- Deploy biodiversity conservation measures in response to each region’s circumstances (initiatives to reduce environmental burden, etc.)

Roadmap for achieving Environmental Vision



Contents

- 02 About the Sustainability Report 2025
- 03 Editorial Policy
- 04 Overview of Yakult’s Operations
- 05 Yakult’s Business Operations
- 06 Top Commitment
- 09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

- 35 Climate change mitigation and adaptation
- 46 Transition to sustainable plastic containers and packaging
- 51 Sustainable water source management
- 54 Biodiversity conservation
- 57 Reducing waste and food loss

59 Social Activities Report

- 60 Provision of safe and secure products and transparent information disclosure
- 65 Value co-creation with communities
- 70 Establishment of a resilient and sustainable supply chain
- 78 Promotion of health initiatives rooted in local communities
- 80 Creation of health value that meets diverse health needs
- 84 Worker health, safety and well-being
- 91 Initiatives for Yakult Ladies
- 92 Development of innovative human resources capable of delivering new value
- 95 Embracing the diversity of our workforce
- 99 Human rights
- 106 Customer satisfaction

109 Governance Report

- 109 Corporate governance
- 116 Risk management
- 118 Compliance
- 121 Third-party opinion
- 122 External evaluation
- 123 ESG Data

Environmental certification status

As part of our efforts to reduce environmental impacts associated with our production and distribution activities, the Yakult Group is promoting initiatives to acquire ISO 14001 certification at Yakult Honsha plants, bottling companies, marketing companies and plants outside Japan.

Status of ISO 14001 environmental certification

	Certified sites	Certification rate
Yakult Honsha plants and bottling companies in Japan (13 plants in total)	12	92.3%
Plants outside Japan (28 plants in total)	6	21.4%

WEB	Details about certifications acquired by each company
https://www.yakult.co.jp/english/sustainability/social/product_safety/certification/	

Compliance with environmental laws and regulations

Energy Conservation Act

Yakult Honsha strives to conserve energy at all its business sites and submits periodic reports and medium- to long-term plans in accordance with the Energy Conservation Act.

The Company's total energy use during fiscal 2024 amounted to 24,292 kiloliters (crude oil equivalent), 101.1% of the previous fiscal year’s total. The five-year year-on-year average energy use value per production unit was 98%. Additionally, in the periodic report we submitted in fiscal 2024, we achieved the Energy Conservation Act’s objective of reducing the five-year average energy use per production unit by 1% or more, making us an S-class business for superior energy conservation as determined by the Agency for Natural Resources and Energy.

Act for Rationalized Use and Proper Management of Fluorocarbons

The Act for Rationalized Use and Proper Management of Fluorocarbons went into effect in April 2015. The Company conducts the appropriate management of equipment subject to this requirement at all business sites and departments based on this law. The amount of fluorocarbon leakage in fiscal 2024 was 418.241 t-CO₂.

In addition, each Yakult Group plant adheres strictly to the Act and manages materials responsible for ozone depletion. Each plant performs periodic inspections, in addition to daily inspections, in order to detect any abnormalities at an early stage.

Food Recycling Act

All Yakult Honsha business sites are striving to reduce the volume of their food loss and waste and promote its recycling. In fiscal 2024, the volume of food loss and waste generated was 473.9 tons, and recycling and other measures were undertaken for 98.9% of this according to the periodic report for fiscal 2024.

Food loss and waste recycling results (fiscal 2024)

Volume generated (t)	Volume recycled (t)	Recycling, etc. rate (%)	Recycling applications
473.9	468.9	98.9	Methane, animal feeds, etc.

Related information	p. 57 Initiatives to reduce food loss and waste
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PRTR Act

Japan’s Act on Confirmation, etc. of Release Amounts of Specific Chemical Substances in the Environment and Promotion of Improvements to the Management Thereof (PRTR Act) requires that companies measure the volume of their emissions of specified substances, transfers of such substances from their business sites, and other data. It also requires the submission of reports on the volume of specified substances that are handled in volumes of one ton or more in the course of a year. The Tokyo Metropolitan Ordinance on Environmental Preservation, which took effect in 2001, requires that reports be submitted with respect to chemical substances handled in annual volumes of 100 kilograms or more.

In fiscal 2024, the scope of the Company’s mandatory reporting based on that ordinance included three substances.

Substances used by the Yakult Central Institute (Kunitachi City, Tokyo) (fiscal 2024)

Chemical	Amount handled (kg/year)	Amount released (kg/year)	Amount transferred (kg/year)	PRTR Act	Tokyo Metropolitan Ordinance
Chloroform	200	1.2	200	○	○
Methanol	100	0	100		
Sulfuric acid	140	0	0		

Note: The chemicals are primarily used as reaction solvents and extraction solvents. Sulfuric acid is used to adjust pH, etc. The figures stated above were reported to the government and Tokyo officials.

Containers and Packaging Recycling Act

According to the Act on the Promotion of Sorted Collection and Recycling of Containers and Packaging (Containers and Packaging Recycling Act), the Company has been obligated as a manufacturer to undertake product recycling processes, and to take additional measures regarding 3Rs (reduce, reuse and recycle) promotion and the system for making payments to the municipal governments handling sorted waste processing. The Company complies with this law, and in fiscal 2024 established the following obligatory recycling volumes for containers and packaging.

The amount of commissioned recycling fees and payments by the Company in fiscal 2024 amounted to approximately 360 million yen.

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Container and packaging obligatory recycling volumes

Container and packaging type	FY2020	FY2021	FY2022	FY2023	FY2024
Glass bottles (t)	240	212	197	190	134
PET plastic bottles (t)	26	19	17	15	9
Plastic containers and packaging (t)	5,288	5,046	5,246	5,949	6,904
Paper containers and packaging (t)	90	87	81	52	48
Total	5,644	5,364	5,541	6,207	7,095

Environmental accounting

■ Yakult’s environmental accounting system

Yakult Honsha established the Yakult Environmental Accounting Guidelines in May 2001 based on the Environmental Accounting Guidelines issued by Japan’s Ministry of the Environment, and has disclosed relevant information annually since fiscal 2001.

■ Purpose of the system

1. Clarify the cost-effectiveness of environmental conservation expenses and use this information to optimize environmental management programs.
2. Carry out our responsibilities to society by working to disclose environmental information to stakeholders.

■ Main features of the system

Scope of data: Yakult Honsha, on a non-consolidated basis
Time period: From April 1, 2024 through March 31, 2025
Noteworthy features:

- (1) Data is compiled only for activities targeting environmental conservation.
- (2) Investment amounts are equal to depreciable assets recorded during the period under financial accounting standards.
- (3) Depreciation expenses on depreciable assets and environmental business-related costs are not recorded.

Environmental accounting results showed an increase in investment and expenses of approximately 2,560 million yen compared to the previous fiscal year. The implementation of various environmental conservation measures is causing a rise in costs overall.

Economic benefits increased by approximately 108 million yen compared to the previous fiscal year. This is because cost reductions due to thinner packaging and the overhauling and reuse of vending machines were more evident this year.

Environmental accounting results

(millions of yen)

Item		Main activities	FY2023			FY2024		
			Investment	Expense	Total	Investment	Expense	Total
(1) Business area costs	1. Pollution prevention costs	Prevention of water contamination, atmospheric pollution and soil contamination	137.7	228.5	366.2	297.4	237.2	534.6
	2. Global environment conservation costs	Reduction of CO ₂ , energy conservation, solar power generation equipment	53.6	134.1	187.7	244.0	63.7	307.7
	3. Resource recycling costs	Empty container collection vehicles, material and equipment development/ introduction subsidy expense, waste recycling, recycled plastic product manufacturing	65.9	79.9	145.8	49.3	85.9	135.2
(2) Upstream/downstream costs		Containers and Packaging Recycling Act commissioned recycling fees, vending machine overhaul	0.0	270.1	270.1	0.0	363.7	363.7
(3) Administration costs		Plant grounds green area management, environmental management system renovation and maintenance, CSR report, environmental impacts monitoring expenses, employee environmental education program expenses	0.0	406.9	406.9	0.0	385.6	385.6
(4) R&D costs		Consideration of improvements to containers and packaging	1,329.5	210.9	1,540.4	3,693.1	56.5	3749.7
(5) Social activity costs		Plant vicinity cleanup campaign, donations to organizations engaged in environmental protection activities	0.0	7.4	7.4	0.0	11.5	11.5
(6) Environmental remediation costs*		Pollution load levy	0.0	0.1	0.1	0.0	0.1	0.1
Total			1,586.7	1,338.0	2,924.7	4283.9	1204.3	5488.1

* Environmental remediation costs = pollution load levy
This is a special charge levied on operators of facilities that generate soot, etc., and other specified facilities as a means of gathering a portion of the funds required for the distribution of compensation based on Japan’s pollution-related health damage compensation system.
Note: Because the figures are rounded off, the sum of the breakdown figures and the total may not match.

Economic benefits associated with environmental conservation measures

(millions of yen)

Type of benefit	FY2023	FY2024
Reduction of waste disposal costs associated with recycling	0.1	0.0
Income from recycling	6.7	6.3
Cost reductions resulting from resource conservation	5.7	9.3
Cost reductions resulting from energy conservation	48.6	44.6
Cost reductions resulting from packaging weight reductions	5.5	100.4
Cost reductions resulting from the overhaul and reuse of vending machines	19.7	32.7
Gains resulting from green purchasing	0.1	0.8
Other	0.0	0.0
Total	86.4	193.9

Note: Numbers are shown rounded to the nearest whole figure, so actual totals may not match the sum of the numbers shown.

Contents

02	About the Sustainability Report 2025
03	Editorial Policy
04	Overview of Yakult’s Operations
05	Yakult’s Business Operations
06	Top Commitment
09	Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35	Climate change mitigation and adaptation
46	Transition to sustainable plastic containers and packaging
51	Sustainable water source management
54	Biodiversity conservation
57	Reducing waste and food loss

59 Social Activities Report

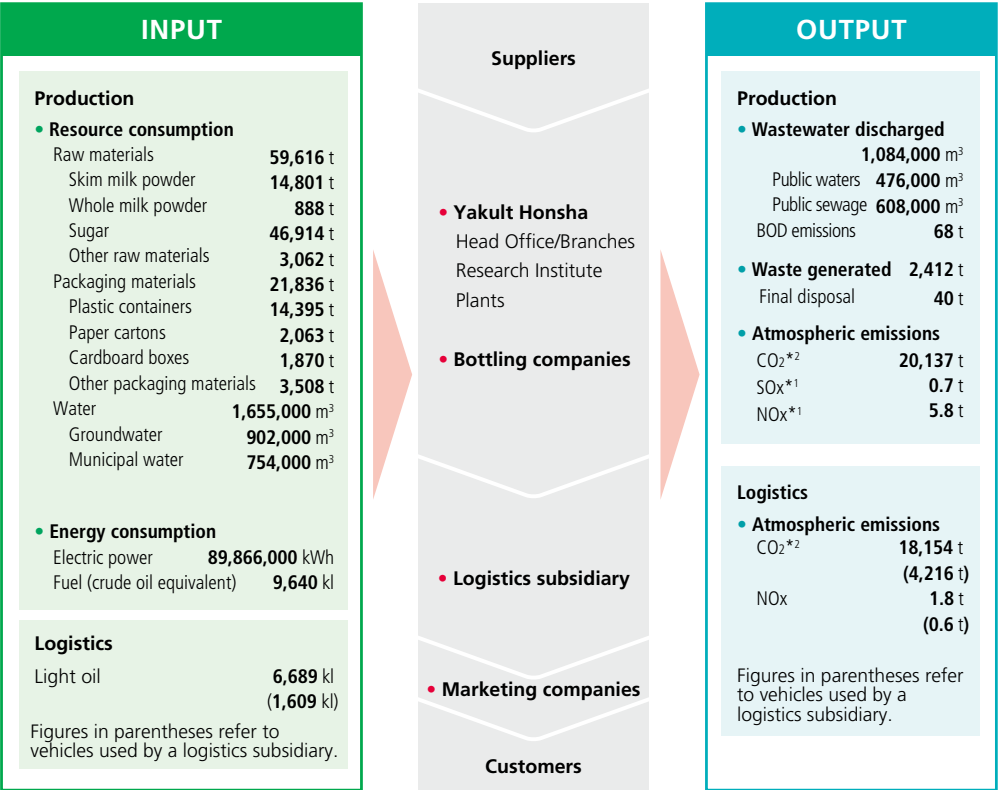
60	Provision of safe and secure products and transparent information disclosure
65	Value co-creation with communities
70	Establishment of a resilient and sustainable supply chain
78	Promotion of health initiatives rooted in local communities
80	Creation of health value that meets diverse health needs
84	Worker health, safety and well-being
91	Initiatives for Yakult Ladies
92	Development of innovative human resources capable of delivering new value
95	Embracing the diversity of our workforce
99	Human rights
106	Customer satisfaction

109 Governance Report

109	Corporate governance
116	Risk management
118	Compliance
121	Third-party opinion
122	External evaluation
123	ESG Data

Environmental impacts of business activities

From production through delivery (fiscal 2024)



Scope of calculations: Yakult Honsha Co., Ltd. (including Fukushima Plant, Ibaraki Plant, Fuji Susono Plant, Fuji Susono Pharmaceutical Plant, Hyogo Miki Plant, Saga Plant, Shonan Cosmetics Plant and designated shippers, among others), bottling companies (Yakult Iwate Plant Co., Ltd., Yakult Chiba Plant Co., Ltd., Yakult Fuji Oyama Plant Co., Ltd., Yakult Aichi Plant Co., Ltd., Yakult Okayama Wake Plant Co., Ltd. and Yakult Fukuoka Plant Co., Ltd.).

*1 SOx and NOx levels were measured at the following plants, which are required to perform such measurements:
Yakult Honsha Co., Ltd. (including Fukushima Plant, Ibaraki Plant, Fuji Susono Plant and Hyogo Miki Plant), bottling companies (Yakult Iwate Plant Co., Ltd.).

*2 CO₂ emission levels use the adjusted emission coefficients provided by each power company.

Note 1: See the ESG Data spreadsheet file (<https://www.yakult.co.jp/english/csr/download/>) for data from the previous five years.

Note 2: Itemized figures are rounded up or down, so sums may not match totals.

Identifying and reducing environmental impacts across product lifecycles

Production

Yakult fermented milk drinks and other dairy products are produced at five Yakult Honsha plants and six bottling companies. We are pushing ahead with effective utilization of raw materials (e.g., skim milk powder), electricity, fuel, water and packaging materials (paper, plastic) in production at plants and bottling companies in line with ISO 14001* objectives and targets.

* We are planning to obtain certification in fiscal 2025 for the Yakult Fuji Oyama Plant, which commenced production in January 2024.

Logistics

The transport of products manufactured in plants and bottling companies is primarily handled by a logistics subsidiary. As the Company has designated shipper status in accordance with Japan’s revised Act on the Rational Use of Energy (Energy Conservation Act), we are encouraged to annually reduce energy use per unit of freight by an average of 1% or more during the last five-fiscal-year period. Our logistics subsidiary has obtained and renewed its Green Management Certification, and is promoting fuel-efficient driving and introducing fuel-efficient trucks to further reduce its CO₂ emissions.

Marketing

We strive to reduce the energy use of vending machines and promote the use of overhauled vending machines.

To reduce CO₂ emissions associated with home deliveries, we are introducing electric vehicles as delivery vehicles for Yakult Ladies. Our Retail Sales Division is taking various measures to promote recycling of used containers collected from our suppliers, including using route delivery trucks equipped with a dedicated space to facilitate the separated collection of waste.

Recycling

The containers of Yakult series and other products delivered to customers’ homes and offices are subject to Japan’s Containers and Packaging Recycling Act, meaning that we are responsible for recycling them. The Company has commissioned the Japan Containers and Packaging Recycling Association, which is specified by the national government as a qualified recycling organization, to handle this recycling process and pays the association a commission for this service.

Environmental education

We promote environmental education at each plant based on ISO 14001. Specifically, we are training internal auditors and having them share information on environmental initiatives within each department. An overview of ISO 14001 and its organizational structure is provided at new employee training sessions to foster awareness among all employees of working toward shared goals and targets. In fiscal 2024, 23 training sessions with a total of 400 participants were held at 13 plants in Japan.

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Materiality

Climate change mitigation and adaptation

Recognizing and responding to climate-related risks and opportunities

Information disclosure based on TCFD recommendations

In August 2022, we announced our support for the TCFD recommendations.*1 We performed analyses based on multiple climate scenarios*2 for the Yakult Group’s corporate activities, with reference to scenarios provided by the Intergovernmental Panel on Climate Change (IPCC) and International Energy Agency (IEA), and are considering responses to climate-related risks and opportunities while promoting specific initiatives to prepare for the future.

*1 TCFD recommendations: Recommendations issued in 2017 by the Task Force on Climate-related Financial Disclosures (TCFD), an international organization established by the Financial Stability Board in 2015. In its final report, the TCFD issued recommendations that companies disclose information on climate-related risks and opportunities through scenario analysis to examine strategies in response to risks and opportunities under various different conditions.

*2 **1.5°C scenario**
IPCC SSP1-1.9 scenario: Scenario in which emissions are most reduced, in accord with the Paris Agreement’s 1.5°C objective
IEA Net Zero Emissions by 2050 Scenario (NZE Scenario): Scenario in which net zero is achieved by 2050
4°C scenario
IPCC SSP5-8.5 scenario: Scenario in which emissions are least reduced, with economic growth prioritized, ongoing dependence on fossil fuels, and an expected temperature rise of 4°C
IEA Stated Policies Scenario (STEPS): Scenario based on climate change-related pledges from individual countries, including nationally determined contributions (NDCs) and long-term net zero objectives

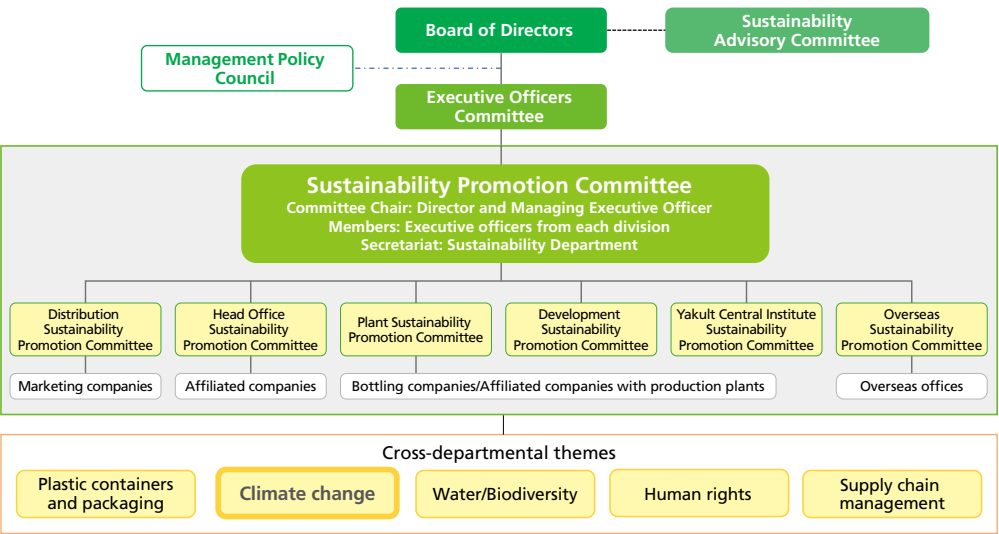
Governance

The Sustainability Promotion Committee considers a wide range of management issues from the perspectives of the Yakult Group’s corporate social responsibility and sustainability, focusing discussion on policies and action plans that address environmental and social issues, and promotes efforts to resolve them. The committee is chaired by the member of the Yakult Honsha Board of Directors in charge of sustainability promotion and made up of executive officers from each relevant department. Among the deliberated topics, committee procedures stipulate that the Management Policy Council, which includes directors and Audit & Supervisory Board Members, as well as the Executive Officers Committee and the Board of Directors, must be consulted regarding important CSR matters relating to management policy. Considerations are presented to the Executive Officers Committee as necessary.

In fiscal 2024, we established the Sustainability Advisory Committee as an advisory body to the Board of Directors.

The Sustainability Promotion Committee discusses sustainability promotion measures and policies, including climate change issues, and manages progress on these matters. In fiscal 2024, the committee met four times.

We have also established six specialized committees as subordinate organizations of the Sustainability Promotion Committee to carry out specific activities within each department as a way to promote sustainability/CSR initiatives throughout the Group. Furthermore, in fiscal 2024, we established a Sustainability Advisory Committee as an advisory body to the Board of Directors.



Note: As of May 2025

Contents

- 02 About the Sustainability Report 2025
- 03 Editorial Policy
- 04 Overview of Yakult’s Operations
- 05 Yakult’s Business Operations
- 06 Top Commitment
- 09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

- 28 Environmental management

35 Climate change mitigation and adaptation

- 46 Transition to sustainable plastic containers and packaging

- 51 Sustainable water source management

- 54 Biodiversity conservation

- 57 Reducing waste and food loss

59 Social Activities Report

- 60 Provision of safe and secure products and transparent information disclosure

- 65 Value co-creation with communities

- 70 Establishment of a resilient and sustainable supply chain

- 78 Promotion of health initiatives rooted in local communities

- 80 Creation of health value that meets diverse health needs

- 84 Worker health, safety and well-being

- 91 Initiatives for Yakult Ladies

- 92 Development of innovative human resources capable of delivering new value

- 95 Embracing the diversity of our workforce

- 99 Human rights

- 106 Customer satisfaction

109 Governance Report

- 109 Corporate governance

- 116 Risk management

- 118 Compliance

- 121 Third-party opinion

- 122 External evaluation

- 123 ESG Data

Strategy

The Yakult Group conducts business in 40 countries and regions around the world on the basis of local production for local sales. For this reason, we recognize that climate change, which has become an urgent global issue, will affect the Group’s corporate management and finances over the short, medium and long term, and have identified it as one of our material themes.

Based on this recognition, through fiscal 2023, we conducted scenario analysis of both actual and potential impacts of climate-related risks and opportunities to our business, strategies and financial planning, clarifying risks and opportunities and considering countermeasures for some risks and opportunities based on their estimated financial impact.

In fiscal 2024, based on changes in the internal and external environment, we revised our scenario analysis assumption from a Below 2°C scenario to a 1.5°C scenario. Additionally, along with enhancing the detail of the scenario analysis performed by our TCFD Compliance Promotion Group, in which 17 related departments participate, and updating the risk/opportunity details for our food and beverage business and cosmetics business, we sought to improve the precision of our financial impact estimations and create a new transition plan. Also, in October 2024, we presented our commitment letter to the Science Based Targets Initiative (SBTi). The letter was accepted, and we acquired certification in August 2025.

When identifying climate-related risks, we consider impact and dependencies over the short, medium and long term, with short term defined as 0 to 5 years, medium term as 6 to 10 years, and long term as 11 to 30 years.

We evaluate the impact of risks and opportunities from the perspective of business profit and loss, applied as a standard across the entire company. A large impact is defined as 10 billion yen or more, a medium impact as less than 10 billion yen but equal to or more than 5 billion yen and a small impact as less than 5 billion yen.

Based on the above definitions, we quantify impact and ascertain importance for the Group.

Responding to the important issues clarified by this exercise will allow us to reduce risks and seize opportunities.

Time axis for identifying climate-related risks/opportunities

	Short term	Medium term	Long term
Time frame	0 to 5 years	6 to 10 years	11 to 30 years

Impact of climate-related risks (evaluation axis)

Size of risk	Definition
Large	Impact on business profit or loss of 10 billion yen or more
Medium	Impact on business profit or loss of less than 10 billion yen but equal to or more than 5 billion yen
Small	Impact on business profit or loss of less than 5 billion yen

Contents

- 02 About the Sustainability Report 2025
- 03 Editorial Policy
- 04 Overview of Yakult’s Operations
- 05 Yakult’s Business Operations
- 06 Top Commitment
- 09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

- 28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Scenario analysis: 1.5°C scenario

In the 1.5°C scenario, society as a whole will move even faster toward decarbonization. Environmental regulations will be tightened; carbon taxes, emissions trading schemes and other forms of carbon pricing will be introduced and strengthened; and energy costs will rise due to rapid widespread adoption of renewable energy. Meanwhile, rising environmental awareness among consumers will likely further increase demand from society for plastic-free options. We are working to lower our environmental impact by adopting and expanding the use of renewable

energy, deploying energy-efficient manufacturing methods, and developing containers and packaging that use biomass and recycled materials. We are also exploring various options for lowering risk, including the use of GHG emission-free fuel, diversifying container development and horizontal recycling.

In such a society, demand for reductions in GHG emissions from raising cattle is also to be expected. In response to this, we are working to make use of protein sources other than milk (such as soybeans) and to develop products using sustainable agricultural materials.

Risks and opportunities based on climate change scenario (1.5°C scenario)

Risks and opportunities	Category	Issue	Effect on Yakult	Time axis	Impact	Response
Transition risks	Current regulations	Introduction of carbon pricing (carbon credits, emissions trading, etc.)	Increased fuel/energy procurement costs (approx. 5.2 billion–10.1 billion yen)*	Short/medium/long term	Large	■ Reduce GHG through renewable energy, energy-saving measures, fuel conversion, etc. ■ Promote adoption of GHG reduction measures through internal carbon pricing
			Increased indirect procurement costs of agricultural raw materials and plastic due to price pass-through from suppliers (6.8 billion yen)	Short/medium/long term	Medium	■ Switch to more easily recyclable materials in containers and packaging (recycled and biomass plastic), reduce GHG through reduction of amount used
	New regulations	Encouraging the use of plastic-alternative raw materials (recycled/biomass materials) via tightening of regulations, requests from suppliers	Reduced sales associated with sales suspensions caused by inadequate response. Increased plastic procurement costs and container manufacturing equipment deployment costs due to the switch to recycled materials and biomass plastics, and new container collection costs (approx. 13.8 billion–31.4 billion yen)*	Short/medium/long term	Large	■ Develop basic technology for environmentally conscious containers and packaging ■ Switch to more easily recyclable materials in containers and packaging, reduce amount used ■ Develop container collection schemes in collaboration with distribution
		Growing social demands on corporations relating to GHG emissions reduction, existence of regulations like the Ozone Layer Protection Act, Act on Promotion of Global Warming Countermeasures, Act on the Rational Use of Energy, etc.	Increased costs related to reducing GHG emissions from company sites and responding to regulations, including renewable energy procurement costs, EV/e-bike delivery vehicle purchase costs, and energy-saving equipment installation costs	Short/medium/long term	Small	■ Make use of solar power via self-owned panels and the onsite PPA model Note: Generally speaking, self-owned panels and the onsite PPA model allow cheaper procurement of energy than traditional methods
	Markets	Rising prices accompanying supply reduction and necessity of procuring certified materials due to introduction of regulations on raw materials associated with high risk of deforestation	Increased procurement costs for raw materials associated with high risk of deforestation (soybeans, palm oil, paper, etc.)	Short/medium/long term	Small	■ Work to raise consumer awareness of the environmentally conscious raw materials used in our products
		Growing interest from consumers in corporate response to climate change across the entire value chain	Damage to brand image and reduced sales due to inadequate response	Medium/long term	Small	■ Improve brand image by executing measures addressing the risks and opportunities of decarbonization
	Reputation	Growing interest from investors, financial institutions, NGOs and other stakeholders in corporate decarbonization initiatives and disclosure	Lower stock prices and worse financing conditions associated with loss of trust from stakeholders due to inadequate response	Short/medium/long term	Small	■ Practice appropriate disclosure according to the TCFD and TNFD frameworks ■ Obtain third-party verification ■ Establish and disclose KPIs for progress on decarbonization initiatives ■ Hold dialogues with stakeholders
	Opportunities	Resource efficiency	More efficient transport and delivery of products accompanying joint delivery, review of delivery routes and modal shift; reduced personnel costs and fuel and energy procurement costs for travel	Short/medium/long term	Small	■ Form joint delivery partnerships, optimize delivery efficiency via improved load factor, etc. ■ Research ways to extend the shelf life of dairy products and enable modal shift
		Resource efficiency/energy sources	Reduced fuel and energy procurement costs due to the introduction of energy-saving equipment and solar generation equipment	Short/medium/long term	Small	■ Promote the adoption of energy-saving devices by introducing internal carbon pricing ■ Confirm number of solar panels that can be installed on company grounds
		Products and services	Growing need for dairy-alternative raw materials due to increasing demand for reduction of GHGs emitted by the raising of cattle	Medium/long term	Small	■ Invest in R&D, collaborate with external research partners and explore marketing strategies for probiotics products with low environmental impact using dairy-alternative raw materials ■ Establish supply networks for dairy-alternative raw materials
			Increasing demands on businesses and products related to climate change response	Medium/long term	Evaluation in progress	■ Perform surveys, invest in business/product development, collaborate with external research partners and explore marketing strategies around domains with low environmental impact where microorganisms can be used ■ Establish supply networks for microorganisms ■ Research and develop fertilizers using microorganisms
			Growing need for products and services with low carbon footprints due to increasing consumer interest in decarbonization	Medium/long term	Small	■ Reduce carbon footprints of products and services via measures addressing the risks and opportunities of decarbonization

* Range in brackets represents amounts with and without countermeasures, respectively

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Scenario analysis: 4°C scenario

In the 4°C scenario, temperature increases, weather hazards of greater severity and frequency, and the spread of infectious diseases are expected to have grave impacts on the natural environment and business activities. We can expect raw ingredients like sugar, milk and palm oil to be produced in smaller quantities and at lower quality levels, along with harm to business functions associated with a worsening working environment for our sales staff. Alongside this, exposure to water risks such as floods, torrential rains and rainfall shortages will become more frequent, and plants are likely to encounter instances of flooding and

being forced to suspend production, distribution and sales activities.

However, due to rising health consciousness, we can expect increased demand for healthcare and similar products. We will aim to address risk and create new opportunities by diversifying the raw materials we use via the development of products using protein sources other than milk; doubling down on heatstroke countermeasures for sales staff; reinforcing BCP; and developing Foods with Function Claims.

Risks and opportunities based on climate change scenario (4°C scenario)

Risks and opportunities	Category	Issue	Effect on Yakult	Time axis	Impact	Response (proposed)
	Acute	Increase in natural hazards such as extreme weather, tidal waves, floods, tsunami and earthquakes	Reduced sales and new reconstruction costs due to production and distribution stoppages related to disasters at factories, etc. (approx. 10.7 billion~13.6 billion yen)* Harm to corporate image due to interruptions to supply of readily available products	Short/ medium/ long term	Large	■ Prepare and strengthen BCP (construct systems for producing individual products at multiple plants, establish/ augment disaster preparation measures, establish multiple procurement routes, etc.)
		Growing need for countermeasures against natural hazards associated with increases in the frequency and scale of floods, typhoons and other weather-related hazards	Increased costs around hazard countermeasures such as deploying and upscaling backup power sources at factories	Short/ medium/ long term	Small	■ Reduce energy costs via “peak shifting” using batteries in backup power sources Note: “Peak shifting” means storing energy during time periods when electricity tariffs are low, and then using it during time periods when tariffs are high.
	Physical risks	Increased threat of heat stress due to temperature increases associated with climate change	Reduced sales associated with lower productivity, reduced working time and increased worker turnover; increased costs around heat stress countermeasures and recruitment	Short/ medium/ long term	Small	■ Use ways to avoid heat (one-person EVs, shift in sales activity times, heat-reducing clothes) ■ Increase supply chain efficiency through coordination with DX-powered real-time traffic information, route optimization via AI, etc.
		Shrinking output and rising prices for sugar and other agricultural raw materials due to temperature increases and changes to precipitation patterns associated with climate change	Increased procurement costs for agricultural raw materials, reduced sales associated with loss of sales opportunities due to procurement difficulties	Medium/ long term	Small	■ Invest in developing low-sugar products and increasing the proportion of such products in our lineup ■ Strengthen supply chain BCP by researching/establishing replacement procurement regions via the establishment of traceability, etc. ■ Research and analyze the impact of climate change on prices related to sugar ■ Develop and use alternative raw materials
		Shrinking output and rising prices for agricultural products grown as livestock feed, milk, and powdered skim milk due to temperature increases associated with climate change; lower-quality milk and powdered skim milk	Increased procurement costs for powdered skim milk, reduced sales associated with loss of sales opportunities due to procurement difficulties	Medium/ long term	Evaluation in progress	■ Strengthen supply chain BCP via the establishment of traceability, research on/establishment of replacement procurement regions, etc. ■ Invest in R&D and explore marketing strategies for probiotics products with low environmental impact using dairy-alternative raw materials ■ Research and analyze impact of climate change on prices related to milk ■ Promote bovine health and maintain and improve milk production via the development of livestock feed using microorganisms ■ Develop and use alternative raw materials
		Increased severity and frequency of drought due to changing precipitation patterns associated with climate change	Reduced sales associated with lost opportunities associated with reduced production due to water supply restrictions, increased costs around investment in drought countermeasure equipment and rising water usage fees	Medium/ long term	Small	■ Conduct water risk surveys and take action on priority issues based on the results ■ Introduce water-saving technology
	Opportunities	Increased risk of heatstroke and infectious disease and rising consumer health awareness due to temperature increases associated with climate change	Increased sales of foods and beverages that contribute to healthy lifestyles (approx. 6.1 billion yen)	Medium/ long term	Medium	■ Develop new useful microorganisms effective at preventing the actions of disease-causing microorganisms, explore strategies for ensuring widespread acceptance of health-promoting effects and marketing ■ Invest in R&D and explore marketing strategies for Foods with Function Claims
		Growing demand for beverages, cold sweets and antiperspirants due to temperature increases associated with climate change; growing demand for moisturizing products associated with increased use of air conditioning	Increased sales of beverages, cold sweets, antiperspirants and moisturizing products	Short/ medium/ long term	Small	■ Invest in R&D and explore marketing strategies for beverages, cold snacks, antiperspirants and moisturizing products
		More people seeking better working conditions for outdoor labor as a result of increased threat of heat stress and temperature increases associated with climate change	Increased sales associated with personnel increases due to reinforced heat stress countermeasures for Yakult Ladies	Short/ medium/ long term	Small	■ Use ways to avoid heat (one-person EVs, shift in sales activity times, heat-reducing clothes)

* Range in brackets represents amounts with and without countermeasures, respectively

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Transition planning

The Yakult Group, working toward a value chain that has zero environmental impact, aims to achieve Net Zero Carbon by 2050 (in Scope 1, 2 and 3), as set out in Environmental Vision 2050. Our transition plan for achieving Environmental Vision 2050 gathers together items previously discussed by relevant departments and considered by the Board of Directors. The Sustainability Promotion Committee regularly monitors progress, and discusses and executes countermeasures when delays occur. The details of these discussions are reported to the Board of Directors, which supervises the response.

We are already engaged in initiatives such as adopting and expanding the use of renewable energy and converting to energy-saving equipment, and are currently exploring reduction policies planned for the future, such as using CO₂ emission-free fuel, and the investment required.

Additionally, because we have already met the targets initially set in Environmental Targets 2030 for greenhouse gas emissions reductions by fiscal 2024, we took the opportunity of the completion of Environmental Actions (2021–2024) to review those targets. The new targets apply not only to Yakult Honsha and Japanese bottling companies but also to all domestic and international consolidated subsidiaries, and include emissions reduction targets for Scope 1, 2, 3 and FLAG emissions.

Risk management

The physical impacts of rising temperatures due to climate change are undoubtedly a global social issue, and the Yakult Group recognizes the many potential impacts of this issue on our business, such as production problems for raw material agricultural products, adverse health effects due to heat stress and a deteriorating work environment. In order to address this issue, our Sustainability Promotion Committee identifies risks and opportunities associated with climate change, assessing the impact level of each using companywide standards. Once we have identified critical issues, we consider their importance in relation to our medium- and long-term strategies before formulating and implementing response plans, and then repeat this cycle.

We also joined the Japan Climate Initiative, which tracks the constantly changing climate situation and supports activities and industry groups aiming to avoid climate change through exchange of opinions and information with other companies, local governments, NGOs and NPOs.

Risk and opportunity identification and assessment process

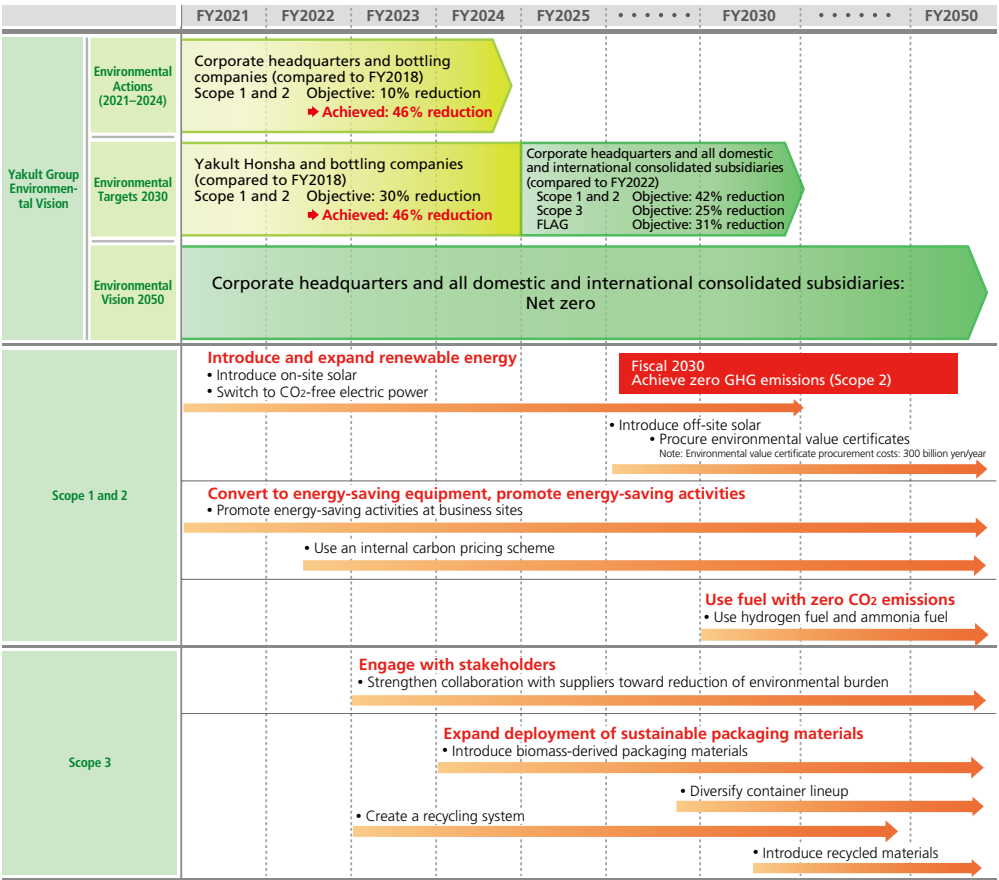
With respect to the identification of risks, the Sustainability Promotion Committee consolidates opinions each year from each department in relation to the 19 types of risk in the companywide risk management process as well as TCFD classification.

Identifying opportunities involves the same consolidation process as that used for risks, premised on competitive and external environmental analyses, conducted with individual departments taking the lead, regarding business opportunities that the Yakult Group should address.

We then assess these risks and opportunities using companywide standards of impact level, as described above, and formulate response plans.

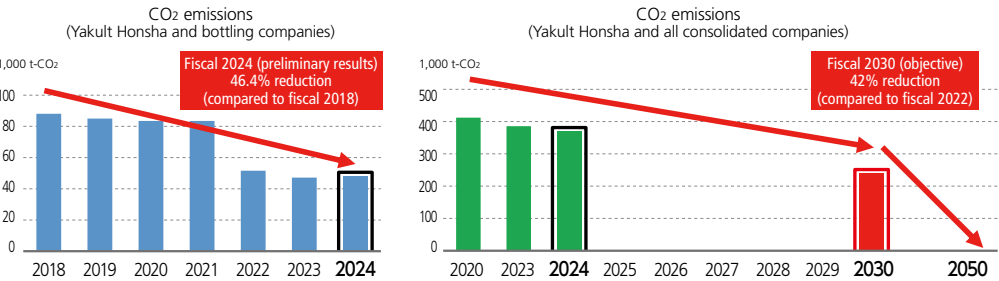
Risk assessment is not limited to the Yakult Group’s direct operations, but rather includes a wide range of both upstream and downstream aspects of the value chain such as suppliers of raw

Decarbonization transition plan



Note 1: Environmental value certificate procurement costs: Necessary for achieving zero GHG emissions (Scope 2) in 2030
Note 2: As of July 2025

GHG emissions (Scope 1 and 2) reduction roadmap



Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

materials and packaging materials, as well as consumers.

We assume the actual financial impact accompanying each risk assessment to include financial loss due to operations restriction or stoppage in the event that such a risk materializes. The Sustainability Promotion Committee decides which risks exceed the Group standards for evaluating severity; which are related to human lives, compliance or reputation based on strategic evaluation criteria; and which require a response.

Response process for identified risks and opportunities

Regarding climate change, the Board of Directors oversees matters on which it has received reports, strategies and risk management policy.

The Executive Officers Committee is involved in formulating and executing response plans. With regard to risks determined to require addressing, we have established six specialized promotion committees* under the Sustainability Promotion Committee and pursue climate change response and other concrete sustainability activities across the entire Group at the level of individual departments.

The results of these activities are discussed by the Sustainability Promotion Committee based on reports from the six promotion committees and related departments. The committee also monitors the activities by conducting progress assessments approximately four times per year and setting targets for the next fiscal year at the end of the previous one.

Additionally, as a general rule, the Board of Directors receives quarterly reports on these activities and oversees our response to a range of risks, including risks due to climate change. Furthermore, the Sustainability Advisory Committee, newly established in fiscal 2024 as an advisory body to the Board of Directors, also discusses measures addressing and progress in response to climate change-related risks and opportunities, and reports to the Board of Directors.

* Distribution Sustainability Promotion Committee, Head Office Sustainability Promotion Committee, Plant Sustainability Promotion Committee, Development Sustainability Promotion Committee, Yakult Central Institute Sustainability Promotion Committee, Overseas Sustainability Promotion Committee

Metrics and targets

The Yakult Group created the Yakult Group Environmental Vision with the aim of uniting people and planet as one. We set out our ideal vision for the future in Environmental Vision 2050, seeking to achieve Net Zero Carbon by 2050 (in Scope 1, 2 and 3) toward a value chain that has zero environmental impact. Using backcasting, we established Environmental Targets 2030 and Environmental Actions (2021–2024) in order to effectively act and make progress based on this vision.

We also joined the Japan Dairy Industry Association and endorse its climate change objectives. Note that we calculate GHG emissions based on the Greenhouse Gas Protocol, which is widely used internationally.

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
Achieve Net Zero Carbon by 2050 (in Scope 1, 2 and 3)

Environmental Targets 2030

We set Environmental Targets 2030 as medium-term milestones on the path to achieving Environmental Vision 2050. Taking into account the conclusion of Environmental Actions (2021–2024) and recent social conditions, we explored possible new objectives for fiscal 2025 and beyond, and updated Environmental Targets 2030 in May 2025.

Environmental targets	Initiatives (Revised May 2025)
Climate change mitigation and adaptation	Scope: Corporate headquarters and all domestic and international consolidated subsidiaries 1. Reduce GHG emissions (scopes 1 and 2) by 42% (compared to FY2022) 2. Reduce GHG emissions (scope 3) by 25% (compared to FY2022) 3. Reduce GHG emissions (FLAG*) by 31% (compared to FY2022)
Transition to sustainable plastic containers and packaging	1. Implement sustainable initiatives equivalent to 20% or more of the plastic containers and packaging usage (Japan and overseas) (in FY2030) 2. Establish a Bottle-to-Bottle recycling system for <i>Yakult</i> containers
Sustainable water source management	1. Identify issues in each region with detailed water risk assessments at dairy product plants in Japan and overseas and implement measures for all high priority issues 2. In addition to continuing water use reduction efforts, implement water source conservation activities*2 targeting the amount of water used in products manufactured in FY2030 (at dairy product plants in Japan and overseas)
Biodiversity conservation	1. Promote support for and participation in biodiversity conservation activities in local communities 2. Monitor the impact on biodiversity of business activities and promote the implementation of impact reduction measures

*1 An acronym for Forest, Land and Agriculture. It encompasses scopes 1 and 3 emissions from land use changes and land management.

*2 Activities involving tending, planting trees in, or conserving soil in water source areas in order to maintain and promote the forest’s ability to absorb rainwater and release it at a steady pace via underground channels or rivers.

Related information p. 30 Environmental Vision progress status

Related information p. 31 Roadmap for achieving Environmental Vision

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

CO2 emissions in fiscal 2024

		(t-CO ₂)		
		Scope 1	Scope 2	Scope 3
Yakult Honsha	Plants*	16,159	0	1,393,241
	Yakult Central Institute	1,126	6,959	
	Head office/branches	278	72	
	Pharmaceutical branches	-	-	
	Logistics department	18,085	0	
Consolidated subsidiaries (Japan)	Bottling companies	3,979	0	
	Marketing companies	18,263	13,118	1,393,241
	Other	8,664	3,936	
Consolidated subsidiaries (overseas)	Plants/business sites	166,802	128,044	
Total		233,355	152,129	1,393,241
Total for Scope 1, 2 and 3		1,778,726		

Note: Numbers are shown rounded to the nearest whole figure, so actual totals may not match the sum of the numbers shown.
* Including plants that produce cosmetics and pharmaceuticals

Scope 3 emissions by category (fiscal 2024)

Category		Applicable Y/N	Calculation method or reason not applicable	Calculated result (t)
1	Purchased goods and services	Y	Calculated using cost of purchased packaging materials and raw ingredients for Yakult dairy products, pharmaceuticals and cosmetics; purchase price of soft drink, pharmaceutical and cosmetic products; and volume of municipal water use.	997,147
2	Capital goods	Y	Calculated using increase in fixed assets for the year from the annual securities report.	61,165
3	Fuel- and energy-related activities not included in Scope 1 or 2	Y	Calculated using electricity and energy use volume also used in Scope 1 and 2 calculations.	65,132
4	Upstream transportation and distribution	Y	Calculated from transportation scenarios of logistics subsidiaries not included in Scope 1 and 2 and the cost of transporting products to Group companies outside Japan.	413
5	Waste generated in operations	Y	Calculated using weight of waste and volume of wastewater discharged at each business site.	2,470
6	Business travel	Y	Calculated using number of employees.	9,606
7	Employee commuting	Y	Calculated using number of employees at each business site.	31,377
8	Upstream leased assets	Y	Calculated using energy consumption of vending machines that are upstream leased assets.	12,243
9	Downstream transportation and distribution	Y	Calculated from scenarios for transportation from customer distribution centers to individual stores.	17,605
10	Processing of sold products	N	Our goods are mainly finished food (dairy products, soft drinks), pharmaceutical and cosmetic products that are all consumed, and we have no partially finished products that are later processed. We therefore have no processing-related emissions.	-
11	Use of sold products	N	Our goods are mainly finished food (dairy products, soft drinks), pharmaceutical and cosmetic products that are all consumed, and we therefore have no use-related emissions.	-
12	End-of-life treatment of sold products	Y	Calculated using the weight of packaging materials for food (dairy products, soft drinks), pharmaceutical and cosmetic products.	66,455
13	Downstream leased assets	Y	Calculated using floor space in buildings that are downstream leased assets.	1,719
14	Franchises	Y	Calculated from number of dairy products for marketing companies in Japan in which we have no holdings.	34,961
15	Investments	Y	Calculated from issued share ratio of shareholdings.	92,948
Total				1,393,241

Note 1: All Yakult Group consolidated companies
Note 2: Numbers are shown rounded to the nearest whole figure, so actual totals may not match the sum of the numbers shown.

Contents

- 02 About the Sustainability Report 2025
- 03 Editorial Policy
- 04 Overview of Yakult’s Operations
- 05 Yakult’s Business Operations
- 06 Top Commitment
- 09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

- 28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Initiatives to reduce CO2 emissions at Yakult Honsha plants and bottling companies

At Yakult Honsha plants and bottling companies, we have stepped up energy and resource conservation activities with the goal of attaining objectives and targets based on the ISO 14001 standard.

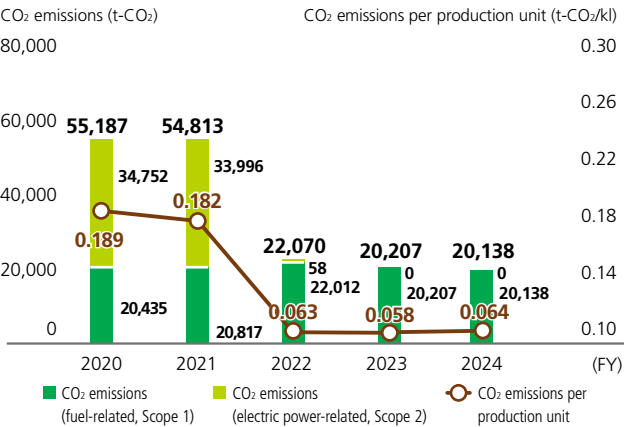
In fiscal 2024, electric molding machines used to produce *Yakult* and other containers were upgraded to energy-saving machines at the Yakult Aichi Plant and the Yakult Fukuoka Plant, as a way to reduce energy consumption.

Furthermore, to reduce CO2 emissions at plants throughout Japan, we ran various initiatives focused on ISO 14001 goals and targets, installing LED lighting and determining efficient ways to use production equipment to reduce operating times and energy consumption.

Additionally, regarding the Yakult Fuji Oyama Plant, which commenced operations in January 2024, we switched to electricity derived entirely from renewable energy sources provided by power companies with which we have contracts. We also increased the energy capacity of the solar power generation equipment at the Yakult Okayama Wake Plant from 310 kilowatts to 1,018 kilowatts, an increase of 708 kilowatts that brings the plant’s solar power generation equipment into the megawatt class.

As a result, CO2 emissions at Yakult Honsha plants and bottling companies have decreased by 65.7% compared to fiscal 2018 levels.

CO2 emissions and CO2 emissions per production unit by Yakult Honsha plants and bottling companies (Scope 1 + Scope 2)

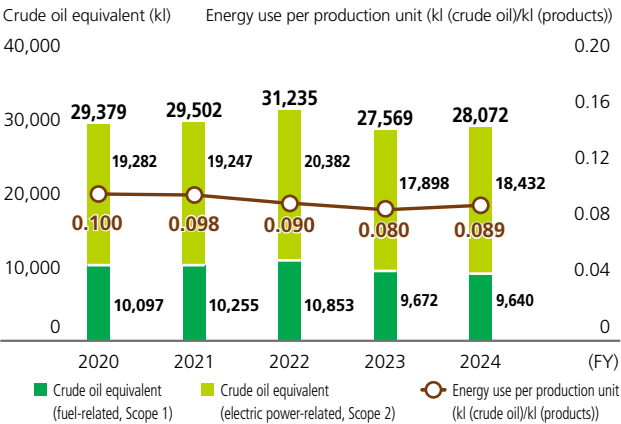


Note 1: CO2 emissions per production unit are calculated based solely on energy consumption at five Yakult Honsha plants, excluding plants that produce cosmetics and pharmaceuticals.

Note 2: Emission factors are the adjusted emission factors of each electric power company for each year.

Note 3: Yakult has no CO2 emissions from biological sources.

Energy use and energy use per production unit by Yakult Honsha plants and bottling companies (Scope 1 + Scope 2)



Note: When doing calculations per production unit, crude oil equivalents are calculated using data from bottling companies and five Yakult Honsha plants, excluding plants that produce cosmetics and pharmaceuticals.

Initiatives to reduce CO2 emissions at the Yakult Central Institute

Since its full-scale renovation in 2016, the Yakult Central Institute has been constantly engaged in initiatives to conserve energy, including installing new equipment, improving the thermal insulation of steam pipes, changing HVAC systems operations and lowering the temperature of air-conditioning systems. This led to a 4.3% annual improvement in energy intensity on average over five fiscal years from fiscal 2017.

In recognition of these initiatives, the Yakult Central Institute received the Kanto Bureau of Economy, Trade and Industry Director-General’s Award in Energy Management Excellence for Businesses (Ministry of Economy, Trade and Industry, METI) in fiscal 2020.



Certificate from Kanto Bureau of Economy, Trade and Industry Director-General

Basic agreement on carbon-neutral city gas supply with Tokyo Gas

Since April 2021, we have adopted carbon-neutral city gas* as part of our environmental actions that contribute to efforts toward achieving a sustainable society.

This supply agreement is the first of its kind from Tokyo Gas Co., Ltd. to the beverage industry. Switching the total supply of the Yakult Central Institute to carbon-neutral city gas for five years from April 2021 to the end of March 2026 will help reduce CO2 emissions by approximately 11,500 tons.

* Carbon-neutral city gas was renamed “carbon offset city gas” in September 2024.



Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Membership in the Carbon Neutral LNG Buyers Alliance

In March 2021, we established the Carbon Neutral LNG (CNL)*1 Buyers Alliance (currently the Carbon Offset City Gas Buyers Alliance*2) with Tokyo Gas Co., Ltd. and 13 other companies.

The Alliance was established through the concerted efforts of Tokyo Gas Co., Ltd., which procures and supplies CNL, and companies that purchase CNL, with the aim of spreading the use of CNL and increasing its utility value. Choosing environmentally responsible energy helps in the efforts toward achieving a sustainable society, and directly contributes to climate change action, the SDGs and ESG corporate management.

In February 2025, the Alliance held the Carbon Credit Frontlines conference in Tokyo. Presenters from corporations including Tokyo Gas; UK carbon credit rating company Sylvera Ltd.; Yamato Transport Co., Ltd. and Salesforce Japan Co., Ltd., spoke on decarbonization initiatives and the importance of high-quality carbon credits, offering real case studies to support their arguments. Multifaceted approaches to building a sustainable society were discussed, including renewable energy adoption, EV deployment, contributing to climate change mitigation efforts, and putting technical innovations to use. Our employees attended both speeches and networking events and left with a renewed awareness of the importance of enhancing coordination between corporations on decarbonization efforts and of purchasing high-quality carbon offset city gas.

*1 Carbon-neutral LNG (CNL): Liquefied natural gas (LNG) that is deemed to have net zero carbon emissions by offsetting GHGs generated in the process, from extraction to combustion of natural gas, through purchasing carbon credits that support reforestation and other projects

*2 Name changed in September 2024

Introducing an internal carbon pricing (ICP) scheme

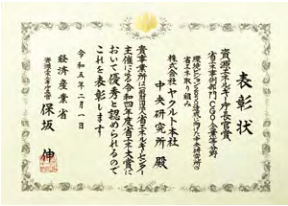
In October 2022, we introduced an internal carbon pricing (ICP) scheme as part of our efforts to promote specific initiatives aimed at reducing GHG emissions and to raise awareness among all Group employees regarding decarbonization. By setting our carbon price at ¥37,000/t-CO₂ and using the ICP system as one of the criteria for new equipment when making capital investments, we are promoting low-carbon investment and climate change countermeasures. In fiscal 2024, this system reduced our emissions by around 54.9 t-CO₂.

Received the Agency for Natural Resources and Energy Director-General’s Prize in the Energy Conservation Best Practices at Workplaces category of the Energy Conservation Grand Prize Award 2022

The Yakult Central Institute received the Agency for Natural Resources and Energy Director-General’s Prize as part of the Energy Conservation Grand Prize Award 2022 (sponsored by the Ministry of Economy, Trade and

Industry). This award recognizes the efforts the Institute has made toward achieving Environmental Vision 2050 set out by Yakult Honsha. The Yakult Central Institute accounts for approximately 20% of our total energy consumption, and its efforts include adopting groundbreaking external initiatives that enhance the Institute’s energy conservation activities, support from external energy experts, and using products that have received the Energy Conservation Grand Prize Award.

In particular, we have thoroughly prevented heat loss by reinforcing the insulation materials for the steam pipe system, adjusted air-conditioning operations and temperature settings to make them more energy-conscious, and introduced highly efficient and cutting-edge technologies such as converting lighting to LED fixtures. The award recognized our efforts to reduce energy use by approximately 20% compared to 2016.



Energy Conservation Grand Prize Award 2022 (Energy Conservation Best Practices at Workplaces category) commendation certificate and award emblem

LCA of Yakult series

In considering the environmental impacts of our products, it is important to look at the entire product lifecycle to identify those impacts in all phases, from raw material procurement to product consumption and disposal, in addition to the impacts produced at our own plants. With this in mind, the Company made preliminary calculations based on a lifecycle assessment (LCA) for CO₂ emissions, fossil fuel consumption and water use. This allowed us to understand the environmental impact at each stage of a product’s lifecycle and use the results for internal education and to gain supplier understanding and cooperation as we promote efforts toward reducing environmental impacts. We also use the results for future product development as we seek to develop products that fully embody our belief that “in order for people to be healthy, everything around them must also be healthy.”

Utilization of renewable energy (solar power energy)

We have installed solar power generation equipment with an overall power generation capacity of approximately 2,591 kilowatts at a total of 10 business sites (six Yakult Honsha plants and four bottling companies). By using solar power as part of the electricity supply at our business sites, we were able to reduce CO₂ emissions by approximately 1,260 tons in fiscal 2024 compared to having made electricity purchases from power utilities.

At the Yakult Central Institute, installation of solar power generators with a capacity of approximately 110 kilowatts reduced CO₂ emissions by approximately 50 tons in fiscal 2024.

Contents

- 02 About the Sustainability Report 2025
- 03 Editorial Policy
- 04 Overview of Yakult’s Operations
- 05 Yakult’s Business Operations
- 06 Top Commitment
- 09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

- 28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Initiatives to reduce CO2 emissions outside Japan

■ Introduction of solar power generation

As part of our efforts to reduce CO2 emissions, we are promoting the introduction of solar power generation in our offices outside Japan.

Yakult Taiwan Co., Ltd. has installed a 22.32 kWh solar power generation system that supplied a total of 14,670 kWh in 2024. This reduced annual CO2 emissions by 7.48 tons.

PT. Yakult Indonesia Persada has completed installation of solar power generation systems for in-house consumption at its Sukabumi Plant and Mojokerto Plant, and the systems have been operational since January 31, 2025. This is expected to reduce annual CO2 emissions by around 1,054 tons.

Yakult (Malaysia) Sdn. Bhd. installed rooftop solar power generation systems at its Seremban Plant and head office building, and began operating them in March 2024. The maximum power generated by these systems is 553.47 kWp and 213.18 kWp, respectively.

Yakult Vietnam Co., Ltd. began generating solar power in January 2024. It expects to generate 641,000 kWh of power per year.

Yakult Danone India Pvt. Ltd. has been generating solar power at its plant since August 2020, with a system that has a maximum output of 742.5 kWp. In 2024, it used a total of 879,006 kWh of power, equivalent to around 25% of total plant power consumption.

The Yakult China Group’s Wuxi Plant installed a rooftop solar power generation system and began generating power in March 2023. In 2024 it generated a total of 1,198,428.2 kWh.

Key initiatives in each country and region

Initiative status	Country/region
Implemented	Taiwan, Hong Kong, Indonesia, Malaysia, Vietnam, India, China (Wuxi, Tianjin)
Preparing to implement	United States of America

■ Introduction of electric trucks: Guangzhou Yakult Co., Ltd.

Guangzhou Yakult Co., Ltd. is promoting the introduction of electric trucks to comply with China’s diesel truck regulations. The company has reduced its diesel fuel consumption by 42,000 liters per year by switching from leasing to purchasing and putting 14 electric trucks on the road by the end of 2024. This has also brought greater flexibility around vehicle choice and maintenance.



Electric truck in Guangzhou

■ Switching to electric molding machines: Yakult (Thailand) Co., Ltd. and Hong Kong Yakult Co., Ltd.

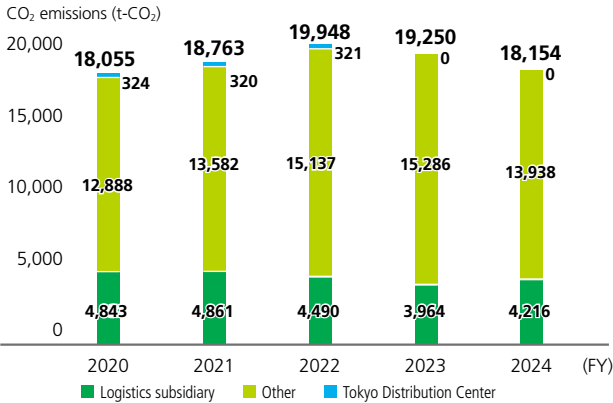
At Yakult (Thailand) Co., Ltd.’s Bangkok Plant, we are switching from hydraulic molding machines to electric molding machines. In 2022, we installed 2 new machines, so that 7 of the 14 machines we use for production are now electric. Each electric molding machine saves around 91,000 kWh of electricity per year, reducing annual CO2 emissions by approximately 55 tons.

At Hong Kong Yakult Co., Ltd., we have installed 2 electric molding machines, reducing our electricity consumption by 40% compared to traditional molding machines.

Logistics initiatives

The Yakult Group’s shipping of dairy and other food products, as well as cosmetics, in Japan is primarily handled by a logistics subsidiary. Our logistics subsidiary has obtained Green Management Certification* for each of its marketing offices, and is striving to continuously reduce the environmental impacts of its operations. In fiscal 2024 we again achieved a 1.0% average annual energy reduction over the preceding five-year period, the target set forth in Japan’s revised Energy Conservation Act.

CO2 emissions from logistics (Scope 1 + Scope 2)



* Green Management Certification is obtained from the Foundation for Promoting Personal Mobility and Ecological Transportation, which evaluates business units’ measures and certifies that they have achieved a specified level of performance.

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Eco-Rail Mark and Eco-Ship Mark certification

We are promoting a modal shift to rail and ocean freight transport as one of our efforts to reduce environmental impacts. In 2015, we received companywide and product-based certification under the Eco-Rail Mark system, and were certified under the Eco-Ship Mark system in 2016.

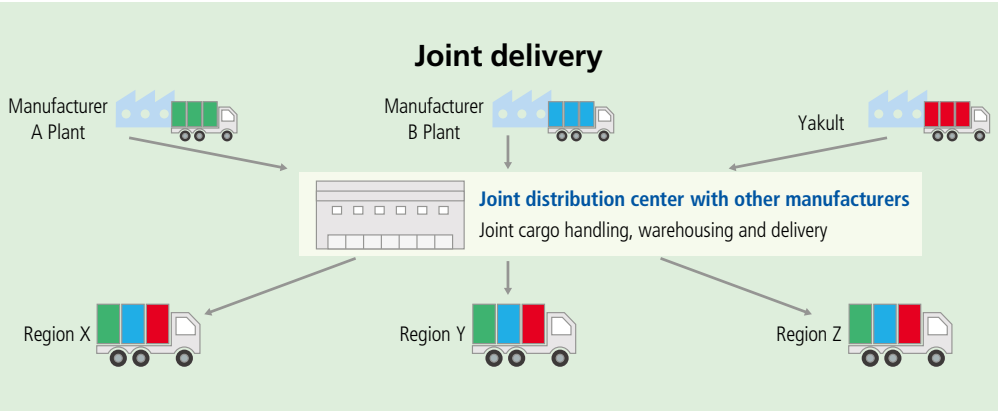
CO₂ emissions from the use of rail freight transport are one-eleventh the levels of emissions from transportation by truck, and those from ocean freight are one-fifth those from trucks. We will continue to deliver products to our customers while utilizing these more energy-efficient modes.

Note: Each certification is valid for two years, and is thus renewed every two years.



Joint delivery with other manufacturers

Yakult Group promotes joint delivery with other manufacturers (through joint cargo handling, warehousing and delivery) to reduce CO₂ emissions and make logistics more efficient.



Initiatives at sales

Introduction of environment-friendly sales equipment

Item	Number introduced				
	2020	2021	2022	2023	2024
Route delivery trucks with internal container collection spaces	72	72	50	48	57
Route delivery trucks with roof-mounted container collection kits	2	2	4	11	9
Empty container collection boxes for vending machines	311	456	210	158	125
Heat-pump-type vending machines (incl. hybrid heat-pump-type ones)	846	954	577	451	510
Overhauled vending machines	34	52	17	36	58
Electric vehicles* (delivery vehicles used by Yakult Ladies)	87	151	414	472	261

* Cumulative total number introduced: 3,144 (as of March 2025)

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Materiality

Transition to sustainable plastic containers and packaging

Declaration of Action on Plastic Recycling

As part of our efforts to design containers and packaging with low levels of environmental impact, in 1995 we instituted guidelines for more concrete initiatives with the fundamental goals of ensuring the safety of containers and packaging, reducing the amount of packaging used, optimizing processing/disposal processes and promoting resource recycling. We announced our Declaration of Action on Plastic Recycling in January 2019 to focus attention on issues such as plastic pollution in oceans, global warming and natural resource depletion, and to show our commitment to recycling our plastic containers and packaging.

Declaration of Action on Plastic Recycling (summary)

- The Yakult Group is engaged in initiatives that promote recycling of plastic containers and packaging.
— 2025 target —
We will establish a foundation for environmentally conscious container and packaging technology, and begin conversion to easily recyclable materials such as biomass, recycled and biodegradable materials.
— 2030 target —
We will work to convert to easily recyclable materials as much as possible while keeping up with developments in recycling markets, environmental infrastructure and other external environmental facilities.
- Moving forward, we will actively promote resource recycling initiatives, further implementing initiatives beyond these to reduce the amount of plastic used in containers and packaging, and reutilize plastic packaging materials in our production processes.

Plastic recycling promotion framework

■ Committee to Address Plastic Containers

We have established a Committee to Address Plastic Containers, composed of directors who head the departments concerned with plastic containers and packaging and chaired by the Divisional General Manager of the Research & Development Division, a member of the Board of Directors. In fiscal 2024, committee meetings were held in April, July, October, December and February. Attendees shared information and discussed trends in plastic regulations and relevant government policies around the world, as well as the status of initiatives and discussions at each department.

Major agenda items for the Committee to Address Plastic Containers (fiscal 2024)

- Our current plastic usage and future initiatives to address this
- Progress on our basic strategy (deploying sustainable materials, diversifying packaging, recycling *Yakult* containers)
- Response to plastic regulations and policies globally
- Progress on discarded plastic recycling initiatives at marketing companies

Important matters concerning management policy that come up during these meetings are referred to the Management Policy Council for deliberation.

Additionally, in fiscal 2025 we merged the CSR Promotion Committee and the Committee to Address Plastic Containers to form the new Sustainability Promotion Committee. This centralizes CSR and plastic container-related initiatives in a single committee that will discuss and promote basic strategy and measures.

Related information [p. 114 Sustainability Promotion Committee](#)

Basic strategy toward a shift to recyclable containers and packaging

In order to pursue a multifaceted shift toward recyclable containers and packaging amid differences between countries and regions in the external environment related to plastic resource recycling, as well as diversifying consumer values, we have formulated a basic strategy with three main focuses: introducing sustainable materials, diversifying container development and achieving *Yakult* container recycling.

Introducing sustainable materials	Eliminating reliance on oil, which is essential for reducing the environmental impact of our operations to zero (Introducing biomass materials, renewable materials, etc.)
Diversifying container development	Responding to diversifying consumer values and environmental awareness (Introducing container materials for which advanced recycling systems exist, etc.)
Achieving <i>Yakult</i> container recycling	Implementing initiatives to recycle and reuse <i>Yakult</i> containers as materials (Creating systems for horizontal recycling through coordination with various stakeholders, etc.)

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Introducing sustainable materials

■ Obtaining ISCC PLUS certification

ISCC* PLUS is an international certification system that contributes to the bioeconomy and circular economy by certifying sustainable materials and products using renewable resources like biomass and renewable goods. To promote the introduction of sustainable materials in *Yakult* containers, labels and other items, we have obtained ISCC PLUS certification and begun introducing sustainability-conscious plastic containers and packaging (containers, labels and films).

* ISCC: International Sustainability and Carbon Certification



■ Increased use of biomass materials

We have been working to increase our use of bio-based ink, and have already adopted it in the shrink labels for six products sold in PET containers, including *Milouge*. Additionally, after exploring the possibility of using biomass materials in straws for dairy products, in March 2024 we introduced these straws for our dairy products in paper containers (the *Mil-Mil* series, *Pretio* and *BF-1*).

Products using bioplastic and bio-based ink are certified by the Japan Organics Recycling Association or the Japan BioPlastics Association as using plant-derived resources (biomass) and conforming to all relevant laws, regulations and standards for quality and safety, and bear the “Biomass Mark” or the “Biomass Plastic Mark.”



■ Increased use of recycled PET labels

We have increased our use of recycled PET labels, which use reclaimed PET containers in 25% of the raw materials, on two products sold in PET containers, including *Milouge* (280 ml). Products using recycled PET labels are certified by the Council for PET Bottle Recycling, and bear the “Recycled PET Mark.”



Achieving *Yakult* container recycling

■ Equity participation in and cooperative activities with R Plus Japan

Our equity participation in the joint venture R Plus Japan lets us contribute to the resolution of various plastic-related social issues. R Plus Japan promotes technological developments and advancements in the practical application of efficient recycling of used plastics with reduced environmental impact. In fiscal 2024, its working team carried out a recovery test for polystyrene food containers.

■ Collaborating with municipal governments to create a recycling system

We are a member of the Ichihara City Polystyrene Chemical Recycling System Promotion Committee, created by Ichihara City in Chiba Prefecture in May 2023. The committee, which seeks to experimentally verify methods for chemically recycling polystyrene products, is designed to bring together citizens, local government and private enterprise in cooperation.

In Kobe City, Hyogo Prefecture, we participate in a project to collect and reuse polystyrene containers for fermented milk drinks as part of the Japan Clean Ocean Material Alliance’s working group activities. Working with the city and other participating companies, in September 2023 we began collection at two Kobe City Resource Collection Stations, taking measures to improve the quality and volume of collected containers and revitalize the collection stations, and exploring ways to stabilize their operation economically.

On April 1, 2025, we launched the Polystyrene *Yakult* Container Continuous Self-Collection project in Kunitachi City, Tokyo, a collaboration with the city, the Kunitachi Social Welfare Council and the Kunitachi Children’s Dreams and Future Project, with the intention of helping to realize a sustainable, circular society; raise awareness of regional environmental conservation; promote environmental education; revitalize the local community; and improve local welfare.

We will continue our cooperation with these and other stakeholders, aiming ultimately for horizontal recycling in which chemical recycling technology* recycles used polystyrene containers into new ones.

* Technology that uses chemical recycling to allow materials to be recycled any number of times with no degradation, eliminating all color and smell and producing recycled polystyrene with the same sanitary qualities as polystyrene made from oil, which can be used for food containers and packaging

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Reducing specified plastic-containing products*

The Yakult Group has worked to reduce single-use plastics through strategies such as partially replacing the plastic spoons it provides to customers with paper ones.

In accordance with the April 2022 Act on Promotion of Resource Circulation for Plastics, we have been implementing the following ongoing measures since fiscal 2022 to further reduce our use of plastic spoons and straws:

- (1) As a general rule, Yakult Ladies will no longer provide spoons and straws when selling products (excluding straws affixed to the product as part of its design)
- (2) Using paper spoons wherever possible
- (3) Using plant-derived plastic in straws

* Specified plastic-containing products: As stipulated within the Act on Promotion of Resource Circulation for Plastics, these are “plastic-containing products provided to consumers free of charge along with sales of goods and provision of services.” Twelve kinds of products fall under this definition: forks, spoons, knives, muddlers, straws, hair brushes, combs, razors, shower caps, toothbrushes, hangers and garment covers.

Amount of specified plastic-containing products distributed

FY	2021	2022	2023	2024	2025*
Amount distributed (tons) (excluding biomass plastics)	52.8	21.8	18.4	15.9	14.3
	52.7	21.0	17.5	15.7	13.6
Compared to previous year (%) (excluding biomass plastics)	87.3	41.3	84.4	88.3	90.0
	87.1	39.8	83.3	91.8	86.6
Amount reduced (tons) (excluding biomass plastics)	7.7	31.0	3.4	2.1	1.6
	7.8	31.7	3.5	1.4	2.1

* Fiscal 2025 figures are targets.

Monitoring and reducing industrial waste and byproducts from plastic-using products

In light of the Act on Promotion of Resource Circulation for Plastics coming into effect in April 2022, in fiscal 2022 we began tracking the amount of industrial waste and byproducts from plastic-using products with the goal of reducing waste and recycling as much waste as possible.

Because the Act requires that industrial waste from plastic-using products be addressed, including the waste generated by Group companies, we will track the amount of waste generated across the Group as a whole and engage in initiatives to disclose information and reduce waste.

- We will explore the possibility of switching to more easily recyclable materials for product packaging and other applications.
- We will strive to separate waste at the business site level, and reduce industrial waste and byproducts from plastic-using products.

Industrial waste and byproducts from plastic-using products

	Industrial waste and byproducts from plastic-using products	Compared to previous year	Amount reduced
			Recycling rate
FY2021	8,660 tons	—	—
	Amount of which recycled internally: 322 tons	—	3.7%
FY2022	8,304 tons	95.9%	356 tons
	Amount of which recycled internally: 533 tons	165.5%	6.4%
FY2023	9,055 tons	109.0%	–751 tons
	Amount of which recycled internally: 521 tons	97.7%	5.8%
FY2024	8,209 tons	90.7%	846 tons
	Amount of which recycled internally: 359 tons	68.9%	4.4%

Note: Scope: Yakult Honsha, all bottling companies, all marketing companies and seven affiliated companies

■ Polyethylene film/bag recycling at marketing companies

The Yakult Group is working on initiatives to promote recycling and waste reduction across the entire Group, including subsidiary companies and marketing companies.

As part of these efforts, we have begun an initiative at marketing companies in which transparent polyethylene film and bags, previously discarded as industrial waste, are sorted and provided to recycling companies as resources (items of value).

So far, four marketing companies in Japan have begun this initiative. In fiscal 2025, we will work to increase this number as we accumulate knowledge.

Goal for fiscal 2025

Marketing companies with initiatives to recycle transparent polyethylene film/bags: 10

Reducing plastic usage

■ Thinner shrink labels

We have begun reducing the thickness of our shrink labels from 50 μm to 45 μm, and have already adopted the new, thinner labels on three products sold in PET containers, including *Milouge* (500 ml).

For dairy products, we have begun reducing the thickness of our shrink labels from 27 μm to 20 μm, and have already adopted the new, thinner labels on six *Yakult* series products, including the *New Yakult* series since 2016 and the *Yakult 400* series since 2023.

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

■ Thinner shipping film

We have begun reducing the thickness of the shipping film holding multi-packs together from 30 μm to 25 μm, and have already adopted the new, thinner film on four *Yakult* series products as of 2023, including *Yakult 400*.

■ Lighter containers

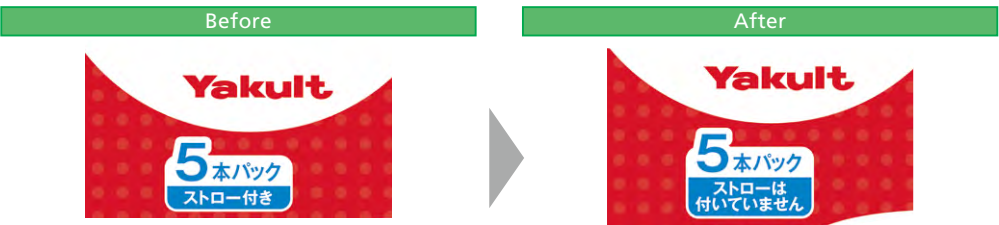
In fiscal 2024, all factories adopted new containers for *Yakult 1000* that weigh 4.88 g instead of the previous 5.30 g.

■ Removing pre-attached plastic straws

In Japan, 5-bottle packs of the *New Yakult* series previously came with pre-attached straws while 10-bottle packs did not, allowing customers to choose whether they wanted straws by purchasing packs of different sizes. However, in line with our efforts to achieve the goals of the Yakult Group Environmental Vision formulated in March 2021, we stopped affixing straws to *New Yakult* and *New Yakult Calorie Half* 5-bottle packs as part of a strategy to reduce the plastic used in containers and packaging and transition to easily recyclable materials.

Additionally, plastic straws have not been included with products by Yakult (Malaysia) Sdn. Bhd. since 2018, or by Yakult (Singapore) Pte. Ltd. or Yakult Australia Pty. Ltd. since 2019, and in 2022 Yakult S/A Ind. E Com. (Brazil) switched from plastic straws to paper straws.

Notice at the upper left corner of *New Yakult* 5-bottle pack



Initiatives in each country and region

■ From plastic to carton packaging: Yakult Europe B.V.

Yakult Europe B.V. has been switching its multi-pack and shipping packaging for *Yakult* series products from plastic film to cartons. In April 2023, the company completed the changeover from multi-shrink packaging machines to carton packaging machines, so that all primary packaging material is now cardboard. As a result, its usage of polypropylene film, which was around 23 tons in 2022, has dropped to zero.



Expanded use of carton packaging

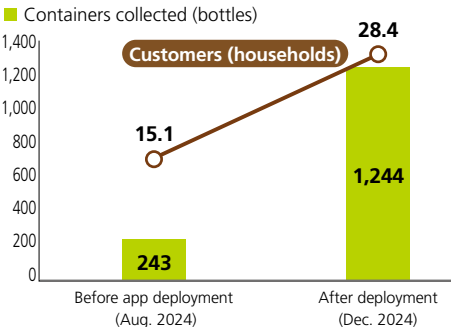
■ Developing a container collection app: PT. Yakult Indonesia Persada

In accordance with the Indonesian government’s plan to reduce waste from manufacturers, which sets the goal of a 30% overall reduction in plastic and other waste by 2029, PT. Yakult Indonesia Persada operates a plastic waste collection initiative.

In 2024, at branches across almost the entire country except for certain regions, Yakult Ladies and delivery route staff collected *Yakult* 50-bottle pack shipping film and *Yakult* containers. The company also worked to reduce the use of plastic bags in deliveries by Yakult Ladies.

In an attempt to raise the *Yakult* container collection rate, the company also developed a “container collection app” in August last year. This app is managed by Yakult Ladies on their smartphones. Customers receive one point on their app for every container they return, and these points can be exchanged for gifts. From September to December 2024, the app was gradually rolled out to 10 centers and 122 Yakult Ladies.

Customer app installations and monthly bottles collected per Yakult Lady



Source: PT. Yakult Indonesia Persada



A Yakult Lady and customer using the app in Indonesia



A Yakult Lady collecting empty containers in Indonesia

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

During the deployment process, the company’s IT department held five rounds of internal training and updated the app at least three times to improve its data processing functionality. Because not everyone is accustomed to operating smartphones, an app usage guide for Yakult Ladies was distributed, and training was held to teach users how to register customer data, exchange points for gifts, confirm the number of points a customer has, and more. This allowed the company to avoid any operational errors or other issues. As a result, 3,777 customers installed the app, and 166,423 *Yakult* containers were collected during the relevant period. In 2025, the app will be rolled out to Yakult Ladies across the country.

The total amount of plastic collected or reduced in 2024 was 383,133 kilograms, 101.4% of the previous year’s figure.

■ Collecting plastic containers and more: Yakult Philippines, Inc., Yakult S.A. de C.V. (Mexico) and Yakult Vietnam Co., Ltd.

Yakult Philippines, Inc. collects empty containers and multi-pack film in Metro Manila and from regional sales agents across the country. Some sales agents collect plastic containers, melt them down and recycle them into chairs and pen stands.

At Yakult S.A. de C.V. (Mexico), Yakult Ladies pass on empty bottles collected from customers to recycling companies, who reduce them to raw materials for reuse. In 2024, 2,317 Yakult Ladies at 55 locations collected 14,741 kilograms of containers (around 3,510,000 bottles). 1,298 kilograms of containers (around 309,000 bottles) from products drunk by employees were also delivered to recycling companies. At Distribuidora Yakult Guadalajara S.A. de C.V., an implementation test for a similar recycling activity was held, with 29 Yakult Ladies collecting 36 kilograms of containers, which were delivered to recycling companies along with 62 kilograms of containers from products drunk by employees.

At Yakult Vietnam Co., Ltd., as a plastic recycling promotional activity, plastic rulers were made from recycled *Yakult* containers and distributed to visitors on inspection tours of the plant.

Other key initiatives by country/region

Country/region	Initiatives
Taiwan	Planning to change shrink labels of <i>Joie</i> series to PET materials
Thailand	Collected and recycled shipping and multi-pack film. Collected 19.1 tons at Bangkok Plant, 38.7 tons at Ayutthaya Plant
South Korea	Explored ideas to reduce the amount of labels and film used, such as introducing label-less containers and converting label information into 2D codes
India	As an extended producer responsibility (EPR) initiative, collected and recycled as much plastic by volume as it uses
China (Guangzhou)	Changed thickness of <i>Yakult</i> 50-bottle pack shipping film from 45 μm to 40 μm, reducing film waste by 3,200 kg per year
Mexico	Introduced bags using biodegradable plastic for product deliveries by Yakult Ladies
Europe	Changed all primary packaging materials to cardboard and switched to stretch film for packaging pallets of products, reducing plastic use by 50% while preserving the same toughness

Contents

- 02 About the Sustainability Report 2025
- 03 Editorial Policy
- 04 Overview of Yakult’s Operations
- 05 Yakult’s Business Operations
- 06 Top Commitment
- 09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

- 28 Environmental management
- 35 Climate change mitigation and adaptation
- 46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

- 54 Biodiversity conservation
- 57 Reducing waste and food loss

59 Social Activities Report

- 60 Provision of safe and secure products and transparent information disclosure
- 65 Value co-creation with communities
- 70 Establishment of a resilient and sustainable supply chain
- 78 Promotion of health initiatives rooted in local communities
- 80 Creation of health value that meets diverse health needs
- 84 Worker health, safety and well-being
- 91 Initiatives for Yakult Ladies
- 92 Development of innovative human resources capable of delivering new value
- 95 Embracing the diversity of our workforce
- 99 Human rights
- 106 Customer satisfaction

109 Governance Report

- 109 Corporate governance
- 116 Risk management
- 118 Compliance
- 121 Third-party opinion
- 122 External evaluation
- 123 ESG Data

Materiality

Sustainable water source management

Conducting water risk assessments

To use water sustainably, we believe that we are required to recognize our water risks, including water supply and demand outlook in the river basins where our plants are located, the possibility of water-related disasters, and impacts on public health and ecosystems. Since fiscal 2017, we have thus engaged an external organization to perform water risk evaluation.

Since 2020, we have used WRI Aqueduct and other tools to evaluate water risks and identify which Yakult Group production bases are located in regions with high water stress levels.

Results showed that 21% of our production bases are located in areas of high water stress,* with water withdrawal in these areas totaling 2,928,444 m³ in fiscal 2024, or 48.5% of our total water withdrawal that year.

Since fiscal 2023, we have been conducting in-depth on-site assessments on plants selected based on water risk assessment results, business scale, market growth potential and other factors.

In fiscal 2024, we conducted in-depth assessments of four Yakult Honsha dairy product plants in Japan, following our assessment of the Fuji Susono Plant, which was assessed in fiscal 2023. Outside Japan, we conducted in-depth assessments of our Ixtapaluca Plant in Mexico and our Seremban Plant in Malaysia. No currently evident risks were identified at any plant, but to reduce future water risks, we determined that, along with water usage reductions and additional policies ensuring adherence to waste standards, further efforts to inform local stakeholders about the initiatives underway at each site were needed to address reputational risks.

* Production bases that the WRI Aqueduct tool ranks as having “extremely high” and “high” baseline water stress

Countries with high water risks (Aqueduct Water Risk Atlas)

- ① Bahrain ② Cyprus ③ Kuwait ④ Lebanon ⑤ Oman ⑥ Qatar ⑦ United Arab Emirates ⑧ Saudi Arabia ⑨ Israel ⑩ Egypt ⑪ Libya ⑫ Yemen ⑬ Botswana ⑭ Iran ⑮ Jordan ⑯ Chile ⑰ San Marino ⑱ Belgium ⑲ Greece ⑳ Tunisia ㉑ Namibia ㉒ South Africa ㉓ Iraq ㉔ India ㉕ Syria (in descending order of risk)

●: Countries where Yakult conducts sales ■: Countries where Yakult conducts production and sales

Assessment of water risk using WRI Aqueduct in areas with production bases

Risk	Current*1		Future (2080)*2	
	Bases in Japan	Bases outside Japan	Bases in Japan	Bases outside Japan
Extremely high (4–5)	0	8	0	7
High (3–4)	0	7	0	4
Medium to high (2–3)	4	6	6	4
Low to medium (1–2)	8	7	4	8
Low (0–1)	0	1	2	6
Total	12	29	12	29

*1 Baseline Water Stress (Total, overall water risk)
*2 Future Projection Water Stress (2080, pessimistic)

Water risk assessment in areas with supplier bases (WRI Aqueduct: Future Projections/2040/Pessimistic)

Risk	Supplier bases
Extremely high (4–5)	35
High (3–4)	77
Medium to high (2–3)	141
Low to medium (1–2)	69
Low (0–1)	35
Total	357

Note: Water risk assessment in areas with supplier bases conducted in fiscal 2020

Water risk survey cost

Fiscal year	2020	2021	2022	2023	2024
Cost (millions of yen)	0	0	6.4	17	12.37

Contents

- 02 About the Sustainability Report 2025
- 03 Editorial Policy
- 04 Overview of Yakult’s Operations
- 05 Yakult’s Business Operations
- 06 Top Commitment
- 09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

- 28 Environmental management
- 35 Climate change mitigation and adaptation
- 46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

- 54 Biodiversity conservation
- 57 Reducing waste and food loss

59 Social Activities Report

- 60 Provision of safe and secure products and transparent information disclosure
- 65 Value co-creation with communities
- 70 Establishment of a resilient and sustainable supply chain
- 78 Promotion of health initiatives rooted in local communities
- 80 Creation of health value that meets diverse health needs
- 84 Worker health, safety and well-being
- 91 Initiatives for Yakult Ladies
- 92 Development of innovative human resources capable of delivering new value
- 95 Embracing the diversity of our workforce
- 99 Human rights
- 106 Customer satisfaction

109 Governance Report

- 109 Corporate governance
- 116 Risk management
- 118 Compliance
- 121 Third-party opinion
- 122 External evaluation
- 123 ESG Data

Employee comment



Ryota Ito
Associate Manager
Climate Change Adaptation
Section
Sustainability Department

We conduct in-depth water risk assessments at dairy product production bases inside and outside Japan. By visiting each production base to perform an in-depth assessment, we can discover risks that do not appear in evaluations performed using simpler tools, understand the situation with respect to extreme risk evaluations, and contribute to appropriate water risk management at assessment targets. Furthermore, by not limiting ourselves to the production bases themselves but also surveying nearby regions, including areas around production bases deemed important for the conservation of water and biodiversity, we can advance water risk evaluations in entire river basins. By not just reducing water use but also surveying water risks, we will continue to promote initiatives regarding our involvement with water and other natural capital.

Formulating a water management plan

Since fiscal 2022, as an initiative aiming to reduce water consumption (at dairy product plants in Japan, per production unit) by 3% compared to fiscal 2018 levels, which is one of the objectives stated in Environmental Actions (2021–2024), we have been formulating water management plans that facilitate the sustainable use of water resources. In fiscal 2024, based on the water management plan formulated for our Fuji Susono Plant, we began formulating water management plans for other Yakult Honsha dairy product plants.

Drawing on the results of existing water risk assessments performed using the WRI Aqueduct data and other tools, and combining these with in-depth assessments of and consultation with the plant’s representatives, we ascertained the amount of water used by each process and established the necessary reduction plan to meet the objectives of Environmental Actions (2021–2024). We will continue to monitor each plant’s performance.

The Fuji Susono Plant performed a new assessment of water risk and biodiversity impacts in the surrounding area, including the plant itself, and is now exploring ideas for reviewing measures already underway and establishing new measures.

In fiscal 2025, as well as reviewing and implementing the water management plans formulated for Yakult Honsha dairy product plants, which includes exploration of measures to reduce water consumption, we will pursue the formulation of water management plans for bottling companies in Japan.

Effective use of water resources

We use water in various ways at Yakult Group plants, not only as a raw material in products but also to clean production equipment and cool products and machinery.

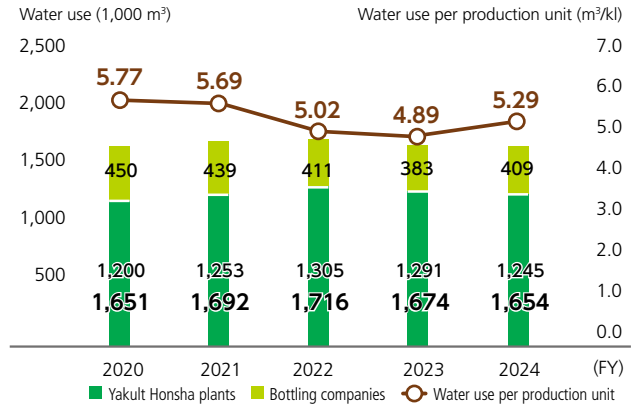
In fiscal 2024, Yakult Honsha plants and bottling companies used approximately 1.65 million m³ of water in total (Yakult Honsha plants: approx. 1.25 million m³, bottling companies: approx. 0.41 million m³). Reducing total water usage per production unit is one objective of Environmental Actions (2021–2024), and water conservation initiatives at plants have reduced total water usage per production unit by 9.4% compared to fiscal 2018.

The primary initiative at plants in fiscal 2024 was conserving water by reusing cold water from product storage tanks and improving equipment operation as part of ISO 14001 and other activities at each plant.

In addition, water use at the building occupied by the head office and affiliated companies was 4,467 m³.

To make more effective use of limited water resources, the Yakult Group will continue to pursue water conservation through ISO 14001-compliant operation and by introducing technologies such as those for water reuse and recycling.

Water use at Yakult Honsha plants and bottling companies (total and per production unit)



Note: Water use per production unit is calculated using data from bottling companies and five Yakult Honsha plants, excluding plants that produce cosmetics and pharmaceuticals.

Reusing water generated by the water purification process: Fukushima Plant

Products at the Fukushima Plant are manufactured using tap and purified water. Purified water is created by removing impurities from tap water using special-purpose equipment. A large amount of water with concentrated impurities is generated in the process, and this water used to be treated at the wastewater treatment facility within the plant and discharged to the sewers.

Although this concentrated impure water is not suitable for drinking or use in the production process, it meets quality standards for industrial water, so it is now reused for cooling products and machinery. This has dramatically reduced tap water consumption and water discharged to the sewers.

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

■ Reducing water use in automated equipment cleaning

Production equipment at plants, including pipes, tanks and sterilizers, is automatically cleaned with detergent after production ends. The process includes pre-rinsing prior to cleaning and post-rinsing to eliminate detergent residues after cleaning. While these steps are very important to maintain product quality, they account for a large proportion of the water used in production. Our initiatives to reduce the amount of water plants use for pre- and post-rinsing, with full verification and strict quality control, have enabled us to reduce annual water use by approximately 2,131 m³.

WEB Water data at production bases outside Japan (ESG Data)

https://www.yakult.co.jp/english/sustainability/download/

WEB Water data at production bases in Japan (ESG Data)

https://www.yakult.co.jp/english/sustainability/download/

Preventing water pollution and conserving biodiversity

At Yakult Honsha dairy product plants and bottling companies, wastewater such as cleaning water generated during production processes is properly treated at plant wastewater treatment facilities to ensure that it does not exceed the region’s wastewater standards before being discharged into sewers or rivers. Regarding wastewater standards, we confirm biochemical oxygen demand (BOD), pH and other items as representative indicators of suspended matter. In fiscal 2024, there were no major leaks. Knowing the impact our plants can have on the natural environment of surrounding waterways, at least once per year each plant runs educational training on dealing with emergencies—such as unforeseen situations in the wastewater treatment facility, or oil leaking from a transport vehicle on plant premises—to improve awareness among workers and strengthen our systems for preventing water pollution.

When a plant’s capabilities or produced items change, we not only explore possible production equipment, but also consider environmental impact and explore wastewater treatment capabilities. For example, we recently invested in equipment to bolster wastewater treatment capabilities at our Ibaraki Plant in response to an expansion in production capacity that increased the burden on the plant’s existing wastewater treatment equipment.

Additionally, along with general wastewater treatment knowledge, we compile knowledge and experience from staff at plants across the country into technical reference materials and use these for upskilling employees involved in wastewater treatment and transmitting and teaching wastewater management skills.

We also endeavor to conserve biodiversity in and around waterways. We use IBAT* to perform ecological risk assessments, and have confirmed that, for example, the Watarase Yusuichi retarding basin near our Ibaraki Plant is a registered Ramsar site.

* IBAT (Integrated Biodiversity Assessment Tool): A tool developed by the IBAT Alliance biodiversity project in partnership with the United Nations Environment Programme

Related information p. 55 Assessment of biodiversity risks for existing operations

Initiatives in each country and region

■ Installing production wastewater purification facilities: Yakult China Group

At our Wuxi Plant, we have installed production wastewater treatment facilities that meet China’s Class 1A wastewater standards. Class 1A wastewater is considered of sufficient quality for reuse as industrial water, and the wastewater at our Wuxi Plant is used both to water plants on the Wuxi Plant premises and by plants belonging to other companies after passing through the final water treatment location.

In fiscal 2024, 144,361 tons of wastewater was reused. We have also installed domestic waste-water purification facilities and ensure that wastewater meets the standards for external discharge before it is discharged.

■ Reducing water usage at plants: Guangzhou Yakult Co., Ltd.

At the three plants operated by Guangzhou Yakult Co., Ltd., we reviewed how frequently we performed acid cleaning when performing clean-in-place (CIP) cleaning at each of the three stages of dissolution, cultivation and blending. This let us reduce our water usage when rinsing after acid cleaning. In fiscal 2024, the total reduction in water usage for the three plants was 8,706 tons per year.

Key initiatives in effective use of water by country/region

Country/region	Initiatives
Taiwan	Installing a rainwater recycling system and reusing this water in toilets, plant watering, etc.
South Korea	Reusing wastewater from the automatic cleaning of production facilities to reduce water consumption.
Philippines	Collecting rainwater and reusing it for toilets and plant watering at El Salvador Plant.
Malaysia	Old culture tanks were repurposed to reuse processed wastewater to water the plants on the premises and for other purposes.
Vietnam	Switched to processed wastewater for watering the plants on the premises, saving around 400 tons during the dry season.
India	Using processed wastewater from the plant to water the plants on the premises. In 2024, a monthly average of 1,317 tons and a yearly total of 15,807 tons of water was reused.
Brazil	Treating processed wastewater at Lorena Plant with porous filters and reusing it as toilet water and to water plants at a third production facility. In 2025, a Water Committee was established and began a project to reduce the amount of water used.
Mexico	Using processed wastewater at Ixtapaluca Plant to water the plants on the premises. In 2024, a monthly average of 1,454 tons and a yearly total of 17,452 tons of water was reused.
United States of America	Installing a rainwater reuse system on the head office and plant grounds and reusing rainwater to water plants.

Contents

- 02 About the Sustainability Report 2025
- 03 Editorial Policy
- 04 Overview of Yakult’s Operations
- 05 Yakult’s Business Operations
- 06 Top Commitment
- 09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

- 28 Environmental management
- 35 Climate change mitigation and adaptation
- 46 Transition to sustainable plastic containers and packaging
- 51 Sustainable water source management

54 Biodiversity conservation

- 57 Reducing waste and food loss

59 Social Activities Report

- 60 Provision of safe and secure products and transparent information disclosure
- 65 Value co-creation with communities
- 70 Establishment of a resilient and sustainable supply chain
- 78 Promotion of health initiatives rooted in local communities
- 80 Creation of health value that meets diverse health needs
- 84 Worker health, safety and well-being
- 91 Initiatives for Yakult Ladies
- 92 Development of innovative human resources capable of delivering new value
- 95 Embracing the diversity of our workforce
- 99 Human rights
- 106 Customer satisfaction

109 Governance Report

- 109 Corporate governance
- 116 Risk management
- 118 Compliance
- 121 Third-party opinion
- 122 External evaluation
- 123 ESG Data

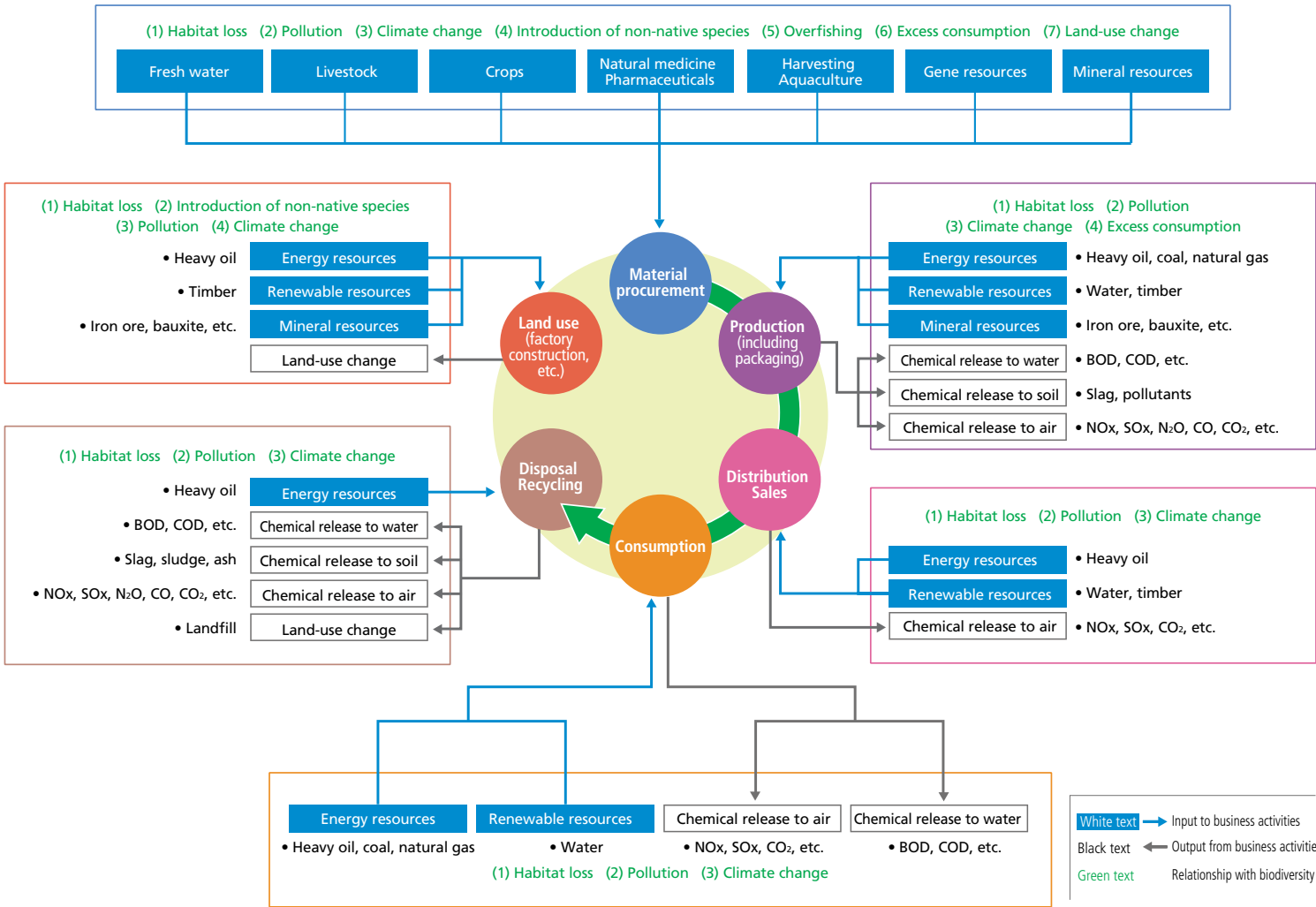
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Biodiversity conservation

Our business and biodiversity

Yakult Group clearly stipulates in one of the Action Directives in the Yakult Basic Policy on the Environment that “In all business activities, business units will give due consideration to the environment as well as biodiversity by promoting the reduction of environmental impacts.” We believe it is essential to give consideration to the global environment and biodiversity in our corporate activities that aim to benefit the health of our customers. We will strive to conserve biodiversity going forward by making good use of the technology we have built up in research and development over the years. At each step of our business activities, from material procurement to disposal and recycling, we review our dependency on natural capital and our impact on the environment, and then clarify the relationship between business activities and biodiversity as shown on the right:

Map of relationship between business activities and biodiversity



Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Assessment of biodiversity risks for existing operations

In order to better understand the impact our existing operations have on biodiversity conservation, we conduct assessments of how each plant affects the natural ecosystems in the river basins where they are located. We use IBAT to determine the presence of nature conservation areas

(World Natural Heritage sites, International Union for Conservation of Nature (IUCN) Category I, II, III, IV and V areas, Ramsar Convention wetlands) and habitats of IUCN-designated endangered species within 10 km of each plant.

Assessment of biodiversity around production bases

Plant	River basin	Fiscal 2024 total water withdrawal (m³)	Fiscal 2024 total water discharge (m³)	Assessment using IBAT (circumference: 50 km)		Notes on biodiversity (ecological risk)
				No. of freshwater fish species	No. of endangered freshwater species (IUCN-designated)	
Fukushima Plant	Entire Abukuma River basin including Surikami River	170,106	131,749	18	4	The Abukuma River , located within 10 km of the plant, has been designated a Key Biodiversity Area (KBA) by international NGOs, and the surrounding river basin may be inhabited by IUCN-designated endangered species of freshwater fish like the dwarf topmouth minnow and ninespine stickleback (freshwater type).
Hyogo Miki Plant	Kako River basin, Muko River basin, Yodo River basin, around Kobe City	264,245	224,895	24	6	There are no designated KBAs within 10 km of the plant, but the surrounding river basin may be inhabited by IUCN-designated endangered species of freshwater fish like the deepbody bitterling, Japanese white crucian carp and Japanese eel.
Ibaraki Plant	Tone River system	170,174	125,810	18	2	The Watarase Yusuichi retarding basin , located within 10 km of the plant, is a registered Ramsar site and has been designated a KBA by international NGOs. The surrounding river basin may be inhabited by IUCN-designated endangered species of freshwater fish like the Tokyo bitterling.
Fuji Susono Plant, Fuji Susono Pharmaceutical Plant	Kano River basin	446,281	223,264	23	5	Hakone and Mount Fuji , located within 10 km of the plant, have been designated KBAs by international NGOs, and the surrounding river basin may be inhabited by IUCN-designated endangered species of freshwater fish like the Tokyo bitterling, Japanese eel and small-scale sillago.
Saga Plant	Chikugo River system	178,068	134,545	24	4	There are no designated KBAs within 10 km of the plant, but the surrounding river basin may be inhabited by IUCN-designated endangered species of freshwater fish like the salangid fish and Japanese grenadier anchovy.
Yakult Iwate Plant	Kitakami River system	71,944	40,362	17	5	The Shin-Tsutsumi Reservoir , located within 10 km of the plant, has been designated a KBA by international NGOs, and the surrounding river basin may be inhabited by IUCN-designated endangered species of freshwater fish like the dwarf topmouth minnow and ninespine stickleback (freshwater type).
Yakult Chiba Plant	Tone River basin	67,425	24,823	20	3	There are no designated KBAs within 10 km of the plant, but the surrounding river basin may be inhabited by IUCN-designated endangered species of freshwater fish like the Tokyo bitterling.
Yakult Fuji Oyama Plant	Ayuzawa River, Sugawa River basins	62,924	50,676	22	2	Hakone , Mount Fuji and the Tanzawa-Oyama region, located within 10 km of the plant, have been designated KBAs by international NGOs, and the surrounding river basin may be inhabited by IUCN-designated endangered species of freshwater fish like the Japanese eel and genuine bitterling.
Yakult Aichi Plant	Kiso River, Yahagi River, Shonai River basins	58,076	27,601	26	5	The Aichi Highlands and Nobi Plain , located within 10 km of the plant, have been designated KBAs by international NGOs, and the surrounding river basin may be inhabited by IUCN-designated endangered species of freshwater fish like the striped bitterling and stumpy bullhead catfish.
Yakult Okayama Wake Plant	Yoshii River basin	102,850	55,717	22	2	Okayama Plain , located within 10 km of the plant, has been designated a KBA by international NGOs, and the surrounding river basin may be inhabited by IUCN-designated endangered species of freshwater fish like the Japanese eel and small-scale sillago.
Yakult Fukuoka Plant	Chikugo River basin	46,280	28,125	25	6	Within 10 km downstream of the plant, there is an IUCN Category IV area (wildlife sanctuary). Also, the Japanese grenadier anchovy, classified by IUCN as endangered (Ib by Japan’s Ministry of the Environment Red List), and the Ariake stripe spined loach, classified as vulnerable (Ib by the Ministry of the Environment Red List), may inhabit small bodies of water around the plant.
Shonan Cosmetics Plant	Sagami River and Hikiji River basins	16,574	16,396	23	2	There are no designated KBAs within 10 km of the plant, but the surrounding river basin may be inhabited by IUCN-designated endangered species of freshwater fish like the Chinese sturgeon, Japanese grenadier anchovy and Ariake stripe spined loach.

Note: Only KBAs located within 10 km of a plant are included.

Contents

02

About the Sustainability Report 2025

03

Editorial Policy

04

Overview of Yakult’s Operations

05

Yakult’s Business Operations

06

Top Commitment

09

Yakult’s Beginnings

11

Sustainability

27

Environmental Activities Report

28

Environmental management

35

Climate change mitigation and adaptation

46

Transition to sustainable plastic containers and packaging

51

Sustainable water source management

54

Biodiversity conservation

57

Reducing waste and food loss

59

Social Activities Report

60

Provision of safe and secure products and transparent information disclosure

65

Value co-creation with communities

70

Establishment of a resilient and sustainable supply chain

78

Promotion of health initiatives rooted in local communities

80

Creation of health value that meets diverse health needs

84

Worker health, safety and well-being

91

Initiatives for Yakult Ladies

92

Development of innovative human resources capable of delivering new value

95

Embracing the diversity of our workforce

99

Human rights

106

Customer satisfaction

109

Governance Report

109

Corporate governance

116

Risk management

118

Compliance

121

Third-party opinion

122

External evaluation

123

ESG Data

Conserving biodiversity through afforestation

■ Environmental Actions (2021–2024) Tree Planting: Japan

In 2024, as one of the Environmental Actions (2021–2024) initiatives conducted for our Sustainability Campaign, we planted trees at 15 locations throughout Japan on May 22, the International Day for Biological Diversity, and on other occasions.

■ Million Tree Project: Yakult China Group

In 2015, the Yakult China Group began participating in the Million Tree Project run by the NGO Shanghai Roots & Shoots. In 2024, the group donated 1,000 seedlings. Since 2015, a total of 19,000 trees have been planted at the Yakult public welfare forest (approximately 18 hectares). With an average conservation rate of approximately 70% (NGO data), this initiative has been steadily contributing to the afforestation of the area.

■ Working with Treedom: Yakult Europe B.V.

Yakult Europe B.V. had a three-year partnership with Treedom, an online platform that facilitates tree-planting around the world, to plant 10,000 trees by purchasing planted seedlings and donating them to all employees. In 2024, we expanded participation from internal Yakult colleagues to external stakeholders.

Tree-planting activities in various countries and regions

Country/region	Initiatives
Philippines	Employees planted seedlings as part of the company's environmental conservation activities
India	Planted three trees on plant grounds in accordance with State Pollution Control Board guidelines
China (Guangzhou)	Worked with a total of 86 regional residents and local government officials to promote tree-planting. 589 people participated online
Brazil	Planted trees on factory grounds and a total of 100 seedlings at employees’ homes
Mexico	Donated 150 lemon trees in 2024 in cooperation with tree-planting activities organized by the city of Ixtapaluca

Biodiversity conservation in partnership with stakeholders

Both in Japan and overseas, we partner with relevant authorities, local governments, NGOs, NPOs and other stakeholders to promote business activities and social contributions that further biodiversity conservation.

■ Joining UN and Ministry of the Environment initiatives

The Yakult Group has implemented the Yakult Sustainability Campaign for all workers since fiscal 1994. In fiscal 2017, we joined the My Action Declaration program of the Japan Committee for the

United Nations Decade on Biodiversity (UNDB-J), which aims to encourage biodiversity engagement in daily life, and 15,706 Yakult workers participated by selecting and declaring their commitment to any number of five actions to protect biodiversity. This initiative was highly rated and featured in the UNDB-J's collection of My Action Declaration initiatives.

WEBUNDB-J My Action Declaration Initiatives

https://undb.jp/wp/wp-content/uploads/2019/06/action_jirei.pdf (Japanese only)

■ Partnering with international NGO OISCA

Founded in 1961, OISCA International is an NGO with the highest UN consultative status. OISCA focuses on rural development, environmental conservation and the cultivation of future talent in the Asia-Pacific region.

Yakult has worked with OISCA around the world to make social contributions since 1979.

■ Supporting Children’s Forest Program

We support the OISCA Children’s Forest Program as an activity related to biodiversity conservation. Under this program, children plant and care for seedlings in their schools and neighborhoods, greening these areas while cultivating a love of nature. More broadly, environmental education and cooperation from local residents raises environmental awareness across the region alongside these afforestation efforts.

We consult with OISCA to determine specific regions to support, and our contributions have been used for activities in Indonesia and the Philippines.

Use of internationally certified paper in products (participating in biodiversity-related certification programs)

We have identified pulp and paper as among the raw materials in our supply chain associated with the risk of deforestation, so we have established a basic policy, along with initiatives and targets, to pursue sustainable procurement.

We use environmentally responsible FSC®*1 certified paper and PEFC®*2-certified papers, both of which programs are known as forest certification programs, in some of our paper containers for soft drinks.

We believe that the use of paper with forest certification contributes to climate action, biodiversity conservation, and appropriate forest and wood management across the supply chain. To these ends, we will switch to using FSC®- and PEFC-certified papers for our main paper containers and packaging.

*1 The FSC® (Forest Stewardship Council®) is an international NPO established with the goal of promoting responsible forest management more widely.

*2 The PEFC (Programme for the Endorsement of Forest Certification) is an international NGO that promotes the mutual recognition of forest certification programs established and operated in different countries based on standards set by the PEFC, and promotes sustainable forest management.



Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

■ Reducing waste and food loss

Reducing waste

■ Initiatives at Yakult Honsha plants and bottling companies

As required by the Waste Management and Public Cleansing Law, waste from Yakult Honsha plants and bottling companies is sent to certified specialist contractors for processing as appropriate and managed using a manifest system.

At the same time, through measures to curb waste generation and promote recycling, we are aiming to reach zero waste generation.*

Waste generated by Yakult Honsha plants and bottling companies in fiscal 2024 totaled approximately 2,412 tons (approx. 1,579 tons by Yakult Honsha plants and approx. 833 tons by bottling companies). As a result of diverse efforts made to reduce waste, we successfully reduced waste generation by 31.2% compared to that of fiscal 2010, an action target of Environmental Actions (2021–2024).

We also strive to further promote the reuse of packing materials and the introduction of returnable packing materials. In addition, we are changing our waste recycling programs from thermal recycling at waste disposal contractor facilities to material recycling. We will continue to make improvements in our recycling programs while reducing processing expenses.

* Yakult’s definition of zero waste generation: A state achieved when the amount of waste for final disposal (landfill) from plants (excluding specially controlled industrial waste) is less than 1% of waste generated

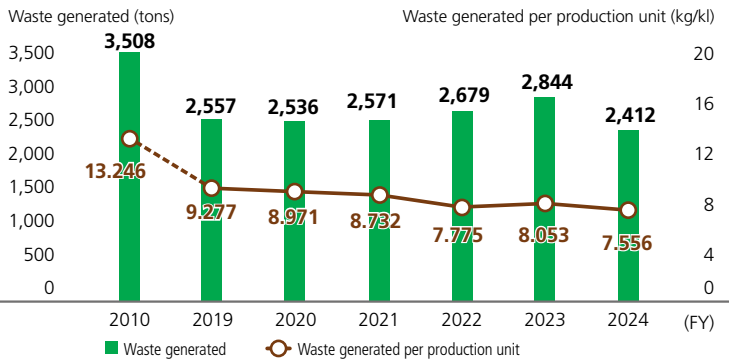


Eco station at Fukushima Plant

Waste generated at Yakult Honsha plants and bottling companies

Note 1: The amount of waste generated per production unit is calculated using data from bottling companies and five Yakult Honsha plants, excluding plants that produce cosmetics and pharmaceuticals.

Note 2: Includes specially controlled industrial waste (hazardous waste).



■ Initiatives at the building occupied by the head office

We have introduced wastepaper recycling boxes on each floor along with waste sorting bins, and are working to properly separate each kind of waste. In fiscal 2024, the recycling rate for waste generated at the head office was 75.9%.

To raise employees’ awareness of these efforts, we engage in awareness raising activities on an ongoing basis. These include posting our performance on waste disposal and recycling rates on our intranet.

■ Initiatives at the Yakult Central Institute

Waste generated at the Institute is separated and collected properly, and disposal is conducted by licensed waste disposal contractors. The fiscal 2024 recycling rate for waste generated at the Institute was 100%.

■ Initiatives at marketing companies

At four marketing companies in Japan, an initiative has begun in which transparent polyethylene packaging film and bags, previously discarded as industrial waste, are sorted and provided to recycling companies as resources (items of value).

Going forward, we will work to increase the number of marketing companies engaged in this initiative as we accumulate knowledge.

Related information p. 48 Polyethylene film/bag recycling at marketing companies

Initiatives to reduce food loss and waste

Yakult’s dairy products are made to order and produced through a lean production system. We strive to reduce our food loss and waste by limiting excess inventory and other measures.

Production volumes for soft drinks and noodle products are decided based on sales projections, allowing us to maintain appropriate inventory and avoid overstocking. As a further initiative to reduce food waste, since fiscal 2021 we have made donations to food banks through Food Bank All Japan.

Yakult Danone India Pvt. Ltd. ran training for employees to manage food waste in the plant cafeteria. It also graphs monthly food loss and waste data and shares it during internal meetings and on the cafeteria noticeboard as part of its efforts to reduce food loss.

Yakult Europe B.V., Yakult Deutschland GmbH and Yakult Oesterreich GmbH also donate *Yakult* that is nearing its best-by date to food banks.

Contents

- 02 About the Sustainability Report 2025
- 03 Editorial Policy
- 04 Overview of Yakult’s Operations
- 05 Yakult’s Business Operations
- 06 Top Commitment
- 09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

- 28 Environmental management
- 35 Climate change mitigation and adaptation
- 46 Transition to sustainable plastic containers and packaging
- 51 Sustainable water source management
- 54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

- 60 Provision of safe and secure products and transparent information disclosure
- 65 Value co-creation with communities
- 70 Establishment of a resilient and sustainable supply chain
- 78 Promotion of health initiatives rooted in local communities
- 80 Creation of health value that meets diverse health needs
- 84 Worker health, safety and well-being
- 91 Initiatives for Yakult Ladies
- 92 Development of innovative human resources capable of delivering new value
- 95 Embracing the diversity of our workforce
- 99 Human rights
- 106 Customer satisfaction

109 Governance Report

- 109 Corporate governance
- 116 Risk management
- 118 Compliance
- 121 Third-party opinion
- 122 External evaluation
- 123 ESG Data

Waste generated and recycling rates at Yakult Honsha plants and bottling companies

	Waste amount (t)	Recycled amount (t)	Disposal amount (t)	Recycling rate (%)
Industrial waste	2,412	2,373	38.6	98.4%
Specially controlled industrial waste (hazardous waste)	0.03	0.03	0	100%
Total	2,412	2,373	38.6	98.4%

Note 1: For figures by waste type, figures for the Yakult Central Institute and information about waste disposal, see ESG Data (<https://www.yakult.co.jp/english/csr/download/>).

Note 2: Data is collected for industrial waste and high-emission general waste (paper, miscellaneous garbage, etc.).

Contents

- 02 About the Sustainability Report 2025
- 03 Editorial Policy
- 04 Overview of Yakult’s Operations
- 05 Yakult’s Business Operations
- 06 Top Commitment
- 09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

- 28 Environmental management
- 35 Climate change mitigation and adaptation
- 46 Transition to sustainable plastic containers and packaging
- 51 Sustainable water source management
- 54 Biodiversity conservation
- 57 Reducing waste and food loss

59 Social Activities Report

- 60 Provision of safe and secure products and transparent information disclosure
- 65 Value co-creation with communities
- 70 Establishment of a resilient and sustainable supply chain
- 78 Promotion of health initiatives rooted in local communities
- 80 Creation of health value that meets diverse health needs
- 84 Worker health, safety and well-being
 - 91 Initiatives for Yakult Ladies
- 92 Development of innovative human resources capable of delivering new value
- 95 Embracing the diversity of our workforce
- 99 Human rights
- 106 Customer satisfaction

109 Governance Report

- 109 Corporate governance
- 116 Risk management
- 118 Compliance
- 121 Third-party opinion
- 122 External evaluation
- 123 ESG Data

Social Activities Report

At the Yakult Group, our mission is to contribute to the health and happiness of people around the world. We are actively working on communicating with all our stakeholders, including customers, local communities, business partners and workers, to raise social sustainability through health.

Contents		
60	Materiality	Provision of safe and secure products and transparent information disclosure
65	Materiality	Value co-creation with communities
70	Materiality	Establishment of a resilient and sustainable supply chain
78	Materiality	Promotion of health initiatives rooted in local communities
80	Materiality	Creation of health value that meets diverse health needs
84	Materiality	Worker health, safety and well-being
91		Initiatives for Yakult Ladies
92	Materiality	Development of innovative human resources capable of delivering new value
95	Materiality	Embracing the diversity of our workforce
99		Human rights
106		Customer satisfaction



Fiscal 2024 legal compliance

There were no business activities resulting in a negative impact on local environments or lives, or violations of laws or internal regulations, in fiscal 2024. Nor were there any major violations of laws or internal regulations in relation to human rights or labor, product incidents leading to voluntary recalls, or major violations of laws relating to quality or safety.

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Materiality

Provision of safe and secure products and transparent information disclosure

Basic policy on product quality

In order to embody our corporate philosophy, the whole Yakult Group is working to ensure quality assurance based on the Yakult Group Basic Quality Policy, which specifies the fundamental policies and promotion system related to quality and safety.

Yakult Group Basic Quality Policy

The Yakult Group contributes to the health and happiness of people around the world by offering safe and secure products and services with sincerity.

The Yakult Group Basic Quality Policy covers the following.

- 1. Scope
- 2. Compliance with laws, regulations and international norms
- 3. Promotion structure
- 4. Dialogue with stakeholders

Established: March 30, 2021

Please refer to the following URL for the full text of the Yakult Group Basic Quality Policy:

https://www.yakult.co.jp/english/csr/social/product_safety/

Product quality certifications

We are promoting acquisition of HACCP, ISO 9001, FSSC 22000, Safe Quality Food (SQF) and other certifications for Yakult Honsha plants, bottling companies, marketing companies and Group companies outside Japan. The Zhongli Plant of Yakult Taiwan Co., Ltd. has acquired SQF level-3 certification, the highest level of the SQF program.

The Foshan Plant of Guangzhou Yakult Co., Ltd. acquired HACCP certification in February 2021 and ISO 9001 certification in March 2021.

Certifications acquired for product quality	(Number of certified locations: as of March 2025)							
	HACCP	ISO 9001	ISO 22000	FSSC 22000	GMP	Halal	ISO 45001	SQF
Yakult Honsha plants, bottling companies in Japan (11 dairy product plants)			11*1					
Marketing companies in Japan (101 in total)			1					
Plants outside Japan (28 plants in total)	17	9	8	3	8	9	2*2	2

*1 In Japan, food hygiene control based on HACCP principles was instituted through the Act on the Partial Amendment of the Food Sanitation Act in 2018. In line with this, we acquired ISO 22000 certification at Yakult Honsha dairy product plants, all 11 plants of bottling companies, and the Production Division, including the Production Control Department.

*2 Acquisition rate at plants both in and outside Japan: 5.1%

- HACCP: A system for assuring safety by implementing thorough hygiene management across the entire manufacturing process
- ISO 9001: An international standard for quality management systems
- ISO 22000: An international standard for food safety management systems based on HACCP hygiene management methods
- FSSC 22000: An international standard for food safety management systems based on ISO 22000 that incorporates food defense and other matters
- GMPs (Good Manufacturing Practices): An international standard for pharmaceuticals and food manufacturing management and quality control

Note: In Taiwan, the plant obtained TQF (Taiwan Quality Food) certification, which is equivalent to GMP

- Halal: A standard for food quality management systems based on Islamic Law
- ISO 45001: An international standard for occupational health and safety management systems
- SQF: An international standard for management systems that ensure the safety and quality of food products

[WEB](#) [Details about certification acquired by each company](#)

https://www.yakult.co.jp/english/csr/social/product_safety/certification/index.html

Promoting quality management

Quality management systems

When selecting our main raw materials for ingredients and packaging, including powdered skim milk, paper and plastic, at the product design stage, we investigate and analyze the types of raw materials, additives, and processing aids used during the manufacturing process of the raw materials, and decide to utilize them only if they conform to the Food Sanitation Act and related laws, and after rigorously confirming their safety. Investigation results are consolidated in our raw material database.

We have set strict quality standards for raw materials, and at all of our plants both in and outside Japan, we confirm in advance the inspection reports of raw material suppliers and undertake inspections when raw materials are received to ensure that only materials that are in compliance with relevant standards are used.

We also place importance on communication with suppliers, and conduct investigations of the country of origin of the raw materials, manufacturing plants and processes to confirm hygiene conditions, inspection systems and quality control systems, and request improvements when necessary.

Production

We have established provisions for the special manufacturing technology, cleaning, disinfection, and other conditions required for the cultivation of lactic acid bacteria according to our internal manufacturing management standards, which are based on scientific evidence of the positive effects of lactic acid bacteria on health.

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

With the amendment of the Food Sanitation Act and the legislation of food hygiene control based on HACCP principles, we reviewed our internal quality control system that integrated conventional ISO 9001-certified quality management systems with HACCP systems and food defense programs, and now maintain a high standard of quality management through a proprietary system that integrates ISO 22000 with customer satisfaction and quality assurance principles. As each employee’s awareness, knowledge and technical skills with regard to product quality are essential in achieving this, we have defined the abilities required in production and quality control at Yakult Honsha dairy product plants and bottling companies, and carry out education, training and assessment in a systematic manner, and routinely review this system. In Japan we have also developed and installed a variety of inspection equipment that has made a 100% inspection level possible with continuous quality monitoring.

Regarding food safety related to radioactive substances in Japan, we operate one of the country’s most rigorous product safety checks through the inspection of radioactive substances for all types of products, along with continuous monitoring using a monitoring post at the Fukushima Plant.

Outside Japan, we conduct strict quality control based on our own internal standards while complying with local laws and regulations, and adapting to the culture of each country and region. Some of our sites outside Japan have obtained Halal certification.

Furthermore, we have developed systems that allow us to, if product-related incidents occur, establish a product recall task force to handle the incident based on our Risk Management Rules and carry out a prompt product recall.

Logistics

Yakult Logistics Co., Ltd. makes logistics quality the foundation of its mission to deliver fresh products at their peak of quality.

The company runs annual study sessions on logistics quality for contractors. In fiscal 2024, staff members visited partner companies to hold study sessions. Twenty-four sessions were held, with 222 participants from 10 companies. Web-based study sessions were attended by an additional 150 participants from 82 companies. Staff at those companies received a direct explanation of how to load and handle Yakult products according to their special characteristics, and gained a deeper understanding of product handling.

Marketing

We have also established quality control systems at marketing companies and, in order to comply with the Food Sanitation Act incorporating HACCP principles into hygiene management, work is performed and recorded following a hygiene management plan that focuses on product temperature and date control, as well as equipment and material hygiene control. Marketing companies perform their own internal audits to confirm that these measures are being conducted appropriately. Furthermore, teams composed mainly of employees with quality management experience at production plants perform food quality audits and conduct quality control education and training at marketing companies.

Initiatives in cosmetic and pharmaceutical production

To manufacture safe products that consistently meet quality standards at our microbiome plant,

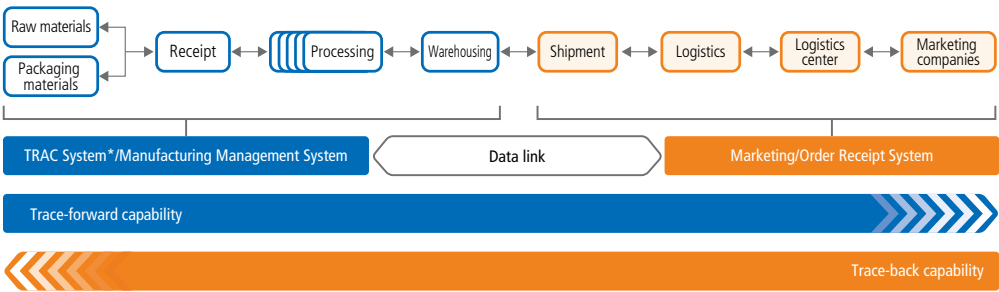
we have established a framework for complying with hygiene management incorporating pharmaceutical Good Manufacturing Practices and the HACCP approach outlined in the Food Sanitation Act, and apply this framework to the manufacture of quasi-drug materials, pharmaceutical products, and food materials.

For cosmetics, we utilize a Quality Control Work Procedure Manual and Post-manufacturing and Sales Safety Control Work Procedure Manual for quality control. We also perform regular audits to ensure that the cosmetic GMP (technology guidelines for cosmetics manufacturing and quality control) is being followed to always make products with a uniformly high quality at both our plant and contractor plants, and give guidance to improve them if necessary. Our plant and some of our contractor plants have also acquired ISO 22716 certification, an international standard for cosmetic GMP standards.

For fragrances used in cosmetics, we not only ensure that all our fragrance formulations are fully compliant with the local regulations of the regions where they are marketed, but also that the latest safety data is collected. We also create perfumes using fragrance ingredients that are in line with the safety standards set forth by the International Fragrance Association (IFRA).

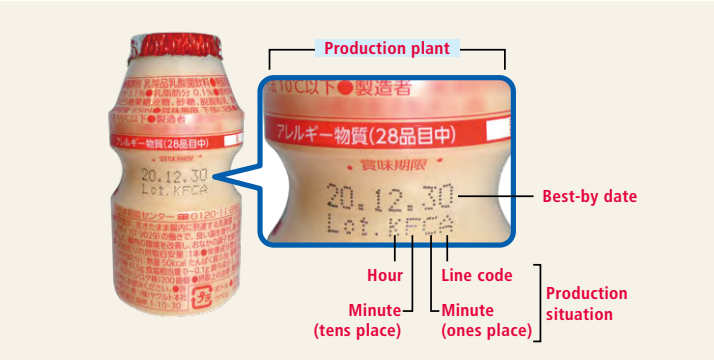
Traceability system

At the Yakult Group’s dairy product plants in Japan, an original TRAC traceability system* enables tracing according to production lot from the arrival of raw ingredients to the shipment of products, so products can be traced both back and forward through the manufacturing process.



* The TRAC system refers to a system that enables a search of manufacturing history and is connected with other mission-critical systems

Product print example:
New Yakult



Contents

- 02 About the Sustainability Report 2025
- 03 Editorial Policy
- 04 Overview of Yakult’s Operations
- 05 Yakult’s Business Operations
- 06 Top Commitment
- 09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

- 28 Environmental management
- 35 Climate change mitigation and adaptation
- 46 Transition to sustainable plastic containers and packaging
- 51 Sustainable water source management
- 54 Biodiversity conservation
- 57 Reducing waste and food loss

59 Social Activities Report

- 60 Provision of safe and secure products and transparent information disclosure
- 65 Value co-creation with communities
- 70 Establishment of a resilient and sustainable supply chain
- 78 Promotion of health initiatives rooted in local communities
- 80 Creation of health value that meets diverse health needs
- 84 Worker health, safety and well-being
- 91 Initiatives for Yakult Ladies
- 92 Development of innovative human resources capable of delivering new value
- 95 Embracing the diversity of our workforce
- 99 Human rights
- 106 Customer satisfaction
- 109 Governance Report
- 109 Corporate governance
- 116 Risk management
- 118 Compliance
- 121 Third-party opinion
- 122 External evaluation
- 123 ESG Data

■ Independent food safety audits: Yakult China Group

In order to provide consumers with safe, secure and delicious products, independent food safety audits are carried out twice a year at each plant of the Yakult China Group (Shanghai Plant,* Tianjin Plant and Wuxi Plant) based on the Food Safety Law.

* Closed on December 6, 2024



An independent food safety audit (China)

■ Remote monitoring of product temperatures: Yakult Philippines, Inc.

In October 2022, Yakult Philippines, Inc. installed temperature-monitoring devices in the refrigerators of the head office, four sales branches and each Metro Manila center, as well as in the main refrigerators of 30 local distributors. This initiative has enabled remote monitoring to ensure that products are being stored at appropriate temperatures. In November 2024, the company introduced a new vehicle management system, including temperature-monitoring sensors, in 77 retail sales vehicles operating in Metro Manila.

Active disclosure of product information

■ Universal design fonts for product labeling

Yakult’s product packaging for food and beverages uses universal design fonts that are easy for anyone to read, regardless of age or ability.

■ Easy-to-understand allergen information

We display the allergens contained in our food and beverage products on the ingredients list as stipulated by law. To make it easier for customers to get the information they need, we also separately provide the names of allergens included or not included for 28 types of allergens: 8 specified ingredients that are mandatory for labeling and 20 others that are recommended for labeling. Our website also lists the allergens (out of 28 different allergens) contained in our food and beverage products.

WEB Product Information ▶ Food Ingredients and Allergens

<https://www.yakult.co.jp/products/component.html> (Japanese only)

An example list of allergens



アレルギー物質(28品目中) 乳・大豆

Advancing initiatives for ethical and responsible advertising and marketing

■ Establishing an advertising policy

To put into practice our company philosophy of contributing to the health and happiness of people around the world, we established an advertising policy emphasizing response to the changing media environment, highly appealing advertising expressions and communication activities in compliance with laws and regulations.

Yakult Group Advertising Policy

The Yakult Group operates its business globally under the corporate philosophy of “We contribute to the health and happiness of people around the world through pursuit of excellence in life science in general and our research and experience in microorganisms in particular.”

To realize this philosophy, the Group shall increase the engagement of its corporate and product brands with consumers through highly appealing communication policies developed for the changing media environment.

- 1. Response to the changing media environment
- 2. Improvement of brand recognition and favorability through highly appealing advertising expressions
- 3. Promotion of communication activities which comply with laws and regulations and also consider the SDGs

Established: March 30, 2021

In addition, the Yakult Group Advertising Policy includes a section entitled “For Responsible Advertising Activities,” which lists examples of international standards that must be observed and provides details on ensuring compliance.

Please refer to the following URL for the full text of the Yakult Group Advertising Policy:

WEB https://www.yakult.co.jp/english/csr/download/pdf/2022_advertising_policy.pdf

■ Considerations in the production of advertisements

We have put in place internal rules to ensure appropriate and effective advertising and promotional activities. When producing advertisements, we follow the Yakult Ethical Principles and Code of Conduct and comply with relevant laws and regulations such as the Act against Unjustifiable Premiums and Misleading Representations, Health Promotion Act, Food Labeling Act, and the Act on Securing Quality, Efficacy and Safety of Products including Pharmaceuticals and Medical Devices to prevent the use of advertisements that mislead or confuse our customers. In addition, all our advertising and promotions undergo external review by various media outlets. We also hold regular workshops for internal staff responsible for advertising to share the latest information and raise awareness to enable the implementation of responsible advertising and promotional activities.

Contents

- 02 About the Sustainability Report 2025
- 03 Editorial Policy
- 04 Overview of Yakult’s Operations
- 05 Yakult’s Business Operations
- 06 Top Commitment
- 09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

- 28 Environmental management
- 35 Climate change mitigation and adaptation
- 46 Transition to sustainable plastic containers and packaging
- 51 Sustainable water source management
- 54 Biodiversity conservation
- 57 Reducing waste and food loss

59 Social Activities Report

- 60 Provision of safe and secure products and transparent information disclosure
- 65 Value co-creation with communities
- 70 Establishment of a resilient and sustainable supply chain
- 78 Promotion of health initiatives rooted in local communities
- 80 Creation of health value that meets diverse health needs
- 84 Worker health, safety and well-being
- 91 Initiatives for Yakult Ladies
- 92 Development of innovative human resources capable of delivering new value
- 95 Embracing the diversity of our workforce
- 99 Human rights
- 106 Customer satisfaction

109 Governance Report

- 109 Corporate governance
- 116 Risk management
- 118 Compliance
- 121 Third-party opinion
- 122 External evaluation
- 123 ESG Data

■ Guidelines and internal review for ethical and responsible advertising and marketing

Yakult recognizes that businesses are expected to conduct fair and responsible corporate activities, which also extends to marketing. To carry out ethical and responsible marketing, we have established internal guidelines titled “Points to Note When Creating PR, Advertising or Sales Support Material,” and carry out training for those responsible for creating such material, ensuring that the guidelines are known and followed. These guidelines incorporate relevant laws and regulations, social changes and international human rights regulations, highlighting issues to be aware of and points where mistakes are easily made while creating such materials. They are revised at least once a year.

Additionally, to ensure ethical and responsible marketing, we subject the content of all our media communications, such as via TV, radio, newspapers, magazines, the website, social media sites, transit advertising, leaflets and point-of-purchase advertising, to preliminary screening and internal review by our Public Relations Department.

Similar to when we create advertising, the review confirms whether the contents comply with related laws and industry-led standards;* the information we are promoting is factually accurate and scientifically based in accordance with the Yakult Ethical Principles and Code of Conduct and the Yakult Group Advertising Policy; the expressions we use are free from defamation and discrimination; the contents do not take advantage of minors who lack knowledge or choices; and the contents do not mislead or confuse customers, among other points.

In fiscal 2024, we carried out 1,145 screenings and reviews, constantly making sure to prevent issues from arising.

* Industry-led standards
Code of fair competition for food for specified health uses
<http://www.jhnfa.org/tokuho-kyougikai/kiyaku-1.pdf> (Japanese only)
Code of fair advertising practices: Foods with Function Claims
[https://jaohfa.com/wp/wp-content/uploads/news/\[機能性表示食品\]適正広告自主基準第3版の公表案内一式_250630.pdf](https://jaohfa.com/wp/wp-content/uploads/news/[機能性表示食品]適正広告自主基準第3版の公表案内一式_250630.pdf) (Japanese only)
Code of fair competition for the labeling of fermented milk and lactic acid beverages
<https://www.nyusankin.or.jp/know/display2/> (Japanese only)

Protecting customers’ personal information

■ Basic Policy for Protection and Management of Personal Information/Personal Information Protection and Use Manual

We established a Basic Policy for Protection and Management of Personal Information following the full enforcement of the Act on the Protection of Personal Information in April 2005. We revised the basic policy when the Act was amended in April 2022, stipulating the items that employees must observe to protect personal information.

We are further promoting efforts to protect personal information by revising our Privacy Policy to include items in response to the legal amendments (such as the publication of additional safety control and other measures and the electronic disclosure of retained personal data), as well as specific provisions on the purpose of use to enable more rigorous management of such information.

Yakult Group’s Privacy Policy

The Yakult Group observes relevant laws and regulations, guidelines and other standards and appropriately handles information of customers whereby a specific individual can be identified, such as name, date of birth, address, telephone number, email address and information like driver’s license number containing an individual identification code (hereinafter referred to as “personal information”).

The Yakult Group’s Privacy Policy covers the following items:

- 1. Basic policy and definitions
- 2. Name, address, corporate representative name of the business operator
- 3. Personal information collection method
- 4. Purpose of use
- 5. Joint use
- 6. Outsourcing of personal information processing
- 7. Providing personal information to third parties
- 8. Pseudonymized personal information
- 9. Request for disclosure, correction, addition, utilization cease or deletion
- 10. Outline of the security control action of personal information
- 11. Inquiries

Revised April 2022

Please refer to the following URL for the full text the Yakult Group’s Privacy Policy:

WEB <https://www.yakult.co.jp/english/privacypolicy/>

■ Personal information training for Yakult Ladies

Yakult Ladies often have the opportunity to handle customer personal information in their line of work, and we enforce rules for the handling of this information through training and handbooks. We remind them that utmost care must be taken never to leak or lose any information received while on duty.

■ GDPR compliance

As of the end of 2024, Yakult Europe B.V. has discontinued its centralized customer relationship management (CRM) system and transitioned to a decentralized model in which each national marketing company manages its own CRM independently, beginning in 2025. To ensure compliance with the EU’s General Data Protection Regulation (GDPR),* Yakult Europe B.V. has developed internal guidelines and is conducting training sessions for marketing companies in 2025. This initiative aims not only to meet legal requirements but also to strengthen trust-based relationships with customers.

At the consumer information center of Yakult UK Ltd., personal data is not retained; only the content of inquiries and complaints is entered into the database, in full compliance with the GDPR guidelines established by Yakult Europe B.V.

* GDPR: A regulation in EU law governing the protection of personal data in the EU

Contents

02	About the Sustainability Report 2025
03	Editorial Policy
04	Overview of Yakult’s Operations
05	Yakult’s Business Operations
06	Top Commitment
09	Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28	Environmental management
35	Climate change mitigation and adaptation
46	Transition to sustainable plastic containers and packaging
51	Sustainable water source management
54	Biodiversity conservation
57	Reducing waste and food loss

59 Social Activities Report

60	Provision of safe and secure products and transparent information disclosure
65	Value co-creation with communities
70	Establishment of a resilient and sustainable supply chain
78	Promotion of health initiatives rooted in local communities
80	Creation of health value that meets diverse health needs
84	Worker health, safety and well-being
91	Initiatives for Yakult Ladies
92	Development of innovative human resources capable of delivering new value
95	Embracing the diversity of our workforce
99	Human rights
106	Customer satisfaction

109 Governance Report

109	Corporate governance
116	Risk management
118	Compliance
121	Third-party opinion
122	External evaluation
123	ESG Data

Worker training

■ Training for Yakult Ladies

Aiming to standardize the service quality our customers receive, we provide training for Yakult Ladies on topics such as product temperature control, personal appearance and basic manners.

To facilitate continuous training and information-sharing, we publish a magazine for Yakult Ladies four times per year alongside other forms of communication. “Mind your manners” campaigns were held three times during fiscal 2024. Participants went over key points in manners—including greetings, word choice and personal grooming—and ways to build trust with customers and colleagues. In addition, we used the Safety and Security Clinic, a website where Yakult Ladies can independently acquire information on safety and security and conduct home delivery self-checks, to raise awareness of these issues.

We provide center managers with manuals to help them conduct cosmetics training. Newly recruited Yakult Ladies are given a subsidy to buy basic skin-care products so that they have a firsthand understanding of the products.



A study session on delivery quality (Kanazawa South Service Center, Yakult Hokuriku Co., Ltd.)

■ Training for route sales representatives

To ensure safe and secure product delivery operations, we conduct training on driving and accident prevention during deliveries as well as product temperature control and best-by dates.

We also conduct training for route sales representatives to improve their product knowledge and communication skills so that our customers are given accurate information about our products.

In addition, we provide a suite of personal study tools to be used as required, including an e-learning platform covering subjects such as business manners and maintenance of vending machines, and manuals and DVDs on maintaining the freshness of our products and other topics.



Training session for route sales representatives (Yakult Mito Co., Ltd.)

Contents

- 02 About the Sustainability Report 2025
- 03 Editorial Policy
- 04 Overview of Yakult’s Operations
- 05 Yakult’s Business Operations
- 06 Top Commitment
- 09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

- 28 Environmental management
- 35 Climate change mitigation and adaptation
- 46 Transition to sustainable plastic containers and packaging
- 51 Sustainable water source management
- 54 Biodiversity conservation
- 57 Reducing waste and food loss

59 Social Activities Report

- 60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

- 70 Establishment of a resilient and sustainable supply chain
- 78 Promotion of health initiatives rooted in local communities
- 80 Creation of health value that meets diverse health needs
- 84 Worker health, safety and well-being
 - 91 Initiatives for Yakult Ladies
- 92 Development of innovative human resources capable of delivering new value
- 95 Embracing the diversity of our workforce
- 99 Human rights
- 106 Customer satisfaction

109 Governance Report

- 109 Corporate governance
- 116 Risk management
- 118 Compliance
- 121 Third-party opinion
- 122 External evaluation
- 123 ESG Data

Materiality

Value co-creation with communities

The Yakult Group’s Policy on Community Development Activities

As a member of the local community, we respect regional cultures and customs and promote corporate activities in cooperation with local communities. We believe that contributing to society as a good corporate citizen is the responsibility of the Company, and each employee proactively conducts social contribution activities. These activities lead to the resolution of social issues such as building safe and secure communities and establishing healthy living habits.

In March 2018 we established Yakult Group’s Policy on Community Development Activities, and are using it as a foundation to further our activities moving forward.

The Yakult Group’s Policy on Community Development Activities

As a good corporate citizen, the Yakult Group actively promotes community development activities in cooperation with local communities.

- 1. Our activities are based on our mission of contributing to the health and happiness of people.
- 2. We utilize the Group’s strength of being firmly rooted in local communities to engage in resolving social issues, and promoting sports and culture.
- 3. We value our dialogue with stakeholders, and cooperate and coordinate with them.

Established: March 20, 2018

Community investment

In accordance with our Policy on Community Development Activities, we proactively engage in activities that contribute to community development. In fiscal 2024, we invested approximately 200 million yen in activities run in partnership with local communities.

Community investment (social contribution activities)

Fiscal year	2020	2021	2022	2023	2024
Amount invested (million yen)	450	188	195	200	206

Contributing to the health of local communities

We at Yakult seek to contribute to the health and happiness of people around the world by not only delivering products that contribute to intestinal health—along with other offerings—but also by explaining their features in detail so that customers can understand and benefit from them.

Yakult Ladies contribute to the health of our customers by providing health-related information along with our products. For customers that we cannot reach directly, simple explanations are given on the importance of preventive medicine and a healthy intestinal tract in collaboration with the local community and other companies.

■ Providing information on health

We not only provide information on health through Yakult Ladies but also hold forums on health-related topics led by experts. We also publish the *Healthist* magazine, dealing with health and science themes, and use various other types of materials to proactively deepen health awareness of people in local communities.

Related information p. 108 *Healthist* magazine

■ Dispatching lecturers

Our marketing companies in each region of Japan dispatch employees as lecturers to elementary schools and other locations, where they use scale models and other instructional tools to provide easy-to-understand information about the important role of the intestines and the importance of healthy eating habits conducive to good bowel functions. This program has been well received and cited as a positive case study in the *Journal of Japanese Society of Shokuiku*. In 2015 our program received an Honorable Mention from the Judging Committee of the Awards for Companies Promoting Experience-based Learning Activities for Youth, sponsored by Japan’s Ministry of Education, Culture, Sports, Science and Technology (MEXT).

These lectures are also conducted in many countries and regions outside Japan. In fiscal 2024, we conducted 4,853 such lectures in Japan for 280,868 participants, while outside of Japan there were a total of 67,830 lectures given to 4,523,617 participants.

An online version of the lecturer dispatch program on keeping our intestines healthy was developed in fiscal 2022. Conditions are now in place to meet the needs for online lectures.

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Health-related lectures

Health-related lectures are given mainly by marketing company employees in each region at Yakult centers (Yakult Ladies sales hubs), community facilities and other venues and address a broad range of topics, including the importance of the intestines, probiotics and seasonal ailments. Recently, the scope of these activities has extended to our business partners (such as chain stores and school lunch contractors), and nutrition consultations are now being offered in addition to health-related lectures.

In fiscal 2024, there were 18,991 health-related lectures conducted in Japan for 356,199 participants. In some countries and regions outside Japan, lectures were held both on- and offline, with 249,624 lectures held for about 13.2 million participants.

Note: Some marketing companies in Japan are conducting lectures online. Outside of Japan, online lectures are being offered by marketing companies in the Philippines, Singapore, Indonesia, Australia, India, Guangzhou, China, Brazil, Mexico, the UK, Germany and the Netherlands.



A health-related lecture (Philippines)

Beauty workshops

Beauty is closely connected to health, and Yakult also produces cosmetics in addition to our beverages, food, and pharmaceutical products that contribute to health.

We thus run regular beauty workshops where customers, local community residents, and companies can receive beauty-related information and have skin consultations with marketing company employees and Yakult Beauty Advisors.



A beauty workshop

Raising awareness of early detection and treatment of breast cancer

In Japan, Yakult supports the Pink Ribbon campaign as an official supporter of J.POSH, an NPO raising awareness of early detection and treatment of breast cancer.

In October 2024, Yakult Danone India Pvt. Ltd. launched a breast cancer awareness campaign targeting approximately 50,000 home delivery customers. To communicate the importance of early detection and treatment, the company created and distributed educational cards, while all Yakult Ladies and home delivery employees wore Pink Ribbon badges to demonstrate solidarity and shared commitment to the cause.

Yakult Middle East FZCO also contributed to Breast Cancer Awareness Month by distributing 10,000 campaign flyers via the e-commerce platform Noon in the United Arab Emirates. In addition, based on product



A Breast Cancer Awareness Month campaign flyer (Middle East)

sales during the campaign period, an equivalent of approximately 200,000 yen was donated to the Al Jalila Foundation, a local healthcare nonprofit.

Providing health information to diabetes patients: Yakult Philippines, Inc.

Yakult Philippines, Inc. provides yearlong support for the activities of the Diabetes Club of Parañaque (DCOP), based just outside the city of Manila, aimed at raising awareness about diabetes and helping patients manage their disease. The company provides samples and holds lectures on nutrition and health.

Gut health project: Yakult S.A. de C.V. (Mexico)

Since 2014, Yakult S.A. de C.V. (Mexico) has been conducting an ongoing project in which Yakult Ladies explain the functions of the digestive system, intestinal tract and intestinal bacteria to customers. The project was launched to raise awareness of digestive functions—an area often overlooked in the school curriculum. Yakult Ladies continue to distribute flyers each week covering such topics as the functions of the digestive system and intestines, the benefits of *L. paracasei* strain Shirota, and immune functions. Through these materials, they provide explanations that promote understanding of intestinal functions and the benefits of probiotic bacteria.

Supporting the building of safe and secure communities

Courtesy Visit Activities

Since 1972, Yakult Ladies have been visiting older adults living alone as they make their deliveries to confirm that they are safe and to build deeper relationships. This activity began when a Yakult Lady in Koriyama, Fukushima, Japan, took it upon herself to provide Yakult products to older adults living alone, at her own expense, after hearing the sad news that one such person had died unnoticed. Her consideration resonated with both the local Yakult marketing company and social workers in the region, and further moved many local governments to take action. As a result, these visits by Yakult Ladies, known as Courtesy Visit Activities, have spread throughout Japan.

The activities were pursued in fiscal 2024 as well, and as of March 2025, about 1,900 Yakult Ladies are paying regular visits to about 27,000 older adults in response to requests from 101 local governments in Japan.

Outside Japan, Korea Yakult (hy Co., Ltd.) continuously undertakes activities to verify the safety of about 30,000 older adults living alone.

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

■ Community safety watch and crime prevention activities

Being well positioned to observe every corner of their sales areas during their daily deliveries, Yakult Ladies contribute to communities’ safety and peace of mind by participating in crime watch and other activities undertaken in cooperation with 1,092 local governments and police units around Japan. As a result of these activities, there have been cases where Yakult Ladies have felt something was not normal at a customer’s residence and reported it to the police, who have found and rescued the person. As of March 2025, 96 marketing companies* throughout Japan have created organizations to help support communities’ safety and peace of mind.

Since 2015, the Yakult Central Institute has worked with Pipo-kun’s House, a system of designated emergency shelters where children can seek help if they are pestered, molested or followed, or feel they are in danger on the way to school or after school.

* Including marketing companies under holding companies

■ Backing support facilities for persons with disabilities

In cooperation with prefectural pachinko and pachislot cooperative associations, we provide work opportunities to persons with disabilities staying at or visiting welfare facilities to support their participation in society. We ask them to attach stickers that include New Year and summer greetings to our products distributed to customers at pachinko and pachislot parlors. In fiscal 2024, we had the stickers attached to a total of around 550,000 bottles at 55 facilities in 25 prefectures.

■ Implementing social activities with vending machines

As of the end of March 2025, the Yakult Group has installed about 37,000 vending machines throughout Japan. Some of these vending machines have special social contribution functions that can offer important assistance to people in local communities.

For example, we are installing universal design models that are easy to use for everyone, disaster-relief models that will distribute their merchandise free of charge following major earthquakes and other disasters, and crime prevention models that incorporate security cameras that can play useful roles in crime prevention.

In cooperation with Kirin Beverage Company, Limited, we are moving ahead with the installation of Pink Ribbon vending machines that contribute a portion of their proceeds to the Japan Cancer Society. As of the end of March 2025, 272 Pink Ribbon vending machines were operating throughout Japan.



Pink Ribbon vending machine

■ Support during disasters

In pursuit of the safety and peace of mind of local communities, Yakult actively contributes to disaster relief activities.

The Ibaraki, Fuji Susono and Hyogo Miki Plants have entered into agreements with Goka Town, Susono City and Miki City, respectively, to supply emergency water during disasters.

Outside Japan we also have production bases in regions prone to natural disasters like earthquakes and typhoons, and have formulated systems that facilitate rapid support in times of disaster.

The Yakult Central Institute has made an agreement with Kunitachi City to supply drinking water to people evacuated in the event of a disaster. Water stored at the Institute will also be supplied to two fire stations in Kunitachi City for fire crews that conduct around-the-clock disaster management in the event of a disaster such as a large-scale earthquake.

■ Welfare check of older adults: Yakult China Group

The Double Ninth Festival is China’s traditional day for older adults, celebrated each year on the ninth day of the ninth month of the Chinese calendar. In 2024, in the spirit of protecting the health of older adults, Yakult Ladies from 11 delivery centers in the eight cities of Shanghai, Beijing, Tianjin, Fuzhou, Xiamen, Nanchang, Hengyang and Kunming made sympathy visits to 658 older adults living in local communities and in assisted-living facilities.

This initiative began in 2020, and the latest visits welcomed the participation of two delivery centers in Kunming for the first time. Between October 7 and 18, Yakult Ladies visited seniors to check in on their well-being and presented them with care cards, flowers and Yakult gift packs. On visits to nursing homes, they enjoyed interacting with residents by explaining the importance of gut health, singing songs, playing games and doing finger exercises.



A health-related lecture at a nursing home (China)

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Promoting health through sports

The Yakult Group strives to contribute to people’s health by actively promoting various sports as well as undertaking regional and social contribution activities.

■ Baseball clinics

Yakult holds baseball clinics throughout Japan that are led by currently active professional players from the Tokyo Yakult Swallows during the off-season. The NPO Tsubame Sports Promotion Association was established in 2005 and holds baseball clinics by retired players from the Tokyo Yakult Swallows.

In fiscal 2024, baseball clinics were held by active Swallows players at nine venues throughout Japan and by retired players at seven venues.

■ Ball-throwing clinics

In recent years the physical fitness of elementary school students has deteriorated, and there has been a particularly notable decline in throwing ability. At the request mainly of kindergartens and elementary schools, the Tokyo Yakult Swallows baseball team runs ball-throwing clinics. The emphasis of these clinics is on encouraging children to try harder. In fiscal 2024, 103 clinics involving approximately 10,000 participants were held—the highest figures on record in both the number of clinics and participants.

Additionally, the program was conducted at three elementary schools in the city of Moriya, where the team’s farm facilities are scheduled to relocate in 2027. Looking ahead, we plan to continue these local engagement activities in partnership with the city.



Ball-throwing clinic

■ Track and field club and rugby club

The track and field club, founded in 1972, participates in different sporting events such as *ekiden* (road relay) and marathon races. Yakult running clinics have been staged annually since 1988 as a place for athletes and local citizens to come together.

The Yakult Levins Toda rugby club was founded in 1980 and competes in Japan Rugby League One, the country’s premier rugby league. Based in the city of Toda in Saitama Prefecture, the team actively engages in host-area initiatives, including collaborative events with the local government and police department, as well as rugby clinics for Toda residents. Through these efforts, the team contributes to community revitalization, promotes the sport of rugby and supports public health.

■ Annual Yakult Marathon: Yakult Philippines, Inc.

Yakult Philippines, Inc. hosts the Yakult Marathon every October to promote the health benefits of an active lifestyle. The event was held for the 32nd time in 2024, drawing approximately 8,000 participants.

Environmental conservation

■ Cleanup activities

Each plant independently runs activities to improve the surrounding environment including at local rivers, parks and shrines. In fiscal 2024 activities were held 68 times with 653 participants. Plants also actively participate in cleanup and other activities run by local communities.

The Yakult Central Institute conducts staff-run cleanup activities on the second Thursday of every month. Cleanup activities were held nine times with 176 participants in fiscal 2024. We also support initiatives that foster the next generation, like the Tama River Expedition for children, where they can experience the joy of being in nature.

■ Recycling fair

A recycling fair is held annually at the head office building and some other business sites as part of our social contribution activities. All donations made by employees and profits from the sale of books are given to OISCA’s Children’s Forest Program. In fiscal 2024, donations from the recycling fair reached 117,003 yen. As a matching gift, the Company donated an additional 100,000 yen (the maximum matching amount) to the program.

Contents

02	About the Sustainability Report 2025
03	Editorial Policy
04	Overview of Yakult’s Operations
05	Yakult’s Business Operations
06	Top Commitment
09	Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28	Environmental management
35	Climate change mitigation and adaptation
46	Transition to sustainable plastic containers and packaging
51	Sustainable water source management
54	Biodiversity conservation
57	Reducing waste and food loss

59 Social Activities Report

60	Provision of safe and secure products and transparent information disclosure
----	--

65 Value co-creation with communities

70	Establishment of a resilient and sustainable supply chain
78	Promotion of health initiatives rooted in local communities
80	Creation of health value that meets diverse health needs
84	Worker health, safety and well-being
91	Initiatives for Yakult Ladies
92	Development of innovative human resources capable of delivering new value
95	Embracing the diversity of our workforce
99	Human rights
106	Customer satisfaction

109 Governance Report

109	Corporate governance
116	Risk management
118	Compliance
121	Third-party opinion
122	External evaluation
123	ESG Data

Support for disadvantaged people

The Yakult Group’s business activities contribute broadly to the achievement of the SDGs. The goal of tackling poverty is thus also an important issue for our Group.

We contribute to promoting healthy lifestyles to leave no one behind by supporting those who are disadvantaged through product donations and initiatives.

■ Donations to orphanages: PT. Yakult Indonesia Persada

PT. Yakult Indonesia Persada began donating *Yakult* to children living in orphanages in 2022. In 2024, it provided a total of 9,802 bottles to one institution. Explanations of the products are given when delivering the drinks, along with guidance on personal health and hygiene, such as teeth-brushing tips.

■ Sponsorship of school meal programs: Yakult Philippines, Inc.

Yakult Philippines, Inc. supports school meal programs for elementary schoolchildren from impoverished families. In January and February 2024, the company provided product samples alongside nutritious meals, helping to promote the health and emotional well-being of participating students.

■ Support for socially vulnerable people in Europe

Yakult Group companies in Europe conduct support activities for socially vulnerable people in their respective countries and regions.

Yakult UK Ltd. partners with the Royal Voluntary Service (RVS) to help older adults and socially vulnerable individuals stay healthy and comfortable through the cold winter months. In addition to providing tips on saving heating costs and maintaining health, the company distributed informational booklets on nutrition and intestinal health (103,396 printed copies and 4,515,160 digital copies) to relevant facilities. The company also continues to donate products to assisted-living facilities for older adults, hospitals, food banks and charitable organizations, contributing 125,960 bottles of *Yakult* in fiscal 2024.

Yakult Italia S.R.L. makes donations to organizations supporting poor and homeless people, including Opera San Francesco, Pane Quotidiano and City Angels Italia, and also provides free products. Since February 2020, Yakult Deutschland GmbH has supported Herzwerk, a regional social project that cares for older adults struggling with poverty in Dusseldorf. In 2024, *Yakult* was regularly provided to elderly beneficiaries. As a partner of the monthly Healthy Dinner program, the company also provides nutritious meals and a warm, welcoming dining experience for older adults.

Yakult Oesterreich GmbH has been supporting Red Cross cooling centers in July and August each year since 2020. The centers provide a cool resting place for those who do not have access to air conditioning. In 2024, the company continued to provide free products and snacks to the centers and also participated in a local running event.

Since 2023, Yakult Belgium N.V./S.A. has supported the Red Cross, which organizes the 20 km of Brussels running race. The company encourages participation in the race and raises donations, which are contributed to support Red Cross activities.

■ Support for the breakfast for kids project: Yakult China Group

The Yakult China Group takes part in a public-interest initiative organized by Yicai Media Group to provide children from impoverished families in mountainous areas with breakfasts. Participating companies donate funding to pay for breakfasts on certain days of the year. For 12 consecutive years since 2013, the Yakult China Group has been providing 10,000 yuan every year on May 29—World Digestive Health Day. In 2024, the company donated the cost of breakfast and provided products to approximately 1,500 students at four elementary schools in the mountainous areas of Yunnan Province.

Contents

- 02 About the Sustainability Report 2025
- 03 Editorial Policy
- 04 Overview of Yakult’s Operations
- 05 Yakult’s Business Operations
- 06 Top Commitment
- 09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

- 28 Environmental management
- 35 Climate change mitigation and adaptation
- 46 Transition to sustainable plastic containers and packaging
- 51 Sustainable water source management
- 54 Biodiversity conservation
- 57 Reducing waste and food loss

59 Social Activities Report

- 60 Provision of safe and secure products and transparent information disclosure
- 65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

- 78 Promotion of health initiatives rooted in local communities
- 80 Creation of health value that meets diverse health needs
- 84 Worker health, safety and well-being
- 91 Initiatives for Yakult Ladies
- 92 Development of innovative human resources capable of delivering new value
- 95 Embracing the diversity of our workforce

- 99 Human rights
- 106 Customer satisfaction

109 Governance Report

- 109 Corporate governance
- 116 Risk management
- 118 Compliance
- 121 Third-party opinion
- 122 External evaluation
- 123 ESG Data

Materiality

Establishment of a resilient and sustainable supply chain

Building sound relationships with business partners

Sound organizational management and fair business practices are extremely important for making our corporate philosophy a lasting reality throughout the Group.

To achieve this, premised on the Yakult Group’s compliance with national and local laws, guidelines and regulations related to anti-corruption, we have established the Yakult Group Anti-Corruption Policy based on the Yakult Ethical Principles and Code of Conduct, which serves as the standard for compliance within the Group.

The Yakult Ethical Principles and Code of Conduct stipulates our ban on gifts and entertainment. It prohibits receiving gifts and entertainment from business partners and stakeholders, as well as giving gifts and providing entertainment to business partners, stakeholders and customers that go beyond the scope of common practice or social norms, directly or indirectly, in and outside Japan. At overseas business sites, we established anti-bribery guidelines and regulations, and comply with them in the course of our business operations.

We are determined to avoid illegal actions and the use of improper methods to pursue profits as well as placing an undue burden on suppliers. We are also committed to ensuring fair, transparent and free competition and conducting appropriate transactions.

Mutual prosperity with marketing companies

The Yakult Group has 101 marketing companies, and they play a key role as our point of contact with customers. After confirming and mutually agreeing on the roles and responsibilities to be fulfilled by Yakult Honsha and the marketing companies, we execute business activities based on a contract.

We at the Yakult Group work together toward realizing both a healthy society and mutual prosperity: Yakult Honsha provides highly functional products for health improvement and handles public relations and advertising, while marketing companies engage in activities that are useful in resolving the health issues of customers and local communities, as well as sell Yakult products.

Compliance with the Subcontract Act

Aiming for even stricter compliance with the Act against Delay in Payment of Subcontract Proceeds, Etc. to Subcontractors (Subcontract Act), we created a Subcontract Act Compliance Manual in 1997 for operational personnel in departments that deal with subcontractors (revised in 2023), and in fiscal 2023 carried out training for Yakult Group operational personnel about the Subcontract Act. We also create and make available awareness-raising videos about the Act as necessary.

Related information [p. 118 Compliance ▶ Anti-corruption](#)

Promoting sustainable procurement

While globalization and economic development have brought convenience to the world, companies now also have a greater impact on the global environment and societies. The Yakult Group’s supply chain begins with primary suppliers and extends to secondary and tertiary suppliers before finally arriving at producers such as dairy and other farmers. Even beyond this, as a company supported by the global environment and its ecosystem services in its efforts to expand its business globally, we believe that the Group’s efforts toward sustainable procurement have great social significance. Based on this awareness, the Group has identified the establishment of a resilient and sustainable supply chain as a material theme and is promoting sustainable procurement.

The Yakult Group will work together with suppliers to reduce environmental impact and eliminate the risk of human rights violations such as child labor and forced labor. We will establish sustainability as one of Yakult’s quality criteria while contributing to the creation of a sustainable society, thus leading to the sustainable development of the Group.

Yakult Group CSR Procurement Policy

The Yakult Group recognizes the importance of sustainable procurement that takes into consideration issues such as human rights, labor, the environment and anti-corruption, and promotes sustainable procurement throughout the supply chain in collaboration with our business partners according to the Yakult Group CSR Procurement Policy formulated in March 2018. We have also identified the establishment of a resilient and sustainable supply chain as a material theme.

Yakult Group’s vision for sustainable procurement

Basic policy on sustainable procurement	Yakult Group CSR Procurement Policy (established in March 2018)
Recognizing the importance of sustainable procurement that takes into consideration issues such as human rights, labor, the environment, and anti-corruption, the Yakult Group will promote sustainable procurement throughout the supply chain, in cooperation with our business partners.	
1 Respect regulatory compliance and international codes of conduct We will comply with national and local laws and regulations, respect international codes of conduct, and promote fair and equitable procurement activities.	4 Consider the global environment We will promote procurement activities that comply with the Yakult Basic Policy on the Environment and take into consideration the global environment.
2 Consider human rights, labor, safety and health We will prohibit the use of child labor and forced labor, respect fundamental human rights, and promote procurement activities that take into consideration the work environment, safety and health.	5 Maintain information security We will strictly control confidential information on procurement transactions and use it only for legitimate purposes.
3 Ensure safety and quality We will promote procurement activities, giving attention to cost and stable supplies, and aim to ensure high quality and safety.	6 Coexist with society We will promote procurement activities that take into consideration social contributions towards coexistence with society.

Request to our suppliers	Yakult Group Supplier CSR Guidelines
We will increase social sustainability throughout the supply chain by taking the impacts on the environment and society into consideration and reducing the risks.	

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

■ Yakult Group Supplier CSR Guidelines

Based on the Yakult Group CSR Procurement Policy, the Yakult Group Supplier CSR Guidelines were formulated in July 2020 in order to effectively promote sustainable procurement within the Group and help create a sustainable society. The guidelines are a collection of requirements regarding responsible procurement activities for all our business partners in Japan and overseas, including new business partners.

In order to ensure adherence to these guidelines, we hold a briefing for suppliers on our CSR Procurement Policy during which we explain the contents of the guidelines. In addition, for each requirement in the guidelines, we check the status of supplier efforts through surveys and audits, and if any problems are found, we take action aimed at improvement.

Together with using these guidelines, the entire Yakult Group will continue striving to promote sustainable procurement.

WEB Yakult Group Supplier CSR Guidelines

https://www.yakult.co.jp/english/csr/policy/pdf/supplier_csr_guidelines.pdf



Requests to our business partners (summary)

1. Comply with national and local laws and regulations, respect international codes of conduct, and promote fair and equitable procurement activities. Establish systems for this purpose.
2. Uphold international human rights principles, including the Universal Declaration of Human Rights, and establish fair and appropriate working environments that consider safety and health.
3. Build a framework to ensure high quality and safety.
4. Build a management framework to reduce environmental impacts, take action on climate change, preserve biodiversity, prevent pollution, appropriately manage waste and effectively use resources.
5. Strictly manage confidential information.
6. Promote activities to coexist with society and to create a sustainable society.

■ Initiatives targeting suppliers

■ Supplier risk assessments and feedback

Based on our CSR Procurement Policy, we carry out supplier risk assessments using Sedex and our sustainable procurement survey in order to identify high-risk suppliers on issues such as the environment, human rights, occupational health and safety and anti-corruption. Risk assessments are carried out chiefly on suppliers who meet the standards described in the table below.

Selection criteria for supplier risk assessments

Procurement cost criteria	Business partners in the top 90% of Yakult Honsha’s manufacturing procurement costs (incl. all partners meeting this criteria the previous year)
Raw materials criteria	■ Suppliers of key raw materials (dairy products, sugar) and high-risk raw materials (palm oil, soybeans, pulp and paper)
Qualitative selection criteria (suppliers whose risks need to be identified via a survey, while consulting the criteria listed on the right)	■ Suppliers that are considered to have high sustainability risks in the supply chain ■ Suppliers expected to be used for ongoing transactions ■ Suppliers for items for which there are no alternative suppliers (suppliers on which we are highly dependent)

These risk assessments are carried out approximately once per year. In fiscal 2024, a total of 149 suppliers to our Japanese operations were assessed, along with 112 suppliers to our overseas offices.

Based on the results of these assessments, we coordinate with relevant departments on exploring strategies for reform for suppliers and items assessed to have high sustainability risks. We also send the results of these assessments back to suppliers as feedback urging them to heighten their sustainability awareness and improve their initiatives. Furthermore, since fiscal 2022 we have engaged with suppliers via interviews in order to promote risk reduction measures. In fiscal 2024, we conducted interviews, including site visits, with seven suppliers.

Suppliers by risk management tool

	Sustainable procurement survey	Sedex platform	Total
Japan	80	69	149
Outside Japan*	64	48	112
Total	144	117	261

*Of the suppliers to our overseas offices, those we do business with through Yakult Honsha are included in the list of suppliers for whom risks within Japan need to be identified.

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

■ Promoting supplier management via Sedex

In 2022, we became a buyer member of Sedex, a membership organization that provides an international data sharing platform aimed at responsible procurement.

Sedex provides a digital platform for members to share information on responsible business practices. Members can use a globally shared Self-Assessment Questionnaire (SAQ) and audit scheme and share the results on the platform.

Since fiscal 2022, we have requested that suppliers join Sedex and share their SAQ responses and other information. In December 2024, we confirmed that a total of 117 suppliers had joined Sedex. We have begun using suppliers’ SAQ responses to assess potential supply chain risks in a variety of areas, particularly the human rights issues of child labor and forced labor, occupational health and safety, business ethics and environmental themes. We will continue to use risk assessment based on SAQ results to prioritize initiatives and set improvement targets to promote risk reduction.



■ Supplier procurement survey

If suppliers have not yet joined Sedex, we use a sustainable procurement survey to assess risks. The fiscal 2024 survey was carried out for 80 business partners in Japan.

Additionally, in fiscal 2022, we began performing supplier risk assessments for our overseas offices. In fiscal 2024, we carried out our sustainable procurement survey on 64 companies. Conducting this survey enabled us to assess the status of our suppliers’ sustainable procurement initiatives and to ask our business partners for their understanding and cooperation on the Yakult Group CSR Procurement Policy and Yakult Group Supplier CSR Guidelines.

We sent feedback about the survey results to the companies that responded to raise awareness of sustainability and encourage improvements in their sustainable procurement initiatives.

Furthermore, for companies with confirmed issues such as violations of laws and regulations, we created a supplier management log and verified their response through individual hearings. We then made requests for improvement and have been receiving reports of their corrective actions.

Going forward, we will continue working to improve sustainability across the entire supply chain by carrying out risk assessments of the supply chain, and are also considering such measures as conducting supplier audits through field visits.

Sustainable procurement survey results (fiscal 2024)

Target: Primary business partners of Yakult Honsha’s dairy products, soft drinks and cosmetics divisions/Number of responses: 80 companies (100% response rate)

Item	Number of questions	Main questions (examples)	Average score (%)*	Percentage of responses (%)			
				Level 3 Responded with "action being taken"	Level 2 Responded with "action being planned"	Level 1 Responded with "no action being taken"	N/A
1. Corporate governance related to CSR	6	Have you established a vision, long-term goals, key areas, etc. for CSR in general?	93.7	82.7	15.6	1.7	0.0
2. Human rights	4	Have you had any human rights issues in the last year, such as harassment, discrimination or labor issues with foreign technical trainees?	96.7	91.3	7.5	1.3	0.0
3. Labor practices	11	Are you taking action for fair application of working hours, holidays, paid leave, etc.?	98.3	95.6	3.6	0.8	0.0
4. Environment	11	Are you taking action to reduce CO2 and other greenhouse gas emissions, or to use energy efficiently?	92.8	80.2	10.8	5.0	4.0
5. Fair business	11	Are there regulations or initiatives to build proper relationships with local authorities and government officials in Japan and overseas in carrying out business activities (e.g., prohibition of bribery)?	96.8	89.8	5.0	2.2	3.1
6. Quality and safety	6	Do you have your own company policy and implementation system in line with our policies and guidelines on quality and safety of products and services?	98.6	84.4	2.1	0.8	12.7
7. Information security	6	Do you have a mechanism or initiatives related to personal data and privacy protection?	98.5	96.3	2.9	0.8	0.0
8. Supply chain	4	Are you taking action to promote CSR activities in the supply chain, such as by conducting field surveys of business partners?	93.2	82.8	14.1	3.1	0.0
9. Coexisting with the local community	2	Are you taking action to reduce the social and environmental burden of the production process or products and services?	92.9	83.1	12.5	4.4	0.0
Total	61		96.0	88.0	7.4	2.2	2.5

Number of business partners by average score (Japan)

Average score	Number of companies
90% or higher	70
80%–below 90%	9
70%–below 80%	1
Below 70%	0
Absent or incomplete response	0
Total	80

* Score for each item calculated based on a score of 3 points for Level 3, 2 points for Level 2 and 1 point for Level 1

Note: Additional questions also asked to confirm details, depending on the content of the response.

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Target: Primary business partners of Yakult Group’s overseas offices/Number of responses: 64 companies (80% response rate)

Item	Number of questions	Main questions (examples)	Average score (%)*	Percentage of responses (%)			
				Level 3 Responded with “action being taken”	Level 2 Responded with “action being planned”	Level 1 Responded with “no action being taken”	N/A
1. Corporate governance related to CSR	6	Have you established a vision, long-term goals, key areas, etc. for CSR in general?	90.5	80.8	9.9	9.3	0.0
2. Human rights	4	Have you had any human rights issues in the last year, such as harassment, discrimination or labor issues with foreign technical trainees?	94.7	90.3	4.8	4.8	0.0
3. Labor practices	11	Are you taking action for fair application of working hours, holidays, paid leave, etc.?	98.0	96.5	1.1	2.4	0.0
4. Environment	11	Are you taking action to reduce CO ₂ and other greenhouse gas emissions, or to use energy efficiently?	88.7	76.5	7.1	12.8	3.6
5. Fair business	11	Are there regulations or initiatives to build proper relationships with local authorities and government officials in Japan and overseas in carrying out business activities (e.g., prohibition of bribery)?	91.2	82.7	6.8	9.1	1.4
6. Quality and safety	6	Do you have your own company policy and implementation system in line with our policies and guidelines on quality and safety of products and services?	93.1	84.0	1.0	8.8	6.2
7. Information security	6	Do you have a mechanism or initiatives related to personal data and privacy protection?	98.0	96.2	1.6	2.2	0.0
8. Supply chain	4	Are you taking action to promote CSR activities in the supply chain, such as by conducting field surveys of business partners?	90.4	82.1	8.2	9.7	0.0
9. Coexisting with the local community	2	Are you taking action to reduce the social and environmental burden of the production process or products and services?	86.6	76.5	6.9	16.7	0.0
Total	61		92.8	85.1	5.0	7.8	2.1

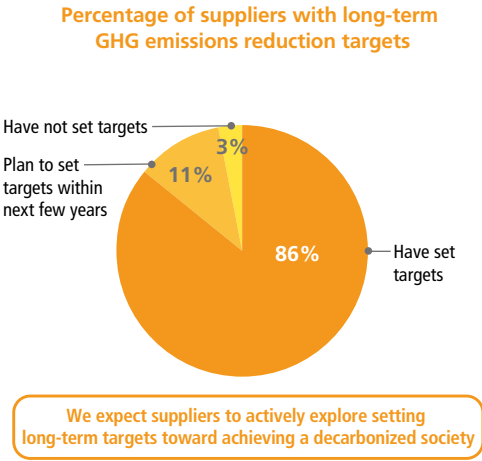
Number of business partners by average score (overseas)

Average score	Number of companies
90% or higher	39
80%–below 90%	8
70%–below 80%	4
Below 70%	0
Absent or incomplete response	13
Total	64

* Score for each item calculated based on a score of 3 points for Level 3, 2 points for Level 2 and 1 point for Level 1
Note: Additional questions also asked to confirm details, depending on the content of the response.

■ Supplier initiatives related to climate change and biodiversity

In response to the international situation as well as dialogue with institutional investors and NGOs, since fiscal 2021 we have been monitoring whether our suppliers have set long-term reduction targets for greenhouse gas emissions in line with the Paris Agreement on climate change (i.e., net zero targets). Additionally, in the case of suppliers that handle materials with significant impact on deforestation, such as palm oil, soybeans, beef and leather products, timber, and pulp and paper, we also check whether they have set policies and guidelines that consider the issue of deforestation.



■ Supplier communication (holding briefings for business partners)

We recognize that our sustainable procurement initiative contributes significantly to the business activities of our business partners. Through active communication and collaboration with suppliers, the Yakult Group aims to improve the sustainability of wider society by taking the impacts on the environment and society into consideration and reducing risks throughout the entire supply chain.

For our major business partners, such as raw material suppliers and manufacturing subcontractors, we explained the Yakult Group CSR Procurement Policy and conducted a survey in order to promote understanding and implement the policy.

Since fiscal 2021, we have regularly held CSR Procurement Policy briefings for suppliers to promote understanding of our CSR Procurement Policy and related activities. In these briefings, we explain our CSR Procurement Policy and provide feedback in the form of results from Sedex and our sustainable procurement survey. We also offer support with the aim of improving sustainability capabilities, such as sharing information on social issues including climate change, natural resources, human rights and supply chain management, and making suppliers aware of the need for sustainability initiatives.

The fiscal 2024 briefing was held online and attended by approximately 400 people from 150 companies, including suppliers and sellers of raw materials to Yakult. In addition, around 50 people from related departments within Yakult participated.

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Many participants commented on the briefing, saying things like, “I now understand Yakult’s procurement policy,” “My understanding of sustainability has deepened” and “Questions from the supplier side were answered, which was very informative.”

The briefing sessions were recorded and made available for viewing for a certain time.

Yakult aims to work together with suppliers through such briefing sessions to promote effective sustainable procurement activities by arriving at a shared understanding of issues related to sustainable procurement.



Main issues covered in briefings

FY2021	Expert seminar Speaker: Hiro Motoki, President and Representative Director, E-Square Inc. Theme: Achieving sustainable procurement throughout the supply chain
	Briefings and requests from Yakult • The Yakult Group’s sustainable procurement initiatives to date • Complying with Yakult’s CSR Procurement Policy and Supplier CSR Guidelines • The Yakult Group’s material themes, Environmental Vision and various policies including its Human Rights Policy • The Yakult Group’s sustainable procurement activities • Results from the CSR procurement survey, issues and countermeasures
FY2022	Expert seminar Speaker: Chiaki Furusawa, WWF Japan Theme: Deforestation risk and commodities—toward building sustainable supply chains that do not contribute to deforestation
	Briefings and requests from Yakult • The Yakult Group’s sustainable procurement activities • Complying with Yakult’s CSR Procurement Policy and Supplier CSR Guidelines • Results from the CSR procurement survey, issues and countermeasures • Joining Sedex, an international data sharing platform aimed at responsible procurement • Responsible procurement of raw materials with high deforestation risk
FY2023	Expert seminar Speaker: Kenzo Taniuchi, Senior Ethical Trade Advisor, Sedex Theme: Building a sustainable value chain through dialogue and support
	Briefings and requests from Yakult • The Yakult Group’s sustainable procurement activities • Complying with Yakult’s CSR Procurement Policy and Supplier CSR Guidelines • Results from the CSR procurement survey, issues and countermeasures • Providing information about sustainable procurement • Joining Sedex, an international data sharing platform aimed at responsible procurement
FY2024	Briefings and requests from Yakult • The Yakult Group’s sustainable procurement activities • Complying with Yakult’s CSR Procurement Policy and Supplier CSR Guidelines • Results from Sedex and the sustainable procurement survey, issues and countermeasures • Providing information about sustainable procurement • Replying to questions from suppliers

■ Supplier engagement through interviews based on CSR Procurement Policy

In order to reduce sustainability risks among our suppliers, in fiscal 2024 we used the results of Sedex and the sustainable procurement survey to identify suppliers with high sustainability risks and other key suppliers. After identifying issues for each supplier and considering actions to take in response, we engaged with these suppliers through visits to their operations.

Of the 149 companies in Japan that completed the fiscal 2024 Sedex and the sustainable procurement survey, we interviewed seven, requesting their understanding and cooperation regarding our policies and also improvement in areas with low scores.

Through cooperation based on active communication, we will continue to consider social and environmental impact in our whole supply chain, reduce these risks and enhance the sustainability of society.



Engagement with suppliers during on-site visits

Examples of requests to suppliers

- Improvement in areas of the sustainable procurement survey with low scores
- Setting of net zero targets in line with the Paris Agreement
- Formulation of human rights policies according to the United Nations Guiding Principles on Business and Human Rights and the promotion of human rights due diligence
- Setting of policies and quantitative targets to prevent deforestation

■ Asking suppliers to comply with code of conduct: Yakult China Group, Guangzhou Yakult Co., Ltd.

Each Yakult China Group plant (Shanghai Plant, * Tianjin Plant and Wuxi Plant) requested all of its suppliers to sign a pledge in order to prevent bribery and other illegal activities, in accordance with Yakult China Group regulations. All of the suppliers complied with this request, and efforts will continue to be made to prevent corruption in the future. Guangzhou Yakult Co., Ltd. also had all suppliers to its three plants sign a similar pledge. We also ask new suppliers to sign the same pledge.

* Closed on December 6, 2024

■ Auditing suppliers: Guangzhou Yakult Co., Ltd., Yakult U.S.A. Inc.

In November 2024, Guangzhou Yakult Co., Ltd. conducted joint audits with Yakult (China) Corporation at factories operated by an aluminum foil manufacturer and a soy polysaccharide producer. The audits included on-site inspections of sanitary conditions and the provision of advice on preventing foreign matter contamination.

Yakult U.S.A. Inc. conducts regular manufacturing process audits of raw materials suppliers from a food safety perspective.

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

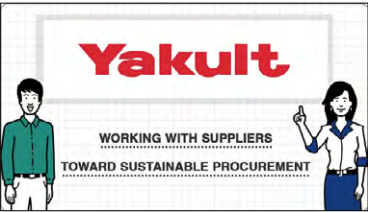
121 Third-party opinion

122 External evaluation

123 ESG Data

■ Explanatory video on sustainable procurement

In fiscal 2022, we formulated our Deforestation and Conversion Free (DCF) Commitment to Responsible Sourcing, internally and publicly committing to responsible procurement of raw materials identified as being associated with deforestation risk. To promote understanding of this Commitment among both internal and external stakeholders, we also created and released a video explaining it. Meanwhile, to promote sustainable procurement in a concrete way, initiatives like switching to products with third-party certification and establishing traceability are required, as is rendering supply chain information visible using international platforms. Understanding and cooperation from suppliers are essential for this. Also important are the construction of a sustainable society and the promotion of socially responsible consumption based on understanding of sustainable procurement by consumers. Accordingly, in order to promote understanding of our sustainable procurement policies and initiatives among external stakeholders like suppliers and consumers, we created an explanatory video on sustainable procurement at Yakult in 10 languages.



WEB

“Working with suppliers toward sustainable procurement” explanatory video

<https://www.youtube.com/watch?v=iMtHukeUVSo&t=2s>

■ Initiatives related to raw materials

■ Deforestation and Conversion Free (DCF) Commitment to Responsible Sourcing

In light of its social responsibility around environmental and social issues and its discussions with NGOs and institutional investors, the Yakult Group has established a Deforestation and Conversion Free (DCF) Commitment to Responsible Sourcing, which aims to eliminate deforestation from the supply chain.

We have identified raw materials associated with the risk of deforestation in our supply chain and promote sustainable procurement of these materials in accordance with the basic policy, initiatives and targets we have set out.

In fiscal 2024, as well as promoting a switch to certified raw materials, we also carried out traceability monitoring. The planet’s environment is at risk due to global warming, environmental pollution, loss of biodiversity and depletion of natural resources. Based on our DCF Commitment to Responsible Sourcing, we will continue to pursue our business activities while considering the planet’s environment and the lives and human rights of the people supported by the environment, and thus create a society where people and the planet can coexist forever.

Basic policy to eliminate deforestation

In our raw material procurement activities, we are particularly aware of the importance of protecting forest ecosystems, and deforestation*1 is closely linked to global issues related to the Yakult Group’s materiality such as climate change mitigation and adaptation, sustainable water source management, biodiversity conservation and establishment of a resilient and sustainable supply chain. For raw materials such as palm oil and soybeans, there is a risk of deforestation within the supply chains, as well as risks associated with deforestation such as water and soil pollution and biodiversity loss.

In addition, forests support the livelihoods of people living in and around them. We recognize that there is a risk of human rights abuses associated with deforestation for indigenous peoples and local communities, including the loss of places to live and livelihoods due to deforestation. From this perspective, we regard deforestation as an important business risk/threat that needs to be addressed for the sustainability of the Yakult Group, which is supported by natural capital and local communities, and aim to achieve zero deforestation in the supply chain for raw materials with a high-risk of deforestation.

Initiatives and targets/KPIs

We identify pulp and paper, palm oil, soybeans and dairy products (e.g., skim milk powder) as raw materials with a high-risk of deforestation, set targets and KPIs for their sustainable procurement, and promote responsible procurement in our supply chain.

Note: The quantitative targets and KPIs will be reviewed and updated as appropriate to improve ongoing efforts in the Commitment.

Scope	All consolidated sites in Japan and overseas involved in the procurement of raw materials to produce food and beverages, pharmaceuticals and cosmetics for the Yakult Group
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Commodities	Target fiscal year	Quantitative targets
Pulp and paper	2025	100% of the pulp and paper procured for paper containers and packaging to be switched to internationally certified materials such as FSC®*2 or recycled paper
Palm oil	2025	100% of palm oil procured to be switched to RSPO*3 -certified products (MB*4 and above)
	2030	100% traceability of palm oil procured as a primary raw material back to the agricultural origin of its production
Soybeans	2030	100% traceability of soybeans procured as a primary raw material back to the agricultural origin of its production
Dairy products	2030	100% traceability of dairy products (e.g., skim milk powder) back to the source, such as the dairy farmer, in collaboration with suppliers

*1 The definition of “deforestation” in the Commitment is as follows.

- Conversion of natural forest, HCV and HCS areas to agriculture or non-forest land uses
- Conversion of natural forest, HCV and HCS areas to plantation forests
- Loss of natural forest, HCV and HCS areas due to severe and continuous degradation

About HCV and HCS

- HCV: HCV stands for High Conservation Value, which means that an area is valuable and of high conservation value, taking into account biodiversity, water conservation, culture, landscape, etc. (Details based on FSC® Principles and Criteria for Forest Stewardship Standard)
- HCS: HCS stands for High Carbon Stock, meaning that the land contains high concentrations of organic matter and stores large amounts of carbon, including carbon dioxide, a greenhouse gas

*2 FSC® stands for Forest Stewardship Council®, an international, non-governmental organization dedicated to promoting responsible management of the world's forests.

*3 RSPO stands for Roundtable on Sustainable Palm Oil, a non-profit organization made up of seven stakeholders in palm oil, with an international certification system for sustainable palm oil.

*4 MB stands for Mass Balance, a model of RSPO Certified Sustainable Palm Oil from certified sources that is mixed with ordinary palm oil throughout the supply chain.

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

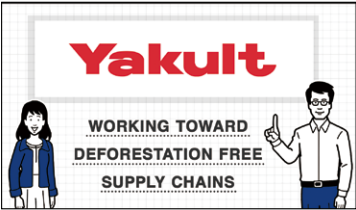
116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data



Click here for the full text of the Commitment.

WEB https://www.yakult.co.jp/english/csr/social/supply_chain/pdf/deforestation_free_en.pdf

WEB [Explanatory video related to the Commitment](https://www.youtube.com/watch?v=ShNosLj5lSo&t=3s)
<https://www.youtube.com/watch?v=ShNosLj5lSo&t=3s>

Progress report on the DCF Commitment to Responsible Sourcing (excluding dairy products*)

Commodities	Percentage verified as deforestation and conversion free (%)	Explanations
Pulp and paper 9,691.3 tons	84.8%	The majority of paper containers and packaging used in products manufactured and sold by the Group have already been switched to FSC® certified paper and PEFC-certified paper or recycled paper. 71.8% was for certified products and 13.0% was for recycled paper of the scope of the Commitment. This percentage is the proportion of the quantity verified to be deforestation and conversion free. (License No.: FSC®N003728)
Palm oil 104.4 tons	0%	In October 2023, the Yakult Group became a member of the Roundtable on Sustainable Palm Oil (RSPO), an international initiative regarding the sustainable use of palm oil. As of the end of March 2025, no third-party certified palm oil is used, but the Company is pursuing preparations to use RSPO-certified palm oil. Going forward, we plan to switch to RSPO-certified palm oil and seek to reduce deforestation and land conversion due to palm oil use to zero.
Soybeans 1,833.2 tons	40.5%	We use soybeans as a primary raw material of processed soymilk, soymilk beverages and dairy products manufactured and sold by the Group. Among the soybeans we use in our processed soymilk, soymilk beverages and dairy products, 40.5% are from Japan, where the risk of deforestation and land conversion is low, and we regard this percentage as no deforestation or land conversion associated with the use of soybeans.

Note: Progress on dairy products is currently in the stage of information gathering.

■ RSPO certification and JaSPON membership

We joined the Roundtable on Sustainable Palm Oil (RSPO) in fiscal 2023 to further our progress on sustainable procurement of palm oil in accordance with our Deforestation and Conversion Free (DCF) Commitment to Responsible Sourcing. Furthermore, in July 2025, Yakult Honsha and Yakult Foods Industry Co., Ltd.,*1 received RSPO Supply Chain Certification*2 (Mass Balance model). Additionally, in fiscal 2023, we joined the Japan Sustainable Palm Oil Network (JaSPON), which engages in activities to promote sustainable procurement and consumption of palm oil in the Japanese market.

*1 Yakult Foods Industry Co., Ltd. manufactures noodles and sells various food products. The frying oil it procures for instant Chinese noodles is the only ingredient subject to the quantitative target for palm oil,“100% of palm oil procured shall be RSPO-certified (MB or above),” in our Deforestation and Conversion Free (DFC) Commitment to Responsible sourcing.

*2 RSPO Supply Chain Certification: A system for certifying that the manufacturing, processing and distribution of products using RSPO certified palm oil meets the requirements set by RSPO.

■ Stable procurement for food products (dairy products, soft drinks)

To ensure the stable procurement of raw materials used in our dairy products, we distribute risk by purchasing primary materials from multiple companies, and maintain appropriate reserve stores of each by considering factors such as sales trends and material procurement lead times for each product. We also contract with business partners to secure an annual volume of some raw materials.

Using these methods ensures that we can stably procure raw materials even in times of disaster.

■ Stable procurement for cosmetics

In procuring both raw materials specific to certain cosmetics and those used in multiple types of products, we diversify our sources and seek alternative routes to be prepared for unforeseen circumstances. Additionally, we maintain stocks of raw materials to a certain level with appropriate inventory control. We also always strive for smooth communication with business partners, engage in honest procurement and build relationships of trust to preemptively prevent problems and eliminate supply insecurities.

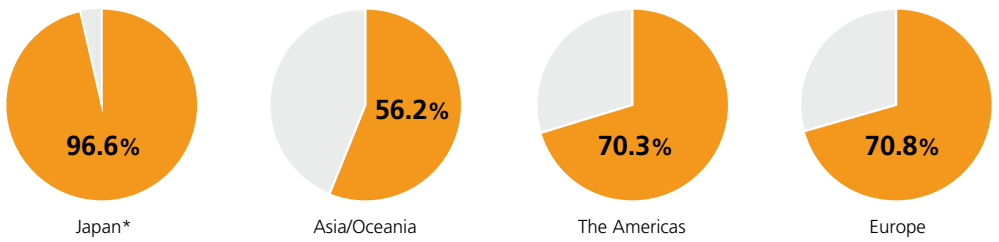
■ Our commitment to local employment and sourcing

To contribute to the sustainable development of the countries and regions where we operate, the Yakult Group agrees with the importance of local employment and local sourcing, as endorsed by ISO 26000, and is developing its global business with a local focus, based on local production and local sales. For raw ingredients, we select suppliers that have cleared our quality and safety standards, and that can provide a stable supply.

Yakult currently operates in 40 countries and regions including Japan with 27 overseas companies. We have established sales offices and production plants with deep ties to local communities, and actively hire local employees. Going forward, we will continue to undertake business with a local focus, working to benefit the local economy and local communities, with the aim of contributing to the healthy lives of local people and communities.

Related information [p. 97 Local hiring for senior management positions: Yakult Europe B.V. and Guangzhou Yakult Co., Ltd.](#)

Locally procured raw materials (fiscal 2024)



* Results for dairy product raw materials
Note: Raw materials that are imported and undergo final processing in Japan are calculated as local Japanese materials.

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

■ Green procurement

The Yakult Basic Policy on Green Procurement covers raw materials, packaging materials and equipment, facilities and indirect materials related to our business. All business sites carry out procurement activities in a manner that promotes the protection of the global environment, the reduction of environmental impact, the creation of a circular economy and other environmental objectives in cooperation with business partners based on this Basic Policy.

Green procurement ratio

Fiscal year	2020	2021	2022	2023	2024
Green procurement ratio (%)	81.3	65.0	71.5	77.7	62.8

Yakult Basic Policy on Green Procurement

With respect to items used at all of Yakult Honsha’s business sites and in all of the Company’s business activities, we will strive to procure environment-friendly products that promote the protection of the global environment, the reduction of environmental impact, the creation of a circular economy and other environmental objectives. In accordance with these goals, we have established the basic policies as described below:

Scope of policies: All manufacturing, marketing, office and R&D facilities

- Basic policies
- 1. Avoid procuring items with a potential for harming the environment or human health.
 - 2. Procure items that give due consideration to resource conservation and energy conservation.
 - 3. Procure crating and packaging materials that incorporate a high proportion of recycled materials.
 - 4. Procure crating and packaging materials designed to be reused as many times as possible.
 - 5. Procure crating and packaging materials with minimal portions that must be disposed of as waste and for which disposition processing is easy.
 - 6. Procure items that are manufactured, marketed and shipped by companies proactively addressing environmental protection objectives by such means as building environmental management systems, disclosing environmental information and cooperating with Yakult’s environmental protection activities.

Established: March 5, 2001

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

WEB https://www.yakult.co.jp/english/csr/download/pdf/2022_green_policy.pdf

Related information p. 56 Use of internationally certified paper in products (participating in biodiversity-related certification programs)

■ Promoting understanding among workers

■ Sustainable Procurement Practical Manual

To effectively promote sustainable procurement, we believe it is important for related departments and plants to have a shared understanding of the matter as they take the relevant measures. In fiscal 2023, to standardize our operations in this area, we created a Sustainable Procurement Practical

Manual. In fiscal 2024, we used this manual to promote understanding of sustainable procurement within related departments and reduce operational friction.

■ Education and raising awareness about sustainable procurement

We provide information and training to employees involved in development, raw material procurement and manufacturing consignment regarding the objectives of the CSR Procurement Policy and responsible procurement activities for creating a sustainable society. At the sustainable procurement promotion conference of fiscal 2024, attended by relevant department heads and other participants, we provided the latest information about sustainable procurement and hosted a study group for operational personnel about methods for ascertaining risk using Sedex. We will continue to effectively promote cooperative sustainable procurement activities undertaken by all relevant departments with a shared understanding of the issues around sustainable procurement.



Practical study group for operational personnel on sustainable procurement (fiscal 2024)

Education and raising awareness about sustainable procurement

Fiscal year	Activity and participants
2018	Study sessions promoting sustainable procurement (held 7 times) Participants: Heads of procurement-related departments and associate managers (35 persons in total)
2019	Briefing for those involved in sustainable procurement promotion Participants: Operational personnel from procurement-related departments (18 persons in total)
2020	Sustainable procurement workshops (held 2 times) Participants: Operational personnel involved in development and procurement (105 persons in total)
2021	Sustainable procurement workshop Participants: Overseas business offices and directors and employees of departments in charge of overseas offices at Yakult Honsha (72 persons in total)
2022	Seminar on deforestation-free commitment in business activities Participants: Department heads, associate managers and operational personnel from procurement-related departments (47 persons in total)
2023	Sustainable procurement promotion conference Participants: Department heads, managers, associate managers and operational personnel involved in development, raw material procurement and manufacturing consignment
2024	Sustainable procurement promotion conference Participants: Department heads, managers, associate managers and operational personnel involved in development, raw material procurement and manufacturing consignment Sustainable procurement study group for personnel with hands-on duties Participants: Operational personnel in departments involved in development, raw material procurement and manufacturing consignment

Contents

- 02 About the Sustainability Report 2025
- 03 Editorial Policy
- 04 Overview of Yakult’s Operations
- 05 Yakult’s Business Operations
- 06 Top Commitment
- 09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

- 28 Environmental management
- 35 Climate change mitigation and adaptation
- 46 Transition to sustainable plastic containers and packaging
- 51 Sustainable water source management
- 54 Biodiversity conservation
- 57 Reducing waste and food loss

59 Social Activities Report

- 60 Provision of safe and secure products and transparent information disclosure
- 65 Value co-creation with communities
- 70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

- 80 Creation of health value that meets diverse health needs
- 84 Worker health, safety and well-being
 - 91 Initiatives for Yakult Ladies
- 92 Development of innovative human resources capable of delivering new value
- 95 Embracing the diversity of our workforce
- 99 Human rights
- 106 Customer satisfaction

109 Governance Report

- 109 Corporate governance
- 116 Risk management
- 118 Compliance
- 121 Third-party opinion
- 122 External evaluation
- 123 ESG Data

Materiality

Promotion of health initiatives rooted in local communities

Providing products and services for each country and region

With the rise of obesity and lifestyle-related diseases such as diabetes, an increasing number of countries outside Japan have recently sought to protect people’s health by levying a “sugar tax” on foods containing more than a certain amount of sugar. Mexico now requires a warning label on foods with sugar content exceeding specified standards, while in Malaysia and Singapore, the Healthier Choice Symbol (HCS) appearing on foods containing less than the specified levels of sugar is required for their sale at schools and in advertising. Similar requirements in product development and labeling are expected to increase in the future as more consumers become health conscious and concerned about their sugar intake. The Yakult Group is therefore developing and introducing low-sugar products to clear food standards and meet consumer demand in different countries and regions.

Mental healthcare is also becoming increasingly important as many people today suffer from stress. In the face of this social problem, in October 2019 we launched *Yakult 1000*, our first Food with Function Claims developed through broader research into the intestinal microbiota and probiotics to provide new health value based on its effects on stress and sleep. And in October 2021, *Y1000* was launched with the same functions as *Yakult 1000*, primarily for the retail store channel.

■ Efforts in Japan

With an increasing percentage of sales from products with lower sugar content and fewer calories (*Yakult 400LT*, *New Yakult Toshitsu Calorie 50% Off*), we reduced the calories per milliliter of *Yakult 1000*, *Y1000* and *Yakult 400W* compared to *Yakult 400*. In response to ongoing demand, we introduced *Yakult 1000 Toshitsu Off* and *Y1000 Toshitsu Off*, which are 32% lower in calories and 44% lower in sugar than *Yakult 1000* and *Y1000*. Anticipating that people’s interest in reducing sugar intake will grow in the future, we will apply the technologies we developed to comply with sugar regulations in other countries to develop products in Japan.

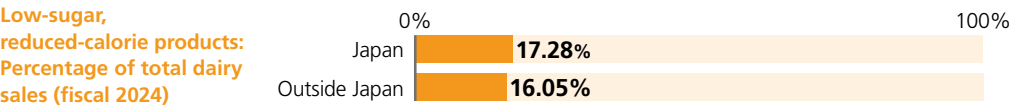
As people’s health consciousness and their preferred health solutions become more diversified, we are considering new products that provide value tailored to each individual, such as by combining the proprietary functions of our existing products with plant materials that have a healthy image, as well as by developing new categories of products that can be helpful in clinical settings.

■ Sales of low-sugar, reduced-calorie products

With the increasing health awareness of people throughout the world, we have been selling various low-sugar, reduced-calorie products that meet our customers’ needs.

Outside Japan, we sell low-sugar, reduced-calorie products in 28 of the 39 countries and regions where we operate in order to respond to our customers’ health needs while giving consideration to solving their health issues.

Going forward, we will continue contributing to the health and happiness of people around the world through development and sales of products that benefit the health of our customers.



Contribution to solving nutrition and health issues through probiotic products

The shift to super-aged societies in developed countries is increasing the need for highly nutritious foods to address smaller meals and increasing frailty*1 among older adults with a view to extending their healthy life expectancy. On the other hand, developing countries are facing hunger and malnutrition issues due to poverty.

In order to contribute to the health and happiness of people around the world, we develop food and beverage products. Improving intestinal health aids in the digestion and absorption of nutrition, which we believe can help address malnutrition and other issues.

Additionally, in recent years, a close relationship has been found between the intestinal microbiota and human health. A relationship has also been shown between *L. paracasei* strain Shirota and the maintenance of human health.

We have been delivering probiotic products that use *L. paracasei* strain Shirota to people around the world since our founding and are contributing to the health of people globally.

Furthermore, in response to the inadequate intake of vitamins and minerals, as revealed by guidelines such as the Dietary Reference Intakes for Japanese, we are also developing food and beverages with balanced nutrition in mind, fortified with the necessary vitamins and minerals for target gender and age groups.

Yakult Sustainability Report 2025										Editorial Policy		Top Commitment		Sustainability		Environmental Activities Report		Social Activities Report		Governance Report		Third-party opinion		ESG Data		79			
Contents 02 About the Sustainability Report 2025 03 Editorial Policy 04 Overview of Yakult’s Operations 05 Yakult’s Business Operations 06 Top Commitment 09 Yakult’s Beginnings 11 Sustainability 27 Environmental Activities Report 28 Environmental management 35 Climate change mitigation and adaptation 46 Transition to sustainable plastic containers and packaging 51 Sustainable water source management 54 Biodiversity conservation 57 Reducing waste and food loss 59 Social Activities Report 60 Provision of safe and secure products and transparent information disclosure 65 Value co-creation with communities 70 Establishment of a resilient and sustainable supply chain 78 Promotion of health initiatives rooted in local communities 80 Creation of health value that meets diverse health needs 84 Worker health, safety and well-being 91 Initiatives for Yakult Ladies 92 Development of innovative human resources capable of delivering new value 95 Embracing the diversity of our workforce 99 Human rights 106 Customer satisfaction 109 Governance Report 109 Corporate governance 116 Risk management 118 Compliance 121 Third-party opinion 122 External evaluation 123 ESG Data										For example, in Japan, we launched such products as <i>Yakult Multivitamin</i>, which is fortified with five different popular nutrients; <i>Joie</i>, a supplement containing a full daily^{*2} supply of vitamins and minerals; and <i>Kininaruyasai Ichinichibunno Multivitamin Red Grape & Tomato</i>, which provides a meal’s worth^{*3} of six water-soluble vitamins (niacin, vitamins B₁, B₂, B₆ and C, and folic acid) that are often deficient in the diet in one easy and delicious serving. We also provide nutrient-enriched products that meet global health needs. *1 Frailty: Physical and mental decline (motor and cognitive functions, etc.) associated with age *2 Based on the reference daily values for nutrients, etc. *3 Equivalent to one-third of the reference daily values for nutrients, etc.										Expanding e-commerce and other channels With a view to improving convenience as the e-commerce market continues to grow, Yakult launched the Yakult Delivery Net online ordering service in fiscal 2017 and expanded the service nationwide in September 2018. This service offers options for credit card payment and product delivery in a cold storage box, making it possible to deliver products in keeping with diverse consumer lifestyles. The service has allowed us to broaden our customer base and to deepen contact with existing users. As of March 2025, the number of registered users was approximately 216,000. Note: The registration of new users has been suspended due to the shortage of some products (as of March 2025).									

Contents

- 02 About the Sustainability Report 2025
- 03 Editorial Policy
- 04 Overview of Yakult’s Operations
- 05 Yakult’s Business Operations
- 06 Top Commitment
- 09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

- 28 Environmental management
- 35 Climate change mitigation and adaptation
- 46 Transition to sustainable plastic containers and packaging
- 51 Sustainable water source management
- 54 Biodiversity conservation
- 57 Reducing waste and food loss

59 Social Activities Report

- 60 Provision of safe and secure products and transparent information disclosure
- 65 Value co-creation with communities
- 70 Establishment of a resilient and sustainable supply chain
- 78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

- 84 Worker health, safety and well-being
 - 91 Initiatives for Yakult Ladies
- 92 Development of innovative human resources capable of delivering new value
- 95 Embracing the diversity of our workforce
- 99 Human rights
- 106 Customer satisfaction

109 Governance Report

- 109 Corporate governance
- 116 Risk management
- 118 Compliance
- 121 Third-party opinion
- 122 External evaluation
- 123 ESG Data

Materiality

Creation of health value that meets diverse health needs

Spawning innovation

■ Using innovation to build our future

The Yakult Group aims to evolve into a healthcare company that continues contributing to the health of people around the world by generating innovations that will help resolve social issues through the pursuit of excellence in life science.

■ R&D initiatives

The Yakult Group is daily engaged in research and development to generate products and services that contribute to the health of people around the world. These research and development activities span a broad range of domains and include basic research exploring relationships between microbes and health, among other matters, applied research on producing food, cosmetics and healthcare products, and support research evaluating the safety and quality of products and materials.

We are also actively engaged in activities with external partners to promote preventive medicine and the idea that a healthy intestinal tract leads to a long life, conducting joint research with various medical institutions and undertaking a research grant program with Nature Portfolio.

Organizations that generate innovation

■ Yakult Central Institute

The Yakult Central Institute is engaged in a variety of research activities based on Shirota-ism, and the results of this research have been applied to products that have preventive medicine properties and that contribute to the maintenance and promotion of good health. The Yakult Central Institute has the latest facilities, organization and environment to enable wide-ranging research activities that generate original, leading-edge results. We will further deploy core technologies related to intestinal microbiota and probiotics in various fields with the aim of enhancing the health of people around the world.

Yakult Central Institute

Established: April 1955 (launched in Kyoto as the Shirota Institute)
Location: 5-11 Izumi, Kunitachi-shi, Tokyo
Employees: Around 300

Key research subjects and fields

The Institute works on the development of ingredients for food, beverages, cosmetics and healthcare products that aid in the maintenance and improvement of health, and researches into their applications. The fields of microbiology, nutritional science, physiological science, immunology, biochemistry, bioengineering, fermentation engineering, pharmaceutical science, analytical chemistry, epidemiology and information science all form a part of the research.



Online corporate visit program for students

We conduct an online corporate visit program to promote career education for junior high and high school students. The program provides opportunities to deepen understanding of researchers and their profession, and cultivate interest among students in contributing to society through work. In fiscal 2024, 376 students from 9 schools participated, with over 90% of the students responding to a survey that they were “very satisfied” or “satisfied” with the program.

■ Yakult Honsha European Research Center for Microbiology VOF

Yakult Honsha established the Yakult Honsha European Research Center for Microbiology VOF (YHER) in Ghent, Belgium, in 2005. YHER has so far conducted clinical trials in Europe using locally produced fermented milk drinks, which confirmed that *L. paracasei* strain Shirota* reaches the intestines alive and improves fecal properties. Other basic research by the Center has also revealed that intestinal bifidobacteria are passed on from mothers to newborns, and that certain bifidobacteria stay in the intestines for a long period of time from infancy to early childhood.

* Formerly known as *Lactobacillus casei* strain Shirota

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Research on bacteriology

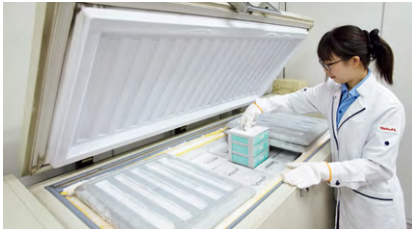
■ Research on the intestinal microbiota

The human intestinal tract is colonized by some 100 trillion bacteria, of which there are around 1,000 different types. In particular, a diverse array of intestinal bacteria inhabits the area from the lower section of the small intestine to the large intestine and is called the intestinal microbiota. It has been discovered that the intestinal microbiota is related to lifestyle-related diseases and stress in addition to the health of the intestines and the development and maintenance of immunity.

Research into the intestinal microbiota from the standpoint of preventive medicine is a major pillar of activities at the Yakult Central Institute. We use the latest genetic analysis technology, intestinal bacteria isolation technology and a range of other techniques to analyze the types and composition of intestinal bacteria to ascertain their relationship with diseases and their impact on the health of the host.

■ Probiotics research

The Yakult Central Institute has a long list of research achievements involving strains such as *Lactcaseibacillus paracasei* strain Shirota, discovered by Minoru Shirota, and *Bifidobacterium breve* strain Yakult.



Collection of microorganisms such as lactic acid bacteria and bifidobacteria

Ethical compliance

The Yakult Central Institute has departments that specialize in research and assurance related to product safety and reliability. The departments collect highly reliable research data following Yakult’s strict proprietary standards and criteria. The Safety Research Department evaluates the safety of materials and products according to government standards. Independent from other organizations, the Quality Assurance Unit audits research data and activities from a third-party standpoint. We also actively run research ethics training (information security, legal compliance, etc.) for our researchers.

When tests on animals are required during our research and development, we follow the law and the policies of relevant institutions, and perform the tests in line with our internal regulations on animal welfare. We also accept regular on-site inspections from international third-party evaluation organizations and stay up-to-date on our certifications.

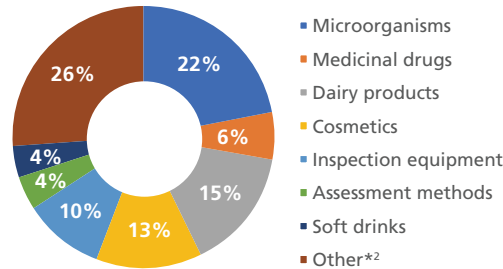
Except where there are legal requirements or guidelines from the relevant authorities in each country, our food and cosmetics research does not involve testing on animals.

Investing in and utilizing intellectual property and intangible assets

■ Acquisition and utilization of intellectual property rights

The Yakult Group works actively to acquire intellectual property rights (patents, designs, trademarks, etc.) in and outside Japan on new products and technologies created through research and development. This enables us to not only protect our proprietary technologies from infringements by other companies but also maintain and improve our brand value through the appropriate use of these rights. Our patents range from probiotics to pharmaceuticals and cosmetic products (number of patents held in and out of Japan as of the end of March 2025: about 1,000).

Share of patent rights held by field (Japan)*1



*1 Calculated based on applications with rights continuing or under examination as of May 2025

*2 “Other” includes packaging, containers, jigs, biotechnology (cell culture, genes, etc.) and educational materials.

■ Optimizing our intellectual property strategy

Yakult Honsha centrally manages the intellectual property rights in all countries and regions where the Yakult Group conducts business, thereby creating an optimal intellectual property strategy for the entire Group. The Intellectual Property Section of the Development Department plays a central role in developing and formulating this strategy and promotes its implementation in cooperation with the business divisions.

Under the unified management of Yakult Honsha, we have acquired rights to the *Yakult* and related trademarks in countries and regions around the world to maintain and enhance the value of the Company’s brand. We have also acquired a three-dimensional trademark in Japan, the United States and other countries for the distinctive shape of *Yakult* containers. These rights have been useful in protecting against the rapid increase of imitation products overseas. In addition, we have been building up our monitoring system in collaboration with outside experts particularly for imitation products.

Number of countries where we have acquired rights to the *Yakult* and related trademarks and examples of such trademarks

120 countries and regions around the world



Contents

02	About the Sustainability Report 2025
03	Editorial Policy
04	Overview of Yakult’s Operations
05	Yakult’s Business Operations
06	Top Commitment
09	Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28	Environmental management
35	Climate change mitigation and adaptation
46	Transition to sustainable plastic containers and packaging
51	Sustainable water source management
54	Biodiversity conservation
57	Reducing waste and food loss

59 Social Activities Report

60	Provision of safe and secure products and transparent information disclosure
65	Value co-creation with communities
70	Establishment of a resilient and sustainable supply chain
78	Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84	Worker health, safety and well-being
91	Initiatives for Yakult Ladies
92	Development of innovative human resources capable of delivering new value
95	Embracing the diversity of our workforce
99	Human rights
106	Customer satisfaction

109 Governance Report

109	Corporate governance
116	Risk management
118	Compliance
121	Third-party opinion
122	External evaluation
123	ESG Data

■ Communicating and building trust with customers through Yakult Ladies and Yakult Beauty Advisors

Yakult Ladies and Yakult Beauty Advisors form the core of the Yakult Group’s unique home delivery system, which not only delivers food and cosmetic products but also provides health information, enabling us to communicate with customers and earn their trust. This approach to communication with customers through the home delivery system is utilized in 13 countries and regions around the world, including Japan, and the trust built as a result of this system is an important asset for the Yakult Group.

Effective use of resources

In the design and development of containers and packaging, we are continually studying the possibilities of adopting environmentally responsible materials and saving (reducing) resources in existing products, such as by developing technologies for transitioning to materials that are easy to recycle.

At plants, we have been continuing with our efforts to save energy and resources, such as reviewing work methods that lead to reductions in electricity and water in the manufacturing and production processes, and adopting high-efficiency equipment when upgrading installed equipment.

Related information

p. 46 Transition to sustainable plastic containers and packaging
p. 51 Sustainable water source management
p. 57 Reducing waste and food loss

Expanding our medical biome business

“Medical biome” is a portmanteau construction combining “medical” and “microbiome” that represents the full range of business activities conducted by Yakult Honsha, which include the study of microbiomes in an effort to help resolve various challenges in the healthcare domain, the development of products, and the provision of new value based on findings in microbiome research.

Synprotec and *Bifidus Pro*, both released in 2023, are two products developed as part of this business with feedback from medical professionals.

Synprotec is a synbiotic food product combining two kinds of microbiota and galactooligosaccharides developed independently by Yakult. *Bifidus Pro* is a powdered product that contains living *B. breve* strain Yakult. Sold in highly portable aluminum stick packaging, it can be stored long-term at room temperature.

Developing products using plant-derived ingredients

Yakult Honsha has an established business alliance with Pokka Sapporo Food & Beverage Ltd. (Pokka Sapporo), which uses plant-based ingredients such as lemons as resources, and has been exploring ways to work collaboratively with Pokka Sapporo in order to expand our market further and provide new value to customers in the form of plant-based food. Results of this collaboration include *Soful Lemon* (released January 2023), which combines Pokka Sapporo’s lemon ingredients with our fermentation technology, and *Power of Soy Milk* (released October 2024), which uses the plant-based yogurt business and production facilities acquired from Pokka Sapporo.

Promoting joint research and corporate collaborations

■ Expanding joint research

To encourage innovation that addresses social issues, we have been engaging in joint research with outside research institutions to achieve our goals through partnerships.

■ Joint research with JAXA

In joint research with the Japan Aerospace Exploration Agency (JAXA) we have scientifically verified the effects of the regular intake of probiotics (*Lacticaseibacillus paracasei* strain Shirota) on the immune functions and intestinal environment of astronauts on long-term stays aboard the International Space Station (ISS). Before carrying out this research in space, we confirmed that *Lacticaseibacillus paracasei* strain Shirota maintains its probiotic properties after long-term storage in a space environment.

■ Establishing a unit in digestive tract disease research and treatment studies at Juntendo University

We provided a donation to fund a unit in digestive tract disease research and treatment studies at the Juntendo University Graduate School of Medicine, and are currently engaged in collaborative research to clarify the efficacy and action mechanism of probiotics used to treat functional digestive tract diseases and improve quality of life. As well as producing evidence for the efficacy of probiotics in treating functional digestive tract diseases, this work will contribute to the development of medical science by deepening our understanding of functional digestive tract diseases with respect to intestinal microbiota and environments.

■ Research grant program with Nature Portfolio

Since 2018 we have operated the Global Grants for Gut Health program jointly with Nature Portfolio, the publisher of the multidisciplinary science journal *Nature*, to advance basic and clinical research into the influence of intestinal microbiota on human health.

Contents

02	About the Sustainability Report 2025
03	Editorial Policy
04	Overview of Yakult’s Operations
05	Yakult’s Business Operations
06	Top Commitment
09	Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28	Environmental management
35	Climate change mitigation and adaptation
46	Transition to sustainable plastic containers and packaging
51	Sustainable water source management
54	Biodiversity conservation
57	Reducing waste and food loss

59 Social Activities Report

60	Provision of safe and secure products and transparent information disclosure
65	Value co-creation with communities
70	Establishment of a resilient and sustainable supply chain
78	Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84	Worker health, safety and well-being
91	Initiatives for Yakult Ladies
92	Development of innovative human resources capable of delivering new value
95	Embracing the diversity of our workforce
99	Human rights
106	Customer satisfaction

109 Governance Report

109	Corporate governance
116	Risk management
118	Compliance
121	Third-party opinion
122	External evaluation
123	ESG Data

■ Product development (products for pets) through corporate collaboration

▪ Developing products for companion animals (pets)

Based on our belief that “in order for people to be healthy, everything around them must also be healthy,” we see it as important to support the health not only of humans but also of animals, plants and the environment. Resolving to help improve health maintenance for companion animals, we formed a capital business alliance with Japan Pet Communications Co., Ltd. and now sell collaboratively developed products using ingredients developed independently by Yakult. In October 2024, we released *MediSupply Galactooligosaccharide*, a supplement for cats that responds to the need for products for cats, and in May 2025 we released the dog food *V-Base*, which contains galactooligosaccharides and *L. plantarum* strain Planimal developed independently by Yakult.

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Materiality

Worker health, safety and well-being

Ensuring safe and hygienic workplace environments

The Occupational Health and Safety Committee spearheads our effort to undertake thorough safety management and to create safe and comfortable work environments so that employees can work with peace of mind. As a result of these efforts, the number of accidents at work is extremely low, with commuting incidents accounting for the majority of cases.

Based on the Labor Standard Act, Fire Service Act and Industrial Safety and Health Act, we have formulated Health and Safety Management Regulations that aim to prevent accidents by employees and protect their lives and health, establish a work environment where they can perform their daily tasks with peace of mind, and improve labor efficiency.

Based on these regulations, the Occupational Health and Safety Committee, which meets monthly and is made up of our General Health and Safety Manager, occupational health physicians and employee representatives, strives to maintain and improve employees’ physical and mental health, perform health and safety visits and address any issues rapidly, and improve working conditions. As a result, the rate of accidents at work has remained at an extremely low level. In the past 10 years, there have been no fatal accidents involving regular employees or contract employees.

Work accident frequency rate and severity rate (Yakult Honsha)

Fiscal year	2020	2021	2022	2023	2024	All-industry average*4
Work accident frequency rate*1	0.20	0.40	0.60	1.65	0.64	2.10
Work accident severity rate*2	0.0020	0.0006	0.0018	0.0107	0.0066	0.09
Per-employee work accident rate*3	0.004	0.005	0.009	0.007	0.007	—

*1 Work accident frequency rate: Injuries and deaths caused by work accidents ÷ Total work hours x 1,000,000

*2 Work accident severity rate: Number of work days lost ÷ Total work hours x 1,000

*3 Per-employee work accident rate: Number of accidents ÷ Number of employees

*4 Partial extract from the Ministry of Health, Labour and Welfare’s Survey on Industrial Accidents (2024)

Occupational health and safety inspection tours and environmental improvement measures at plants

We regularly conduct health and safety inspection tours at each of our plants in Japan and actively respond to any findings for improvement. As examples of improvements to address problems identified by these tours, we have recently replaced ladders with stairs to alleviate the physical strain of older workers during equipment inspections, repaired dangerous areas that were posing a risk on site, installed measures to stop shelving from tipping over in case of an earthquake, and installed conveyors to reduce lower back strain on operators.

We are also improving working environments by choosing energy-saving and low-noise models when replacing older machinery.

Occupational health and safety training at plants

We conduct occupational health and safety training at each plant in Japan, using risk assessments to reduce workplace accidents. We also utilize external resources and internal and external trainers to provide safety training required for specific roles, including working with hydrogen sulfide and oxygen deficiency risk, handling of hazardous materials, and the use of safety harnesses for working at heights.

In cooperation with manufacturers of production and energy supply equipment, we also hold training sessions that cover the operation and function as well as the maintenance method of each type of equipment. This improves employee skill level and safety awareness, helping prevent work-related accidents.

Additionally, as many employees commute by car to our plants, we hold courses on traffic safety to raise awareness of safe driving.

Equipment to reduce workload and prevent workplace injury

Plants in Japan have introduced various equipment, including powered exoskeletons and vacuum lifters for heavy-load handling, to reduce physical strain and prevent work accidents. Safety devices have also been installed across work areas and production equipment to foster a work environment where employees can work with peace of mind.

In fiscal 2024, we continued to enhance safety measures, such as by installing maintenance walkways for production equipment and spot coolers to prevent heat stroke. In addition, we deployed safety measures for production equipment on a nationwide basis. We will continue to further improve the safety of daily inspections and maintenance work, as well as reduce workloads.

Occupational Safety and Health Committee: Yakult Philippines, Inc. and PT. Yakult Indonesia Persada

Yakult Philippines, Inc. has established the Yakult Occupational Safety and Health Committee, which discusses safety in the workplace and works with local community groups to ensure thorough awareness within the company of disaster and fire safety measures.

In accordance with Indonesia’s Work Safety Act, PT. Yakult Indonesia Persada established an Occupational Safety and Health Committee, which meets regularly to create a safe working environment. To regularly conduct safety inspection tours and safety training, the Safety, Health and Environment (SHE) Department was established at the Sukabumi Plant in January 2020, and it was also set up at the Mojokerto Plant in January 2022.

Contents

- 02 About the Sustainability Report 2025
- 03 Editorial Policy
- 04 Overview of Yakult’s Operations
- 05 Yakult’s Business Operations
- 06 Top Commitment
- 09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

- 28 Environmental management
- 35 Climate change mitigation and adaptation
- 46 Transition to sustainable plastic containers and packaging
- 51 Sustainable water source management
- 54 Biodiversity conservation
- 57 Reducing waste and food loss

59 Social Activities Report

- 60 Provision of safe and secure products and transparent information disclosure
- 65 Value co-creation with communities
- 70 Establishment of a resilient and sustainable supply chain
- 78 Promotion of health initiatives rooted in local communities
- 80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

- 91 Initiatives for Yakult Ladies
- 92 Development of innovative human resources capable of delivering new value
- 95 Embracing the diversity of our workforce
- 99 Human rights
- 106 Customer satisfaction

109 Governance Report

- 109 Corporate governance
- 116 Risk management
- 118 Compliance
- 121 Third-party opinion
- 122 External evaluation
- 123 ESG Data

■ Routine safety risk patrols by safety production officers: Guangzhou Yakult Co., Ltd.

Guangzhou Yakult Co., Ltd. assigns safety production officers to each plant to conduct regular safety risk patrols and provide occupational safety education. The company also carries out accident response training, including drills for fires, confined space incidents, and chemical spills. These occupational safety initiatives are reported annually to the Board of Directors to enhance information-sharing.

■ Regular safety inspections: Yakult China Group

The Yakult China Group conducts regular safety inspections at its Wuxi Plant. In fiscal 2024, 284 issues were identified and addressed—177 at Plant 1 and 107 at Plant 2. In addition to these inspections, the Wuxi Plant also provides safety education for all employees and conducts evacuation, first aid, fire and other drills.

The Tianjin Plant has established an environmental protection office reporting directly to the plant manager to oversee EHS (environment, health and safety) operations. This structure reinforces a companywide commitment to environmental and safety management.

■ Enhancing occupational health and safety training: Yakult S/A Ind. E Com. (Brazil)

At each plant of Yakult S/A Ind. E Com. (Brazil), the company continues to operate internal accident prevention committees while providing a range of training programs tailored to employees’ job functions. These include approximately four hours of occupational safety training for new employees, annual training for employees engaged in confined space work, and training every other year—mandated under Brazilian law—for those working at height, operating electric cranes, working on elevated platforms and driving forklifts. Employees exposed to particular risks during operations, such as noise, cold, height or humidity, are provided with appropriate personal protective equipment (PPE). In addition, the company has established internal fire and rescue teams to respond to emergencies and confined space incidents. These teams regularly conduct simulations of fires, emergencies and confined space work to maintain and enhance their firefighting and rescue capabilities.

Promoting health-focused management

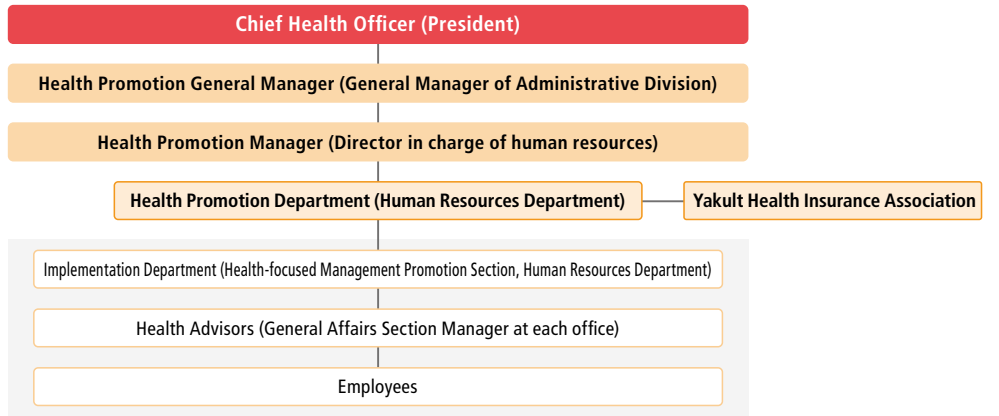
■ Initiatives based on our Statement on Health

The Yakult Group sees employee health maintenance and improvement as an investment that can enhance profitability in the long run. Viewing these concerns as a management issue, we promote strategic health-focused management and published in September 2017 our Statement on Health. To actively promote health-focused management, we established a dedicated Health Management Promotion Section of the Human Resources Department in fiscal 2020. While encouraging employees to manage their own health, the Group is also proactively engaged in the health maintenance and improvement of its employees. By further boosting everyone’s awareness and keeping them in good health, we aim for continuous and stable business development.

Statement on Health

We recognize that the health of our employees is essential to realizing the Yakult philosophy of “contributing to the health and happiness of people,” and therefore strive to create safe work environments that offer peace of mind, as well as promote good physical and mental health in our employees.

Health-focused management promotion system



Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

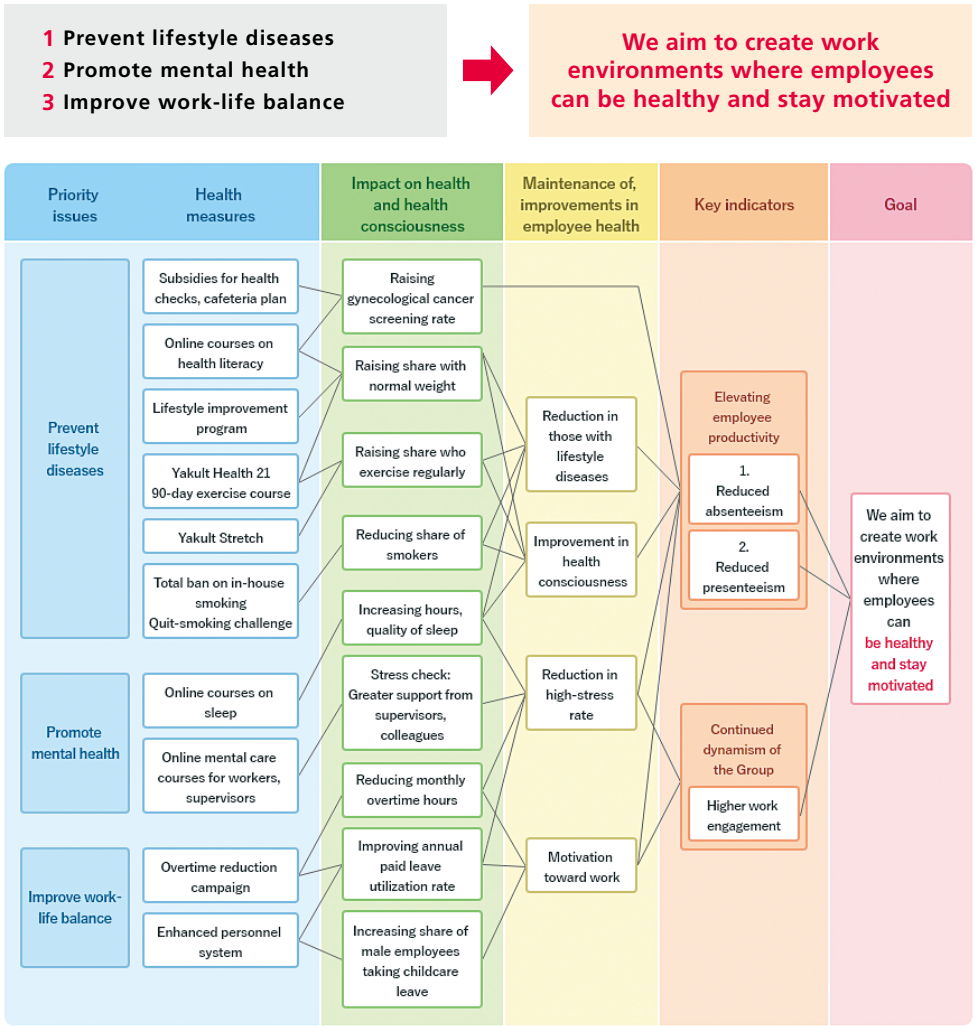
121 Third-party opinion

122 External evaluation

123 ESG Data

Strategic roadmap for health-focused management

We regard elevating employee productivity and continued dynamism of the Group as the most important themes in health-focused management, which we are promoting in accordance with the following strategic roadmap.



Note: As of April 2025.

White 500 certification for eight consecutive years

In March 2025, we were included in the KENKO Investment for Health Stock Selection for the second straight year as a company carrying out efforts to promote employee health from a management perspective, as chosen by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange. We also received “White 500” certification for the eighth year in a row.

The above selection and certification acknowledge our initiatives to improve employee health based on the formulation of our Statement on Health. We engage in such efforts in accordance with the recognition that the maintenance and improvement of employee health are essential to realizing the Yakult philosophy of “contributing to the health and happiness of people around the world through pursuit of excellence in life science in general and our research and experience in microorganisms in particular.”



Yakult Health 21

Yakult Health 21 is a health-improvement activity promoted by the Yakult Health Insurance Association. Every year, we set a priority period to promote healthy meals, exercise and other lifestyle improvements. In fiscal 2024, a new weight monitoring course was introduced to support practical behavior change related to personal health. There were 2,678 participants in the program during the year.

Helping employees to quit smoking

As well as implementing a total ban on smoking during working hours, we work with the Yakult Health Insurance Association to encourage smokers to quit and support their efforts to kick the habit, such as by fully subsidizing the cost of cessation treatment.

Health management for employees posted overseas

We monitor the results of regular health checks carried out locally, assess occupational health based on the same criteria as those used in Japan, and provide online consultations by occupational health physicians as necessary.

We also hold online health seminars to encourage improved health literacy.

Initiatives in Japan

Cancer screenings for women

At Yakult Honsha, we offer mobile cancer screenings for women during working hours, aimed at health promotion and early-stage detection and treatment of breast and uterine cancer.

In fiscal 2024, we partnered with medical facilities in the vicinity of each business site and partly subsidized consultation fees to make it easier for women to get screenings. We are aiming for over 90% of female employees to be screened for breast cancer and over 80% for uterine cancer by fiscal 2030.

Contents

02	About the Sustainability Report 2025
03	Editorial Policy
04	Overview of Yakult’s Operations
05	Yakult’s Business Operations
06	Top Commitment
09	Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28	Environmental management
35	Climate change mitigation and adaptation
46	Transition to sustainable plastic containers and packaging
51	Sustainable water source management
54	Biodiversity conservation
57	Reducing waste and food loss

59 Social Activities Report

60	Provision of safe and secure products and transparent information disclosure
65	Value co-creation with communities
70	Establishment of a resilient and sustainable supply chain
78	Promotion of health initiatives rooted in local communities
80	Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91	Initiatives for Yakult Ladies
92	Development of innovative human resources capable of delivering new value
95	Embracing the diversity of our workforce
99	Human rights
106	Customer satisfaction

109 Governance Report

109	Corporate governance
116	Risk management
118	Compliance
121	Third-party opinion
122	External evaluation
123	ESG Data

■ Periodic health consultations and sharing issues in the workplace

At Yakult Honsha, we offer periodic consultations with community health nurses, and for employees who have exceeded a specified amount of overtime, we provide consultations with occupational health physicians. Issues in the workplace are also regularly shared, and views are exchanged on ways to make improvements.

■ Yakult Stretch workplace exercise

We introduced Yakult Stretch at the head office in November 2020 with the aim of improving work productivity through a stretch routine. This has led to a reduction in stiff shoulders, backache and eye strain, which were found to be the most common health issues in a survey of employees. We made the stretch routine easy to do in a confined office space or when working from home to increase the uptake rate.

■ Lifestyle improvement program

Since fiscal 2022, Yakult Honsha has been implementing a lifestyle improvement program for employees who, based on the results of regular checkups, were at risk of lifestyle diseases. Through guidance on healthy meals and exercise from external instructors, the program aims to reduce the risk of lifestyle diseases for participating employees by encouraging behavior change.

■ Promoting and enhancing health among business partners

As a leading company in health-focused management, Yakult Honsha implements a wide range of health initiatives based on our corporate philosophy.

By promoting and advancing health-focused management among sales agents and other business partners, we are committed to advancing health-focused management beyond our own employees in line with our mission to contribute to the health and happiness of people around the world.

■ Conducting health-focused management seminars

We conduct health-focused management seminars for sales agents and other business partners to convey the significance of engaging in health-focused management and to share case studies and know-how for addressing health-related issues. In collaboration with external consultants, we are offering programs that foster a unified and sustained commitment to health-focused management across the Group.

Employee comment



Shoma Hashiguchi
Assistant Manager
Health Management Promotion
Section
Human Resources Department

The Company implements a variety of health initiatives aimed at addressing health-related issues, including an original daily exercise program called Yakult Stretch.

Starting in fiscal 2024, we have expanded our efforts beyond the Company to promote health-focused management among Group members and business partners. In doing so, we emphasize the theme of “small changes,” encouraging workers to recognize their current efforts as strengths and to optimize everyday practices—an approach we believe leads to positive results.

On a personal level, I find joy in knowing that every effort I make contributes to someone’s health. In the future, I hope to continue promoting health-focused management beyond our Company’s employees and contribute to creating healthier, more enjoyable lifestyles for people around the world.

■ Mental health measures

At Yakult Honsha, we keep employees motivated by reducing stress that comes from workload pressures and workplace relationships and also endeavor to create cheerful and welcoming work environments through various measures and training sessions.

■ Consultation desk

Mental health consultation desks are set up both within and outside the Company. The in-house desk provides health consultations and counseling through resident health nurses and designated occupational health physicians. The external service can be used by not only employees but also family members to seek private and anonymous advice on mental health issues, including personal matters.

■ Health advisors

Health advisors have been assigned to 13 business sites in Japan to facilitate health-focused management. They are trained to recognize mental health issues early and help people deal with them.

■ Stress checks and organizational analysis

We conduct stress checks using legally prescribed methods and compile the results by workplace to provide feedback to supervisors. This has proven useful in improving workplace environments.

Contents

- 02 About the Sustainability Report 2025
- 03 Editorial Policy
- 04 Overview of Yakult’s Operations
- 05 Yakult’s Business Operations
- 06 Top Commitment
- 09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

- 28 Environmental management
- 35 Climate change mitigation and adaptation
- 46 Transition to sustainable plastic containers and packaging
- 51 Sustainable water source management
- 54 Biodiversity conservation
- 57 Reducing waste and food loss

59 Social Activities Report

- 60 Provision of safe and secure products and transparent information disclosure
- 65 Value co-creation with communities
- 70 Establishment of a resilient and sustainable supply chain
- 78 Promotion of health initiatives rooted in local communities
- 80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

- 91 Initiatives for Yakult Ladies
- 92 Development of innovative human resources capable of delivering new value
- 95 Embracing the diversity of our workforce
- 99 Human rights
- 106 Customer satisfaction

109 Governance Report

- 109 Corporate governance
- 116 Risk management
- 118 Compliance
- 121 Third-party opinion
- 122 External evaluation
- 123 ESG Data

Fundamental philosophy about work-life balance

We define work-life balance as creating pleasant working environments that enable employees to maintain good health, maintain an optimal balance between their work and private lives, make the most of their abilities and feel motivated. At Yakult Honsha, we are moving ahead with efforts to prevent excessive work hours and create pleasant work environments by raising awareness of work-life balance among all employees, including by holding training sessions for newly appointed managers.

Initiatives for work style reform

We operate a system that accommodates diverse work styles. We have schemes for working from home and staggering work hours, in addition to allowing employees to temporarily leave the office during working hours.

Furthermore, to promote employees’ use of their annual allotment of paid holidays, Yakult Honsha encourages the use of paid holidays for birthdays, anniversaries and volunteer activities, as well as allowing annual leave to be taken in hourly increments. We will push ahead with creating work environments that make it easier for employees to take paid holidays.

We have also introduced “no overtime days” to reduce long working hours. As well as encouraging their teams to leave the workplace as soon as work is over, managers themselves are reminded not to work excessive hours. We will continue to strive to change employees’ attitudes by raising awareness of the importance of avoiding unnecessary overtime and improving work efficiency.

The situation of working hours and usage of paid holidays is regularly reported at board meetings to prevent compliance violations and to create a pleasant working environment.

Percentage of annual paid leave taken and average overtime hours per month (per person) (Yakult Honsha)

Fiscal year	2020	2021	2022	2023	2024
Percentage of annual paid leave taken (%)	71.1	76.5	81.6	88.1	84.4
Average overtime hours (per month)	8.1	9.0	10.3	11.0	10.6

Initiatives to achieve 100% take-up of annual paid leave: Yakult (China) Corporation, Yakult Taiwan Co., Ltd., Yakult S/A Ind. E Com. (Brazil)

To ensure that 100% of annual paid leave is taken by employees, Yakult (China) Corporation’s HR system tracks annual paid leave take-up rates and sends regular notifications about them. To ensure that employees do not work more than the maximum 36 hours of overtime per month permitted by labor law, the HR system also tracks overtime and ensures legal compliance.

Yakult Taiwan Co., Ltd. is not only striving to eliminate labor outside work hours, it also grants employees special leave annually according to regulations, and encourages them to take it all.

Yakult S/A Ind. E Com. (Brazil) complies with the Brazilian labor law, which stipulates that

working hours should not exceed 44 hours per week. In addition, it has instituted company regulations and implementation rules to achieve a 100% paid leave utilization rate.

Initiatives to improve efficiency and reduce overtime: Guangzhou Yakult Co., Ltd.

Guangzhou Yakult Co., Ltd. is carrying out three initiatives to improve efficiency and reduce overtime. The initiatives are: (1) Leaders of each section spearhead efforts to identify and implement measures to improve efficiency and reduce overtime; (2) work scheduled for Sunday is rescheduled to a weekday where possible; and (3) the rules of employment and company rules regarding break times and other matters are clarified to make sure workers take their allotted breaks.

As a result of these initiatives, average overtime taken per month was reduced from approximately 50 hours in 2020 to approximately 11 hours in 2024, which is well within the 36-hour maximum permitted by law.

Promoting flexible work arrangements: Yakult Australia Pty. Ltd., Yakult Danone India Pvt. Ltd., Yakult S/A Ind. E Com. (Brazil), Yakult Europe B.V.

Yakult Group companies around the world have introduced various systems to support flexible work arrangements.

Company regulations at Yakult Australia Pty. Ltd. call for a standard workweek of 38 hours, but employees may opt to work 40 hours per week and receive one additional day off every four weeks under the rostered day-off system. To streamline attendance management in the light of Australia’s diverse leave categories, the finance department has implemented a facial recognition system.

Yakult Danone India Pvt. Ltd. and Yakult S/A Ind. E Com. (Brazil) have introduced flextime systems in some departments, allowing employees to adjust their working hours.

At Yakult Europe B.V., flexible work options include reduced working hours and, in some areas, “smart work” arrangements that leverage information and communication technology (ICT) to enable time- and location-independent work.

Balancing work and childcare/nursing care

Platinum Kurumin certification

Yakult Honsha has been awarded Platinum Kurumin certification by Japan’s Ministry of Health, Labour and Welfare in recognition of its efforts to support employees with children.

Under the Act on Advancement of Measures to Support Raising Next-Generation Children, “Platinum Kurumin” is a system to certify companies that have already obtained Kurumin certification and are carrying out initiatives at an even higher level.



Contents

- 02 About the Sustainability Report 2025
- 03 Editorial Policy
- 04 Overview of Yakult’s Operations
- 05 Yakult’s Business Operations
- 06 Top Commitment
- 09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

- 28 Environmental management
- 35 Climate change mitigation and adaptation
- 46 Transition to sustainable plastic containers and packaging
- 51 Sustainable water source management
- 54 Biodiversity conservation
- 57 Reducing waste and food loss

59 Social Activities Report

- 60 Provision of safe and secure products and transparent information disclosure
- 65 Value co-creation with communities
- 70 Establishment of a resilient and sustainable supply chain
- 78 Promotion of health initiatives rooted in local communities
- 80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

- 91 Initiatives for Yakult Ladies
- 92 Development of innovative human resources capable of delivering new value
- 95 Embracing the diversity of our workforce
- 99 Human rights
- 106 Customer satisfaction

109 Governance Report

- 109 Corporate governance
- 116 Risk management
- 118 Compliance
- 121 Third-party opinion
- 122 External evaluation
- 123 ESG Data

■ Parental leave for fathers

Yakult Honsha has established a saved leave system in which employees can save the unused paid leave exceeding the carry-over limit and use it for other purposes, such as parental leave or nursing care leave. Male employees now consider it a matter of course to take parental leave, as we have been encouraging them—even before the enforcement of the revised Child Care and Family Care Leave Law on April 1, 2022—to take parental leave as soon as we learn that their spouse has given birth. Our fiscal 2030 target is for all eligible male employees to take parental leave and for them to take an average of 45 days or more. In fiscal 2024, the utilization rate for this leave was 107%,* with an average of 37 days of leave taken.

Additionally, 100% of both female and male employees return to work from parental leave.

* The parental leave utilization rate exceeds 100% because it includes employees whose children were born in fiscal 2023 but who did not take parental leave until fiscal 2024.

Number of employees taking parental leave (Yakult Honsha)

Fiscal year	2020	2021	2022	2023	2024
Male employees (number of people/utilization rate*)	10/15%	83/86%	67/95%	63/95%	60/107%
Female employees (number of people/utilization rate)	26/100%	35/100%	30/100%	30/100%	28/100%

*Rate of male employees taking parental leave: Number of male employees taking parental leave during the fiscal year in question divided by the number of male employees whose spouse has given birth during that fiscal year
Note: Disclosed rates rounded down to whole numbers

■ Building a pleasant work environment for parental leave takers

As part of its efforts to provide pleasant workplace environments, Yakult Honsha organizes roundtable meetings for employees who are returning to work after taking parental leave so that they can go back to work with confidence and subsequently maintain a good balance between work and childcare. The meetings serve as a platform for the Human Resources Department to provide information and to exchange ideas with employees who are already successfully balancing work and childcare. Encouraging a smooth return to work for participants enables the optimum use of their limited time and contributes to a dynamic work environment.

Further, because ensuring the understanding and cooperation of coworkers is essential for providing a supportive environment for those returning to work, related training sessions have been conducted for supervisors of returning employees.

■ Nursing care support system

We support employees in balancing work and nursing care through not only nursing care leave and long-term nursing care leave but also such additional measures as the use of saved leave available for nursing care and a system of dividing reduced working hours.

Promoting career management

We have introduced a career management system allowing employees to take on side jobs to facilitate their acquisition of knowledge and skills for a second career and to accommodate flexible work styles according to their life situations and self-fulfillment needs. In addition, for employees turning 55, we offer a Life Plan Seminar that provides an opportunity to consider work styles and motivations in life, while also promoting understanding of the continuous employment system, to help them enjoy a fulfilling life after retirement age.

Creating a workplace environment free from harassment

■ Preventing harassment

The Yakult Ethical Principles and Code of Conduct state zero tolerance for any form of harassment, including power harassment and sexual harassment.

Harassment can directly affect the victim’s physical and mental health, as well as reducing workers’ motivation, disturbing order in the workplace, and worsening the working environment. There is also a risk of direct or indirect damage from lawsuits and damage to our corporate image, so we are doing all we can to prevent harassment.

■ Compliance training

We run level-specific compliance training according to employees’ roles and responsibilities, to prevent harassment and bullying in the workplace. Particularly for managers, we run training sessions that incorporate case studies and encourage them to take appropriate action. Compliance training to raise awareness is also offered at each company in the Yakult Group.

Related information p. 119 Compliance training

■ Compliance newsletter

Our compliance newsletter regularly covers topics like power harassment and sexual harassment to raise awareness of these issues.

Related information p. 119 Compliance newsletter

■ Action in cases of harassment

We have designated compliance personnel within each department, business site and Group company to act as points of contact for matters relating to non-compliance, including harassment.

We will take care to protect privacy when dealing with suspected cases of harassment, and strict action will be taken against perpetrators if harassment is confirmed.

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

■ Action for suppliers

We ensure that our suppliers also take action to prevent harassment, based on the Yakult Group CSR Procurement Policy.

Related information	p. 70 Establishment of a resilient and sustainable supply chain ▶ Promoting sustainable procurement
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■ Establishing internal harassment prevention committees: Yakult Danone India Pvt. Ltd. and Yakult S.A. de C.V. (Mexico)

Yakult Danone India Pvt. Ltd. has established a seven-member sexual harassment committee comprising senior staff from the company and outside legal experts in accordance with an Indian legal mandate. In 2024, the committee held four regular meetings and promoted improvements in the working environment. The company also established a Grievances & Harassment Redressal Committee (GHRC). This council functions as a deterrent primarily by providing a forum to investigate instances of harassment, including power harassment.

Furthermore, Yakult S.A. de C.V. (Mexico) holds monthly internal regulation committee meetings where conditions regarding power harassment and sexual harassment are regularly examined.

Initiatives to enhance employee engagement

■ Implementing well-being surveys

Yakult Honsha conducts regular well-being surveys to monitor employees’ health status and attitudes, assess the effectiveness of various health initiatives, and promote physical and mental well-being and greater workplace satisfaction. In fiscal 2024, the survey covered such topics as individual health-related efforts, personal and organizational productivity, and satisfaction with the work environment and job content. Responses were obtained from 2,788 employees, representing a 97% participation rate.

Paying fair wages

■ Respect for basic labor rights

We do not currently have an in-house labor union, but we work with representatives of the majority of employees at each workplace to ensure that employees’ voices are heard. Before bringing in any changes that will significantly affect our employees, we hold briefing sessions for all employees and try to build consensus.

Comparison of starting salaries and minimum wage (fiscal 2024)

Fiscal year	Starting monthly salary (yen)	Comparison with minimum wage (%)
Graduate school graduate	249,500	140
University graduate (career track)	241,500	136
University graduate (general track)	215,500	121
Junior college graduate	206,500	116
Vocational school graduate	206,500	116

Note: Minimum wage calculated using the minimum wage for Tokyo (1,163 yen per hour) working 20.42 days per month, 7.5 hours per day. Our salary system is based on the level of each employee, and there is no difference between male and female employees in the same level or role.

Contents

- 02 About the Sustainability Report 2025
- 03 Editorial Policy
- 04 Overview of Yakult’s Operations
- 05 Yakult’s Business Operations
- 06 Top Commitment
- 09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

- 28 Environmental management
- 35 Climate change mitigation and adaptation
- 46 Transition to sustainable plastic containers and packaging
- 51 Sustainable water source management
- 54 Biodiversity conservation
- 57 Reducing waste and food loss

59 Social Activities Report

- 60 Provision of safe and secure products and transparent information disclosure
- 65 Value co-creation with communities
- 70 Establishment of a resilient and sustainable supply chain
- 78 Promotion of health initiatives rooted in local communities
- 80 Creation of health value that meets diverse health needs
- 84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

- 92 Development of innovative human resources capable of delivering new value
- 95 Embracing the diversity of our workforce
- 99 Human rights
- 106 Customer satisfaction

109 Governance Report

- 109 Corporate governance
- 116 Risk management
- 118 Compliance
- 121 Third-party opinion
- 122 External evaluation
- 123 ESG Data

Initiatives for Yakult Ladies

Improving the working environment for Yakult Ladies

We are developing and introducing systems and equipment to improve the working environment for Yakult Ladies. Specific measures include the introduction of portable terminals to make keeping track of customer information more efficient and an online payment system allowing collected fees to be processed at each sales center, without the need to go to a bank. We have also introduced electric vehicles to both reduce CO2 emissions and make deliveries more efficient.

We will actively promote the introduction of electric vehicles as a step toward decarbonization and in an effort to make the working environment more pleasant.



Electric vehicle

Supporting Yakult Ladies as employees

In response to Yakult Ladies seeking employment stability, we are offering Yakult Ladies the option of becoming employees of the Company. This will help us to secure human resources who will continue working over the long term. Currently, more than 10% of Yakult Ladies have become employees.

Retention of Yakult Ladies

We have introduced a support program enabling Yakult Ladies to receive various lifestyle and leisure services at preferential prices. Among such services are a financial planning consultation desk and money-related seminars that Yakult Ladies can use to privately receive advice or learn about money matters from financial planners. We will continue to promote comfortable working environments for Yakult Ladies at every stage of their lives.



Yakult daycare centers for children

The Yakult Group has been running its own in-house daycare centers since the 1970s and now operates 757 centers in Japan (as of March 2025). We promote the operation of safe and secure daycare centers that meet national standards and offer quality childcare by training care providers throughout the country and distributing our original childcare magazine.

In recent years, we have been participating in the Japanese government’s Comprehensive Support System for Children and Child-rearing, established in response to the severe shortage of daycare centers. As of April 2025, 62 Yakult Group daycare centers have received certification through this system and are providing care in modern and well-equipped facilities. With the certification, we are able to offer improved services like daily meals and to accept children from age zero, leading to a higher level of parent satisfaction, as well as to contribute to local communities by accepting children from the neighborhood.

Moving forward, we will continue striving to create daycare centers for children that keep pace with the needs of society and working women.



Safe and secure childcare centers

Pick up! Yakult Ladies in Indonesia

Yakult Ladies are active not just in Japan but in countries around the world. In Indonesia, where our sales are steadily growing, the number of Yakult Ladies has reached approximately 12,000, growing 2-fold over the past 10 years. Particularly in rural areas, it can be difficult for women to engage in jobs outside the home. To help Yakult Ladies balance work and family life, we assign them to areas that are in the immediate vicinity of their homes, and female employees are posted full time at offices and home delivery centers so they can answer questions or concerns about sales and to attend to any domestic worries.



Contents

02

About the Sustainability Report 2025

03

Editorial Policy

04

Overview of Yakult’s Operations

05

Yakult’s Business Operations

06

Top Commitment

09

Yakult’s Beginnings

11

Sustainability

27

Environmental Activities Report

28

Environmental management

35

Climate change mitigation and adaptation

46

Transition to sustainable plastic containers and packaging

51

Sustainable water source management

54

Biodiversity conservation

57

Reducing waste and food loss

59

Social Activities Report

60

Provision of safe and secure products and transparent information disclosure

65

Value co-creation with communities

70

Establishment of a resilient and sustainable supply chain

78

Promotion of health initiatives rooted in local communities

80

Creation of health value that meets diverse health needs

84

Worker health, safety and well-being

91

Initiatives for Yakult Ladies

92

Development of innovative human resources capable of delivering new value

95

Embracing the diversity of our workforce

99

Human rights

106

Customer satisfaction

109

Governance Report

109

Corporate governance

116

Risk management

118

Compliance

121

Third-party opinion

122

External evaluation

123

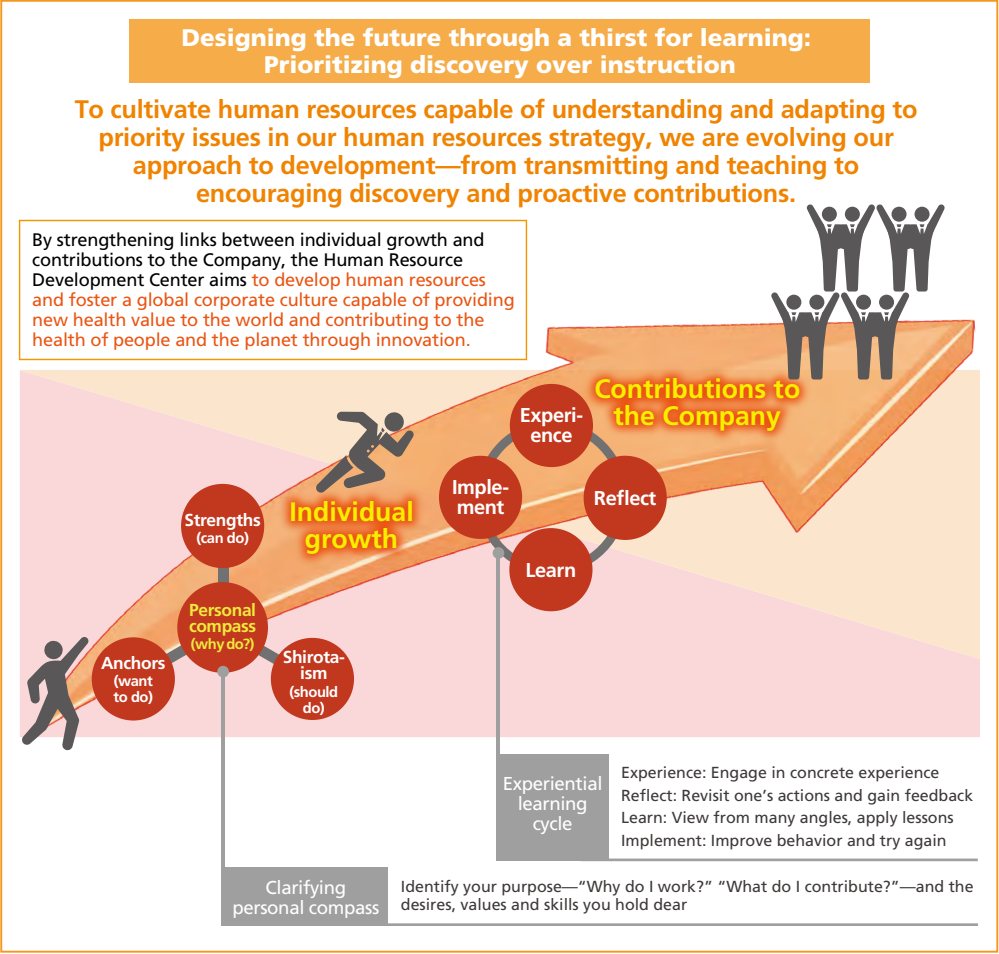
ESG Data

Materiality

Development of innovative human resources capable of delivering new value

Fundamental philosophy about human resources management

Our basic policy is to design the future through a thirst for learning—a process emphasizing discovery, rather than instruction. In order to cultivate human resources capable of understanding and adapting to priority issues in our human resources strategy, we are evolving our approach to development—from transmitting and teaching to encouraging discovery and proactive contributions.



Utilizing human resource systems that make work more rewarding

Based on the conviction that we must be a company that rewards hard work, we seek to operate a personnel system that is fair, impartial and satisfactory to all, with the aim of maximizing employees’ enthusiasm and motivation. Specifically, the Company classifies employees into different role groups (job levels) and career tracks (job types), according to how large a role they are expected to play and the nature of their work. Thus, we match the right person with the right job, helping employees to assume responsibilities according to their abilities and offering them a clear career vision. In addition, we are encouraging a greater sense of competition and willingness to take on new challenges through a more flexible system of personnel evaluation, bonuses, salary increases and other forms of compensation.

Major personnel systems: Yakult Honsha

Personnel system	Details
Self-reporting system	Employees state their views and wishes concerning job details, skills development, placement and transfers once a year, with the aim of increasing each employee's job satisfaction.
In-house “free agency” system	Employees can announce their desire to shift to a new position. This system helps employees move to new workplaces where they can make the most of their capabilities with greater motivation.
Career track switch system	Employees can use this system to switch to the track they desire, such as from the specialist track to the management track. This enhances the level of employees’ enthusiasm and motivation by allowing them to pursue their career goals after joining the Company, leading to dynamic workplaces. Since the system was introduced in 2005, about 20 employees every year change their career track of their own volition and take on new career challenges.
Job rotation system	This system is designed to help assess employees’ aptitude and facilitate long-term career development. Employees hired for mainly the management track are transferred to new positions every three to four years, enabling them to work in three units over a decade. By working in marketing, administrative and such other departments as overseas offices, employees gain work experience in a balanced manner and broaden their horizons, enabling them to build their careers with an understanding of their own aptitude.
System of temporary leave to accompany a relocated spouse	This system allows employees to take up to five years’ leave to accompany a spouse who is relocated in Japan or overseas.

123 ESG Data

Note: Figures for 2020 are lower than previous years because training schedules were reduced due to the COVID-19 pandemic.

Growth engine							Position	Age	Individual and organization		Values
Training on specific management issues			Job-level-specific training		Workplace training				—		—
Innovation	Global engagement	Diversity	New managers	Position	OJT	1 on 1			Career development	Self-directed learning	Sharing of philosophy
							Chief officers				
							General managers	60			
		Life plan seminar	New line department head training					55	For 55-year-olds		
	Internship (executive)	Yakult Women's College		New level 8 education (M group)	OJT supervisor	Supporter training	Managers, specialist managers	50	As part of new level 8 education	Learning platforms (Manabi no mado, e-learning, etc.)	Shirota-ism training (as part of job-level-specific training)
			New line manager training	New level 8 education (P group)							
Training to acquire innovative thinking	Internship (mid-management)			New level 6 education		Leaders, specialist leaders	40	As part of new level 6 education			
					OJT leader		30	As part of new level 4 education			
	Internship (staff)			Program for first 3 years of employment			Subleaders, specialist supervisors				
							Members, general staff	20			

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Fostering global human resources

We define globally capable human resources as individuals who demonstrate a high degree of expertise and leadership, effectively utilize the management resources available to them, and successfully realize local missions and visions, regardless of country, region or circumstances. In line with the key theme of enhancing global expansion under Yakult Group Global Vision 2030, we actively promote the development of such human resources.

A key program in this endeavor is our global internship system (overseas on-site training), aimed at deepening understanding of the Group’s international business and fostering a global corporate culture through work experience at overseas offices. It is conducted twice annually according to job level, once for younger employees and, separately, for mid-career employees and above.



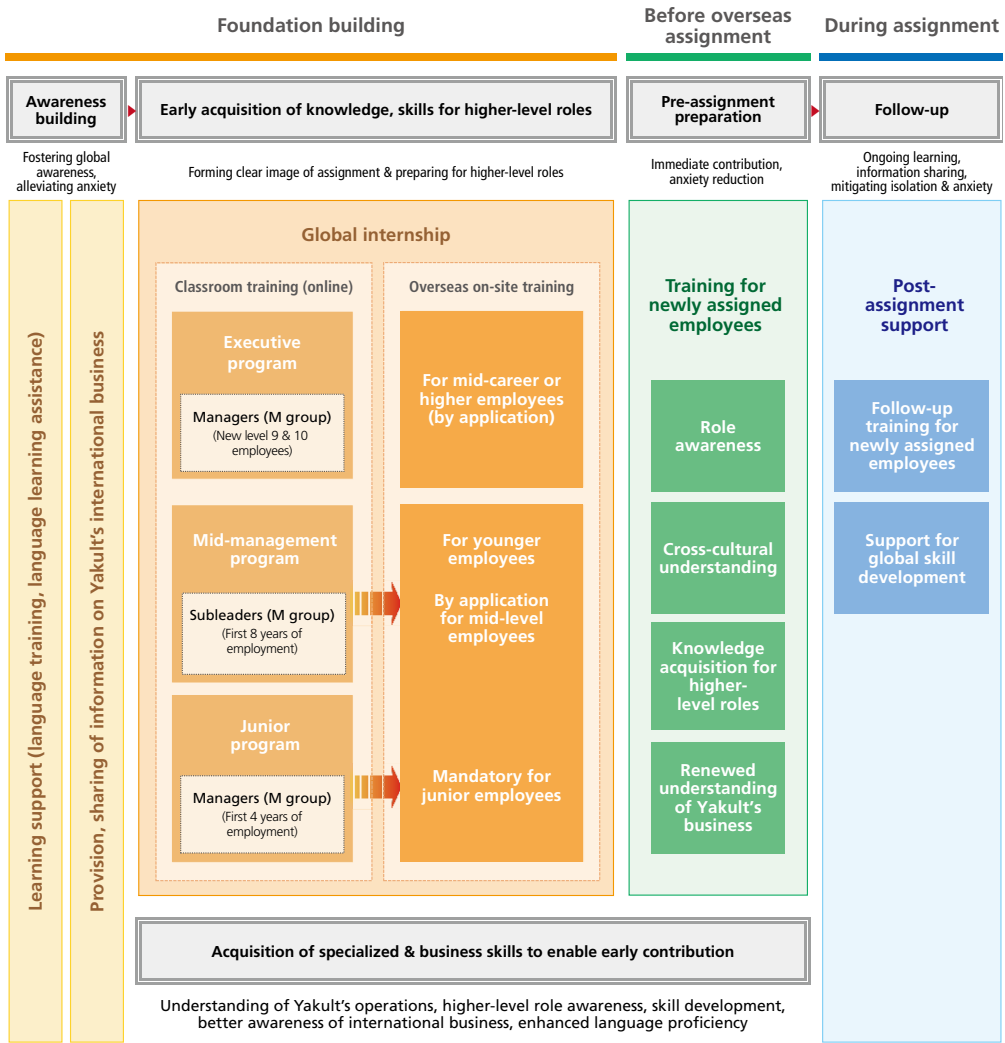
Innovative Thinking Skills Acquisition Training

Our long-term vision, as elucidated in the Yakult Group Global Vision 2030, is to “Evolve into a healthcare company that continues contributing to people’s health around the world.” We aim to further promote product development through the pursuit of excellence in life science and create services that provide new value.

In order to foster human resources capable of innovative thought that creates new value, since fiscal 2023 we have run an Innovative Thinking Skills Acquisition Training course. The course was attended by 60 employees in fiscal 2024. It includes not only lectures but also group work designed to help individual attendees break free of fixed preconceptions in seeking solutions to customer needs. In the last of five sessions (taking six days in all), each group made a presentation about their results, based on the shared theme “Proposing a product or service that Yakult should offer society in response to changing times.” We are confident that continuing to cultivate our human resources through this course will lead to the acquisition of innovative thinking skills and the creation of even more new value.



Fostering global human resources



Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Materiality

Embracing the diversity of our workforce

Fundamental philosophy about diversity

We recognize that promoting diversity is an integral component of corporate management today, not only to respond to a constantly changing external environment but also to understand and innovate to meet the needs of a diversifying customer base. The Yakult Group has long been working to foster a corporate culture where diverse human resources can thrive. We strive to maximize their individuality and capabilities in all aspects of such activities as hiring, job placement, staff reassignment and employee training.

Promoting the active engagement of diverse human resources

Recognizing that our employees have diverse work styles, abilities and values, and that diversity is the seed of innovation, the Yakult Group strives to create an enjoyable working environment where each employee can make the most of their strengths. In an effort to provide a better work environment, we promote the health of employees from the perspective of health-focused management, and conduct employee interviews and other activities at business sites in Japan.

Empowerment of female employees

The empowerment of female employees is a key issue in our human resources strategy, since home delivery of our products, the core business of our Group, is supported by many female workers. We have formulated an action plan in line with the Act on Promotion of Women’s Participation and Advancement in the Workplace as our fundamental philosophy. We have been implementing various measures to support this, and the percentage of women in managerial positions continues on an upward trend.

Going forward, we will expand support for an optimum balance between work and home life, aiming to increase the number of female managers as well as promoting career design training.

Additionally, employee evaluations and the treatment of employees are both fair and impartial, and there is no gap in basic pay or bonuses for employees due to gender.

Fundamental philosophy

- 1. Promote optimal employee placement in light of abilities, aspiration and aptitude, regardless of gender.
- 2. Enhance the workplace environment so that women aspiring to have a career are able to balance both work and family life.
- 3. Set precise target figures and formulate an action plan.

Numerical targets

- 1. Over 20% of management positions to be filled by females by fiscal 2030.
- 2. All eligible male employees to take parental leave, with an average of 45 or more days off, by fiscal 2030.
- 3. Over 90% and 80% of female employees to receive breast cancer screenings and cervical cancer screenings, respectively, by fiscal 2030.

Number and ratio of female managers (Yakult Honsha, overseas offices)

Fiscal year	2020	2021	2022	2023	2024
Japan: Number of female managers	57	60	53	80	104
Japan: Ratio of female managers (%)	7.2	7.5	7.4	10.6	13.4
Overseas: Ratio of female managers (%)	27.1	28.4	39.3	32.2	32.2

Program to develop female candidates for executive positions

We have been broadening opportunities for women to secure managerial positions by conducting training programs for career-minded female employees, reforms to our personnel system, and other measures. To adapt more quickly to changes in the social environment moving forward, we will cultivate female candidates for executive positions with decision-making powers with the aim of incorporating diverse viewpoints and values into our organizational management.

As part of that effort, we established the Program to Develop Female Candidates for Executive Positions (Yakult Women’s College) in fiscal 2023. The new program includes training sessions, on-the-job practical application, and self-learning over a period of roughly six months. It is aimed at helping participants discover their personal leadership ideals, learn the business skills and mindset required for decision-making, and cultivate their confidence and readiness to exert greater influence within the organization.

Employee comment



Sachie Nakamura

Manager
General Affairs Section
Metropolitan Branch

By participating in the training program offered by Yakult Women’s College, I was able to acquire many new skills and areas of knowledge, which I now apply in my day-to-day work. Interacting with participants from various departments also allowed me to gain diverse perspectives and ways of thinking, making the experience highly meaningful.

The Company offers a wide range of educational and training programs, and I truly feel that I have opportunities to grow. I believe that each employee can contribute to society through the Company in ways that best suit their individual working style. I hope these initiatives will continue to drive the Company’s sustainable growth.

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

■ “Eruboshi” (level 3) certification

We have received “Eruboshi” (level 3) certification from the Minister of Health, Labour and Welfare. The certification is awarded to companies that have formulated and submitted Action Plans for Business Owners under the Act on Promotion of Women’s Participation and Advancement in the Workplace and that are effectively implementing initiatives to promote the empowerment of women.



■ Empowerment of women outside Japan

Various systems have been introduced by our Group companies outside Japan to empower and create good working environments for women.

Main overseas initiatives

Country and region	Details
Taiwan	• Rooms for nursing mothers to express milk are available in the head office building and in the plant
Hong Kong	• Maternity leave system, paternity leave system
Philippines	• Maternity leave system
Singapore	• Maternity leave system, parental leave system, paternity leave system
Indonesia	• Maternity leave system • A childcare room is available in the head office building
Australia	• The company provides 4 weeks of paid parental leave on top of the 22 weeks paid by the state, making a total of 26 weeks
Vietnam	• Female employees can take up to three 30-minute breaks during their menstrual period • Female employees with children under 12 months can take an hour-long break every day
China	• Shorter working hours (by 1 hour per day for 1 year) for women following childbirth (used by all eligible female employees) • Half-day leave for employees with children under 14 on Children’s Day, June 1
Guangzhou	• Maternity leave system, shorter working hours • Parental leave for male and female employees
Brazil	• Subsidies for daycare center fees for 6 months after childbirth
Mexico	• Dedicated rooms for nursing mothers to express milk (Ixtapaluca Plant and Guadalajara Plant) • Maternity leave (male employees are permitted 5 days of leave upon the birth of a biological child)
Europe	• Maternity leave system, parental leave system
Middle East	• Maternity leave system and reduced working hours for mothers

■ Appointing women, non-Japanese and mid-career hires to managerial positions

Yakult operates on the basic principle of “optimal personnel assignment based on abilities, aspirations and aptitude, and regardless of age, gender, nationality or educational background.” We aim to create an environment in which all employees can work without worry over the long term. We also believe that creating an organization that makes the most of a diverse workforce can encourage innovation and enhance productivity. We are actively assigning women, non-Japanese and mid-career hires to managerial positions.

Our home delivery system, which forms the foundation of our business, is supported by the work of women, and we are especially committed to promoting the appointment of women to management positions.

We achieved a 13.4% ratio of female managers in fiscal 2024 by revising our personnel system in April 2022 to increase the number of opportunities for female employees to be promoted to managerial positions, in addition to hiring people with fresh knowledge and experience from outside the Company.

As our goal of achieving at least a 10% ratio of female managers by fiscal 2025 has been met ahead of schedule, we have established a new goal of achieving at least a 20% ratio by fiscal 2030.

■ Employment of persons with disabilities

Yakult Honsha hires and assigns employees taking into account their personal abilities, ambitions and aptitude, while giving sufficient consideration to the nature of their disability. Our personnel system motivates all employees to demonstrate their abilities and succeed in their careers despite any disabilities. With the relocation of the Yakult Honsha building, we are aiming to make the workplace accessible and comfortable for everyone, including installing multi-functional toilets based on a universal design approach. We will continue to expand employment, such as by actively hiring people with disabilities.

Rate of employees with disabilities (Yakult Honsha, overseas offices)

Fiscal year	2020	2021	2022	2023	2024
Japan: Rate of employees with disabilities (%)	2.27	2.59	2.54	2.48	2.61
Japan: Statutory target employment rate (%)	2.2	2.3			2.5
Overseas: Rate of employees with disabilities (%)*	0.60	0.60	0.55	0.53	0.52

* Disability is defined according to the criteria applied in each country and region

Contents

- 02 About the Sustainability Report 2025
- 03 Editorial Policy
- 04 Overview of Yakult’s Operations
- 05 Yakult’s Business Operations
- 06 Top Commitment
- 09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

- 28 Environmental management
- 35 Climate change mitigation and adaptation
- 46 Transition to sustainable plastic containers and packaging
- 51 Sustainable water source management
- 54 Biodiversity conservation
- 57 Reducing waste and food loss

59 Social Activities Report

- 60 Provision of safe and secure products and transparent information disclosure
- 65 Value co-creation with communities
- 70 Establishment of a resilient and sustainable supply chain
- 78 Promotion of health initiatives rooted in local communities
- 80 Creation of health value that meets diverse health needs
- 84 Worker health, safety and well-being
- 91 Initiatives for Yakult Ladies
- 92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

- 99 Human rights
- 106 Customer satisfaction

109 Governance Report

- 109 Corporate governance
- 116 Risk management
- 118 Compliance
- 121 Third-party opinion
- 122 External evaluation
- 123 ESG Data

■ Empowerment of older adults

In line with the Act on Stabilization of Employment of Elderly Persons, we operate a system for the re-employment of all those who desire to continue working after the retirement age of 60. We are working to create an environment allowing employees to demonstrate the abilities they have cultivated and feel motivated in their work, even after reaching retirement age. Around 80% of employees who reach retirement age each year utilize this system. In addition, we are working to enhance motivation through such steps as offering a Life Plan Seminar for senior workers and implementing three-day and four-day workweek systems.

Rate of continuous employment at retirement age (Yakult Honsha)

Fiscal year	2020	2021	2022	2023	2024
Number of persons at mandatory retirement age	73	55	51	41	45
Number of persons in continuous employment at Yakult Honsha	47	35	33	36	31
Number of continuous workers who transfer to another company	13	7	5	2	6
Number of persons who choose to retire	13	13	13	3	8
Rate of continuous employment* (%)	82.2	76.4	74.5	92.7	82.2

* Including those persons who have transferred to another company

LGBTQ initiatives

In the Yakult Group Human Rights Policy and Yakult Ethical Principles and Code of Conduct, we expressly prohibit discrimination based on gender identity, sexual orientation or similar factors. We have also established a basic policy on sexual minorities (LGBTQ). Based on these policies, we conduct a variety of training programs to improve worker literacy in these issues.

Providing training to eliminate unconscious bias

At Yakult Honsha, we provide training on unconscious bias and prejudice stemming from everyday assumptions for newly hired employees and in level-specific training programs.

Additionally, during Compliance Month, established as part of an effort to raise compliance awareness among Yakult Group employees, participants learned about unconscious bias as a potential driver of harassment and announced behavioral objectives, whose implementation was then intensively promoted over the course of the month.

Related information [p. 104 Human rights ▶ Human rights education](#)

Related information [p. 119 Compliance ▶ Compliance awareness activities](#)

Initiatives outside Japan

■ Local hiring for senior management positions: Yakult Europe B.V. and Guangzhou Yakult Co., Ltd.

Yakult Europe B.V. and other companies of the Yakult Group in Europe actively recruit locally for senior management positions to achieve sustained growth as members of regional communities. Managing directors of Yakult Group companies in Europe have also been recruited locally. At Yakult Europe B.V., all six directors were local appointments as of the end of 2024, and approximately 80% of managerial staff have been hired locally.

Guangzhou Yakult Co., Ltd. established a headquarters hiring system for locally hired employees in 2021. This is enabling the creation of a personnel system where motivated employees can seek higher management positions, such as area manager, plant manager and branch manager.

Related information [p. 76 Our commitment to local employment and sourcing](#)

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Human resources data (Yakult Honsha)

Fiscal year	2020	2021	2022	2023	2024
Regular employees	2,679	2,632	2,576	2,623	2,689
Male	1,968	1,921	1,874	1,915	1,950
Female	711	711	702	708	739
Full-time contract employees	195	204	189	187	170
Male	152	159	143	142	130
Female	43	45	46	45	40
Female employee ratio (%)	26.2	26.7	27.1	26.8	27.2
Ratio of non-regular employees (%)	12.3	12.6	12.7	12.8	12.0
Average age (years)	42.4	42.6	42.5	42.4	41.8
Male	43.3	43.5	43.4	43.2	42.7
Female	39.1	39.1	40.1	40.3	39.7
Average length of service (years)	18.4	18.7	18.7	18.3	17.9
Male	19.6	19.9	19.8	19.3	18.8
Female	14.9	15.7	15.8	16.0	15.7
Average wage for 30-year-olds (yen/month)	359,200	359,200	364,200	373,200	382,200
Number of newly hired	83	65	62	88	124
Male	48	45	38	60	74
Female	35	20	24	28	50
Mid-career recruitment ratio (%)	8.7	4.4	37.4	43.6	24.8
New graduates’ retention rate after three years (%)	96.2	88.2	93.6	90.8	91.9
Overall turnover rate (%)	1.2	2.2	3.9	2.3	2.0
Male	1.1	1.6	4.1	2.0	1.9
Female	1.4	0.6	3.5	3.3	2.4
Turnover rate for personal reasons (%)	1.1	1.7	2.4	2.2	1.7
Total working hours	1,819.9	1,830.8	1,847.5	1,840.6	1,842.3

Note: As of the end of fiscal 2024. Data based on actual numbers.

Fixed-term employees

Fiscal year	2020	2021	2022	2023	2024
Fixed-term employees (number)	195	204	189	187	170
Male	152	159	143	142	130
Female	43	45	46	45	40
Employees with nonguaranteed working hours (number)	0	0	0	0	0
Male	0	0	0	0	0
Female	0	0	0	0	0
Full-time employees (number)	184	189	186	184	166
Male	142	146	141	140	128
Female	42	43	45	44	38
Part-time employees (number)	137	147	145	157	139
Male	25	37	29	33	26
Female	112	110	116	124	113

Note: As of the end of fiscal 2024. Data based on actual numbers.

Nonemployee workers

Fiscal year	2020	2021	2022	2023	2024
Nonemployee workers (number)	8	6	8	6	9
Male	8	6	8	5	9
Female	0	0	0	1	0

Note 1: As of the end of fiscal 2024. Data based on actual numbers.

Note 2: All nonemployee workers are workers seconded from consolidated companies (engaged in manufacturing tasks, etc.)

Yakult Group companies outside Japan

	Total	Male	Female	Management staff*	Female management staff*	Japanese officers	Non-Japanese officers	Japanese management staff*	Non-Japanese management staff*	Ratio of non-regular employees (%)	Turnover rate for regular employees – total (%)	Turnover rate for regular employees – male (%)	Turnover rate for regular employees – female (%)	Turnover rate for regular employees for personal reasons (%)
Asia/Oceania	19,395	13,144	6,251	853	240	12	44	38	815	10.2	10.6	10.3	11.4	8.0
The Americas	6,679	4,374	2,305	184	88	4	7	1	183	2.4	12.6	13.0	11.8	9.5
Europe	208	99	109	31	16	1	8	0	31	13.9	12.4	11.1	14.0	7.6
Total	26,282	17,617	8,665	1,068	344	17	59	39	1,029	8.2	11.1	11.0	11.5	8.3

* Management staff are those at manager level and above

Note: As of December 31, 2024

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Human rights

Human Rights Policy

The Yakult Group operates globally, based on our philosophy of contributing to the health and happiness of people around the world. To make this a reality, it is important to create a society in which human rights are protected and respected all over the world.

We recognize that our actions may have a direct or indirect impact on human rights during the course of conducting business, or through our value chain. In order to ensure that the human rights of all people involved in our business are respected, in April 2021 we established the Yakult Group Human Rights Policy after deliberation and approval by the Board of Directors. The Policy clearly states that we shall promote human rights based on the framework of the United Nations Guiding Principles on Business and Human Rights (referred to below as the “Guiding Principles”), which is the global standard for human rights. Using that framework, we will continue to develop and implement mechanisms for human rights due diligence.

In 2025, alongside identifying salient human rights issues for the Yakult Group, we revised the Yakult Group Human Rights Policy in response to growing expectations for corporate respect for human rights and the increasing specificity of related initiatives.

We are committed to advancing efforts toward a more comprehensive and effective approach to respecting human rights.

Yakult Group Human Rights Policy

The Yakult Group operates its global business under the corporate philosophy of “We contribute to the health and happiness of people around the world through pursuit of excellence in life science in general and our research and experience in microorganisms in particular,” and in order to fully realize this philosophy it is vital that we create a society where human rights are protected and respected throughout the world.

The Yakult Group recognizes that during the course of conducting business, or through our value chain there exists the possibility that the group may have a negative impact on human rights, either directly or indirectly, and in order to ensure that the human rights of all people involved in the business are respected, the group shall hereby establish the Yakult Group Human Rights Policy (hereinafter referred to as the “Policy”), shall promote initiatives to further the respect of human rights, shall undertake continuous improvements, and shall contribute to the realization of a sustainable society.

The Yakult Group acts in accordance with the United Nations’ “Guiding Principles on Business and Human Rights” for respecting human rights and supports and respects the following international principles in the execution of its business activities:

- The International Bill of Human Rights (The Universal Declaration of Human Rights, The International Covenant on Civil and Political Rights, and The International Covenant on Economic, Social and Cultural Rights)
- The Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration) and the ILO Declaration on Fundamental Principles and Rights at Work by International Labour Organization (ILO)
- The OECD Guidelines for Multinational Enterprises by Organization for Economic Co-operation and Development (OECD)
- The Children’s Rights and Business Principles (developed jointly by UNICEF, UN Global Compact, and Save the Children)
- UN Global Compact (UNGCI10)

The Yakult Group operates globally and conducts business activities based on the laws and regulations of the countries and regions it operates in. If the laws of a given country or region differ from international human rights

Yakult Group Human Rights Policy Guidelines

In order for the Yakult Group to effectively promote human rights due diligence, workers and business partners, including suppliers, must understand human rights policies and global standards regarding human rights and take such rights into consideration in their activities. In fiscal 2022, we created the Yakult Group Human Rights Policy Guidelines, which provide easy-to-understand explanations of the technical terminology used in human rights policy and international standards and norms. We circulate these guidelines within the Group and share them with major suppliers to facilitate understanding and raise awareness of our Human Rights Policy.

The guidelines are now being updated in line with the 2025 revision of the Yakult Group Human Rights Policy.

WEB Human rights

https://www.yakult.co.jp/english/sustainability/social/human_rights/



norms, the group follows the higher standards. If the laws of the country or region contradict international norms, the group will pursue an internationally recognized method which respects human rights to the maximum possible extent.

The Yakult Group Human Rights Policy contains provisions on the following.

- 1. Scope
- 2. Responsibility for respecting human rights
- 3. Establishment of promotion structure
- 4. Human rights due diligence
- 5. Remediation and remedy
- 6. Information disclosure
- 7. Dialogue and talks with stakeholders
- 8. Education and training
- 9. Salient human rights issues for the Yakult Group

The Policy has been approved by the Board of Directors of Yakult Honsha Co., Ltd. and signed by the President and Representative Director.

Established: April 27, 2021.
Revised: October 27, 2025

Hiroshi Narita
President and Representative Director

Please refer to the following URL for the full text of the Yakult Group Human Rights Policy:

WEB https://www.yakult.co.jp/english/sustainability/social/human_rights/

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Human rights promotion structure

To promote human rights activities based on the Policy, the Board of Directors of Yakult Honsha assumes overall responsibility for the Policy and compliance with the Policy, as well as supervisory responsibility for implementation. Progress on initiatives based on the Policy is deliberated and discussed by the Sustainability Promotion Committee, headed by the director responsible for sustainability promotion. Important matters are referred to the Sustainability Advisory Committee and the Board of Directors.

Related information p. 114 Sustainability governance

Human Rights Due Diligence Promotion Council

In fiscal 2021, we established a human rights due diligence review meeting attended by members of relevant departments. We then gathered and shared information relating to respect for human rights and identified human rights issues within the Yakult Group. Looking carefully at the issues that emerged, we explored possible countermeasures and approaches to formulating concrete action plans and then formulated medium- to long-term roadmaps and yearly action plans.

We changed the name of the body in fiscal 2022 to the Human Rights Due Diligence Promotion Council to clarify its role as a cross-organizational structure for promoting respect for human rights.

Through this promotion system, we are undertaking initiatives to promote respect for human rights across the Yakult Group while monitoring progress on action plans and updating them for the following fiscal year.

Human Rights Due Diligence Promotion Council details

Fiscal year	Details
Fiscal 2021 (3 meetings)	- Collect and share information related to respect for human rights - Formulate human rights due diligence roadmaps and action plans, etc.
Fiscal 2022 (3 meetings)	- Confirm progress on roadmaps and action plans, and update them for the following fiscal year - Share social trends and other companies’ examples related to human rights, etc.
Fiscal 2023 (4 meetings)	- Confirm progress on roadmaps and action plans, and update them for the following fiscal year - Identify human rights risks in business activities and countermeasures - Initiate consideration of identifying salient human rights issues, etc.
Fiscal 2024 (4 meetings)	- Confirm progress on roadmaps and action plans, and update them for the following fiscal year - Identify salient human rights issues and formulate management indicators - Consider development of a grievance mechanism, etc.

Human Rights Due Diligence Promotion Council

Secretariats of various Sustainability Promotion Committees*

Compliance Promotion Team

Other relevant departments

* For distribution, the head office, plants, development, the Yakult Central Institute and overseas

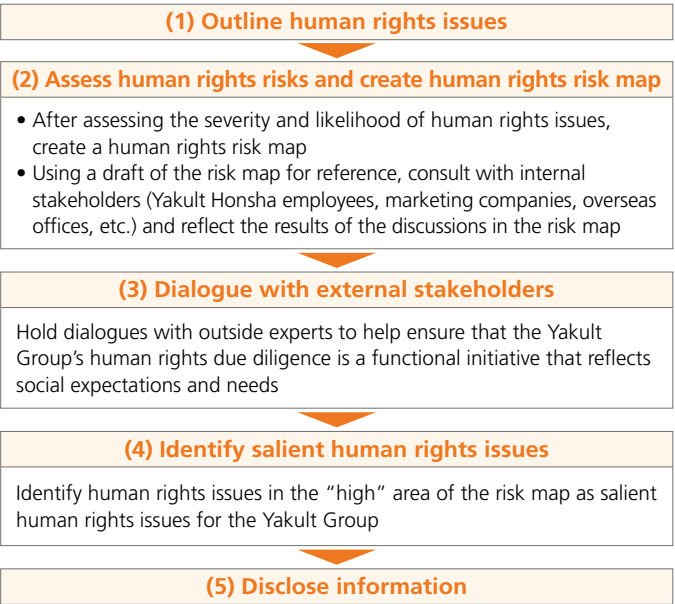
Promoting human rights due diligence

The Yakult Group will develop and implement mechanisms for human rights due diligence as a framework for putting its Guiding Principles into practice in hopes of building a responsible supply chain where preventive approaches ensure that all human rights are respected. Through its human rights due diligence, the Group will identify, prevent and mitigate any potential negative human rights–related impacts on society.

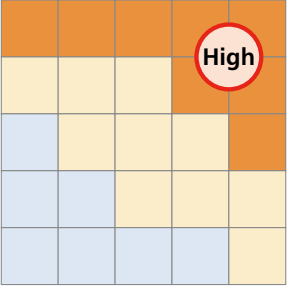
Identifying salient human rights issues

In fiscal 2021, the Yakult Group outlined its key human rights issues in line with the Policy as a step toward concrete implementation. These were reviewed in fiscal 2024 to identify salient human rights issues that pose a risk of causing the most severe negative impacts through the Yakult Group’s activities and business relationships and that require prioritized action.

Steps for identifying salient human rights issues



Risk map (mock-up)



Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

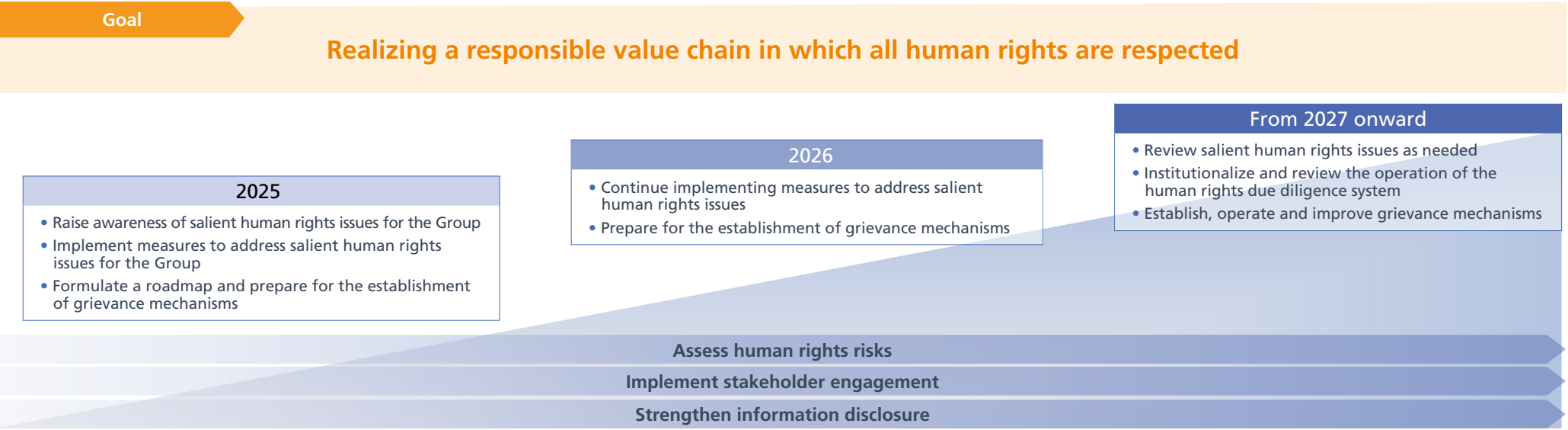
Salient human rights issues of the Yakult Group

Salient human rights issue	Stakeholders
Discrimination	Group workers
Inhumane treatment (from violence, abuse to harassment)	Group workers
Sound industrial relations*1	Group workers
Working hours	Group workers
Wages	Group workers
Occupational health and safety	Group workers
Human rights issues in the supply chain*2	Workers of suppliers
Living environment of local residents	Local communities
Access to water and sanitation	Local communities
Privacy rights	Local communities and consumers
Safe and secure products and services	Consumers
Ethical and responsible marketing	Consumers

*1 Refers to a situation where workers are able to form and join trade unions and other organizations of their own choosing, and engage in dialogue and negotiations with employers without interference or obstruction.

*2 “Human rights issues in the supply chain” includes human rights issues concerning forced labor/human trafficking, child labor, discrimination, inhumane treatment, freedom of association/collective bargaining rights, working hours, wages, and occupational health and safety at farms, plantations, raw material manufacturers, transport companies, etc.

The Yakult Group’s roadmap for human rights due diligence



We will establish management indicators for these salient human rights issues and work toward risk reduction and remediation based on evaluations of human rights risks and adverse impacts.

■ Formulating roadmaps and action plans for human rights due diligence

The cross-organizational Human Rights Due Diligence Promotion Council formulates medium- to long-term roadmaps and yearly action plans in its pursuit of promoting concrete measures that enhance respect for human rights. The body is also responsible for implementing the corresponding initiatives, monitoring progress, and formulating plans for the following fiscal year.

Human rights due diligence initiatives implemented in fiscal 2024

- Performed Sedex SAQ analysis (for domestic Yakult and overseas plants)
- Analyzed sustainable procurement survey (for domestic and overseas suppliers)
- Held face-to-face interviews with business partners (seven companies)
- Performed audit of human rights-related items (working hours, occupational health and safety, etc.) and reported results to Executive Officers Committee
- Conducted various training and awareness-raising activities for employees regarding human rights

Contents

- 02 About the Sustainability Report 2025
- 03 Editorial Policy
- 04 Overview of Yakult’s Operations
- 05 Yakult’s Business Operations
- 06 Top Commitment
- 09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

- 28 Environmental management
- 35 Climate change mitigation and adaptation
- 46 Transition to sustainable plastic containers and packaging
- 51 Sustainable water source management
- 54 Biodiversity conservation
- 57 Reducing waste and food loss

59 Social Activities Report

- 60 Provision of safe and secure products and transparent information disclosure
- 65 Value co-creation with communities
- 70 Establishment of a resilient and sustainable supply chain
- 78 Promotion of health initiatives rooted in local communities
- 80 Creation of health value that meets diverse health needs
- 84 Worker health, safety and well-being
- 91 Initiatives for Yakult Ladies
- 92 Development of innovative human resources capable of delivering new value
- 95 Embracing the diversity of our workforce

99 Human rights

- 106 Customer satisfaction

109 Governance Report

- 109 Corporate governance
- 116 Risk management
- 118 Compliance
- 121 Third-party opinion
- 122 External evaluation
- 123 ESG Data

Human rights due diligence action plan (based on the UN Guiding Principles)

Items to be implemented		2025		2026	2027 onward	
1. Implementation system	Establishment and operation of implementation system	Report on the activities of the HRDD Promotion Council to the Sustainability Promotion Committee, Sustainability Advisory Committee, and Board of Directors, as needed				
		Monitor the progress of HRDD initiatives within each department and report to the HRDD Promotion Council				
		Conduct audits of items relating to human rights; coordinate with and report to the HRDD Promotion Council				
		Evaluate establishment of HRDD systems				
					Review the HRDD framework and operational structure	
		Review HRDD systems of subsidiaries	Implement HRDD systems of subsidiaries			
2. Human resources development and training	Dissemination and penetration of the human rights policy Other types of training	Conduct training on human rights and human rights policy in and outside Japan and disclose information on participation rates				
		Conduct training on business and human rights for top management				
3. Assessment, prevention, mitigation and remediation of human rights risks	Assess human rights risks and improve responses of each Group company	Undertake risk management, improvement and revision based on management indicators for each salient human rights issue			Expand scope of risk management	Review salient human rights issues as needed
		Conduct audits of items relating to human rights, as well as theme audits based on the results				
4. Engagement	Engagement with internal and external stakeholders	Conduct dialogue with internal stakeholders				
		Exchange opinions with NGOs, international organizations and experts				
		Conduct dialogue with suppliers				
5. Information disclosure	Information disclosure Mandatory HRDD	Disclose initiatives on the website and in various reports				
		Gather information on mandatory HRDD and take appropriate responses				
6. Establishment of grievance mechanisms	Inside the Group	Monitor, evaluate and improve operation of Compliance Hotline (internal reporting systems) at domestic companies to improve usability and credibility				
		Establish methods for constructing and partially deploying internal reporting mechanisms for overseas offices without coverage			Expand internal reporting systems outside Japan and improve understanding and accessibility for users	
	Outside the Group	Formulate a roadmap for the establishment of grievance mechanisms	Consider and prepare for the establishment of contact points for external stakeholders			Promote awareness and enhance accessibility of contact points for external stakeholders

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

■ Addressing human rights issues in the supply chain

We are committed to assessing human rights risks across our supply chain and to preventing and mitigating any negative impacts—including forced labor, human trafficking, child labor, discrimination, inhumane treatment, freedom of association, collective bargaining rights, working hours, wages, and occupational health and safety.

Risk assessments are conducted using Sedex’s Self-Assessment Questionnaire (SAQ) alongside our own sustainable procurement survey. We share the results with suppliers, conduct briefings on our CSR Procurement Policy, hold individual meetings, and otherwise communicate with business partners on an ongoing basis to reduce human rights risks.

Related information p. 70 Supply chain management ▶ Promoting sustainable procurement

■ Eliminating discrimination

The Yakult Group currently operates in 40 countries and regions including Japan and we hire locally, without discriminating between employees on the grounds of nationality or place of origin. We hire employees on the principle of “optimal personnel assignment based on abilities, aspirations and aptitude, and regardless of age, gender, nationality or educational background.”

■ Initiatives outside Japan: Yakult U.S.A. Inc.

Yakult U.S.A. Inc. has developed a list of questions to use and avoid in employment interviews. Questions that are not relevant to the job, such as asking about an applicant’s religion or place of birth, are not allowed, and care is taken to avoid any discrimination during the hiring process.

Questions to use and avoid during a job interview (sample)

Use	Topic	Avoid
Name	Name	Maiden name
Address	Address	Homeowner or rented
“Do you have proof that you can work legally in the US?”	Place of birth; citizenship	Questions about the place of birth of the applicant, applicant’s parents, relatives or spouse “Are you an American citizen?”
Proficiency in languages other than English (reading, writing, conversational) relating to the job	Ethnic origin	Questions about the nationality, ancestry, ethnic origin, or lineage of the applicant or their parents, relatives or spouse “What is your native language?” “Do you speak a language other than English with your family?”
Statement of company policy restricting family/relatives from working together	Age, gender, marital status, family status	Questions about age, gender, marital status, children and spouse/Questions about pregnancy, childbirth, possibility of future pregnancy “Do you intend to get married?”
Questions about working hours, dates and shifts “Will you be able to work on Sundays?”	Religion	Questions about religion/Inquiring about the timing of religious observances

■ Initiatives in Japan

In Japan, employees who will be responsible for conducting job interviews are briefed about human rights so they avoid asking questions about religion or beliefs during interviews.

■ Preventing harassment

The Yakult Ethical Principles and Code of Conduct explicitly prohibit all forms of harassment.

In addition, we have established consultation channels and response protocols for harassment-related concerns, while also conducting training and awareness programs for workers to support prevention efforts.

Related information p. 89 Worker health, safety and well-being ▶ Establishing a harassment-free work environment

■ Ethically responsible marketing

We have established the Yakult Group Advertising Policy for ethical, responsible advertising. With this Policy as our overarching concept, we are committed to upholding human rights, including the rights of children.

We have also established internal guidelines titled “Points to Note When Creating PR, Advertising or Sales Support Material,” and carry out training for those responsible for creating such material, ensuring that the guidelines are known and followed. These internal guidelines provide useful information on implementing efforts in line with the Yakult Group Advertising Policy, raising important points like “Legal Compliance and Ethical Behavior,” “Accurate, Evidence-Based Communication,” “Children’s Rights” and “Pre-Release Proofreading and Review” and discussing how to give proper consideration to human rights in these contexts.

■ Avoiding discriminatory language and protecting copyrights and portrait rights

In our advertising, we consciously avoid slanderous or discriminatory language pertaining to race, ethnicity, nationality, origin, language, gender, age, occupation, educational background, physical characteristics, health or beliefs. We always obtain the relevant approval to ensure we do not infringe on copyrights, portrait rights, and other rights held by third parties.

■ Children and advertising

From the perspective of respecting and promoting the rights of children, we never engage in inappropriate advertising or communication that could have a negative impact on children, or that exploits children’s curiosity, imagination, developmental characteristics or lack of knowledge/experience.

To encourage and realize healthy, balanced diets and lifestyles for children, we also take care to avoid any language that goes against relevant public guidelines.

In addition, when filming or producing advertisements featuring children, we always put the children’s safety and health first, taking care not to violate their human rights.

Related information p. 62 Advancing initiatives for ethical and responsible advertising and marketing

WEB Yakult Group Advertising Policy

https://www.yakult.co.jp/english/csr/download/pdf/2022_advertising_policy.pdf

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

■ Protecting the right to privacy

The Yakult Group’s Privacy Policy clearly stipulates compliance with laws, guidelines and other relevant standards concerning personal data and ensures appropriate handling practices. In addition, training is provided to Yakult Ladies and other workers who frequently handle personal information.

Related information p. 63 Protecting customers’ personal information

■ Respecting human rights and cultural diversity around the world

The Yakult Group operates globally, complying with the laws and regulations in each country and region, and respecting human rights, and cultural and religious diversity.

■ Initiatives in Japan

A proper understanding of human rights is an essential part of being a member of society. Both our training for new recruits and our job-level-specific training cover the need to accept different values due to differences in race, gender, age and nationality, and emphasize the importance of harnessing this diversity in our business.

■ Halal certification: Outside Japan

Nine of our plants outside Japan have obtained Halal certification, and products are labeled with the Halal certification symbol so that Muslim customers can drink Yakult products with confidence.



Halal certification symbol

■ Efforts to prevent child labor: Yakult Taiwan Co., Ltd., Yakult Danone India Pvt. Ltd., Yakult Myanmar Co., Ltd.

The Yakult Group adheres to the laws in each country and region of our operations, and promotes efforts to prevent child labor.

The Taiwanese Labor Standards Act prohibits employing workers less than 16 years of age, which Yakult Taiwan Co., Ltd. also adheres to in its own company regulations.

Yakult Danone India Pvt. Ltd. performs age verification and does not employ anyone under the age of 18 in accordance with India’s labor laws.

Similarly, Yakult Myanmar Co., Ltd. also verifies the age of potential workers using the Myanmar National Registration Card and does not employ anyone under the age of 18 in accordance with Myanmar law.

■ Response to local human rights due diligence legislation

■ UK Modern Slavery Act: Yakult UK Ltd.

Yakult UK Ltd. publishes statements on its adherence to the country’s Modern Slavery Act, which was enacted in 2015. The company continues to check that its business partners (such as logistics companies) have produced statements in line with the Modern Slavery Act, and requires signed statements from them. The company also requires suppliers with total annual sales of under 36 million pounds to have a clear awareness of its relevant initiatives, which helps promote the protection of human rights across the entire supply chain.

■ Response to Australian Modern Slavery Act: Yakult Australia Pty. Ltd.

Australia’s Modern Slavery Act was enacted in January 2019. Companies with an annual turnover of over 100 million Australian dollars must report annually on measures to prevent forced labor in their operations and supply chains. Yakult Australia Pty. Ltd. is currently not subject to this Act but agrees with its intentions, and it published a third-party report in November 2022 to identify modern slavery risks and to assess the status quo. It is working proactively to promote the protection of human rights in the entire supply chain, including suppliers and business partners.

■ California Transparency in Supply Chains Act: Yakult U.S.A. Inc.

The California Transparency in Supply Chains Act came into effect in January 2012. Retailers and manufacturers operating in California with worldwide annual revenues of 100 million dollars or more are required to disclose their efforts to eradicate human trafficking and slavery.

Based on this act, Yakult U.S.A. Inc has published a statement on its website.

We will continue working to improve respect for human rights and transparency of information throughout our supply chain.

■ Human rights awareness and training for workers

■ Training on human rights

Training on human rights is given as needed. At Yakult Honsha, for example, new employees undergo training in human rights issues when they join the Company, and job-level-specific training programs are provided to foster understanding of the Company’s commitment to respecting human rights. The training includes a lecture on basic knowledge concerning human rights and harassment, and seeks to deepen understanding of the risks involved in inadvertently violating a person’s human rights, which includes discrimination and prejudice arising from common assumptions. We pay particular attention to ensure that individuals become neither a perpetrator nor a victim.

Human rights awareness training

Fiscal year	2020	2021	2022	2023	2024
Human rights awareness training (Training for new employees)	1 session 90 participants	1 session 72 participants	1 session 68 participants	1 session 89 participants	1 session 124 participants
Level-specific training	—	—	7 sessions 200 participants	10 sessions 227 participants	9 sessions 197 participants
Human rights awareness training (Diversity training for newly appointed managers)	1 session 30 participants	1 session 34* participants	—	—	—

* Carried out during new line manager training in fiscal 2021

■ Implementing Business and Human Rights Awareness month

The Yakult Group operates globally in 40 countries and regions around the world, including Japan. We respect the human rights of all people throughout the value chain and believe in the importance of building a society where everybody can pursue happiness. In order to continue promoting initiatives concerning respect for human rights throughout the Group, we must promote the understanding of each and every worker.

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

For this reason, we designated December, the month of Human Rights Day (December 10), as Business and Human Rights Awareness month, and have been conducting awareness exercises for Yakult Group employees every year since 2022.

In fiscal 2024, in order to improve our employees’ understanding of the need for human rights initiatives and cultivate a sensitivity to human rights as they go about their duties, we had them watch a video on the links between working at Yakult and people’s human rights. They were also asked to respond to a questionnaire, and for each person responding, the Company donated 100 yen to the Japan Committee for UNICEF. We received 16,563 responses and made a donation of 1,656,300 yen.

Employee comment



Xue Tianyu
Section Chief
Legal Affairs Section
Guangzhou Yakult Co., Ltd.

In December 2022, Guangzhou Yakult Co., Ltd. established the Legal Affairs Section to strengthen internal regulations and proactively prevent labor-related disputes. Beginning in 2024, the company also launched compliance training for all employees in coordination with the Personnel and Audit Sections.

The training video distributed during the Business and Human Rights Awareness month concisely summarized key content aimed at promoting human rights awareness among employees. To ensure wide dissemination, all employees were encouraged to view the video via email and the messaging app WeChat.

Through regular legal training sessions and the quarterly publication of our legal affairs bulletin, we are committed to enhancing each employee’s awareness of compliance. These internal communication efforts and the initiatives outlined above contributed to a high participation rate of 95%.

The Legal Affairs Section at Guangzhou Yakult will continue its efforts to further enhance awareness of social responsibility and human rights.

Access to remedy

Internal contact points

Internal reporting system

The Yakult Compliance Hotline is an internal reporting system allowing us to quickly discover and correct any violations of laws and internal rules during business operations. Through this system, we accept reports, consultations and other feedback from directors and employees (including those who have stepped down or retired within the past year) at Yakult Honsha, Group companies, associations, and marketing companies other than Group companies.

In April 2025, the scope of eligibility was expanded to include individual business owners and independent contractors like Yakult Ladies affiliated with subsidiary sales companies. In operating the system, we work to ensure the protection of whistleblowers through Internal Reporting Regulations that assure the confidentiality of reported information and prohibit the adverse treatment of whistleblowers. Some overseas offices accept reports from business partners as well as internal parties.

Related information p. 119 Compliance ▶ Internal reporting system

Employee consultation desk

We have established both an internal consultation desk (Health Management Office) and an external consultation desk as a means to enhance and expand our consultation system for employees concerning mental health, harassment and related issues. In particular, our external consultation desk has enabled us to further improve our consultation system by providing face-to-face counseling in addition to email and phone consultations.

We have broadened the scope of the system so that not only employees but also their family members can receive consultations. This makes it possible to address concerns in their personal lives as well as issues at work.

Related information p. 87 Mental health measures ▶ Consultation desk

External contact points

The Yakult Group strives to build a responsible value chain in which all human rights are respected. To achieve that goal, we must ensure that not only employees within the Group but also suppliers and other outside parties are able to come forward with human rights–related grievances. Recognizing that need, we are currently holding discussions with the aim of establishing external contact points for that purpose.

Dialogue with stakeholders

In fiscal 2024, we conducted dialogue with experts regarding the Group’s initiatives to respect human rights, including the identification of salient human rights issues. One of the insights shared was the importance of gaining a firsthand sense of human rights issues in the supply chain. In response, we conducted site visits to suppliers and farms from whom we procure raw materials.

We will continue to promote effective human rights initiatives through ongoing dialogue with stakeholders.

WEB Deepening understanding through dialogue, Yakult Sustainability Report 2024

https://www.yakult.co.jp/english/pdf/sustainability2024_en.pdf#page=17

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Customer satisfaction

Role and systems of the Customer Support Center

Day-to-day consultations with customers are vitally important activities that facilitate our efforts to ensure we can provide products and services that benefit our customers. We accept inquiries from customers by phone and email and do our best to respond promptly, accurately and sincerely.

One of the important roles of the Customer Support Center is to accurately grasp the meaning of customers’ inquiries, relay the comments to related organizational units and top management, and promote concrete measures to improve products and services. The Center strives to answer inquiries in a respectful, easy-to-understand manner in order to enhance customer satisfaction.

For consultations that require direct customer visits, the Center works in coordination with marketing companies throughout Japan.

Customer feedback

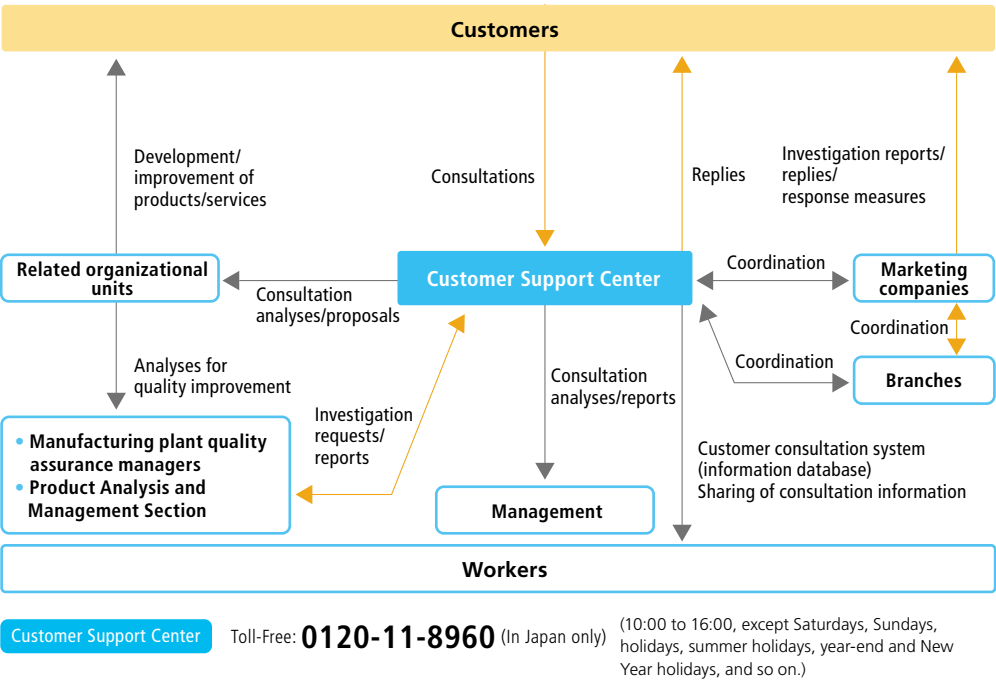
We categorize our customer consultations into inquiries, applications, complaints, discontinuations/suspensions, changes and others.

In fiscal 2024, the Center received 21,901 consultations.

Customer consultations

Type	2020	2021	2022	2023	2024
Inquiries	24,930	24,533	27,677	18,058	16,828
Applications	2,184	1,957	2,858	1,021	713
Complaints	3,776	3,339	4,700	2,754	2,369
Discontinuations/suspensions	858	734	622	395	487
Changes	263	250	155	77	303
Others	1,935	1,825	1,772	1,199	1,201
Total	33,946	32,638	37,784	23,954	21,901

Customer response flow



Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Using customer feedback to improve products

Improving clarity of instructions for removing straws and separating waste (Japan)

After receiving comments from customers who found the instructions for removing straws from their bags difficult to understand and were not sure how to classify straw covers as waste, we reviewed the information on straw bags and the main product packaging.

The instructions on bags were made clearer by using “Push” arrows and simple text reading only “Do not put sharp end in mouth.”

Additionally, because we saw many cases where the bag is detached before the straw is removed, we changed the text on the main package to “Remove straw bag for disposal,” making it clearer that this text is meant to encourage proper waste separation of straw bags.



Communicating with customers and providing health information

Plant and institute tours

For a deeper understanding of our products and the Group’s commitment to the environment and producing safe products that offer peace of mind, we proactively offer tours of our plants. The tours are not just for members of the general public of all ages but are also popular as destinations for elementary school field trips and environmental programs and as sources of information for opinion leaders and people with a particularly strong interest in health issues.

To simplify the way customers can make reservations for plant tours, we introduced an online reservation system in September 2018. Additionally, to make it easier for older adults and customers with disabilities to comfortably tour our plants, we are introducing elevators, ramps and handrails in plant tour areas to make each plant more accessible to all.

There were 134,155 participants in plant tours in fiscal 2024.

Annual festivals at our plants organized with the aim of deepening friendly relations with local communities have been suspended since fiscal 2020 due to COVID-19.

The Yakult Central Institute’s Shirota Memorial Museum [▶p.10](#), which introduces Yakult founder Minoru Shirota and the activities of the Yakult Central Institute, is open to the public.

Use of online tools

Shonan Cosmetics Plant

Because we only have one cosmetics plant in Japan, we will continue to coordinate with sales companies across the country to offer online plant tours to customers in distant locations, such as through a program that includes live footage from the production line and hands-on product experiences.

Dairy product plants in Japan

Since May 2021, as a response to COVID-19, we have offered online plant tours. Sales companies serve as the point of contact for online plant tours, which are offered chiefly to elementary students and older adults. As a result, we are now able to show the *Yakult* production process and the hygiene control measures in place to many more customers, including those living far away and those with limited mobility.

There were 13,996 participants in our online tours in fiscal 2024.

Overseas business sites

Online plant tours are conducted at business sites in countries and regions around the world.

Regular plant tours were canceled at Yakult (Malaysia) Sdn. Bhd. due to the impact of COVID-19, but online plant tours were started in October 2020, allowing those unable to visit the plant physically to experience a plant tour. In fiscal 2024, 28,650 people attended regular tours, while 4,768 people took part in an online tour.

In addition to Malaysia, online or virtual plant tours continue to be offered in South Korea, the Philippines, Indonesia, Australia, Vietnam, India, China, Brazil, Mexico and the Netherlands.

Multilingual website development: Yakult Australia Pty. Ltd.

In light of the diversity of ethnicities residing in Australia, Yakult Australia Pty. Ltd. sought to expand its communications with customers across linguistic barriers by making its website available in three languages: English, Chinese and Vietnamese.



Connecting schools online (Malaysia)

Contents

- 02 About the Sustainability Report 2025
- 03 Editorial Policy
- 04 Overview of Yakult’s Operations
- 05 Yakult’s Business Operations
- 06 Top Commitment
- 09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

- 28 Environmental management
- 35 Climate change mitigation and adaptation
- 46 Transition to sustainable plastic containers and packaging
- 51 Sustainable water source management
- 54 Biodiversity conservation
- 57 Reducing waste and food loss

59 Social Activities Report

- 60 Provision of safe and secure products and transparent information disclosure
- 65 Value co-creation with communities
- 70 Establishment of a resilient and sustainable supply chain
- 78 Promotion of health initiatives rooted in local communities
- 80 Creation of health value that meets diverse health needs
- 84 Worker health, safety and well-being
- 91 Initiatives for Yakult Ladies
- 92 Development of innovative human resources capable of delivering new value
- 95 Embracing the diversity of our workforce
- 99 Human rights

106 Customer satisfaction

109 Governance Report

- 109 Corporate governance
- 116 Risk management
- 118 Compliance
- 121 Third-party opinion
- 122 External evaluation
- 123 ESG Data

■ Customer communication through social media: Overseas

Yakult’s overseas Group companies also use social media to inform and communicate with their customers.

In Brazil, an official TikTok account was launched in April 2022. Together with the existing Facebook, Instagram and YouTube accounts, these channels ensure that we not only share information with our customers but can also respond to inquiries quickly and regularly post health promotion information on the themes of nutrition, healthy eating and exercise. As of the end of May 2025, we have 47,380 followers on Facebook, 106,171 on Instagram, 10,757 on YouTube and 90,653 on TikTok.

Facebook and other social media platforms are also used in such other countries and regions as Taiwan, Hong Kong, Thailand, the Philippines, Singapore, Indonesia, Malaysia, Vietnam, India, the Middle East, Guangzhou, Mexico, the Netherlands, the United Kingdom, Germany and Italy to provide information and handle inquiries.

■ Improving customer satisfaction through e-commerce: Yakult S.A. de C.V. (Mexico)

To improve customer satisfaction, we have built an organizational structure that can respond quickly to inquiries and complaints received via our website and social media. We also send follow-up emails to customers who have placed orders using the Pedido en linea online ordering service to gauge their level of satisfaction. This information is then shared with the marketing department to help improve customer satisfaction.

■ Healthist

Healthist is a health and science information magazine first published in 1976 that provides easy-to-understand information to the general public, from the newest discoveries in life science, cutting-edge research and other areas to health-related topics and useful information for daily life. Some 47,000 copies of the bimonthly, Japanese-language magazine are published each year. In fiscal 2020, we launched an online version to make the magazine more widely available.

WEB

<https://healthist.net/en/>



Healthist

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Governance Report

We devote thorough efforts to steady business development centered on core business operations, and promote highly transparent management functions. We practice highly transparent management that emphasizes enhanced internal control functions beginning with the optimization of management organizations and decision-making, in order to put our corporate philosophy into practice.

Contents

109	Corporate governance
116	Risk management
118	Compliance

Policies/Guidelines/Targets

- Yakult Ethical Principles and Code of Conduct
 - 2. Compliance with Social Norms,
 - 3. Transparent Management,
 - 5. Resolute Stand against Antisocial Forces
 - Anti-Corruption Policy
 - Tax Policy
- Risk Management Rules
 - Production Division Business Continuity Plan (BCP)
 - Yakult Group Information Security Policy

Fiscal 2024 legal compliance

In fiscal 2024, there were no violations of laws, regulations or voluntary rules relating to anti-monopoly, unfair competition or bribery. There were also no cases of corruption coming to light nor any cases incurring fines or penalties. Furthermore, there were no major violations of laws, regulations or voluntary rules concerning governance.

Corporate governance

Efforts to enhance corporate governance

In 2007, the Company reduced the term of office for directors to one year in order to clarify their management responsibilities. In 2011, we introduced an executive officer system as a way to further invigorate the activities of the Board of Directors. We have also reduced the overall number of directors. In addition to these efforts, we are accelerating decision-making through the establishment of various committee structures, including the Management Policy Council and the Executive Officers Committee. As advisory bodies to the Board of Directors, we have also established a Nomination & Remuneration Committee to deliberate on director nomination and compensation, and a Sustainability Advisory Committee to deliberate on basic sustainability strategy, measures and responses in the context of our efforts to resolve environmental and social problems.

Governance structure

Since its introduction on June 22, 2011, our executive officer system has aimed to strengthen the Board of Directors’ decision-making functions and supervisory functions as well as clarify responsibilities, and it is increasing the efficiency of both kinds of functions. In addition, to promote effective management activities and accelerate decision-making, we have established the Management Policy Council, which includes the Representative Director, Divisional General Managers and Audit & Supervisory Board Members, and the Executive Officers Committee, which includes executive officers and Audit & Supervisory Board Members.

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

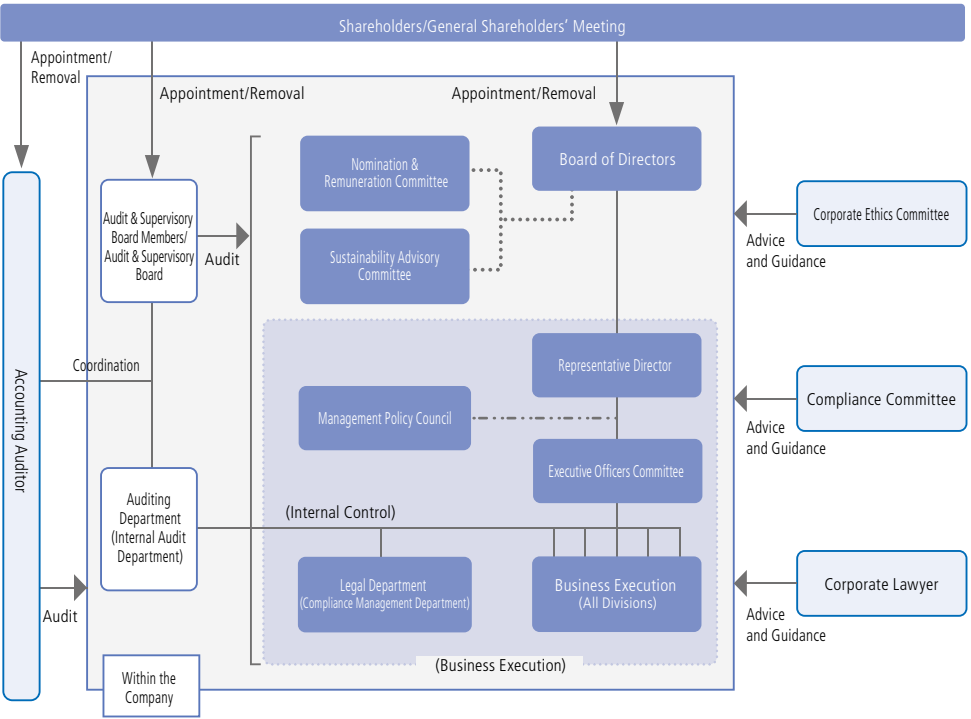
118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Corporate governance framework



Governance organization

Fiscal year	2021	2022	2023	2024	2025
Type of organization	Company with Audit & Supervisory Board	Company with Audit & Supervisory Board	Company with Audit & Supervisory Board	Company with Audit & Supervisory Board	Company with Audit & Supervisory Board
Directors	15	15	15	15	14
Including: Outside Directors	6	5	6	6	6
Including: Independent Directors	5	5	6	6	6
Including: Female Directors	2	2	2	2	2
Directors’ term of office (years)	1	1	1	1	1
Chair of Board of Directors	President	President	President	President	President
Auditors	5	5	5	5	5
Including: Outside Auditors	3	3	3	3	3
Including: Independent Auditors	2	2	2	3	3
Including: Female Auditors	1	1	1	2	2
Auditors’ term of office (years)	4	4	4	4	4

Note: As of the end of June 2025

Frequency of meetings

Fiscal year	2020	2021	2022	2023	2024
Board of Directors	8	8	9	10	10
Internal Directors’ attendance rate at Board of Directors meetings (%)	98	100	100	100	99 ^{*6}
Outside Directors’ attendance rate at Board of Directors meetings (%)	100	98	98 ^{*2}	98 ^{*4}	97 ^{*7}
Audit & Supervisory Board	8	8	9	10	10
Audit & Supervisory Board Members’ attendance rate at Audit & Supervisory Board meetings (%)	100	100	94 ^{*3}	100	100
Outside Auditors’ attendance rate at Audit & Supervisory Board meetings (%)	100	100	100	97 ^{*5}	100
Compliance Committee	2	2	2	2	2
Corporate Ethics Committee	1	1	1	2	1
CSR Promotion Committee ^{*1}	2	3	3	4	4
Committee to Address Plastic Containers ^{*1}	2	2	2	5	5

^{*1} In fiscal 2025, the CSR Promotion Committee and the Committee to Address Plastic Containers were merged into the Sustainability Promotion Committee.

^{*2} For unavoidable reasons, one Outside Director was absent from one Board of Directors meeting.

^{*3} For unavoidable reasons, one Audit & Supervisory Board Member was absent from one Audit & Supervisory Board meeting.

^{*4} For unavoidable reasons, one Outside Director was absent from one Board of Directors meeting.

^{*5} For unavoidable reasons, one Outside Auditor was absent from one Audit & Supervisory Board meeting.

^{*6} For unavoidable reasons, one Internal Director was absent from one Board of Directors meeting.

^{*7} For unavoidable reasons, one Outside Director was absent from two Board of Directors meetings.

Board of Directors

The Board of Directors is composed of 14 directors (including six Outside Directors, two of whom are women), and the Audit & Supervisory Board is composed of five members (including three Outside Auditors, two of whom are women).*

The Board of Directors makes decisions or receives reports on matters set out in laws and regulations as well as our own Rules of the Board of Directors; it also oversees the conduct of the directors and executive officers in the performance of their duties. We have also put systems into place allowing active and full discussions within the Board of Directors by providing information on specific topics and opportunities for discussion, particularly for Outside Directors.

* As of the end of June 2025

Board of Directors agenda items

In fiscal 2024, the Board of Directors deliberated on the execution status and earnings forecast of each business, the efforts of overseas business sites to address ESG challenges, the formulation of a medium-term management plan, capital policy, responses to sustainability-related issues and strategic shareholding status. The Board also deliberated on director candidates and executive officer appointments, as well as revisions to the officer remuneration system, in response to findings reported by the Nomination & Remuneration Committee, which is an advisory body to the Board of Directors.

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Nomination & Remuneration Committee

The Nomination & Remuneration Committee was established by the Company as an advisory body to the Board of Directors. It functions discretionarily as both a nomination committee and a remuneration committee. Its role is to deliberate on both the appointment of directors and Audit & Supervisory Board Members and Director remuneration and report its findings to the Board of Directors.

The Nomination & Remuneration Committee is required to have at least three members, and more than half of its members must be independent Outside Directors to ensure independence and objectivity. Furthermore, we enhance the committee’s functionality and reinforce our corporate governance framework by requiring that the committee chair be one of those independent Outside Directors. In fiscal 2024, it met five times.

Audit approach

Audit & Supervisory Board Member audits

The Audit & Supervisory Board is made up of five Audit & Supervisory Board Members. The Board decides matters of audit policy, planning and division of labor, and the Audit & Supervisory Board Members take action accordingly by attending meetings of the Board of Directors and other important meetings, receiving reports on work done by directors and executive officers, and examining important documents related to decision-making and other matters.

Audit & Supervisory Board Members actively work to enhance the auditing environment and gather internal information. According to the division of labor, members examine important documents related to decision-making and attend important meetings of the Executive Officers Committee, the Management Policy Council, the Branch Manager Conference, the Compliance Committee, the Sustainability Advisory Committee and other groups, where they check the decision-making process and the status of business execution as necessary. Through on-site inspections and interviews, they also receive business reports from directors and auditors at subsidiary companies, as well as information about management from departments that control subsidiary companies as necessary. At some subsidiary companies, Audit & Supervisory Board Members also work as auditors.

The Board works closely with the accounting auditor, receiving auditing status reports on a quarterly basis, exchanging opinions and conferencing ad hoc as necessary. Regarding key audit matters (KAM), the Board receives reports on selection reasons and the current status of responses to auditing, and exchanges opinions.

We have also secured a system for supporting Audit & Supervisory Board Member audits by deploying two full-time auditors possessing thorough knowledge of company operations and who can appropriately assist the work of the auditors.

Internal audits

The Auditing Department is an organization reporting directly to the President. Currently, a 13-person staff system under the department general manager uses the COSO* framework and other references to perform risk-based internal audits (accounting audits, operational audits and internal control system audits) covering the entire operations of each internal department and each affiliated company, and

provides specific advice and assistance for improving operations.

Regarding overseas offices, every fiscal year we select companies and perform on-site internal audits as in Japan.

The results of internal audits conducted by the Auditing Department are regularly reported to the Board of Directors, Audit & Supervisory Board Members and the Audit & Supervisory Board.

* Committee of Sponsoring Organizations of the Treadway Commission

External audits

We have appointed Deloitte Touche Tohmatsu to serve as the auditor for accounting and other audits as required by law.

Number of audit reports

Fiscal year	2020	2021	2022	2023	2024
Audit & Supervisory Board Member audits	8	8	9	10	10
Internal audits	8	8	9	10	10
Accounting audits	4	4	4	4	4

Reasoning behind director appointments

Our baseline requirements for a potential director are position-appropriate ability, personality and insight along with abundant knowledge and experience and a thorough knowledge of Group management. We also seek a Board of Directors of diverse structure conducive to open-minded discussion. To this end, we promote not only from within the Company, but also from among top-level managers of Yakult Group marketing companies and experts in various fields, always seeking to place the right person in the right role.

Matters concerning director nomination and compensation are addressed by the Board of Directors in consultation with the Nomination & Remuneration Committee. More than half of the members in this advisory committee, including the committee chair, are independent Outside Directors whose findings form the basis of decisions made by the Board.

Skill matrix

	Director expertise and experience							
	Corporate management/ Business operations	ESG/ Sustainability	Corporate finance/ Corporate accounting	Legal/ Risk management	Marketing/ Sales	Overseas business	Research & development/ Quality assurance	Human resources/ Human resource development
Hiroshi Narita	●	●			●	●	●	●
Hideaki Hoshiko	●			●			●	●
Yasuyuki Suzuki	●						●	
Junichi Shimada	●				●	●		
Shuichi Watanabe	●		●					
Hiroyuki Kawabata	●	●		●				
Akira Kishimoto	●				●			
Naoko Tobe		●		●				
Yumiko Nagasawa	●	●	●					
Satoshi Akutsu					●	●		
Matthew Digby		●		●		●		
Toshihiko Fukuzawa	●		●					
Takeshi Osumi	●				●	●		
Manabu Naito	●				●			

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Outside Director and Audit & Supervisory Board Member support

1. Outside Director support system

The General Affairs Department functions as the secretariat for the Board of Directors, and serves as an information contact point for all directors, including Outside Directors. Board meeting materials are also distributed in advance to Outside Directors to facilitate communication with other directors.

2. Outside Auditor support system

Two full-time staff members function as the secretariat for the Audit & Supervisory Board. The Audit & Supervisory Board convenes prior to meetings by the Board of Directors and other important assemblies, and relevant department heads share information at these meetings by providing materials and explanations. The system for communicating information to each Outside Auditor involves Audit & Supervisory Board Members making business reports as appropriate, while also providing important materials related to decision-making and auditing along with other audit-related materials.

Management Policy Council

The Management Policy Council was established to expedite decision-making. As a general rule, the council meets once per week, and its members consist of the Representative Director, seven Divisional General Managers and one Audit & Supervisory Board Member. In addition to receiving reports, the Management Policy Council deliberates on management policies and action items, along with operations-related business matters.

Evaluating the effectiveness of the Board of Directors

Directors and Audit & Supervisory Board Members are asked to answer a questionnaire with questions on the makeup and operational methods of the Board of Directors (tabled items, frequency of meeting, etc.), operation of the Board of Directors’ advisory body, provision of information to Outside Directors, and external disclosure, along with a section allowing comments of any kind. Answers are analyzed and evaluated, with the results reported in full to the Board of Directors. In fiscal 2024 as in previous years, this evaluation concluded that the Board functions properly and is generally effective.

Additionally, during this analysis and evaluation of the Board of Directors’ effectiveness, opinions and proposals were received with the goal of improving the Board’s operational methods, composition and governance. With reference to these opinions and proposals, and with the goal of further invigorating the Board, we have strived to further increase the effectiveness of the Board of Directors through means such as increasing the frequency of its meetings, increasing the number and diversity of independent Outside Directors and providing information to Outside Directors.

We will continue striving to improve the effectiveness of the Board of Directors with reference to the results of Board analysis and evaluation.

Remuneration of officers

Regarding matters pertaining to remuneration, etc., the Board of Directors makes decisions in consultation with the Nomination & Remuneration Committee, composed of a majority of independent Outside Directors, and the Board of Directors. (The Nomination & Remuneration Committee held five meetings in fiscal 2024.) The Company resolved to adopt a policy on determining the details of remuneration of individual directors at the Board of Directors meeting held on February 14, 2025, as described below.

Fixed remuneration, performance-based remuneration (short-term cash incentives), stock remuneration (long-term stock incentives)

1. Eligibility

- (1) Fixed remuneration
All directors
- (2) Performance-based remuneration
Officers who are still in a director role at the end of the relevant fiscal year (excluding Outside and Part-Time Directors)
- (3) Stock remuneration
Officers who are still in a director role at the time of payment (excluding Outside and Part-Time Directors)

2. Policy determining calculation methods for each kind of remuneration

- (1) Fixed remuneration
Within applicable monetary limits, our standard policy is to make decisions based on comprehensive consideration of internal and external environmental factors such as director responsibilities, business performance during the relevant fiscal year, standard worker salary and social conditions.
- (2) Performance-based remuneration
Alongside consolidated net sales, which represent the foundation of our business activities and serve as an indicator of business scale and growth potential, and consolidated operating income, which reflects the profitability and efficiency of business activities, performance-based remuneration calculations also take into account the number of dairy product bottles sold on a consolidated basis. The Company sets the performance component to fluctuate between 0% and 150%.
Additionally, performance-based remuneration is not paid if consolidated operating income has fallen below 70% of the previous year’s level.
- (3) Stock remuneration
With the aim of providing an incentive to sustainably increase corporate value and promoting additional shared value with the Company’s shareholders, eligible directors will be granted remuneration for restricted stock according to their job responsibilities and other factors.
The transfer restriction period begins on the delivery date of the restricted stock and ends on the day the director concerned steps down from his or her position.

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

3. Percentage of remuneration by type

To ensure that remuneration functions as an appropriate incentive, the proportion of each type of remuneration is as follows:

(1) Fixed remuneration : (2) Performance-based remuneration : (3) Stock remuneration = 70 : 15 : 15 (%)

Note: Outside Directors and Part-Time Directors only receive fixed remuneration.

4. Policy regarding determination of timing or conditions for remuneration

(1) Fixed remuneration

Paid monthly

(2) Performance-based remuneration

As a remuneration incentive for the preceding year’s business performance, performance-based remuneration is calculated and paid after the end of the fiscal year as a lump sum.

(3) Stock remuneration

As a remuneration incentive for the future improvement of corporate value, an amount corresponding to the director’s term is paid after the director’s election at the General Meeting of Shareholders.

Note 1: Fixed remuneration and performance-based remuneration monetary limits were set at 1 billion yen per year at the 56th Ordinary General Meeting of Shareholders held on June 25, 2008.

Note 2: Stock remuneration monetary limits and share limits were set at 300 million yen and 150,000 shares per year at the 71st Ordinary General Meeting of Shareholders held on June 21, 2023. (The Company carried out a 2-for-1 stock split of its common stock on October 1, 2023. The abovementioned share limit is the figure adjusted after the said stock split.)

These policies, remuneration calculation methods, remuneration amounts for each individual and other matters are discussed by the Nomination & Remuneration Committee, composed of a majority of independent Outside Directors, after which the final decision is made by the Board of Directors. The Nomination & Remuneration Committee is charged by the Board of Directors with determining the amounts of fixed remuneration and performance-based remuneration to be received by each individual.

Remuneration (amount)

Fiscal year	2020*1	2021*2	2022*3	2023*4	2024*5
Remuneration of directors	603 million yen to 15 directors (Including 55 million yen to 5 Outside Directors)	642 million yen to 18 directors (Including 66 million yen to 7 Outside Directors)	806 million yen to 17 directors (Including 69 million yen to 7 Outside Directors)	765 million yen to 19 directors (Including 79 million yen to 6 Outside Directors)	713 million yen to 19 directors (Including 84 million yen to 7 Outside Directors)
Remuneration of auditors	105 million yen to 9 auditors (Including 33 million yen to 6 Outside Auditors)	107 million yen to 5 auditors (Including 35 million yen to 3 Outside Auditors)	114 million yen to 5 auditors (Including 38 million yen to 3 Outside Auditors)	121 million yen to 5 auditors (Including 42 million yen to 3 Outside Auditors)	109 million yen to 8 auditors (Including 43 million yen to 5 Outside Auditors)

*1 Amount of remuneration of directors and auditors in the 69th business report

*2 Amount of remuneration of directors and auditors in the 70th business report

*3 Total amount of remuneration of directors and auditors in the 71st business report

*4 Total amount of remuneration of directors and auditors in the 72nd business report

*5 Total amount of remuneration of directors and auditors in the 73rd business report

Strategic shareholding

The Company’s strategic shareholding policy seeks to strengthen the cooperative relationship between current and future business partners and allies in order to benefit from and expand the synergy between our business and the operations of these companies. We comprehensively consider the potential of future business partners and allies in order to verify the appropriateness of any shareholdings, and reduce strategic shareholdings that are not profitable to the Company. In addition, the Board of Directors verifies the appropriateness of each strategic shareholding based on whether or not it makes sense given capital costs and shareholding purpose.

Regarding the amounts recorded on the balance sheet for strategic shareholdings, the Medium-term Management Plan 2025–2030, which applies until 2030, sets the objective of a consolidated net asset proportion of 5%, with reductions performed gradually in light of financial circumstances.

The Company exercises voting rights arising from strategic shareholding through a decision-making process after considering whether voting yea or nay will contribute to improving corporate value.

Group governance initiatives

In principle, we dispatch our executives and employees to subsidiary companies to serve as officers and ensure that business operations are carried out in a proper, efficient manner. Our Affiliated Company Management Rules and Overseas Office Management Rules stipulate matters such as requests for advanced approval and reporting from subsidiary and affiliated companies. These companies are also audited by the Company’s Internal Audit Department (Auditing Department). Our medium-term management plan secures appropriate operations across the entire Group by setting out Group-wide targets and management strategies, creating a support system through the establishment of a subsidiary management department within the Company, and implementing training courses for subsidiary companies. In addition to these measures, our Risk Management Rules stipulate how the entire Group should respond to a sudden crisis.

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

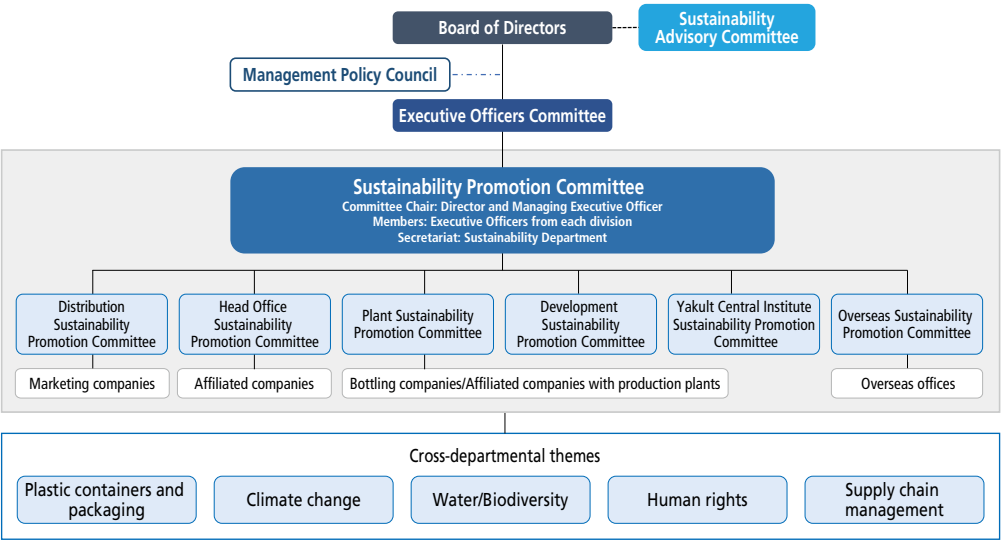
123 ESG Data

Sustainability governance

In fiscal 2024, we established a Sustainability Advisory Committee as an advisory body to the Board of Directors.

Topics presented to the Sustainability Advisory Committee for discussion are thoroughly debated by the Sustainability Promotion Committee, which is chaired by the member of the Yakult Honsha Board of Directors in charge of sustainability promotion and made up of executive officers from relevant departments. Deliberated topics are presented to the Management Policy Council and the Executive Officers Committee as necessary.

Sustainability governance structure



* As of May 2025

Sustainability Advisory Committee

The Sustainability Advisory Committee deliberates on basic sustainability strategy, measures and responses in the context of our efforts to resolve environmental and social problems, and reports its findings to the Board of Directors.

The committee has eight members, including three independent Outside Directors and one Audit & Supervisory Board Member.

Through this committee, we aim not only to strengthen the Board of Directors’ oversight of our sustainability initiatives and live up to our social responsibilities as a corporation but also to facilitate sustainable development of the environment, society and our corporation.

Sustainability Advisory Committee agenda items

Event	Agenda items
May 15 (1st mtg.)	- Overview of the committee - Initiatives taken to date
July 2 (2nd mtg.)	- Plastic containers and packaging - Sustainability report
July 31 (3rd mtg.)	Climate change response
Sept. 27 (4th mtg.)	- Human rights initiatives - Sustainability report
Feb. 28 (5th mtg.)	- Human rights initiatives - Revision of Environmental Targets

Sustainability Promotion Committee

In fiscal 2025 we merged the CSR Promotion Committee and the Committee to Address Plastic Containers to form the new Sustainability Promotion Committee. This centralizes CSR and plastic container–related initiatives in a single committee that will discuss and promote basic strategy and measures.

The Sustainability Promotion Committee, which is chaired by the member of the Yakult Honsha Board of Directors in charge of sustainability promotion, holds meetings four times per year to discuss and manage progress on policies and promotional measures around various sustainability-related management issues, including climate change. In fiscal 2024, the committee discussed the identification of salient human rights issues, important for promoting human rights due diligence, and what to disclose based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). It also considered the progress and results of the Sustainability Action Plan and deliberated on updates to Environmental Targets 2030, medium-term milestones toward the Yakult Group Environmental Vision.

The head of the Sustainability Promotion Committee, a director and senior managing executive officer, also approves the items covered in our *Sustainability Report*.

We have also established six specialized committees as subordinate organizations to carry out specific activities within each department as a way to promote sustainability initiatives throughout the Group.

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

CSR Promotion Committee agenda items

Event	Agenda item
June 4 (1st mtg.)	(1) Content of <i>Yakult Sustainability Report 2024</i> (2) Progress on CSRD*1 (3) ESG evaluations (4) Climate change response
Aug. 28 (2nd mtg.)	(1) Identification of salient human rights issues (2) Progress on production of <i>Yakult Sustainability Report 2024</i> (3) Progress on CSRD (4) Progress on TCFD response (5) Climate change response
Nov. 5 (3rd mtg.)	(1) Identification of salient human rights issues (2) Progress toward SBT*2 certification
Feb. 12 (4th mtg.)	(1) Salient human rights issues (2) Proposed revisions to Environmental Targets 2030 (3) Progress on TCFD response (4) Progress toward SBT certification

*1 Corporate Sustainability Reporting Directive (CSRD): An EU directive to corporations on the disclosure of sustainability information

*2 Science Based Targets (SBT): Corporate greenhouse gas emissions reduction targets that meet the standards called for by the Paris Agreement

Sustainability training for management

We have run sustainability management seminars (known as “CSR management seminars” until fiscal 2023) for directors, executive officers and other managers since fiscal 2002. Seminar attendees obtain the latest ESG information from outside experts, which brings an informed sustainability perspective to the management level.

In fiscal 2024, we invited an external expert highly familiar with the sustainability domain, who spoke on the topic “Trends in sustainability reporting and preparations for disclosure” to an audience of 91 attendees, including executives and department heads. The lecture examined the establishment of the standards set by the International Sustainability Standards Board (ISSB) and, in comparison to those standards, considered trends in the development and study of the standards set by the Sustainability Standards Board of Japan (SSBJ). The speaker noted the importance for corporations of identifying sustainability as a material theme and expressing a corporate stance in order to refine strategic direction and bolster the credibility of external communications. He also offered concrete advice on the structural adjustments that would be needed as we work on our SSBJ response, based on our current situation. The lecture as a whole contained many valuable lessons for future initiatives.

Topics of sustainability management seminars

Fiscal year	Topic
2016	CSR trends in Asia and important points for Japanese companies
2017	CSR, from the basics to the newest trends
2018	Latest trends in ESG (especially climate change)
2019	ESG and corporate management strategies
2020	Corporate ESG strategy from the viewpoint of responsible investment
2021	Business and human rights
2022	Specific initiatives based on the TCFD recommendations
2023	Responding to sustainability risks
2024	Trends in sustainability reporting and preparations for disclosure



Sustainability management seminar

Contents

02

About the Sustainability Report 2025

03

Editorial Policy

04

Overview of Yakult’s Operations

05

Yakult’s Business Operations

06

Top Commitment

09

Yakult’s Beginnings

11

Sustainability

27

Environmental Activities Report

28

Environmental management

35

Climate change mitigation and adaptation

46

Transition to sustainable plastic containers and packaging

51

Sustainable water source management

54

Biodiversity conservation

57

Reducing waste and food loss

59

Social Activities Report

60

Provision of safe and secure products and transparent information disclosure

65

Value co-creation with communities

70

Establishment of a resilient and sustainable supply chain

78

Promotion of health initiatives rooted in local communities

80

Creation of health value that meets diverse health needs

84

Worker health, safety and well-being

91

Initiatives for Yakult Ladies

92

Development of innovative human resources capable of delivering new value

95

Embracing the diversity of our workforce

99

Human rights

106

Customer satisfaction

109

Governance Report

109

Corporate governance

116

Risk management

118

Compliance

121

Third-party opinion

122

External evaluation

123

ESG Data

Risk management

Risk management system

Risk Management Committee

Along with cross-organizational risk auditing, we have established a Risk Management Committee chaired by the most relevant director given the details of the risk currently being addressed. Other Risk Management Committee members are Executive Directors, and the committee works to prevent risk occurrence.

Risk identification

The management level takes control of risk identification, discusses the various risks as necessary at each meeting (with important matters brought to the Board of Directors and the Management Policy Council, whose membership includes directors and auditors) and deals with them accordingly. We then disclose information to shareholders and other stakeholders in our annual securities report.

Currently, we have identified 19 risks related to environmental issue response, disasters, brand defamation, intellectual property rights, lawsuits, compliance, mergers and acquisitions, financial exchange, information systems, management strategy impact, infectious disease outbreak, ocean plastic waste, reliance on *Yakult* series and the competitive environment, among other issues.

Scope of risks

The scope of risk evaluation goes beyond direct operation of Yakult to include raw materials, suppliers and consumers that form both our upstream and downstream value chain. Cross-organizational risk auditing and Group response are handled mainly by the General Affairs Department, while each department handles risk management related to its own operations, raising matters to relevant councils as necessary (with important matters brought to the Board of Directors and the Management Policy Council, whose membership includes directors and auditors). To further promote compliance in each department, business site and Group company, we hold an annual meeting with compliance personnel to provide and share important information on compliance activities.

Advance consultation system for new suppliers

Since 2003, we have operated a system for pre-screening prospective new suppliers for relationships with organized crime groups and compliance issues before we begin doing business with them. The system’s operational status and findings are reported to the Corporate Ethics Committee and evaluations and feedback are received from individual committee members. In fiscal 2024, we performed compliance checks for existing suppliers to ensure even stricter adherence to corporate ethics.

Risk Management Rules

Our top priority is to ensure safety and respect for human life, and we have established Risk Management Rules accordingly. We have also created individual risk management manuals in case of events such as an earthquake, virus outbreak or product recall. These manuals are updated as necessary to reflect changes or expansions in business, or office moves.

Safety confirmation system

We have introduced a safety confirmation system to efficiently check the safety of our employees when a disaster occurs. Drills are held annually for all employees to master the system’s operation and improve awareness.

BCP drill participation rate

Fiscal year	2020	2021	2022	2023	2024
Participation in BCP safety confirmation system drills (response to email) (%)	98.9%	99.1%	99.1%	99.8%	99.2%

Response during major earthquakes

In preparation for a major earthquake, all employees receive personal disaster supplies, and three days’ worth of emergency food rations and drinking water are available. At Yakult Honsha dairy product plants and bottling companies, we have set up an earthquake early warning system* enabling employees to prepare and respond quickly in case of an earthquake.

* Compared to unspecified warnings sent to large numbers of people (via TV, radio, mobile phones, etc.), this system receives forecast information issued for a specific area, providing information more quickly and accurately.

Business continuity plan (BCP)

Preserving probiotic strains

At the Yakult Central Institute, while our top priority in case of emergency is the lives and safety of our workers, we have also constructed emergency power systems and distributed storage schemes inside Japan and around the world to ensure the preservation of the probiotic strains that are key to our dairy products.

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

■ Procurement

Based on our Production Division Business Continuity Plan (BCP), we have established the appropriate immediate actions to take during emergencies to secure the raw materials for our dairy products.

Specifically, we regularly review and update our emergency call tree of clients and suppliers, the register of suppliers’ factories and material transport route maps, and have prepared risk management action plans for disasters caused by storms/floods and earthquakes.

We respond to major incidents as appropriate based on these preparations. To disperse material procurement risks and ensure stable supplies, we have moved our material warehouses located in tsunami-risk areas to flood-safe areas, and established new third-party warehouse capacities.

■ Production

Our Production Division has established and follows its own BCP. In accordance with the Cabinet Office’s Business Continuity Guidelines, it sets forth policies, precautions, and emergency coordination and response to continue production of our core dairy products in the case of a natural disaster or critical event that would have a direct and sudden adverse effect on our business operations, as well as our policies on support for communities in an emergency.

■ Logistics

Our logistics department has prepared for eventualities such as power outages by equipping all distribution centers with emergency lighting to allow work inside the space and installing emergency batteries to maintain office functions.

We have also transferred some of our information assets such as order (received/placed), inventory and shipment data to cloud data centers. This reduces the risk of system downtime in case of a disaster and minimizes the time required to rectify hardware failures.

In addition, we are working to balance consolidation and dispersal of our distribution centers to diversify risk and ensure stability of supply.

■ Information security

To protect information assets from information security threats, we have established a Yakult Group Information Security Policy that clarifies our policy on countermeasures. Specifically, we enforce access restrictions, detect unauthorized access to all systems and perform regular employee training to prevent information leaks. Additionally, we have established systems permitting a swift response from our Cyber Security Incident Response Team (CSIRT) in consultation with relevant departments in the unlikely event of a breach targeting our information assets.

Yakult Group Information Security Policy

The Yakult Group advances its global business activities in line with its corporate philosophy: “We contribute to the health and happiness of people around the world through pursuit of excellence in life science in general and our research and experience in microorganisms in particular.” We believe it is of the utmost importance to securely protect all information assets, including our customers’ personal information, to meet society’s expectations of and trust in us. Therefore, we shall strive to strengthen our information security as a unified group in accordance with the Yakult Ethical Principles and Code of Conduct.

Please refer to the following URL for the full text of the Yakult Group Information Security Policy:

WEB <https://www.yakult.co.jp/english/securitypolicy/>

Initiatives in each country and region

■ Use of backup services outside Japan

At Guangzhou Yakult Co., Ltd., we use a third-party contractor to provide backup services for our core systems (office automation, human resources and sales) to ensure uninterrupted operations if a disaster should strike. We have further reinforced our risk management by storing data in the cloud instead of on company servers. We are also tightening security measures by updating our IT security software and unifying network connections that were previously managed by individual business sites.

At Yakult Middle East FZCO, to prevent information leaks and ensure data is kept appropriately, we have added firewall functions to protect our systems against access from outside. We have also installed a backup server to maintain internal server operations, and an inverter in case of unforeseen disruptions such as blackouts.

At PT. Yakult Indonesia Persada and the Yakult Group in Europe, we use external cloud backup services to ensure the continuation of business in the event of a disaster or other emergency.

■ Cyber security training: Yakult Philippines, Inc.

Yakult Philippines, Inc. carries out cyber security training for employees at its headquarters, its Calamba Plant and its El Salvador Plant. Participants learn how to recognize the warning signs of cyber incidents, which are becoming more frequent, and what actions they can take to prevent harm.

■ Conducting risk evaluations: Yakult Taiwan Co., Ltd.

At Yakult Taiwan Co., Ltd.’s plant, an annual risk evaluation conference is held, during which a SWOT analysis is performed for that year and operational strategy is discussed.

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Compliance

Promoting compliance system

Compliance Committee

Our Compliance Committee, established in 2000, is composed of independent outside experts. This committee regularly meets with directors of Yakult Honsha to discuss such themes as the compliance promotion situation of each department. Members provide wide-ranging opinions and recommendations related to overall corporate activities from the perspective of compliance, as well as practical advice regarding the theme of each meeting.

In fiscal 2024, the committee met in September to discuss the status of accounts and finances as well as circumstances around internal auditing, and again in February to discuss initiatives addressing sustainability challenges and the status of compliance promotion.

Corporate Ethics Committee

Our Corporate Ethics Committee, established in 2002, is primarily composed of independent outside experts. This committee convenes regularly for checking on the implementation status of our corporate ethics activities (such as refusing to engage with organized crime groups). Through oversight by committee members, we work on ensuring sound management. In fiscal 2024, this committee met in November.

Compliance Promotion Team and compliance personnel

As a contact point for compliance-related initiatives, we created the Compliance Promotion Team, which is made up of personnel from four departments (the Legal, General Affairs, Human Resources and Auditing Departments). We have also designated compliance personnel within each department, business site and Group company and given them responsibility for checking to ensure that business operations and actions are compliant with regulations and internal standards. When specific concerns arise, compliance personnel respond as necessary while communicating with the relevant department or business site.

To further promote compliance at each department and business site, along with the entire Yakult Group, we hold an annual meeting with compliance personnel to provide and share important information on compliance activities.

Anti-corruption initiatives

Promoting sound organizational management and fair business practices is extremely important in order to make our corporate philosophy a lasting reality throughout the Group.

The Yakult Group operates in full compliance with the anti-corruption laws, regulations,

guidelines and guidance applicable in the countries and regions in which we operate and has put in place our anti-corruption policy based on the Yakult Ethical Principles and Code of Conduct, a Group-wide set of guidelines for compliance. We comply with all internal rules relating to this policy and the Yakult Ethical Principles and Code of Conduct.

Yakult Group Anti-Corruption Policy

The Yakult Group observes the Yakult Group Anti-Corruption Policy, the basic policy stipulated based on the Yakult Ethical Principles and Code of Conduct, the Group's compliance rules, and related internal regulations on the premise of compliance with laws, regulations and guidelines regarding the prevention of corruption in the countries and regions where it conducts its business activities. The Yakult Group Anti-Corruption Policy contains the following sections:

- 1. Purpose
- 2. Prohibition of corrupt practices
- 3. Record management
- 4. Establishment of corruption prevention mechanism
- 5. Response to violation

Established: March 30, 2021

Please refer to the following URL for the full text of the Yakult Group Anti-Corruption Policy:

[WEB https://www.yakult.co.jp/english/csr/download/pdf/2022_anti-corruption_policy.pdf](https://www.yakult.co.jp/english/csr/download/pdf/2022_anti-corruption_policy.pdf)

Anti-bribery rules

We prohibit, under the Yakult Ethical Principles and Code of Conduct, the offering or receiving of gifts or entertainment directly or indirectly to or from business partners or stakeholders in and outside Japan beyond the boundaries of common sense or social norms. In addition, individual companies both in and outside Japan have their own internal anti-bribery rules and comply with them in the course of business operations.

These anti-bribery rules prohibit employees from offering benefits to public officials or other personnel for the purpose of obtaining illicit gains from operations. Furthermore, the rules clearly set out the requirement that internal approval procedures are followed when offering benefits to public officials to the extent it is legal, and that any breach of these rules would be strictly punished in accordance with the rules of employment.

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Internal reporting system

In Japan, we set up the Yakult Compliance Hotline in 2006 as an internal reporting system for quickly discovering and correcting any violations of laws and internal rules during the execution of business.

We have established internal and external (law office) contacts for this hotline, and work to protect whistleblowers through Internal Reporting Regulations that assure the confidentiality of reported information and prohibit the adverse treatment of whistleblowers.

Through this system, we accept reports, consultations and other feedback from directors and employees (including those who have stepped down or retired within the past year) not only at Yakult Honsha, Group companies and associations but also, since fiscal 2022, at marketing companies other than Group companies.

In April 2025, to make our internal reporting system even more effective, we engaged a specialist company to operate new contact points, allowing solo proprietors of Group marketing companies and subcontracted Yakult Ladies to use the system, too.

We conduct periodic compliance surveys every three years to verify the level of awareness of this internal reporting system within the Group. According to the results of our most recent survey in fiscal 2023, awareness is at 90.6%.

Employees are informed about this system during training for new employees and level-specific training, as well as regularly via groupware. We also gather feedback from employees via the aforementioned compliance surveys.

In addition, we are striving to ensure this system’s effectiveness by raising awareness of the system among management and eligible persons within the Group that have implemented it and we are educating people about how to use it.

Structurally speaking, whenever a report is received by the system through an internal or external contact point, the Compliance Promotion Team investigates the facts while protecting the identity of the reporter in accordance with laws and company regulations. If the team determines that there is an issue, it guides and monitors a full response, including issuing a request for correction and measures to prevent reoccurrence via the representative or person responsible at the organization in question. This response and its results are reported not only to the President of the Company and the relevant director but also to the Compliance Committee, which offers evaluations and guidance.

In Group companies outside Japan, we have established internal reporting systems at 14 business sites.

Related information [p.105 Human rights](#) ▶ [Internal contact points](#)

Number of reports, consultations and queries received by internal reporting system (Yakult Compliance Hotline)

Fiscal year	2020	2021	2022	2023	2024
Number of reports	9	16	14	24	27

Internal reports by type (fiscal 2024)

Type	Number of reports
Harassment	13
HR/labor	3
Quality	0
Other	11
Total	27

Internal and external reporting systems: Yakult S.A. de C.V. (Mexico), Yakult S/A Ind. E Com. (Brazil)

At Yakult S.A. de C.V. (Mexico), reports are accepted from both inside and outside the company, including from customers and suppliers, and can be filed via a website. Depending on the content of the report, the reporter may be contacted by the Auditing Department for discussion or to confirm details, after which the matter is reported to the Internal Control Committee and swift action is taken.

At Yakult S/A Ind. E Com. (Brazil), too, a reporting system has been introduced that allows not only employees but also external parties like customers and contractors to lodge complaints while preserving their anonymity. Reports can be made via a website, a toll-free phone line or a smartphone app, and the Ethics Committee considers the information and takes action accordingly.

Compliance awareness activities

Through various activities including compliance training and distribution of a Compliance Guidebook, we are working to raise compliance awareness.

Compliance awareness activities

Compliance training	We raise awareness in various ways, including legal workshops for directors (including the President), level-specific compliance training programs for groups of employees from directors and managers to newly hired employees, and training held at each company within the Yakult Group. In fiscal 2024, we held a total of 115 compliance training sessions throughout the Group.
Compliance education materials	We distribute the Compliance Guidebook, an educational resource that covers compliance fundamentals, throughout the Group. In fiscal 2024, we used our quarterly compliance newsletter to further boost and deepen awareness of issues related to compliance throughout the year based on themes such as harassment and the internal reporting system. We have also created and made public anti-harassment animations for workers in order to ensure acquisition of correct knowledge about harassment. Additionally, in order to deepen understanding of related laws and regulations, we distributed awareness-raising materials and ran training for Yakult Honsha and Group company employees about the Act against Unjustifiable Premiums and Misleading Representations. We also distribute educational materials to raise awareness across the Group on refusing to engage with organized crime groups.
Compliance Month	In fiscal 2024, we designated February 2025 as Compliance Month and conducted various activities to raise compliance awareness among Group employees. Specifically, to raise awareness of the need to prevent harassment, employees learned about unconscious bias, which is one cause of harassment, and we announced behavioral objectives toward creating a harassment-free workplace. With these objectives in mind, we then intensively promoted implementation activities over the course of the month.
Compliance surveys	We implement a compliance survey once every three years. In the latest survey in June 2023, we received about 18,000 responses from directors and employees (including contract employees, temporary staff and part-time workers) at the Yakult Group across Japan. The results of this survey were analyzed for trends at individual companies, departments and business sites and then reported to the directors including the President, the heads of individual departments and business sites, representatives of Group companies, and workers. We are now working on improvement activities. We have also analyzed the survey results and are using them in planning our compliance program.

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

Compliance training and information security training

Fiscal year	2020	2021	2022	2023	2024
Compliance training events	24	26	18	33	115
Information security training events	1 (2,610)	1 (2,512)	1 (2,447)	1 (2,725)	5,289*

* In fiscal 2024, e-learning (2,513 recipients) and targeted mail training (2,776 participants) were performed.

Disclosing information based on the Clinical Trials Act

We disclose information on our website about funding for medical institutions and other matters as required under the Clinical Trials Act.

WEB Initiatives for transparency in our business activities and relationships with medical institutions

<https://www.yakult.co.jp/company/about/transparency/> (Japanese only)

Ensuring compliance within the cosmetics business

Employees who sell products to customers at their homes sit the Examination for Direct Selling Instructor to obtain the Certification of Training and Registration for the Direct Salesperson to prevent inappropriate activities.

At Yakult Honsha, we also comply with the Guidelines for Cosmetic Advertisements issued by the Japan Cosmetic Industry Association. We take part in workshops, which are held twice a year, and provide editorial oversight on materials produced by our Yakult Honsha and its branches to ensure that no inappropriate advertisements are released.

Prohibition of illegal political contributions

When making political contributions as part of our corporate activities, we comply with the relevant laws and regulations such as the Political Funds Control Act, and undergo the proper approval process before contributing. Our expenditure on political contributions in fiscal 2024 was 3 million yen.

Transparency in taxation

■ Compliance with tax laws and fairness

The Yakult Group operates globally in accordance with our philosophy of contributing to the health and happiness of people around the world. To achieve this aim, it is important to run our organization on a sound footing and ensure that our business practice is fair and just.

In order to ensure full compliance with the taxation laws and regulations of the countries and regions in which we operate, international rules and the Yakult Ethical Principles and Code of Conduct, the Yakult Group has established the Yakult Group Tax Policy and complies with its tax obligations accordingly.

Yakult Group Tax Policy

The Yakult Group Tax Policy sets out the Group’s policy on tax obligations in order to ensure compliance with taxation-related laws and regulations in the countries and regions where it conducts business activities, as well as with international rules and the Yakult Ethical Principles and Code of Conduct. The Yakult Group Tax Policy contains the following sections:

- 1. Compliance
- 2. International frameworks
- 3. Transfer price
- 4. Minimizing taxation risk
- 5. Taxation plan and tax havens
- 6. Response to tax authorities

Established: March 30, 2021

Please refer to the following URL for the full text of the Yakult Group Tax Policy:

WEB https://www.yakult.co.jp/english/csr/download/pdf/2022_tax_policy.pdf

■ Tax payment report to the Board of Directors

The Yakult Group’s tax payments are periodically reported to the Board of Directors by the principal accounting officer. In addition, we have established a system that enables the principal accounting officer to report, and then receive instructions on significant tax payments from the Board of Directors.

In fiscal 2024, our corporate taxes were 25.5 billion yen against the Group’s net sales of 499.6 billion yen.

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

123 ESG Data

■ Third-party opinion



Keisuke Takegahara
Professor
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Institute for Policy Studies

Sustainability Report 2025 complements Yakult’s integrated report—which primarily targets investors and focuses on the Company’s value creation strategy—by providing greater detail from an ESG (environmental, social and governance) perspective. Aimed at a broad readership, the report faces the challenge of not only presenting a comprehensive overview of the many initiatives that bolster corporate value, but also offering a bird’s-eye view of how these efforts collectively contribute to the Company’s overarching strategy. The report’s editors have sought to meet this challenge by establishing a unifying theme for each year’s report, and this year’s results demonstrate the strength of this approach.

The report centers on the new set of material themes that were announced in October 2025 and the implications of this reset. The previous seven material themes addressed both growth drivers and areas of potential negative impact; together, they conveyed a more or less coherent message. However, in the light of the report’s role as a complement to the integrated report, the emphasis previously appeared to be more on bridging diverse initiatives than fulfilling the core intended function of directly linking those efforts to the Company’s value creation strategy. The newly defined materiality framework represents a marked shift in this regard.

As stated in the Top Commitment section of the report, the new Medium-term Management Plan positions non-financial strategies as a vital foundation for maximizing corporate value. The newly defined 12 material themes are now clearly aligned with the long-term goals of Yakult Group Global Vision 2030 (YGGV2030), establishing a more systematic link to value creation and clarifying their role. Notably, the effort to break down and visualize the components of the Company’s strengths—such as brand image and customer trust—alongside the renewed identification of human capital as a material theme, is highly effective. The table on pages 15 to 18, which provides a detailed explanation of the material themes, stands out as a highlight of this year’s report.

In particular, the discussion of risks and opportunities helps illustrate how each material theme relates to day-to-day operations. As these links become more apparent and internal understanding deepens, employees are more likely to see the material themes as relevant to their own work. The next critical step will be the formulation of key performance indicators. These KPIs should be designed to help employees recognize how seemingly unrelated daily tasks actually contribute to specific material themes—and ultimately impact corporate value (and financial outcomes). In this sense, the new materiality framework has the potential to support a high-level strategic rollout by fostering greater employee awareness of how their work aligns with broader organizational goals.

From this perspective, the dialogue between younger employees and the board director in charge of sustainability was particularly well-conceived. The insights shared by frontline staff across various departments reflected a strong sense of personal engagement with the newly defined material themes. The dialogue was skillfully structured to convey, with immediacy, how the new framework is beginning to take root within the organization.

The latter half of the report presents a wide range of initiatives across the ESG pillars. While

ensuring comprehensive coverage to address diverse stakeholder interests, there is a clear editorial intent to link these initiatives to the newly defined material themes and promote a more systematic understanding. The effort to enhance detail and embed narrative elements requires a higher level of editorial rigor and accountability than simply listing facts. This year’s report clearly reflects such efforts throughout. For example, in the climate-related disclosures, the report attempts to quantify the impact of transition and physical risks—as well as certain opportunities—arising from the introduction of an internal carbon pricing scheme. On the governance front, the report provides specific details on agenda items discussed by the newly established and now fully operational Sustainability Advisory Committee.

Each of these represents an important and meaningful development that aligns well with the report’s role as a complement to the integrated report. That said, it is somewhat regrettable that these important achievements risk being obscured amid the sheer volume of information presented. Additional editorial enhancements—such as stronger linkages to the Top Commitment and other sections that readers typically encounter first and clearer cross-references to the integrated report—could help draw greater attention to these achievements. I look forward to seeing the continued development of this steadily evolving report.

Response to third-party opinion

We are sincerely grateful for your thoughtful feedback on *Sustainability Report 2025*.

We are honored by your positive evaluation of how the newly defined material themes align with our long-term vision and are linked more clearly to corporate value. We also appreciate your comments on the editorial intent behind the report and the dialogue with younger employees.

The redefinition of our material themes marks a new starting point in advancing our Group’s sustainability efforts. Moving forward, we will work to ensure that these themes are fully embedded and put into practice throughout the organization, empowering each worker to take initiative in driving our collective efforts.

We regard your insights on the importance of formulating KPIs and fostering a sense of personal ownership among employees as critical to further advancing our initiatives. Your comments on the structure of the report to enhance readability have also been taken to heart, recognizing them as opportunities for improvement. We remain committed to making future reports even more meaningful and impactful.

Your feedback will serve as a catalyst for action as we strive to deepen our sustainability efforts and further enhance our corporate value.



Hiroyuki Kawabata
Director and Managing
Executive Officer
Divisional General
Manager of Management
Support Division

Contents

- 02 About the Sustainability Report 2025
- 03 Editorial Policy
- 04 Overview of Yakult’s Operations
- 05 Yakult’s Business Operations
- 06 Top Commitment
- 09 Yakult’s Beginnings

- 11 Sustainability**
- 27 Environmental Activities Report**
- 28 Environmental management
- 35 Climate change mitigation and adaptation**
- 46 Transition to sustainable plastic containers and packaging**
- 51 Sustainable water source management**
- 54 Biodiversity conservation**
- 57 Reducing waste and food loss

- 59 Social Activities Report**
- 60 Provision of safe and secure products and transparent information disclosure**
- 65 Value co-creation with communities**
- 70 Establishment of a resilient and sustainable supply chain**
- 78 Promotion of health initiatives rooted in local communities**
- 80 Creation of health value that meets diverse health needs**
- 84 Worker health, safety and well-being**
- 91 Initiatives for Yakult Ladies

- 92 Development of innovative human resources capable of delivering new value**
- 95 Embracing the diversity of our workforce**
- 99 Human rights
- 106 Customer satisfaction

- 109 Governance Report**
- 109 Corporate governance
- 116 Risk management
- 118 Compliance
- 121 Third-party opinion

- 122 External evaluation**
- 123 ESG Data

External evaluation

ESG investment indices

Yakult Honsha Co., Ltd. has been selected for inclusion in multiple ESG investment indices, including FTSE4Good Index Series, FTSE Blossom Japan Index, FTSE Blossom Japan Sector Relative Index, S&P/JPX Carbon Efficient Index, and JPX-Nikkei HC100.



WEB External evaluation <https://www.yakult.co.jp/english/sustainability/evaluation/>

Evaluation from external organizations



Evaluation from CDP

Evaluation for fiscal 2024

Questionnaire		Evaluation Results
Climate change		A-
Water security		A-
Forests	Palm oil	B
	Soy	B
	Timber products	B

External awards and recognition

Recognition for activities under Indonesia’s MOEF Regulation No. 75: PT. Yakult Indonesia Persada

In October 2024, PT. Yakult Indonesia Persada was recognized for its sincere efforts and exemplary outcomes in implementing Indonesia’s Ministry of Environment and Forestry Regulation No. 75, which outlines a roadmap for producer-led waste reduction.

Under this regulation, companies in Indonesia are required to progressively reduce plastic and other waste generated through business activities by 30% by 2029. The roadmap mandates staged reductions, and this award highlighted 20 companies deemed to have implemented the most outstanding initiatives in line with its objectives.

PT. Yakult Indonesia Persada was recognized for the efforts by Yakult Ladies and route sales representatives in Indonesia to collect used plastic *Yakult* containers from customers and retail outlets and plastic used in shipping film, contributing to the company’s waste reduction initiatives.

Related information [p. 49 Developing a container collection app: PT. Yakult Indonesia Persada](#)

Contents

02 About the Sustainability Report 2025

03 Editorial Policy

04 Overview of Yakult’s Operations

05 Yakult’s Business Operations

06 Top Commitment

09 Yakult’s Beginnings

11 Sustainability

27 Environmental Activities Report

28 Environmental management

35 Climate change mitigation and adaptation

46 Transition to sustainable plastic containers and packaging

51 Sustainable water source management

54 Biodiversity conservation

57 Reducing waste and food loss

59 Social Activities Report

60 Provision of safe and secure products and transparent information disclosure

65 Value co-creation with communities

70 Establishment of a resilient and sustainable supply chain

78 Promotion of health initiatives rooted in local communities

80 Creation of health value that meets diverse health needs

84 Worker health, safety and well-being

91 Initiatives for Yakult Ladies

92 Development of innovative human resources capable of delivering new value

95 Embracing the diversity of our workforce

99 Human rights

106 Customer satisfaction

109 Governance Report

109 Corporate governance

116 Risk management

118 Compliance

121 Third-party opinion

122 External evaluation

ESG Data

WEB https://www.yakult.co.jp/english/sustainability/download/

Environmental	
Status of ISO 14001 environmental certification	p. 32
Food loss and waste recycling results	p. 32
Substances used by the Yakult Central Institute	p. 32
Container and packaging obligatory recycling volumes	p. 33
Economic accounting results/Economic benefits associated with environmental conservation measures	p. 33
Environmental impacts of business activities (from production through delivery)	p. 34
CO2 emissions in fiscal 2024	p. 41
Scope 3 emissions by category (fiscal 2024)	p. 41
CO2 emissions and CO2 emissions per production unit by Yakult Honsha plants and bottling companies (Scope 1 + Scope 2)	p. 42
Energy use and energy use per production unit by Yakult Honsha plants and bottling companies (Scope 1 + Scope 2)	p. 42
CO2 emissions from logistics (Scope 1 + Scope 2)	p. 44
Logistics diesel fuel use and NOx emissions	WEB
Introduction of environment-friendly sales equipment	p. 45
Amount of specified plastic-containing products distributed	p. 48
Industrial waste and byproducts from plastic-using products	p. 48
Assessment of water risk using WRI Aqueduct in areas with production bases	p. 51
Water risk assessment in areas with production bases	p. 51
Water risk survey cost	p. 51
Water used at Yakult Honsha plants and bottling companies (total and per production unit)	p. 52
Assessment of biodiversity around production bases	p. 55
Waste generated at Yakult Honsha plants and bottling companies	p. 57
Waste generated and recycling rates at Yakult Honsha plants and bottling companies	p. 58
Water data at production bases outside Japan	WEB
Water data at production bases in Japan	WEB
Business site reports for each region	WEB
Japan business site reports	WEB

Note: For data not included in this report, see the ESG data (in Excel format) available at our website.

Social	
Certifications acquired for product quality (as of March 2025)	p. 60
Community investment (social contribution activities)	p. 65
Sustainable procurement survey results/Number of business partners by average score (fiscal 2024)	p. 72
Locally procured raw materials (fiscal 2024)	p. 76
Green procurement ratio	p. 77
Low-sugar, reduced-calorie products: Percentage of total dairy sales (fiscal 2024)	p. 78
Work accident frequency rate and severity rate (Yakult Honsha)	p. 84
Percentage of annual paid leave taken and average overtime hours per month (per person) (Yakult Honsha)	p. 88
Number of employees taking parental leave (Yakult Honsha)	p. 89
Comparison of starting salaries and minimum wage (fiscal 2024)	p. 90
Hours of training time and cost (Yakult Honsha)	p. 93
Shirota-ism workshops: Numbers of workshops and participants (Yakult Honsha)	p. 93
Number and ratio of female managers (Yakult Honsha, overseas offices)	p. 95
Rate of employees with disabilities (Yakult Honsha, overseas offices)	p. 96
Rate of continuous employment at retirement age (Yakult Honsha)	p. 97
Human resources data (Yakult Honsha)	p. 98
Yakult Group companies outside Japan (as of December 2024)	p. 98
Human rights awareness training	p. 104
Customer consultations	p. 106
Governance	
Governance organization	p. 110
Frequency of meetings	p. 110
Number of audit reports	p. 111
Remuneration (amount)	p. 113
BCP drill participation rate	p. 116
Number of reports, consultations and queries received by internal reporting system (Yakult Compliance Hotline)	p. 119
Internal reports by type (fiscal 2024)	p. 119
Compliance training and information security training	p. 120



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