

Takara Group Sustainability Policy

Basic Policy

Based on our corporate philosophy, which is “Contributing to the creation of a vital society and a healthy lifestyle through our fermentation technology and biotechnology in a way that achieves harmony with nature,” the Takara Group has benefited society by unlocking new potential in the culinary, lifestyle, and life science fields through our fermentation technologies for traditional Japanese sake and our cutting-edge innovation in biotechnologies and by continuing to create new value.

The preservation of a rich natural environment is a major premise for the business continuity of the Takara Group, which engages in business activities on the basis of the bounty of diverse natural resources such as grains, water, and microorganisms. In addition, in handling business related to food and medicine, the Takara Group’s most important theme is to deliver safe and reliable goods, products, and services. At the same time, we must also address various social issues, including those related to alcohol.

The social environment surrounding the Group has undergone rapid change, and with the need for a global response to such diverse issues as climate change, biodiversity conservation, resource conservation, and respect for human rights, corporate entities face an increasing responsibility to create a sustainable society.

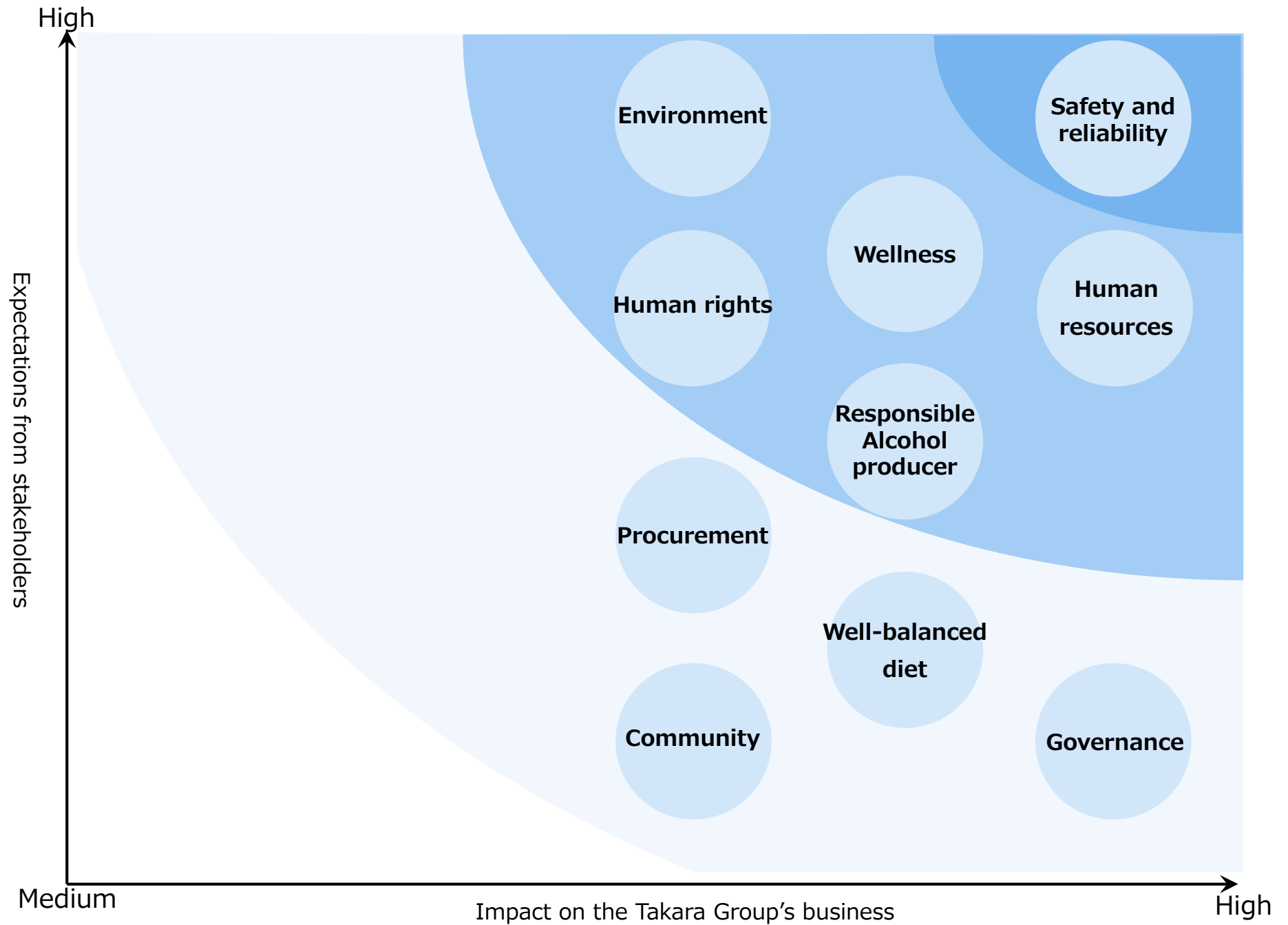
With our vision, “Smiles in Life —Smiles are the Treasures of our Lifetimes—,” the Group has made a declaration that it will continue taking on the challenge of filling the lifestyles, lives and lifetimes of people around the world with smiles. And furthermore, we have formulated the Takara Group Sustainability Policy in recognition that we must take greater initiatives to resolve various social issues if we are to continue to achieve the creation of social value through business activities into the future.

The Takara Group Sustainability Policy takes up ten important issues (materiality), including “safety and reliability,” from among the social issues surrounding the Group, and lays out initiative policies for each one, taking into account the expectations of stakeholders and the impact on the Group’s business.

Going forward, we will further proceed with initiatives based on these policies and will also work on the establishment of long-term goals.

The Takara Group aims to be a corporate group that is trusted by its stakeholders, and will contribute to the realization of a sustainable society by continuing to create social value through our business activities.

Materiality Matrix



Policies and Ideas for Each Materiality and Initiative Themes and Specific Measures


Safety and reliability

As a company involved in food and medicine, the Takara Group believes that it is important that customers find us reliable. In order to continue to be a corporate group trusted by customers into the future, we have established, and are working on, the Takara Group Quality Policy

The Takara Group Quality Policy

Based on our corporate philosophy, which is “Contributing to the creation of a vital society and a healthy lifestyle through our fermentation technology and biotechnology in a way that achieves harmony with nature,” we will bring safe and reliable products and services to customers throughout the world.

1. We will listen carefully to our customers and pursue quality that satisfies them.
2. We will work together as a group on quality assurance activities throughout the entire process until products are delivered to customers.
3. We will comply with the relevant laws, regulations and voluntary standards.
4. We will live up to the trust of our customers by making efforts to provide them with appropriate information that is easy to understand.

Initiative themes	Specific measures	Related SDGs
(1) Ensuring safe and reliable quality at Takara Shuzo	Maintain safety management system (FSSC22000 at six plants in Japan)	
	Create safe products at Takara Shuzo <ul style="list-style-type: none"> •Examine compliance with laws, regulations and voluntary standards at the design stage •Stable procurement of raw materials whose safety has been confirmed •Maintain manufacturing lines that ensure safe and reliable quality 	
	Pursue customer satisfaction (ISO 10002)	
(2) Ensuring safe and reliable quality at Takara Bio Group	Maintain quality management system (ISO 9001, etc.) at Takara Bio Group	
	Comply with and maintain various quality, manufacturing, and safety standards, including GMP/GCTP (*), and third-party certification systems	
	Appropriately disclose product information	
(3) Ensuring safe and reliable quality at Takara Shuzo International Group	Initiatives to establish a global quality assurance system <ul style="list-style-type: none"> •Understand and comply with information on overseas food safety regulations •Promote acquisition of food safety certifications at major overseas Group companies 	

※GMP : Good Manufacturing Practice、 GCTP : Good Gene, Cellular, and Tissue-based Products Manufacturing Practice

Policies and Ideas for Each Materiality and Initiative Themes and Specific Measures




Human resources

The Takara Group Human Resources Policy

In the Takara Group, we take the perspective that personnel are crucial business assets and view them as valuable human resources.

Because we believe that a company is an organization comprising all of its individual employees and that the collective power of those human resources is the source of a company's sustainable growth and development, we also believe that maximizing the potential of individuals and organizations by investing in our human resources is indispensable for further increasing corporate value and achieving Group growth.

Along with establishing a workplace offering both rewarding work and job satisfaction as well as a corporate culture that nourishes people, we are successfully fostering human resources who can be responsible for the next generation of the Group and take charge of global business growth as well as promoting the active involvement of diverse human resources.



Initiative themes	Specific measures	Related SDGs
(1) Fostering human resources	Implement measures to foster human resources who will be responsible for the next generation	  
	Foster human resources who will achieve global business growth (global human resources)	
	Foster human resources using Takara Holdings Corporate History Museum, our training facility	
(2) Promoting the active involvement of diverse human resources	Promote the active involvement of female employees	
	Promote the active involvement of senior human resources	
	Promote the hiring of people with disabilities	
(3) Achieving a comfortable workplace environment and a work-life balance	Ensure workplace safety and sanitation	
	Comply with labor-related laws and regulations	
	Prevent long working hours	
	Promote diverse working styles	

Policies and Ideas for Each Materiality and Initiative Themes and Specific Measures

Wellness

As a company involved in food and medicine, the Takara Group aims to contribute to a healthy lifestyle through products and services.

We will work to create a society where people can continue to enjoy a healthy lifestyle, including through the development of revolutionary biotechnologies such as gene therapy, the supply of related services, and the development of health-conscious products.

Initiative themes	Specific measures	Related SDGs
(1) Support for the development of global life science research	Provide extensive support for the development of life science research and industry	 
	Contribute to the life science community	
(2) Application of genetic analysis technology to testing and diagnostics	Supply testing and diagnostic kits for viruses, etc.	
(3) Social implementation of gene therapies	Gene therapy technology development to fulfill unmet medical needs	
(4) Supply of health-conscious products	Promote the appeal of carbohydrate-free and purine-free <i>shochu</i>	
	Develop carbohydrate-free and low-carbohydrate products	
	Promote the appeal of salt-free <i>sake</i> for cooking	
	Supply organic foods, etc.	
	Develop products with consideration for food allergies	

Policies and Ideas for Each Materiality and Initiative Themes and Specific Measures

Responsible alcohol producer


Alcohol has played an important role as a communication tool for facilitating human relationships since ancient times. However, since it also causes so-called alcohol-related issues, including the consumption of alcohol by those under the age of 20 and drunk driving, there are both advantage and disadvantages to alcoholic beverages.

The Takara Group believes that tackling alcohol-related issues head-on is an important responsibility as a company that manufacturers and sells alcoholic beverages, and we have therefore established, and are working on, the Basic Policy on Responsible Drinking.

Basic Policy on Responsible Drinking

As a company engaged in the manufacture and sale of alcoholic beverages, we believe that it is an important responsibility of the Takara Group to address alcohol-related issues, and we will work together with society through various activities to develop a healthy alcohol culture.

- All employees of the Takara Group will act in a responsible manner to spread awareness about the appropriate consumption of alcohol.
- We will endeavor to resolve issues such as alcoholism and other heavy drinking, the consumption of alcohol by those under the age of 20, alcohol consumption by pregnant women, and drunk driving through educational efforts using our website and pamphlets as well as by placing cautionary statements on our product packages and advertisements.
- We will work on alcohol-related issues with various stakeholders, including industry associations and NPOs.
- Support the WHO's Global Strategy to Reduce the Harmful Use of Alcohol, and implement initiatives aimed at accomplishing this.
- When engaged in the manufacture and sale of alcoholic beverages and their advertising activities, we will comply with related laws and regulations, voluntary industry standards, the Takara Group Compliance Action Guidelines, and internal regulations.
- We will promote awareness programs for employees.

Initiative themes	Specific measures	Related SDGs
(1)Appropriate consumption of alcohol	Educational efforts using our website and pamphlets	
	Awareness programs for employees	
(2)Implementation of responsible marketing	Implement responsible advertising	
	Conscientious product labeling	
(3)Respect for global guidelines	Respect WHO's global strategy to reduce the harmful use of alcohol	
(4)Participation in external initiatives	Participate in the diffusion/awareness raising programs conducted by public interest corporations regarding the appropriate consumption of alcohol	









Policies and Ideas for Each Materiality and Initiative Themes and Specific Measures

Environment

The Takara Group Environmental Policy

The Takara Group positions the harmonization of its business activities with global environmental preservation as one of its key challenges, and contributes to building a sustainable society by establishing and continuously improving the environmental management system.

1. We comply with laws and regulations related to the environment, in addition to other requirements that we have agreed to.
2. In the course of the Takara Group's business activities, we place particular emphasis on the following points.
 - i. We strive to prevent environmental pollution.
 - ii. We strive to promote energy and resource conservation, and try to use sustainable resources.
 - iii. We strive to reduce greenhouse gas emissions and mitigate climate change.
 - iv. We support and promote activities related to biodiversity and ecosystem protection and preservation.
 - v. We strive for environmentally conscious product development, including promoting the 3Rs for containers and packaging.
3. We actively disclose information on our environmental initiatives and environmental performance, while striving to communicate with society.
4. While using education and awareness programs to convey this Environmental Policy to all members of the Takara Group, we also energetically support employees' participation in social contribution activities.

Initiative themes	Specific measures	Related SDGs
(1)Response to climate change issues	Reduce CO ₂ emissions from production processes	  
	Reduce CO ₂ emissions from transportation processes	
(2)Appropriate water usage	Water usage based on consideration for the characteristics of the region	  
(3)Reduction of waste generation	Reduce plant waste volume and promote recycling	
	Initiatives for reducing food losses	
(4)Response to environmentally conscious product packages and packaging	Develop environmentally conscious products	 
	Implement environmental education for children	
	Free distribution of educational pamphlets for recycling	
(5)Preservation of ecosystems and biodiversity	Provide assistance for activities and research protecting ecosystems and biodiversity	
	Implement environmental education for children	

Policies and Ideas for Each Materiality and Initiative Themes and Specific Measures

Human rights



The Takara Group has formulated the Takara Group Human Rights Policy to respect the human rights of all stakeholders, and is promoting various initiatives, including education and training.

The Takara Group Human Rights Policy

Recognizing that the Takara Group may potentially affect the human rights of various stakeholders, including business partners, customers, and local communities, in addition to our employees, through our business activities, we respect human rights as set out in the United Nations' International Bill of Human Rights and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work.

This policy applies to all officers and employees of the Takara Group. We also request business partners to support and comply with this policy.

- We will comply with the laws and regulations of each and every country in which we conduct business activities.
- We will respect the diversity, personality, and individuality of all stakeholders, and will not allow any irrational discrimination on the grounds of birth, nationality, race, ethnicity, creed, religion, gender, age, disability, sexual orientation, gender identity, employment status, hobbies, educational background, etc.
- We support the right to freedom of association and the right to collective bargaining. Illegal child labor and forced labor are not permitted in domestic and overseas working environments.
- We will establish and operate whistleblowing contacts within the Company and at an external third-party organization for reporting violations of laws, regulations, and internal regulations, including this policy. In addition, we will prohibit any disadvantageous treatment of whistleblowers on the basis of such whistleblowing.
- We will extensively convey our Human Rights Policy to our employees, and provide ongoing education and training.

Initiative themes	Specific measures	Related SDGs
(1) Respect for human rights	Conduct human rights education at new employee training and rank-specific training sessions	 
	Understanding and respect for multiple cultures (multinational cultures)	
	Recruitment activities without discrimination	
	Initiatives to prevent harassment	
	Protect personal information and privacy	
(2) Initiatives ensuring due diligence to human rights	Implement a human rights due diligence process	

Policies and Ideas for Each Materiality and Initiative Themes and Specific Measures

Governance (1/2)

The Takara Holdings Corporate Governance Policy <Basic Policy>


The Company has formulated “TaKaRa Group Challenge for the 100th,” our long-term management vision ending in the fiscal year ending March 31, 2026, which is the 100th anniversary of the Group’s foundation, and has established a Group Vision* as well as management strategies and business strategies in order to achieve this vision.

We believe that achieving this Vision will lead to the sustainable growth of the Group and an increase in corporate value over the medium- to long-term, and that what is required to effectively and efficiently realize this Vision is a corporate governance structure that ensures a transparent, fair, speedy, and resolute decision making. At the same time, we also believe that to continue to be a trusted corporate group, we need a structure that respects the positions of stakeholders, including shareholders, customers, employees, creditors, and local communities, and enables us to make efforts in appropriate communication.

The Company aims for sustainable growth and an increase in corporate value over the medium- to long-term by establishing a corporate governance structure based on the above policy, and will make efforts in accordance with the specific policies set forth in the Takara Holdings Corporate Governance Policy.

*Our Vision: “Smiles in Life—Smiles are the Treasures of our Lifetimes—”

Using its proprietary technology to produce great-tasting products and revolutionary biotechnology to safely and reliably deliver diverse value in the JTAB (Japanese Traditional Alcoholic Beverages), Japanese food, and life science categories, the Takara Group will continue taking on the challenge of filling the lifestyles, lives and lifetimes of people around the world with smiles.

Initiative themes	Specific measures	Related SDGs
(1) Promotion of corporate governance	Establish an optimum corporate governance structure <ul style="list-style-type: none"> • Directors and Board of Directors • Audit & Supervisory Board members and Audit & Supervisory Board • Election of independent officers • Officer compensation 	
	Consider optimum corporate governance	


Policies and Ideas for Each Materiality and Initiative Themes and Specific Measures

Governance (2/2)

The Takara Group Compliance Action Guidelines <Basic Policy>

With the aim of realizing our corporate philosophy, which is “Contributing to the creation of a vital society and a healthy lifestyle through our fermentation technology and biotechnology in a way that achieves harmony with nature,” the Takara Group will always conduct trustworthy and fair corporate activities under the Takara Five Values, which are the shared values of the Group.


1. We will comply with laws and regulations in Japan and overseas, fully recognize social ethics, and act with common sense and responsibility as a member of society.
2. We will work to lower environmental burdens, and contribute to the development of life science that values the dignity of life.
3. We will conduct sustainable business activities that are widely useful to society by pursuing profit through fair competition rather than pursuing profit in a manner contrary to these Action Guidelines.
4. We will comply with employment regulations, and will not engage in any unfair or dishonest practices in violation of employment regulations.
5. We will always draw a line between public and private matters, and will not pursue personal gain by using corporate assets, information, business authority, or position.

Initiative themes	Specific measures	Related SDGs
(1) Promotion of compliance	Reinforce the compliance promotion structure	
	Implement compliance education	
	Appropriate operate the whistleblowing system	
(2) Reinforcement of the risk management structure	Promote risk management (normal risk management)	
	Promote crisis management (emergency risk management)	

Policies and Ideas for Each Materiality and Initiative Themes and Specific Measures

Well-balanced diet

The Takara Group will increase the value and appeal of JTAB* and Japanese food, and will bring rich diets filled with connections between people throughout the world by leveraging our position as a top manufacturer of JTAB, and our Japanese food wholesaling network overseas.

Initiative themes	Specific measures	Related SDGs
(1) Providing the richness of food to people throughout the world through JTAB and Japanese food	<p><Spread and promote the appeal of JTAB and new value> Hold food and beverage tasting events Market development through innovative products Communicate information using our website and SNS Spread the appeal and value of JTAB overseas</p>	
	<p><Spread and promote the appeal of Japanese food and new value> Hold seasoning seminars and cooking labs in collaboration with retailers Participate in external initiatives Disseminate recipes featuring Hon-mirin and cooking sake Spread Japanese food culture overseas</p>	
(2) Creating communication through sake and providing a social lubricant	<p>Disseminate information about the enjoyment of sake and sake culture</p>	

*JTAB : Japanese Traditional Alcoholic Beverages

Policies and Ideas for Each Materiality and Initiative Themes and Specific Measures

Procurement

In order to continuously provide customers with safe and reliable products and services, it is essential for us to continue sustainable transactions with suppliers who are our business partners. The Takara Group aims to realize sustainable procurement by ensuring the safety and quality of raw materials and more, and by also considering the social responsibility of the entire supply chain, including consideration for the environment and human rights as well as compliance with laws and social ethics, based on the Takara Group Procurement Policy.

The Takara Group Procurement Policy

1. Ensuring safety and quality

In accordance with the Takara Group Quality Policy, we will promote activities aimed at ensuring a high level of safety and quality.

2. Consideration for the environment

Based on the Takara Group Environmental Policy, we will engage in activities with consideration for the global environment.

3. Consideration for human rights

In accordance with the Takara Group Human Rights Policy, we will engage in activities with consideration for human rights.

4. Compliance with laws and social ethics

In accordance with the Takara Group Compliance Action Guidelines, we will comply with laws and social ethics.

We will not request entertainment or gifts from suppliers, nor will we be the recipient of entertainment that exceeds the boundaries of common sense.

5. Equitable and fair transactions

We will treat all suppliers with common sense and honesty, and conduct equitable and fair transactions.




When selecting suppliers, we will make our decisions after equitable and fair comparisons and evaluations, based on quality, price, delivery date, technical capabilities, supply capacity and other conditions.

6. Maintaining information security

We will appropriately manage confidential information and personal information obtained during procurement activities.

7. Expectations of suppliers

With regard to the above, we expect the same considerations from our suppliers, and will endeavor to promote initiatives throughout the entire supply chain.

Initiative themes	Specific measures	Related SDGs
(1) Collaboration with suppliers	Request guideline compliance from suppliers	  



Policies and Ideas for Each Materiality and Initiative Themes and Specific Measures

Community

The Takara Group will contribute to the development of local communities by seeking communication with local communities, recognizing their needs and issues, and undertaking initiatives to resolve them.

The needs and issues of local communities are diverse and are likely to change with the times. These range from global issues such as climate change, to local issues such as garbage, the education of children who will be responsible for the next generation, promotion of the economy and culture, and large-scale disaster support.

As a good corporate citizen, we will strive to identify the type of issues currently facing local communities and understand what these communities need, by communicating with our stakeholders. As a result, we will contribute to the development of local communities by considering how we can make a contribution to the needs and issues we have learned about, and putting this into practice.

Initiative themes	Specific measures	Related SDGs
(1) Education for children	Hold events for the purpose of environmental education and food education, and conduct on-site classes at local elementary schools	 
(2) Contribution to the promotion of local communities and culture	Participate in local cleaning activities and support local communities	
(3) Promotion of local economies	Continually foster community-based products	
	Develop local economies by effectively utilizing untapped resources	
(4) Support after large-scale disasters	Provide donations, water supply, and volunteer activities in disaster-affected areas	