

Yakult CSR Action Plan (Fiscal 2023 Achievements)

■ Period covered	Japan: April 2023–March 2024 Overseas: January 2023–December 2023
■ Achievement level	◎: Target achieved (100 points (%) or more) ○: Target almost achieved (80 to 100 points (%)) △: Target not adequately achieved (Less than 80 points (%)) ×: No efforts were made (0 point (%))

Yakult

E (Environment)

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

Issues	Fiscal 2023 Action Target	Fiscal 2023 Achievements	Level
<p>Realize a low-carbon society</p> <p>·</p> <p>Convert to resource-recyclable containers and packaging</p> <p>·</p> <p>Reduce water consumption</p> <p>·</p> <p>Reduce waste</p> <p>·</p> <p>Conserve and utilize biodiversity</p>	<p>1. By the end of fiscal 2024, reduce GHG emissions (in Japan, Scope 1 and 2) by 10% compared to fiscal 2018 levels</p>	<ul style="list-style-type: none"> ● CO₂ emissions reduced by 45.8% (compared to fiscal 2018). 	◎
	<p>2.</p> <p>(1) By the end of fiscal 2024, reduce plastic containers and packaging (in Japan) by 5% compared to fiscal 2018 levels, or make them recyclable</p> <p>(2) Reduce raw material consumption for containers and packaging</p> <p>(3) Reduce environmental impact by changing container and packaging materials</p> <p>(4) Use plant-based, environmentally responsible materials for containers and packaging</p>	<ul style="list-style-type: none"> ● Plastic containers and packaging (non-recyclable) use increased by approximately 24.8% (compared to fiscal 2018). 	×
	<p>3.</p> <p>(1) By the end of fiscal 2024, reduce water consumption (at dairy product plants in Japan, per production unit) by 3% compared to fiscal 2018 levels</p> <p>A) Water conservation activities</p> <p>B) Formulate a “water management plan”</p>	<ul style="list-style-type: none"> ● Water consumption (per production unit) reduced by 15.8% (compared to fiscal 2018). 	◎
	<p>4.</p> <p>(1) By the end of fiscal 2024, reduce waste generation by 20% compared to fiscal 2010 levels</p> <p>(2) Maintain at least a 95% recycling rate for food loss and waste</p>	<ul style="list-style-type: none"> ● Waste generation reduced by 14.8% (compared to fiscal 2010). ● Food waste recycling rate: 99.3% 	△

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S (Social)

■ Materiality: Innovation

Issues	Fiscal 2023 Action Target	Fiscal 2023 Achievements	Level
Resolve social issues through products and services	1. Continue considering products that can contribute to resolving social issues	<ul style="list-style-type: none"> ● Launched sales of <i>MediSuppli Galactooligosaccharide</i> and <i>MediSuppli+</i> series of supplements for dogs, made with Yakult's proprietary galactooligosaccharides. ● Launched products with functional benefits to address customer needs, such as rereleasing <i>Yakult 400W</i> (Food with Function Claims/originally released in 2020). ● Improved the aluminum cap for <i>Y1000</i> to address complaints about leakage. 	◎
	2. Continue research that can contribute to resolving social issues	<ul style="list-style-type: none"> ● Conducted R&D with the aim of providing new value in resolving health and social issues through joint research with external research institutions. ● Researched and developed products for companion animals (pets) to meet the needs of society. 	○
	3. Consider products and services that meet the needs of each country and region	<ul style="list-style-type: none"> ● Launched <i>Yakult 50 Billion Light</i>, a high-bacteria, high-added-value fermented milk drink (China). ● Launched low-sugar <i>Yakult Gold</i> (Singapore). ● Completed switch of packaging materials* from plastic film to paper cartons for <i>Yakult</i> series products (Europe). <p>*Multi-pack packaging and exterior packaging for shipping</p>	○

S (Social)

■ Materiality: Value co-creation with communities

Issues	Fiscal 2023 Action Target	Fiscal 2023 Achievements	Level
<p>Promote social contribution activities</p> <p>·</p> <p>Activities for solving local issues</p>	<p>1. Promote dispatch of lecturers and health-related lectures</p>	<ul style="list-style-type: none"> ● In Japan <ul style="list-style-type: none"> • Dispatch of guest lecturers: 4,360 lectures, 231,260 participants (up 851 lectures and 59,621 participants from previous year) • Health-related lectures: 69,353 lectures, 366,968 participants (up 37,906 lectures and 143,832 participants from previous year) • Beauty workshops: 1,182 workshops, 12,679 participants (up 217 lectures and 4,500 participants from previous year) ● Outside Japan: Promoted web-based and face-to-face activities aimed at maintaining and strengthening communication with customers. <ul style="list-style-type: none"> • Dispatch of guest lecturers: 55,959 lectures, 3,327,615 participants (up 30,471 lectures and 1,570,657 participants from previous year) • Health-related lectures: 249,526 lectures, 10,207,045 participants (up 8,619 lectures and up 791,269 participants from previous year) <p>Note: The results are for group and online activities combined.</p>	◎
	<p>2. Accept more visitors to plants and the Yakult Central Institute (including online tours)</p>	<ul style="list-style-type: none"> ● In Japan: Total of 33,468 participants in plant tours at dairy plants, Shonan Cosmetic Plant and Yakult Health Foods Co., Ltd. Note: The results are for group and online activities combined. <ul style="list-style-type: none"> • Implemented an online company visit program for junior high and high school students. (877 students from 11 schools participated) ● Outside Japan: 925,251 participants in plant tours. Note: The results are for group and online activities combined. 	○
	<p>3. Promote the continuation of Courtesy Visit Activities, community safety watch and crime prevention activities</p>	<ul style="list-style-type: none"> ● Courtesy Visit Activities: 30,343 older people visited by 2,310 Yakult Ladies from 50 marketing companies in response to requests from 115 local governments in Japan. ● Community safety watch and crime prevention activities: Conducted by 25,558 Yakult Ladies from 2,002 centers of 96 marketing companies in cooperation with 931 local governments and other groups. 	○

S (Social)

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<p style="text-align: center;">Promotion of social contribution activities</p> <p style="text-align: center;">·</p> <p style="text-align: center;">Contribution to resolving local issues</p>	<p>4. Promote activities for solving local issues</p>	<ul style="list-style-type: none"> ● Implemented social contribution activities at support facilities for people with disabilities in cooperation with pachinko and pachislot cooperative associations: Asked 65 facilities in 22 prefectures to attach stickers that include New Year greetings to our products, totaling around 550,000 bottles. ● Operated a Bowel Cancer Information website. Distributed information on topics to raise awareness regarding bowel cancer screenings. ● Continued social contribution activities by supporting or donating to events near plants and the Yakult Central Institute. ● Concluded an agreement with Kunitachi City to supply water in the event of a disaster, worked with a children's emergency hotline. ● Organized or co-organized various symposiums outside Japan (five locations). ● Supported and cooperated with the Pink Ribbon campaign (Singapore, Vietnam). ● Conducted sampling activities in collaboration with JICA (India). ● Made courtesy visits to older residents and provided children from impoverished families breakfasts under the breakfast for kids project (China). ● Supported disadvantaged people, including older people and children living in poverty (UK, Italy, Germany, Indonesia, Guangzhou). 	○
	<p>5. Further sports promotion</p>	<ul style="list-style-type: none"> ● Held baseball clinics. Baseball clinics (by active professional players): 10 venues; Tsubame baseball clinics (by retired players): 3 venues ● Held Yakult running clinics. ● Cooperated with the Toda Rugby Festival, held rugby clinics, and held the Levins Rugby Festival. ● Provided cooperation for the traffic safety campaign of the Warabi City Police. ● Japan Bound Tennis Association championship series: June (960 participants) ● Japan Bound Tennis Association Gold Tournament: October (193 participants) 	○
	<p>6. Deepen exchanges with local communities through plant festivals</p>	<ul style="list-style-type: none"> ● All plant festivals were cancelled. 	×

S (Social)

■ Supply chain management

Issues	Fiscal 2023 Action Target	Fiscal 2023 Achievements	Level
<p>Promote CSR procurement</p> <p>Provide “safe and secure” products</p>	<p>1. Continue to promote CSR procurement</p>	<ul style="list-style-type: none"> ● Ascertained supplier risks in and outside Japan. <ul style="list-style-type: none"> - Carried out CSR procurement survey: 143 business partners - Utilized responses to Sedex’s Self-Assessment Questionnaire: 101 business partners ● Held an online briefing for suppliers regarding our CSR Procurement Policy (participating suppliers: approximately 160 companies, approximately 400 people). ● Began utilizing paper with forest certification as packaging materials for dairy products and soft drinks (paper containers and corrugated cardboard) and added the forest certification mark. ● Reduced the volume of plastic used by switching to thinner labels for <i>Yakult 400</i> series products and the shrink wrap holding multi-packs together. ● Reduced the use of petroleum-based plastics by switching to straws made from biomass materials for dairy products in paper containers. ● Began utilizing paper with forest certification as packaging materials for some cosmetics boxes. ● Used recycled paper for the boxes of some pharmaceutical products. Paper use was reduced by digitizing package inserts. 	◎
	<p>2. Provide “safe and secure” products</p>	<ul style="list-style-type: none"> ● Had Yakult Ladies perform self-checks after taking a health check course for safe delivery on the Safety and Security Clinic website. (Participants: 18,433 Yakult Ladies) ● Published information on delivery quality in each issue of <i>Kencho</i>, a booklet for Yakult Ladies; established August and September as a period for strengthening “customer engagement” during deliveries; and held training and activities under the theme of “our methods for improving customers’ first impressions of us.” ● Established “safety and security” enhancement months (September–November) to strengthen measures relating to product management and traffic safety. ● Ensured implementation of recurrence prevention measures for product-related claims against plants: 100% implementation. (41/41 issues) ● Conducted technical training sessions on production management and quality control for employees to be posted to overseas business sites. Attended 34 employees scheduled for overseas assignment (including online participants). 	○

S (Social)

■ Supply chain management

Issues	Fiscal 2023 Action Target	Fiscal 2023 Achievements	Level
Promote CSR procurement · Provide “safe and secure” products	3. Promote certification of various international standards	<ul style="list-style-type: none">● Overseas plants (no new certification acquired, but existing ones renewed)<ul style="list-style-type: none">• Number of certifications acquired: HACCP (17 plants), GMP (8), ISO 9001 (9), ISO 14001 (6), ISO 22000 (8), FSSC 22000 (3), SQF (2), ISO 45001 (2).• Halal certification (Taiwan, 2 Thailand plants, Philippines, Singapore, 2 Indonesia plants, Malaysia)	○

S (Social)

Issues	Fiscal 2023 Action Target	Fiscal 2023 Achievements	Level
<p>Respect for human rights</p> <p>·</p> <p>Promote diversity</p> <p>·</p> <p>Promote work-life balance</p> <p>·</p> <p>Promote occupational health and safety</p>	<p>1. Promote human rights due diligence</p>	<ul style="list-style-type: none"> ● Made thorough efforts to prohibit discrimination in recruitment activities (conducted training for interviewers regarding prohibited and sensitive matters, clearly posted the policy on prohibition of employment discrimination on the recruitment website). ● Provided level-specific training on human rights at the Company (for new graduates and those newly promoted to levels 6 and 8). ● Established “business and human rights” awareness month for Yakult Group employees (providing e-learning opportunities through video materials). ● Conducted an employee well-being survey at the Company to understand the mental and physical health of employees and reported the results to each department and business site. ● Surveyed Yakult and supply chain workers using the Sedex questionnaire on human rights issues. ● Conducted a survey on whether an internal reporting system has been introduced at overseas business sites. 	<p>○</p>
	<p>2. Prevent harassment</p>	<ul style="list-style-type: none"> ● Raised awareness about harassment prevention in job-level-specific training and in pre-assignment training for employees scheduled to be assigned overseas. ● The Legal Department at Yakult Honsha provided compliance training for some bottling companies and marketing companies. ● Created animated training videos on harassment prevention, encouraging all Yakult Group employees in Japan to view the webcasts. ● Provided training materials for compliance officers at Group companies in Japan to enable them to conduct harassment training in their own companies and departments. ● Conducted awareness-raising and dissemination activities using harassment prevention videos and the harassment prevention book. ● Conducted training for staff in charge of the harassment and compliance workshops (263 participants). 	<p>◎</p>
	<p>3. Promote diversity</p>	<ul style="list-style-type: none"> ● Increased the ratio of women in management positions: 13.3% as of April 2024 against a fiscal 2025 target of over 10%. ● Assessed employment of women outside of Japan: <ul style="list-style-type: none"> - 50,309 Yakult Ladies - Ratio of female board members: 19.3% - Ratio of female managers: 32.2% - Ratio of female employees: 31.6% ● Ratio of employees with disabilities: 2.48% (maintained the statutory target employment rate of 2.3%) 	<p>◎</p>

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	<p>5. Promote health-focused management</p>	<ul style="list-style-type: none"> ● Yakult Honsha acquired the “White 500” certification awarded to corporations that proactively promote employee health and productivity management (seventh consecutive year). ● Yakult Honsha included in the KENKO Investment for Health Stock Selection for the first time. ● Implemented an online health course (4 sessions on the topics of (1) lifestyle-related diseases, (2) men’s and women’s health, (3) women’s health, and (4) assertion). ● Ratio of employees who undertook re-examination based on the results of regular health checks: 100% ● Breast cancer screening rate: 60.7%, uterine cancer screening rate: 60.5% (preliminary figures) 	◎
	<p>6. Promote work-life balance</p>	<ul style="list-style-type: none"> ● Ratio of male employees who took childcare leave: 95%, average number of days taken: 28 	◎

G (Governance)

Issues	Fiscal 2023 Action Target	Fiscal 2023 Achievements	Level
<p>Establish a governance structure appropriate for a global company</p> <p>·</p> <p>Implement the corporate governance code</p> <p>·</p> <p>Promote business while ensuring compliance</p> <p>·</p> <p>Disclose corporate information and promote communication with society</p>	<p>1. Strengthen compliance with the corporate governance code</p>	<ul style="list-style-type: none"> ● Introduced a restricted stock compensation plan for directors. ● Held various management meetings regularly (Board of Directors: 10 times, Executive Officers Committee: 26 times). ● Conducted a tour for Outside Directors to the Yakult Central Institute following the 10th Board of Directors meeting to further promote understanding of the Company's research and development. ● Held meetings of the Nominating and Compensation Advisory Committee. 	◎
	<p>2. Ensure that the Yakult Ethical Principles and Code of Conduct are thoroughly known to all employees</p>	<ul style="list-style-type: none"> ● Explained the Yakult Ethical Principles and Code of Conduct at job-level-specific training sessions, and encouraged compliance personnel to reread and raise awareness about these documents at meetings. 	◎
	<p>3. Ensure thorough compliance</p>	<ul style="list-style-type: none"> ● Conducted a compliance survey of 125 Yakult Group companies (response rate of 94.5%, 17,692 respondents). ● Published a monthly compliance newsletter introducing examples of common compliance violations. ● Provided group work training slides to promote understanding of various compliance issues at workplaces. ● Distributed various educational materials to new Group employees to raise and ensure awareness of issues on an ongoing basis. ● Operated an internal access database providing legal information. ● Held the meetings of the Compliance Committee (February and September) and received opinions and recommendations from external expert committee members. ● Held a meeting of the Corporate Ethics Committee (April and November) and received confirmation and opinions/recommendations from the committee members, including external experts, regarding its transaction monitoring activities. ● Established and operated a Group-wide Compliance Hotline for the purpose of detecting and correcting any violations of laws and regulations at an early stage. ● Operated a pre-consultation system for new business partners to ensure corporate ethics within the Group. 	◎

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