Corporate Governance Report

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The corporate governance of Asahi Group Holdings, Ltd. (the "Company") is described below.

I. Basic Views on Corporate Governance, Capital Structure, Corporate Profile and Other Basic Information

1. Basic Views

The Company, based on the Group philosophy, the "Asahi Group Philosophy (AGP)," aims to be a group that is trusted even by future stakeholders. "AGP" consists of four elements: Mission, Vision, Values and Principles. It articulates the Group's mission and vision for the future, reaffirms values cherished and handed down over the years, and serves as its action guidelines for our stakeholders and the Group's commitments to them. In addition, the Company has set "Make the world shine - we bring people together to make the world shine brighter" as a corporate statement to complement the "AGP" to build a sustainable future.

"Asahi Group Philosophy"
Our Mission
Deliver on our great taste promise and bring more fun to life
Our Vision
Be a value creator globally and locally, growing with high-value-added brands
Our Values
Challenge and innovation
Excellence in quality
Shared inspiration
Our Principles
Building value together with all our stakeholders
Customers: Win customer satisfaction with products and services that exceed expectations
Employees: Foster a corporate culture that promotes individual and company growth
Society: Contribute to a sustainable society through our business
Partners: Build relationships that promote mutual growth
Shareholders: Increase our share value through sustainable profit growth and shareholder returns

To implement the "AGP", the Medium- to Long-Term Management Policy set forth the concept of the long-term strategies to "Contribute to sustainable society and respond to changing conceptions of well-being through delivering great taste and fun."
In addition to presenting the business portfolios the Company aims for, the Company will strive to achieve sustainable growth and increase corporate value together with all of our stakeholders by integrating sustainability and management and further

strengthening our core strategies such as digital transformation (DX) and research and development (R&D).
The Company recognizes that corporate governance that ensures transparent, fair, timely, and decisive decision-making must be further substantiated for realizing sustained corporate value enhancement based on these matters. Going forward, the Company shall establish the following policies and work to substantiate corporate governance to achieve sustainable growth and increase corporate value over the medium- to long-term.

(1) Respect for All Stakeholders
The Company shall consider corporate value not only as a financial value but also as the sum of social values closely related therewith.
To continue to be a corporate group trusted around the world, the Company, while contributing to resolving social issues through our business activities, shall carry out constructive dialogue and practice appropriate collaboration based on its action guidelines and promises for stakeholders, defined in its "AGP," including customers, employees, society, business partners and shareholders.
The Board of Directors and management, including the Representative Director and Group CEO ("CEO"), of the Company shall carry out appropriate communication and play a leadership role toward the realization of a new corporate culture of respecting all the stakeholders and collaboration therewith while giving the utmost priority to compliance.

(2) Ensuring Proper Information Disclosure and Transparency Thereof
To promote constructive dialogue and appropriate communication with all stakeholders, the Company shall appropriately disclose information by endeavoring to provide easy-to-understand, useful information not limited to financial information but also including non-financial information such as management strategies, management issues, allocation of resources, risks, corporate governance, sustainability, and R&D.

(3) Dialogues with Shareholders and Investors
The Company shall promote constructive and purposeful dialogues with shareholders and investors through investor relations and shareholder relations activities to be conducted by Group CEO, etc. for the purpose of contributing to the sustainable growth and the increase of corporate value over the medium- to long-term.

(4) Responsibilities of the Board of Directors, Audit & Supervisory Board Members, and Audit & Supervisory Board
The primary role of the Board of Directors is to contribute to sustainable growth and increases in corporate value over the medium to long term based on its fiduciary duty and responsibility for accountability toward shareholders.
Recognizing that corporate value not only reflects financial value but also represents the sum of the social value that is closely related to corporate value, the Board of Directors actively cooperates with various stakeholders as it exercises the "AGP" and implements the Medium- to Long-Term Management Policy.
In order to fulfill the aforementioned role, the Board of Directors engages in the following activities.

- Discussions on management's approach to the ultra-long term
  The Company aims to enhance foresight into medium- and long-term changes in the business environment and strengthen management for sustainable growth by promoting discussions on ultra-long term megatrends.

- Determination of Medium- to Long-Term Management Policy and a policy on business portfolio
  The Company strives to strengthen proactive and determined management for enhancement of corporate value over the medium to long term by establishing

important corporate strategies such as the "Medium- to Long-Term Management Policy" and a policy on business portfolio, and revising them when necessary.

- Sophistication of decision-making processes through the separation of executive and supervisory functions
  A non-executive internal director has been appointed to the position of Chairman of the Board of Directors to distinguish their role from that of the Group CEO and thereby contribute to the separation of management and business execution functions. This arrangement has clarified executional responsibilities, expedited decision-making by concentrating responsibilities and authority on the Group CEO, strengthened the monitoring functions of the Board of Directors, and further improved decision-making processes.

- Deliberations on officer appointments and remuneration
  The Company strives to enhance effectiveness of the Board of Directors by deliberating on matters regarding the succession of the Board of Directors and the appointment of officers, as well as matters regarding the appointment of officers' remuneration such as officers' remuneration plans and criteria for individual officer remuneration.

- Ensuring transparency, fairness, and appropriateness of officer appointments and remuneration through the Nomination Committee and Compensation Committee
  In order to ensure the transparency, fairness, and appropriateness of officer appointments and remuneration, the Nomination Committee and the Compensation Committee have been established as advisory bodies to the Board of Directors, and proposals concerning officer appointments and remuneration are consulted and reported on before submitting them to the Board of Directors. In addition, the Compensation Committee is entrusted with the responsibility for determining individual officer remuneration, in accordance with the standards set by the Board of Directors.

- Risk governance
  The management, including the Group CEO, provides appropriate support for risk-taking by establishing the internal control system and risk management systems, such as the enterprise risk management (ERM) system, in order to reduce risk and control overall risk, and determining risk appetite.

- Contingency measures of the Board of Directors
  The Board of Directors clarifies the contingencies to be addressed by the Board of Directors, defines the roles of Outside Directors, and establishes procedures for addressing such contingencies, including cooperation with the Audit & Supervisory Board. In addition, the Board of Directors will carry out the appropriate crisis management measures, such as the monitoring of responses to emergencies by the Directors in charge of business execution.

The Audit & Supervisory Board Members and the Audit & Supervisory Board shall, taking into account their fiduciary responsibility and accountability to shareholders, appropriately fulfill their roles and responsibilities by supervising the execution of duties by the Board of Directors and management, including the Group CEO, from an independent and objective viewpoint, utilizing the advantages of the audit & supervisory board members system and structure with its independence and in which the power of final decision making is given to each person and which has Standing Audit & Supervisory Board Members, and the fact that the majority of the board members are independent Outside Audit & Supervisory Board Members.
In addition, the Nomination Committee, the Compensation Committee and the Sustainability Committee have been established on a discretionary basis to act as advisory bodies to the Board of Directors. The majority of the members of the Nomination Committee and the Compensation Committee and the half of the members

of the Sustainability Committee are independent Outside Directors. Under the system of these discretionary bodies, independent Outside Directors/Audit & Supervisory Board Members appropriately monitor the management, including the Group CEO, with high effectiveness.

In order to promote effective corporate governance on the basis of such basic views, the Company endeavors to establish more substantial corporate governance by evaluating the effectiveness of the Board of Directors and the Audit & Supervisory Board, verifying the effectiveness of such evaluation, while also pinpointing issues and making improvements.
In 2023, based on self-evaluations with input from third parties, the Board of Directors concluded that the Board of Directors, including Nomination Committee and Compensation Committee, was "functioned effectively, and fulfilled their responsibilities for the enhancement of corporate value over the medium to long term." Based on self-evaluation with input from third parties, the Audit & Supervisory Board concluded that the Audit & Supervisory Board was "acknowledged as functioning effectively."

Summary of the results thereof has been disclosed on the Company's website.
(Japanese version)
https://www.asahigroup-holdings.com/company/governance/policy.html
(English version)
https://www.asahigroup-holdings.com/en/company/governance/policy.html

[Reasons for Non-compliance with the Principles of the Corporate Governance Code]

The Company has implemented all of the principles of the Corporate Governance Code.

[Disclosure Based on the Principles of the Corporate Governance Code]

The Company has implemented all of the principles of the Corporate Governance Code.

(Principle 1-4 Cross-Shareholdings)
The Company does not maintain certain holdings of shares when such holdings are deemed as neither contributing to its sustainable growth nor increasing its corporate value over the medium- to long-term, in terms of asset and capital efficiency improvement.
Shareholdings are examined in terms of their holding purpose, risks, performance as measured against capital cost, etc., as well as the appropriateness of holding the shares. The result of examinations of matters including the holding purpose for major ones among the shareholdings is comprehensively reviewed every year by the Board of Directors. In the event that a shareholding is deemed to not contribute the Company's sustainable growth or to the increase of its corporate value over the medium- to long-term, the result of said review shall be disclosed and the Company shall sufficiently engage in requisite dialogue with the counterpart entity, as a shareholder. Shareholdings that are deemed to not be improvable, even after engaging in dialogue, will be sold in a timely and appropriate manner.
The Company appropriately exercises voting rights of the stocks held thereby by comprehensively judging whether the relevant proposals contribute to the sustainable growth and the increase of corporate value over the medium- to long-term of the Company, and whether they contribute to the common interests of the investee's shareholders as well.

(Principle 1-7 Related Party Transaction)
With regard to all of its transactions including those with related parties which are executed by the Company, the Company examines their appropriateness from professional viewpoints such as finance, accounting, taxation and legal affairs depending on the transaction scale and significance and executes them given the

necessary approvals, in accordance with internal regulations. The content of the respective transactions is regularly audited by the organizations in charge of internal audit and may be examined by the Audit & Supervisory Board Members at any time.
If conflicting interest transactions by Directors are conducted, approval of the Board of Directors is received in accordance with applicable laws and regulations, and the results thereof are reported to the Board of Directors.

(Supplementary Principle 2-4-1)
The Company has formulated the "Diversity, Equity & Inclusion Statement." The Company believes that being a diverse and multicultural organization is the key to it becoming a stronger and more innovative company and achieving long-term success. Accordingly, the Company aims for a future in which each individual earns respect, is accepted for their individuality, and is allowed, even as an individual, to grow as a skilled worker or professional. The Company is fostering a corporate culture in which anyone can freely make statements, ideas can be generated from anywhere, and all employees can contribute freely to a better future.
In addition, the Company aims to promote healthy living and the enrichment of society worldwide, by providing a level of Kando (deliciousness, happiness and innovation) that exceeds people's expectations as a result of addressing their various needs and expectations. The Company does this on the basis of our awareness that various needs and expectations for products and services coexist, given that societies and markets worldwide are made up of many different types of people with numerous diverse attributes in terms of genders, ages, disabilities and nationalities, to name just a few.
The Company's Group is working to promote the advancement of women in the aspect of gender diversity with the hope of establishing an environment in our group where individuality is more respected and where fair and diverse opportunities are available to all regardless of gender. As of the end of 2023, the percentage of female managers t the Company was 22.4%. The Company's goal is to increase the percentage of women in executive and leadership positions above a certain level to over 40% by 2030, and will also increase the percentage of women appointed to management positions.
The Company's Group believes that, as the Company's Group is developing its business globally, it is necessary to actively work on acquiring excellent human resources from outside the Company, both domestically and internationally, in order to further incorporate diverse cultures and customer perspectives into its business in the future. As of the end of 2023, the ratio of non-Japanese managers at the Company was 10.4%. The Company aims to improve this ratio in the future through a variety of initiatives, including mid-career hiring, personnel exchanges among group companies, and open recruitment.
In order to further incorporate advanced expertise and diverse perspectives and values, and to acquire new organizational capabilities, the Company's Group is working to acquire new human resources through mid-career recruitment as well as effective utilization of internal human resources. As of the end of 2023, the ratio of mid-career hires in management positions at the Company was 16.0%, and the Company aims to continue to improve this ratio in order to acquire diverse human resources.
Please refer to the website for details.
(Japanese version)
https://www.asahigroup-holdings.com/company/human-capital/
(English version)
https://www.asahigroup-holdings.com/en/company/human-capital/

(Principle 2-6 Roles of Corporate Pension Funds as Asset Owners)
With regard to the management of the corporate pension funds, the Company will take measures to perform its role as an asset owner.
In particular, the Company strives to reliably ensure the payment of pension funds to beneficiaries, now and in the future, formulating strategic asset composition ratio from medium- to long-term perspectives while listening to the opinions of asset management institutions. In addition, the Company regularly monitors the asset

management status of pension fund assets and when required, it revises the strategic asset composition ratio that has been formulated. In addition to confirming that the asset management institutions are making efforts to enhance the corporate value of portfolio companies through engagement that takes sustainability into consideration, the Company will conduct comprehensive evaluation that will encompass not only asset management performance but also qualitative evaluation such as investment policy, asset management processes, and compliance.

With regard to the asset management, the organization in charge of the Company's finance checks the status and has a system in place to provide advice and proposals to each Group Company, with leveraging the knowledge of outside advisors.

(Principle 3-1 Full Disclosure)

(1) The Company Group conducts business activities in the Alcoholic Beverages, Soft Drinks, and Foods segments, under the command of the Company, which is a pure holding company, with Japan, Europe, Oceania, and Southeast Asia as the core regions. Based on the group philosophy, the "AGP", the Company aims to be a group that is trusted even by future stakeholders. The "AGP" consists of four elements: Mission, Vision, Value and Principles. It articulates the Group's mission and vision for the future, reaffirms values cherished and handed down over the years, and serves as its action guidelines for our stakeholders and the Group's commitments to them. By generating and implementing strategies based on the "AGP", all companies of the Group will work together to further improve corporate value.

(2) The Medium-Term Management Policy shows the concept of long-term strategies, an ideal portfolio and core strategies, etc., and discloses guidelines for key indicators assuming the next three years or so and financial policies.

<Basic Concept behind Long-Term Strategies>
Contribute to sustainable society and respond to changing conceptions of well-being through delivering great taste and fun

◆Ideal Business Portfolio: Sustainable growth of existing businesses centered on beer category while expanding into new areas
・Growth driven by global brands and premiumization in existing operating regions; expansion into new markets.
・Growth in adjacent categories to capture demand from trends such as increasing health consciousness; creation and development of new businesses that draw on the Group's capabilities.

◆Core Strategies: Promote core strategies aimed at achieving sustainable growth
・Integrate sustainability into management in order to positively impact both society and the Group's businesses; contributing to solving societal issues.
・Achieve innovation in three key areas (processes, organization, and business models) by pursuing BX (business transformation) through DX (digital transformation).
・Increase the value of existing products and create new products and markets through bolstering R&D (research & development).

◆Strategic Foundation Strengthening: Consolidate the management foundations underpinning long-term strategies
・Acquisition of capability, fostering a desired corporate culture, and enhancement of human capital to produce management talent
・Enhance Group governance in order to create an optimal organizational structure; Group-wide sharing of best practices.

(3) For the remuneration, etc. of the senior management and Directors of the Company, please refer to "II.1 [Director Remuneration], Disclosure of Policy on Determining Remuneration Amount and Calculation Methods" of this Report.

(4) In order to realize effective corporate governance, for Director and Audit & Supervisory Board Member candidates, and for management, including the Group CEO, the Board of Directors shall elect individuals who will contribute to the sustainable growth and the increase of corporate value over the medium-to long-term of the Company.
The nomination of Director and Audit & Supervisory Board Member candidates, and the election and dismissal of management, including the Group CEO, shall be deliberated by the Nomination Committee, and determined upon resolutions by the Board of Directors. The concepts of nomination of Director and Audit & Supervisory Board Member candidates, and the election and dismissal of management positions, including the Group CEO, are as follows.

- Individuals nominated for Director, Audit & Supervisory Board Member or management, including the Group CEO, shall possess a wealth of experience, excellent insights and expertise and ability, while ensuring that diversity is maintained with regard to such factors as gender and international experience.
- With regard to candidates for Directors, the Company shall nominate persons who are suitably qualified to be Directors of the Company who possess a wealth of experience, extensive knowledge and high-level expertise and ability required by the Company, according to the "Skill Matrix of the Board of Directors," which clarifies the requirements of Directors derived from the group philosophy of the Asahi Group, "AGP," the Asahi Group Code of Conduct, and management strategies in order to ensure balance and diversity in terms of the knowledge, experience and ability of the entire board necessary for the sustainable growth and the increase of corporate value of the Company over the medium- to long-term.
- After being deliberated beforehand by the Nomination Committee, having been judged to be appropriate, and having received the accord of the Audit & Supervisory Board in the case of Audit & Supervisory Board Members, the Committee shall nominate candidates for Director and Audit & Supervisory Board Members, as well as management, including the Group CEO, respectively.
- With regard to the representative directors and other executive directors (management team below the Group CEO), the Nomination Committee shall deliberate on their performance on a regular basis each year. With regard to the Group CEO, in the event that the criteria for dismissal determined by the Board of Directors have been met, the Board of Directors shall verify the results of the deliberation, and if the criteria are met, shall not nominate the Group CEO as a candidate for Director or dismiss them from the position of Group CEO.

(5) For the explanation of the election method used in electing senior management and appointing candidates for Directors and Audit & Supervisory Board Members, please refer to the convocation notice for the General Shareholder Meeting, as well as "II.1 [Directors], Outside Director's Relationship with the Company (2)" and "II.1 [Audit & Supervisory Board Members], Outside Audit & Supervisory Board Members' Relationship with the Company (2)" of this Report for Outside Directors/Outside Audit & Supervisory Board Members, and also, refer to the "Corporate Governance Guideline, 5. Supplementary Information, (2) Explanation about election of senior management, Directors and Audit & Supervisory Board Members, as well as concurrently held positions at other listed companies" published on the website of the Company for all Directors and Audit & Supervisory Board Members.
(Japanese version)
https://www.asahigroup-holdings.com/company/governance/policy.html
(English version)
https://www.asahigroup-holdings.com/en/company/governance/policy.html

(Supplementary Principle 3-1-3)
<Sustainability Initiatives>
The Company sets "integrating sustainability into management in order to positively impact both society and the Group's businesses, contributing to solving societal issues" as one of the core strategies of the Medium- to Long-term Management Policy. The Company promotes the Group's sustainability initiatives with identifying "Environment", "Communities", "Responsible Drinking", "Health" and "People" as material issues.
The Company will strive to provide effective communication on the Group's sustainability initiatives by disclosing such information on its website.
(Japanese version)
https://www.asahigroup-holdings.com/sustainability/index.html
(English version)
https://www.asahigroup-holdings.com/en/sustainability/index.html

The Company has also endorsed the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) with the recognition that evaluating the impact of climate change-related risks and opportunities on its businesses and drafting appropriate response measures are important matters in terms of realizing a sustainable society and ensuring business continuity. The Company started the analysis in 2019 and expanded the scope. The Company also improve the implementation of response measures by clarifying the impact on our businesses. The Company will continue to improve the continuity of our businesses and enhance the Company's corporate value through dialogue with investors.
For more details on this topic, please refer to the "Sustainability Report".
(Japanese version)
https://s3-ap-northeast-1.amazonaws.com/asahigroup-doc/company/policies-and-report/pdf/sust-report2024_jp.pdf
(English version)
https://s3-ap-northeast-1.amazonaws.com/asahigroup-doc/company/policies-and-report/pdf/en/sust-report2024_en.pdf

<Investment in human capital, etc.>
As Strategic Foundation Strengthening in the Medium- to Long-Term Management Policy, the Company articulates "Advance human resource for executing core strategies and building an ideal business portfolio," and aims to increase the effectiveness of long-term strategies by promoting its efforts to "foster the desired corporate culture through the promotion of Diversity, Equity & Inclusion and other means," "continue to develop human resources for management positions" and "acquire necessary new capability and human resources."
Specifically, following the establishment of "People Statement," human resources policy in March 2021, the Company is promoting the fostering of the desired corporate culture and the improvement of engagement mainly by formulating "Diversity, Equity & Inclusion Statement," the corporate policy on diversity and equity, under the core message "shine AS YOU ARE" to achieve the human resources policy.
In the future, the Company will create a virtuous cycle to further accelerate the practice of the "AGP" and implementation of Medium- to Long-Term Management Policy by "advancing human resource" toward building an ideal business portfolio and executing core strategies.
For more details of the initiatives regarding human capital, please refer to the Company's website.
(Japanese version)
https://www.asahigroup-holdings.com/company/human-capital/
(English version)
https://www.asahigroup-holdings.com/en/company/human-capital/
<Investment in intellectual property, etc.>
As one of the core strategies of the Medium- to Long-Term Management Policy, the Company articulates the strategy "Increase the value of existing products and create new products and markets through bolstering R&D (research & development)" and

works to develop products and technologies to create new value and reduce risks under four themes of "alcohol," "health & wellness," "sustainability" and "new businesses."
With a focus on these four themes, the Company will also proactively invest in development of human resources and acquisition of external human resources to further enhance capability, and actively promote open innovation including introduction of technologies such as AI and cooperation with universities and venture companies.
In addition, the Company aims to create a new value proposition in development of new products and technologies as well as new businesses by harnessing its strengths such as yeast and lactic acid bacteria.
For details of the efforts for research and development, please refer to the Company's website.
(Japanese version)
https://www.asahigroup-holdings.com/rd/
(English version)
https://www.asahigroup-holdings.com/en/rd/

Furthermore, likewise as one of the core strategies, the Company proclaims the strategy "Achieve innovation in three key areas (process, organization, and business models) by pursuing BX (business transformation) through DX (digital transformation)." Of the three areas, in the process innovation, the company has the investment plan of ¥50.0 billion or more in the next three years from 2023, and prepares to establish a flexible system foundation, which enables flexible response to changing business environment changes by starting the initiatives to improves productivity over the business. Regarding business innovation, the Company started the initiatives to realize personalization model and sustainable living from 2023. Regarding organization innovation, the Company initiated DX human resource definition and education plan for all employees, as well as basic education and experimental projects on agile ways of working as a new way of working from 2024.

(Supplementary Principle 4-1-1)
The Board of Directors shall, in addition to specifying the matters to be resolved by the Board of Directors in the Regulations of the Board of Directors, and delegating determination of the matters that are not to be resolved by the Board of Director to the Representative Director and Group CEO, delegate the execution of such matters to the Representative Director and Group CEO, and executive directors. The Board of Directors shall receive reports from the Representative Director and Group CEO, as the individual ultimately responsible for management and execution, and from the executive directors as the individuals responsible for execution in the various operations, and supervise them accordingly. For such matters to be resolved, please refer to the "Corporate Governance Guideline, 5. Supplementary information, (1) List of matters subject to resolution at the Board of Directors" published on the website of the Company.
(Japanese version)
https://www.asahigroup-holdings.com/company/governance/policy.html
(English version)
https://www.asahigroup-holdings.com/en/company/governance/policy.html

(Principle 4-9 Independence Standards and Qualification for Independent Outside Directors)
For the meaning of the independence of Outside Directors/Audit & Supervisory Board Members of the Company, please refer to "II.1 [Independent Directors/Audit & Supervisory Board Members], Matters relating to Independent Directors/Audit & Supervisory Board Members" of this Report.)

(Supplementary Principle 4-10-1)

The Board of Directors shall establish a Nomination Committee and a Compensation Committee to act as advisory bodies to the Board of Directors, in order to ensure a high level of fairness, objectivity and transparency in recommending candidates for Directors, Audit & Supervisory Board Members, Representative Directors and Group CEO, and in formulating the remuneration system for Directors. The committees shall be made up of five individuals, namely three independent Outside Directors and two internal Directors; therefore, a majority of the members are independent outside officers. The committees shall be chaired by an independent Outside Director, and shall deliberate and make decisions on important matters based on regulations determined upon resolutions by the Board of Directors.

<Approach, authority, role, etc. regarding independence of the composition of the Nomination Committee>
In order to achieve a higher level of corporate governance, the Company has established a voluntary Nomination Committee as an advisory body to the Board of Directors. The majority of the committee's members are Outside Directors who are independent officers with no risk of conflict of interest with general shareholders, in order to enhance objectivity and transparency in recommending candidates for Directors and Audit & Supervisory Board Members.
The Nomination Committee advises and reports to the Board of Directors on the Succession Plan for Group CEO, etc., and deliberates and evaluates the nomination of candidates for the Board of Directors and the appointment, assignment and dismissal of management team below the Group CEO, as well as the nomination of candidates for Audit & Supervisory Board Members, prior to deliberation by the Board of Directors.

<Approach, authority, role, etc. regarding independence of the composition of the Compensation Committee>
In order to achieve a higher level of corporate governance, the Company has established a voluntary Compensation Committee as an advisory body to the Board of Directors. The majority of the Compensation Committee's members are Outside Directors who are independent officers with no risk of conflict of interest with general shareholders, in order to enhance objectivity and transparency in formulating the remuneration system for Directors and planning remuneration drafts.
The Compensation Committee deliberates on the remuneration system for Directors and the approach and proposed total amount of remuneration for each fiscal year prior to the deliberations by the Board of Directors. In addition, under the delegation of the Board of Directors, the Compensation Committee determines the individual evaluation of each Director and the status of achievement of performance targets for each fiscal year, and based on this, deliberates and determines the amount of remuneration within the scope of the total amount approved by the Board of Directors.

(Supplementary Principle 4-11-1)
The Board of Directors includes Outside Directors who are corporate managers and/or experts with a wealth of experience, excellent insight and high-level expertise required by the Company, and have characters appropriate for the position of Director of the Company, to ensure balance in terms of knowledge, experience and ability of the entire board, and its diversity, as deemed necessary for achieving sustainable growth and increasing corporate value over the medium- to long-term of the Company. The Board of Directors also includes Internal Directors who have characters appropriate for the position of Director of the Company, having been comprehensively evaluated based on their experience, insight and professional background and ability with reference to the requirements for officers, which are determined based on the "AGP", action guidelines and management strategies of the Company. Moreover, the number of Directors shall be that necessary to ensure balance in terms of knowledge, experience and ability of the entire board, and its diversity, with Outside Directors accounting for at least more than half of its Directors.

As a general rule, the Chairman of the Board of Directors is an internal non-executive director in order to ensure the effectiveness of oversight and supervision of the management, including the Group CEO.

(Supplementary Principle 4-11-2)
Directors and Audit & Supervisory Board Members, including Outside Directors and Outside Audit & Supervisory Board Members, devote their hours and energy necessary to appropriately perform their roles/duties through works as Directors and Audit & Supervisory Board Members, and their holding concurrent positions is within a reasonable scope. For the important status of holding concurrent positions at the time of update of this Report, please refer to "II.1 [Directors], Outside Director's Relationship with the Company (2)" and "II.1 [Audit & Supervisory Board Members], Outside Audit & Supervisory Board Members' Relationship with the Company (2)" of this Report.

(Supplementary Principle 4-11-3)
To contribute to the increase of corporate value over the medium- to long-term of the Company, the Company shall analyze and evaluate the effectiveness of the Board of Directors. Every year, the Board of Directors shall conduct the evaluation of the effectiveness of the Board itself and disclose the summary of the evaluation results. The Board of Directors shall strive to improve issues recognized under the evaluation and improve the effectiveness furthermore. Likewise, the Company shall also evaluate the effectiveness of the Nomination Committee and Compensation Committee.
Accordingly, the Company's Board of Directors has evaluated the effectiveness of the Board of Directors in fiscal 2023. A summary of the results of this evaluation is provided below.

I. Overview of Results
1. Conclusion
The Company's Board of Directors concluded that the Board of Directors, including Nomination Committee and Compensation Committee, in fiscal 2023, has functioned effectively and fulfilled their responsibilities for the enhancement of corporate value over the medium to long term. Furthermore, the Board of Directors recognizes the issues to be addressed to continue to increase its effectiveness, to be highly recognized by stakeholders globally, and to enhance corporate value in the future, and it is necessary to respond to these issues..
2. Recognized issues aimed at further improvement
The Board of Directors recognizes the following i) – iv) as issues based on recommendations and opinions received from Directors and Audit & Supervisory Board Members:
i) Evolving the functions and perspectives of Directors with a focus on the future,
ii) Increasing the strategic nature of discussions,
iii) Increasing opportunities for discussions on strategy, and
iv) Increasing discussions on succession at the Nomination Committee.

II. Direction for Fiscal 2024 Response
Fiscal 2023 Issues identified
i) Evolving the functions and perspectives of Directors with a focus on the future
Evolve the roles and required perspectives of the Chairman, Executive Directors, Outside Directors, the Nomination Committee and the Compensation Committee.
ii) Increasing the strategic nature of discussions
Appropriately share the issues, discussion points, hypotheses and measures, and work to deepen discussion.
iii) Increasing opportunities for discussions on strategy
Create opportunities for discussion and recognition of medium- to long-term strategic themes inside and outside of the Board of Directors.

iv) Increasing discussions on succession at the Nomination Committee
Expand information sharing and discussion on the state of the candidate pipeline, evaluations and election.

III. Responding to Issues Identified in Fiscal 2022
The Board of Directors has implemented the following responses to the issues identified in the fiscal 2022 effectiveness evaluation.

1. Reconfirming the Company's vision for the Board of Directors
The Board of Directors held discussions on corporate governance, including the future roles that the Board of Directors should fulfill, the necessary composition, and the roles that the Chairman of the Board of Directors and each Director should fulfill.

2. Further enhance the effectiveness of discussions, which are the basis of the Board of Directors' effectiveness
In addition to the Board of Directors, the Nomination Committee and the Compensation Committee setting annual plans and working on important agenda items, the Board of Directors provided information in a simplified format to aid in monitoring in the form of executive summaries of materials.
The Board of Directors facilitated overseas tours, tours of business locations, as well as training sessions and briefings for Outside Directors and Outside Audit & Supervisory Board Members. Furthermore, the Board of Directors strengthened information provision by regularly issuing reports to outside officers.

IV. Methods of Evaluation
The fiscal 2023 effectiveness evaluation of the Company's Board of Directors and the Nomination Committee and Compensation Committee was conducted between December 2023 and January 2024 and obtained the following three types of evaluations and opinions. Based on these, the Board of Directors held discussions. Consequently, the Board of Directors determined each evaluation for fiscal 2023 and issues to be addressed in fiscal 2024.

i) Evaluation by Board of Directors
The results of a questionnaire and interviews were compiled and analyzed by a third party.
Questionnaire: Evaluation opinions were received for all Directors and all Audit & Supervisory Board Members.
Interviews: Interviews with all Directors were conducted by a third party.

ii) Evaluation by the Secretariat of the Board
The Secretariat of the Board of Directors, together with a third party, confirmed the formal items.

iii) Opinions of a third party
The Company received the opinions of a third party based on the evaluation by Directors and Audit & Supervisory Board Members and evaluation by the Secretariat, as well as on materials such the materials and minutes from Board of Directors meetings.

For more information, please visit our website.
(Japanese version)
https://www.asahigroup-holdings.com/en/company/governance/policy.html
(English version)
https://www.asahigroup-holdings.com/en/company/governance/policy.html

(Supplementary Principle 4-14-2)
The Company has set the requirements according to the stage of each officer that are necessary for the sustainable growth and the increase of corporate value over the medium- to long-term of the Company. Based on said requirements, the Company therefore provides measures and information to improve the individual performance of all officers according to training programs tailored to each officer.
Also, as the need arises, the Company implements measures to improve the individual

performance of all officers including lectures by experts and various presentations.
The Company provides summary information regarding business activities, financial data and organization of the overall Company Group at the time of assumption of office by any independent Outside Director/Audit & Supervisory Board Member.

(Principle 5-1 Policy for Constructive Dialogue with Shareholders)
The Company's basic stance of handling a request for an interview from any shareholder and investor looking forward to a constructive dialogue that would contribute to the sustainable growth and the increase of corporate value over the medium- to long-term is that the Group CEO or Director shall respond to such request depending on the purpose as necessary.
To promote constructive dialogues with shareholders and investors, the Company shall appoint an officer who is in charge of IR and/or financial affairs to lead dialogues with shareholders and investors and ensure well-organized collaboration among the auxiliary organizations by providing the information for the dialogues. In addition, to promote such constructive dialogues with shareholders, the Company endeavors to understand the shareholder structure and conducts various explanatory meetings by the Group CEO or Directors, visits to domestic/overseas investors and/or factory tours for shareholders, of which the results are shared with the Board of Directors and the management, including the Group CEO, as needed. As for the dialogues with shareholders and investors, the Company strives to prevent leakage of insider information.

<Measures to Achieve Management Conscious of Cost of Capital and Stock Price>
For details of the efforts for Measures to Achieve Management Conscious of Cost of Capital and Stock Price, please refer to the Company's website.
・February 14, 2025 Disclosure "Revised Key Indicator Guidelines and Financial Policy"
(Japanese version)
https://asahigroup-holdings-ir-umb.azurewebsites.net/media/pezj4bxa/0214j_3.pdf
(English version)
https://asahigroup-holdings-ir-umb.azurewebsites.net/media/1zxdkr4k/0214e_3.pdf
・PRESENTATION MATERIALS FOR 2024 CORPORATE RESULTS
(Japanese version)
https://www.asahigroup-holdings.com/ir_library_file/file/2024_4q_presentation.pdf
(English version)
https://www.asahigroup-holdings.com/ir_library_file/file/2024_4q_presentation_en.pdf

2. Capital Structure

Foreign Shareholding Ratio	From 40% to less than 50%

[Status of Major Shareholders]

Name / Company Name	Number of Shares Owned	Percentage (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	94,896,000	18.72
Custody Bank of Japan, Ltd. (Trust Account)	33,099,375	6.53
SMBC Nikko Securities Inc.	17,106,476	3.37
The Dai-ichi Life Insurance Company, Limited	11,200,000	2.21
Fukoku Mutual Life Insurance Company	10,000,000	1.97
STATE STREET BANK WEST CLIENT - TREATY 505234	9,429,315	1.86

SSBTC CLIENT OMNIBUS ACCOUNT	7,903,078	1.56
GIC PRIVATE LIMITED - C	7,463,800	1.47
JP MORGAN CHASE BANK 385781	6,802,336	1.34
CEP LUX-ORBIS SICAV	5,727,775	1.13

Controlling Shareholder (except for Parent Company)	N/A
Parent Company	N/A

3. Corporate Attributes

Listed Stock Market and Market Section	Tokyo Stock Exchange First Section
Fiscal Year-End	December
Type of Business	Foods
Number of Employees (consolidated) as of the End of the Previous Fiscal Year	More than 1000
Sales (consolidated) as of the End of the Previous Fiscal Year	More than 1 trillion yen
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	From 100 to less than 300

4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholder

N/A

5. Other Special Circumstances which may have Material Impact on Corporate Governance

N/A

II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management

1. Organizational Composition and Operation

Organization Form	Company with Audit & Supervisory Board

[Directors]

Maximum Number of Directors Stipulated in Articles of Incorporation	15
Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board	Company Chairperson
Number of Directors	11
Number of Outside Directors	6
Number of Independent Directors	6

Outside Directors' Relationship with the Company (1)

Name	Attribute	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Christina L. Ahmadjian	Scholar											
Kenichiro Sasae	Other											

Tetsuji Ohashi	From another company											
Mari Matsunaga	From another company											
Chika Sato	From another company											
Melanie Brock	From another company											

* Categories for "Relationship with the Company"
* "○" when the director presently falls or has recently fallen under the category;
"△" when the director fell under the category in the past
* "●" when a close relative of the director presently falls or has recently fallen under the category;
"▲" when a close relative of the director fell under the category in the past

a. Executive of the Company or its subsidiaries
b. Non-executive director or executive of a parent company of the Company
c. Executive of a fellow subsidiary company of the Company
d. A party whose major client or supplier is the Company or an executive thereof
e. Major client or supplier of the listed company or an executive thereof
f. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as a director/*kansayaku*
g. Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a legal entity)
h. Executive of a client or supplier company of the Company (which does not correspond to any of d, e, or f) (the director himself/herself only)
i. Executive of a company, between which and the Company outside directors/*kansayaku* are mutually appointed (the director himself/herself only)
j. Executive of a company or organization that receives a donation from the Company (the director himself/herself only)
k. Others

Outside Directors' Relationship with the Company (2)

Name	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons of Appointment
Christina L. Ahmadjian	○	N/A	[Reasons of Appointment as an Outside Director] Since being appointed as an Outside Director of the Company in 2019, Christina L. Ahmadjian has participated in discussions and activities that contributed to substantial and appropriate supervision of the Board of Directors from the perspectives of ESG, sustainability, and a global perspective, based on her viewpoints as a university professor and an expert in risk and governance, human resources and culture, as well as her experience as an outside officer of other companies. Furthermore, as Chairperson of the Compensation Committee, to enhance

			the supervisory function of the Board of Directors, she has led the operations of the committee in a fair and transparent manner, and reported to the Board of Directors on matters such as the establishment of social value indicators for the medium-term bonus and bonus payment plans. In addition, as a member of the Nomination Committee, she gave specific opinions and recommendations regarding the Board of Directors Skill Matrix, oversight of the CEO succession plan, and other matters. As a member of the Sustainability Committee, she gave opinions and recommendations on strengthening the Group's sustainability governance system and on further integration of sustainability and management. She is expected to demonstrate sustainability, global, risk and governance, human resources and cultural skills supported by her experience and insight. Accordingly, we deem that Christina L. Ahmadjian is a necessary human resource who is indispensable to the composition of the Board of Directors, mainly to provide a supervisory function from the perspective of an expert on global organizational culture and other matters for increasing the effectiveness of the decision-making and oversight functions of the Board of Directors, and thus the Company re-appointed her as an Outside Director. [Reasons of designated as an Independent Directors] As Christina L. Ahmadjian does not fall under any of the items on the "Criteria for independence of Outside Directors and Outside Audit & Supervisory Board Members" which have been established by the Company as a means of objectively assessing independence thereof, the Company has deemed that she maintains sufficient independence with no potential for conflict of interests with general shareholders. Moreover, as Christina L. Ahmadjian meets the requirements for independent officers as defined by the Tokyo Stock Exchange, we have registered her as an independent officer as stipulated by the said Exchange.
Kenichiro Sasae	○	Mr. Kenichiro Sasae serve	[Reasons of Appointment as an Outside Director]

		as a president of The Japan Institute of International Affairs. The Company Group has transactions with such Institute. However, as the transaction amount in the last business year was less than 1% of the consolidated revenue (or ordinary income) of the Company, respectively, there is no business relationship affecting the management of the Company to be specified.	Since being appointed as an Outside Director of the Company in 2022, Kenichiro Sasae has participated in discussions and activities that contributed to substantial and appropriate supervision of the Board of Directors on global business execution from the perspective of geopolitical risk and international affairs, based on his extensive knowledge and experience regarding international politics and economics, as well as his experience as an outside officer of other companies. Furthermore, as Chairperson of the Nomination Committee, to enhance the supervisory function of the Board of Directors, he has led the operations of the committee in a fair and transparent manner, and reported to the Board of Directors on matters such as the Board of Directors Skill Matrix, oversight of the CEO succession plan, and proposals regarding officer appointments. Furthermore, as a member of the Compensation Committee, he gave specific opinions and recommendations regarding reports on matters such as the establishment of social value indicators for the medium-term bonus and bonus payment plans. He is expected to demonstrate ability in long-term strategy, global, senior leadership, and risk and governance skills supported by his experience and insight. Accordingly, we deem that Kenichiro Sasae is a necessary human resource who is indispensable to the composition of the Board of Directors as a member of the Board who has diverse insight, expertise, and capabilities for increasing the effectiveness of the decision-making and oversight functions of the Board of Directors, and thus the Company re-appointed her as an Outside Director. [Reasons of designated as an Independent Directors] Although the Group has transactional relationships with The Japan Institute of International Affairs, where Kenichiro Sasae concurrently serves, the amounts involved in such transactions account for less than 1% of the consolidated revenue (or ordinary income) of the Company and the said entity. As such, based on the "Criteria for independence of Outside Directors and Outside Audit & Supervisory Board Members" which have

			been established by the Company as a means of objectively assessing independence thereof, the Company has deemed that he maintains sufficient independence with no potential for conflict of interests with general shareholders. Moreover, as Kenichiro Sasae meets the requirements for independent officers as defined by the Tokyo Stock Exchange, we have registered him as an independent officer as stipulated by the said Exchange.
Tetsuji Ohashi	○	N/A	[Reasons of Appointment as an Outside Director] Since being appointed as an Outside Director of the Company in 2022, Tetsuji Ohashi has participated in discussions and activities that contributed to substantial and appropriate supervision of the Board of Directors such as asking questions and raising concerns about group governance and global business execution that grasp the essence based on the perspective of managing a global corporation and his experience as an outside officer of other companies. As a member of the Nomination Committee, he gave specific opinions and recommendations regarding the Board of Directors Skill Matrix, oversight of the CEO succession plan, proposals for officer appointments, and other matters. Furthermore, as a member of the Compensation Committee, he gave specific opinions and recommendations regarding reports on matters such as the establishment of social value indicators for the medium-term bonus and bonus payment proposals. He is expected to demonstrate ability in long-term strategy, global, discontinuous growth, senior leadership, and finance skills supported by his experience and insight. Accordingly, we deem that Tetsuji Ohashi is a necessary human resource who is indispensable to the composition of the Board of Directors as a member of the Board who has diverse insight, expertise, and capabilities for increasing the effectiveness of the decision-making and oversight functions of the Board of Directors, and thus the Company re-appointed her as an Outside Director. [Reasons of designated as an Independent Directors] As Tetsuji Ohashi does not fall under any of the items on the "Criteria for

			independence of Outside Directors and Outside Audit & Supervisory Board Members" which have been established by the Company as a means of objectively assessing independence thereof, the Company has deemed that he maintains sufficient independence with no potential for conflict of interests with general shareholders. Moreover, as Tetsuji Ohashi meets the requirements for independent officers as defined by the Tokyo Stock Exchange, we have registered him as an independent officer as stipulated by the said Exchange.
Mari Matsunaga	○	N/A	[Reasons of Appointment as an Outside Director] Since being appointed as an Outside Director of the Company in 2023, Mari Matsunaga has participated in discussions and activities that contributed to substantial and appropriate supervision of the Board of Directors from the perspective of new business models and new businesses aimed at the Company's sustainable growth based on her experience in developing new services and creating new business models as well as her experience as an outside officer at another company. Furthermore, as a member of the Sustainability Committee, she gave opinions and recommendations on strengthening the Group's sustainability governance system and on further integration of sustainability and management. She can be expected to demonstrate skills related to sustainability, human resources, and culture backed by her extensive knowledge and broad insight into the culture and lifestyles of modern society. Accordingly, we deem that Mari Matsunaga is a necessary human resource who is indispensable to the composition of the Board of Directors as a member of the Board who has diverse insight, expertise, and capabilities for increasing the effectiveness of the decision-making and oversight functions of the Board of Directors, and thus the Company re-appointed her as an Outside Director. [Reasons of designated as an Independent Directors]

			As Mari Matsunaga does not fall under any of the items on the "Criteria for independence of Outside Directors and Outside Audit & Supervisory Board Members" which have been established by the Company as a means of objectively assessing independence thereof, the Company has deemed that she maintains sufficient independence with no potential for conflict of interests with general shareholders. Moreover, as Mari Matsunaga meets the requirements for independent officers as defined by the Tokyo Stock Exchange, we have registered her as an independent officer as stipulated by the said Exchange.
Chika Sato	○	N/A	[Reasons of Appointment as an Outside Director] Chika Sato has many years of experience in the human resources division and in overseas positions at global companies. She sufficiently possesses the insight, expertise, and ability required as a Director of the Company, including senior leadership, discontinuous growth, human resources, and cultural skills based on her abundant global experience in organizational and leadership development, hiring, promoting DE&I, etc. In particular, as an Outside Director, she can be expected to actively point out and make recommendations based on her abundant experience and broad insight in the field of human resources at global companies, and to actively give opinions and recommendations at meetings of the Board of Directors aimed at improving the human capital of the Group. Accordingly, we deem that Chika Sato is a human resource necessary to the composition of the Board of Directors as a member of the Board who has diverse insight, expertise, and capabilities for increasing the effectiveness of the decision-making and oversight functions of the Board of Directors, and thus the Company newly appointed her as an Outside Director. [Reasons of designated as an Independent Directors] As Chika Sato does not fall under any of the items on the "Criteria for independence of Outside Directors and Outside Audit & Supervisory Board Members" which have been established by the Company as a means of

			objectively assessing independence thereof, the Company has deemed that she maintains sufficient independence with no potential for conflict of interests with general shareholders. Moreover, as Melanie Brock meets the requirements for independent officers as defined by the Tokyo Stock Exchange, we have registered her as an independent officer as stipulated by the said Exchange.
Melanie Brock	○	N/A	[Reasons of Appointment as an Outside Director] Melanie Brock sufficiently possesses the insight, expertise, and ability required as a Director of the Company, including global, senior leadership, risk and governance, human resources, and cultural skills, based on her abundant global experience including her work history in key positions at groups connecting the financial worlds of Japan and Australia and in building networks, as well as her experience as an outside officer of other companies. In particular, as an Outside Director, she has a high level of senior leadership skills from marketing cultivated through her global consulting activities and experience in diversity promotion, etc., and can be expected to actively point out and make recommendations on management issues from a global perspective, as well as to actively give opinions and recommendations at meetings of the Board of Directors based on her abundant knowledge and broad insight related to diversity. Accordingly, we deem that Melanie Brock is a human resource necessary to the composition of the Board of Directors as a member of the Board who has diverse insight, expertise, and capabilities for increasing the effectiveness of the decision-making and oversight functions of the Board of Directors, and thus the Company newly appointed her as an Outside Director. [Reasons of designated as an Independent Directors] As Melanie Brock does not fall under any of the items on the "Criteria for independence of Outside Directors and Outside Audit & Supervisory Board Members" which have been established by the Company as a means of objectively assessing independence thereof, the Company has deemed that

			she maintains sufficient independence with no potential for conflict of interests with general shareholders. Moreover, as Melanie Brock meets the requirements for independent officers as defined by the Tokyo Stock Exchange, we have registered her as an independent officer as stipulated by the said Exchange.

Voluntary Establishment of Committee(s) Corresponding to Nomination Committee or Remuneration Committee	Established

A. Committee's Name, Composition, and Attributes of Chairperson

	Committee Corresponding to Nomination Committee	Committee Corresponding to Remuneration Committee
Committee's Name	Nomination Committee	Compensation Committee
All Committee Members	5	5
Full-time Members	0	0
Internal Directors	2	2
Outside Directors	3	3
Outside Experts	0	0
Other	0	0
Chairperson	Outside Director	Outside Director

B. Supplementary Explanation

Nomination Committee provides reports on its findings and views about candidates, etc. for Directors and Audit & Supervisory Board Members in response to the inquiries referred from the Board of Directors. The Committee consists of 2 Outside Directors, 1 Outside Audit & Supervisory Board Member, and 2 internal Directors, and an Outside Director is cooperatively appointed as its chairperson.
The Committee held a total of nine (9) meetings during fiscal 2023, and provided reports on its findings and views, primarily about personnel affairs of officers, based on the succession plan and its planning, and representatives of principal subsidiaries. The percentage of attendance of the members was 100%.
As of April 1, 2024, the chairperson and members of the committee are as follows.
Chairperson
・Outside Director (independent officer) Kenichiro Sasae
Members
・Outside Director (independent officer) Christina L. Ahmadjian
・Outside Director (independent officer) Tetsuji Ohashi
・Chairman and Director, Chairman of the Board, Akiyoshi Koji
・President and Group CEO, Representative Director Atsushi Katsuki
(Note) CEO: Chief Executive Officer

Compensation Committee provides reports on its findings and views about the remuneration system and amount of remuneration, etc. for Directors in response to the inquiries referred from the Board of Directors. The Committee consists of 2 Outside

Directors, 1 Outside Audit & Supervisory Board Member, and 2 internal Directors, and an Outside Director is cooperatively appointed as its chairperson.
The Committee held a total of ten (10) meetings during fiscal 2023, and provided reports on its findings and views primarily about the system of officers' remuneration plans in the next fiscal year and beyond, and individual evaluations of officers and bonus amounts determined on that basis. The percentage of attendance of the members was 100%.
As of April 1, 2024, the chairperson and members of the committee are as follows.
Chairperson
・Outside Director (independent officer) Christina L. Ahmadjian
Members
・Outside Director (independent officer) Kenichiro Sasae
・Outside Director (independent officer) Tetsuji Ohashi
・Director and EVP, Group CPO Keizo Tanimura
・Director and EVP, Group CFO Kaoru Sakita
(Note) EVP: Executive Vice President; CPO: Chief People Officer; CFO: Chief Financial Officer

[Audit & Supervisory Board Members]

Establishment of Audit & Supervisory Board	Established
Maximum Number of Audit & Supervisory Board Members Stipulated in Articles of Incorporation	6
Number of Audit & Supervisory Board Members	5

Cooperation among Audit & Supervisory Board Members, Accounting Auditors and Internal Audit Departments

The Audit & Supervisory Board Members hold meetings with Independent Accounting Auditor and the organizations regularly or as needed to exchange information and opinions and coordinate. In fiscal 2023, the Audit & Supervisory Board Members and Independent Accounting Auditor met twenty (20) times to report, exchange opinions, and hold discussions, and the Audit & Supervisory Board Members and the organizations in charge of internal auditing met each other eleven (11) times to report, exchange opinions and hold discussions.

Appointment of Outside Audit & Supervisory Board Members	Appointed
Number of Outside Audit & Supervisory Board Members	3
Number of Independent Audit & Supervisory Board Members	3

Outside Audit & Supervisory Board Members' Relationship with the Company (1)

Name	Attribute	Relationship with the Company*												
		a	b	c	d	e	f	g	h	i	j	k	l	m
Yutaka Kawakami	CPA													
Shigeo Ohyagi	From another company													
Sanae Tanaka	Lawyer													

* Categories for "Relationship with the Company"
* "○" when the director presently falls or has recently fallen under the category;
"△" when the director fell under the category in the past

* "●" when a close relative of the director presently falls or has recently fallen under the category;
"▲" when a close relative of the director fell under the category in the past

a. Executive of the Company or its subsidiary
b. Non-executive director or accounting advisor of the Company or its subsidiaries
c. Non-executive director or executive of a parent company of the Company
d. *Kansayaku* of a parent company of the Company
e. Executive of a fellow subsidiary company of the Company
f. A party whose major client or supplier is the Company or an executive thereof
g. Major client or supplier of the Company or an executive thereof
h. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as a *kansayaku*
i. Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a legal entity)
j. Executive of a client or supplier company of the Company (which does not correspond to any of f, g, or h) (the *kansayaku* himself/herself only)
k. Executive of a company, between which and the Company outside directors/*kansayaku* are mutually appointed (the *kansayaku* himself/herself only)
l. Executive of a company or organization that receives a donation from the Company (the *kansayaku* himself/herself only)
m. Others

Outside Audit & Supervisory Board Members' Relationship with the Company (2)

Name	Designation as Independent Audit & Supervisory Board Member	Supplementary Explanation of the Relationship	Reasons of Appointment
Yutaka Kawakami	○	N/A	[Reasons of Appointment as an Outside Audit & Supervisory Board Member] Yutaka Kawakami possesses professional knowledge of accounting required for corporate auditors of the Company through his many years of activities as a certified public accountant with extensive experience in accounting audits of global companies, and a high level of insight for auditing management coming from his abundant auditing experience both in Japan and overseas. Furthermore, as an Outside Audit & Supervisory Board Member, he has provided active opinions and recommendations at Audit & Supervisory Board meetings of the Company and carried out appropriate auditing of the duties of the Directors of the Company. Accordingly, the Company deems that Yutaka Kawakami is an appropriate human resource for strengthening the composition and functions of the Company's Audit & Supervisory Board in the aim for Sustainable Corporate Growth and Increased Corporate Value, and thus the Company appointed him as an Outside Audit & Supervisory Board Member. [Reasons of designated as an Independent Audit & Supervisory Board Member] Based on the "Criteria for independence of Outside Directors and Outside Audit & Supervisory Board Members" described in "Matters relating to Independent Directors/Audit & Supervisory Board Members" of [Independent Directors/Audit & Supervisory Board Member] hereof which have been established by the Company as a means of objectively assessing independence thereof, the Company has deemed that he maintains sufficient independence with no potential for conflict of interests with general shareholders, and thus the Company designated him as an

			Independent Audit & Supervisory Board Member.
Shigeo Ohyagi	○	N/A	[Reasons of Appointment as an Outside Audit & Supervisory Board Member] Shigeo Ohyagi has extensive experience and exceptional insight into corporate management with respect to engaging in business globally, particularly given that he has served as president and chairman of global corporations. In particular, serving as an outside director and outside audit & supervisory board member in multiple leading Japanese companies, he appropriately performs roles that include analyzing potential risks, overseeing business execution and furnishing advice from a practical standpoint to verify potential business development, enlisting his fresh, objective and rational perspective. The Company expects that in serving as Outside Audit & Supervisory Board Member he will appropriately perform the role of auditing the execution of duties by the Company's Directors, including the internal control system, from an objective standpoint based on his knowledge and experience in corporate management. This will involve having him actively give his opinions and recommendations at meetings of the Board of Directors and the Audit & Supervisory Board, and also having him review the audit status of domestic group companies and activities of overseas group companies' audit committees, etc. Accordingly, the Company deems that Shigeo Ohyagi is an appropriate human resource for strengthening the composition and functions of the Company's Audit & Supervisory Board in the aim for Sustainable Corporate Growth and Increased Corporate Value, and thus the Company appointed him as an Outside Audit & Supervisory Board Member. [Reasons of designated as an Independent Audit & Supervisory Board Member] Based on the "Criteria for independence of Outside Directors and Outside Audit & Supervisory Board Members" described in "Matters relating to Independent Directors/Audit & Supervisory Board Members" of [Independent Directors/Audit & Supervisory Board

			Member] hereof which have been established by the Company as a means of objectively assessing independence thereof, the Company has deemed that he maintains sufficient independence with no potential for conflict of interests with general shareholders, and thus the Company designated him as an Independent Audit & Supervisory Board Member.
Sanae Tanaka	○	N/A	[Reasons of Appointment as an Outside Audit & Supervisory Board Member] Sanae Tanaka, through her long years of practice as an attorney at law, possesses expertise in corporate legal affairs necessary for an Audit & Supervisory Board Member of the Company and a high level of insight that enables her to audit management from the perspective of laws and regulations, etc. The Company expects that in serving as Outside Audit & Supervisory Board Member she will appropriately perform the role of auditing the execution of duties by the Company's Directors, including the internal control system, from an objective standpoint based on her extensive knowledge and experience as an attorney at law. This will involve having her actively give her opinions and recommendations at meetings of the Board of Directors and the Audit & Supervisory Board, and also having her review the audit status of domestic group companies and activities of overseas group companies' audit committees. Accordingly, the Company deems that Sanae Tanaka is a necessary human resource for strengthening the functions of the Company's Audit & Supervisory Board in the aim for sustainable growth and enhancement of corporate value over the medium- to long-term, and thus the Company appointed her as an Outside Audit & Supervisory Board Member. [Reasons of designated as an Independent Audit & Supervisory Board Member] The Group maintains no transactional relationships with Sanae Tanaka and entities where she concurrently serves, and as she does not fall under any of the items on the "Criteria for independence of Outside Directors and Outside Audit & Supervisory Board Members" which have

			been established by the Company as a means of objectively assessing independence thereof, the Company has deemed that she maintains sufficient independence with no potential for conflict of interests with general shareholders. Moreover, as Sanae Tanaka meets the requirements for independent officers as defined by the Tokyo Stock Exchange, the Company has registered her as an independent officer as stipulated by the said Exchange.

[Independent Directors/Audit & Supervisory Board Members]

Number of Independent Directors/Audit & Supervisory Board Members	9

Matters relating to Independent Directors/Audit & Supervisory Board Members

The Company has elected six (6) independent Outside Directors and three (3) independent Outside Audit & Supervisory Board Members, each with a broad stakeholders' viewpoint, to contribute to the sustainable growth and the increase of corporate value over the medium- to long-term of the Company and enhancement of social value.
The Company has established standards as set forth below for objectively assessing the independence of its Outside Directors and Outside Audit & Supervisory Board Members (herein this section the "Outside Directors/Audit & Supervisory Board Members") and accordingly deems that an Outside Director/Audit & Supervisory Board Member lacks sufficient independence for the Company if any of the following apply, such that he or she is:

1. A party who serves as an executive[*1] of the Company or a subsidiary of the Company (herein this section collectively referred to as the "Group") or has served as an executive of the Group in the past;
2. A party for whom the Group is a major business partner[*2] (or if the business partner is an incorporated entity, an executive thereof);
3. A party who is a major business partner of the Group[*3] (or if the business partner is an incorporated entity, an executive thereof);
4. A consultant, certified public accountant or other accounting professional, or an attorney at law or other legal professional who has been paid substantial amounts of money or other financial benefits[*4] other than Directors' and Audit & Supervisory Board Members' remuneration paid by the Group (or if the party receiving such financial benefits is an incorporated entity, association or other organization, then persons belonging to such organization);
5. A certified public accountant who belongs to the auditing firm which serves as the Accounting Auditor of the Group;
6. A major shareholder[*5] of the Group (or if the major shareholder is an incorporated entity, an executive thereof);
7. An executive of an incorporated entity that is a major shareholder of the Group;
8. An executive of a company which has a relationship involving cross-assumption of office of Outside Directors/Audit & Supervisory Board Members[*6];
9. A party who receives substantial donations[*7] from the Group (or if the party receiving such donations is an incorporated entity, association or other organization, then an executive thereof);
10. A close relative[*9] of a party who falls under any of the above items from 1 to 9 (limited to important persons[*8], with the exception of item 1);

11. A party who has fallen under any of the above items from 2 to 10 during the past ten (10) years;
12. A party who has exceeded the tenure for Outside Directors/Audit & Supervisory Board Members stipulated by the Company*10; or
13. Notwithstanding the provisions of the respective items above, a party with respect to whom there are special grounds for deeming there to be potential for conflict of interests with general shareholders.

*1. "Executive" refers to an executive as defined in Item 6, Paragraph 3, Article 2 of the Ordinance for Enforcement of the Companies Act, and includes both executive directors and employees, but does not include Audit & Supervisory Board Members.
*2. "Party for whom the Group is a major business partner" refers to a party whose transactions in the most recent fiscal year amount to 2% or more of the consolidated revenue of the business partner's group.
*3. "Party who is a major business partner of the Group" refers either to a party whose transactions in the most recent fiscal year amount to 2% or more of the Company's consolidated revenue, or a party who loans to the Group an amount equivalent to 2% or more of the Company's consolidated assets as of the end of the most recent fiscal year.
*4. "Substantial amounts of money or other financial benefits" refers to money and other financial benefits amounting to 10 million yen or more annually, excluding Directors' and Audit & Supervisory Board Members' remuneration, for the most recent fiscal year (if such financial benefits are obtained by an incorporated entity, association or other organization, it refers to money or other financial benefits amounting to 2% or more of such organization's total revenues for the most recent fiscal year).
*5. "Major shareholder" refers to a person or incorporated entity that directly or indirectly holds 10% or more of the Company's total voting rights.
*6. "Relationship involving cross-assumption of office of Outside Directors/Audit & Supervisory Board Members" refers to a relationship where an executive of the Group serves as an outside director/audit & supervisory board member of another company, and an executive of that company serves as an Outside Director/Audit & Supervisory Board Member of the Company.
*7. "Substantial donations" refers to annual donations of 10 million yen or more made during the most recent fiscal year.
*8. "Important person" refers to directors (excluding outside directors), executive officers, corporate officers, and other executives in positions of general manager or above; certified public accountants belonging to auditing firms or accounting offices; attorneys at law belonging to legal professional corporations or law firms; councilors, directors or other officers belonging to incorporated foundations, incorporated associations, educational institutions and other incorporated entities; and other persons objectively and reasonably deemed to be in positions of similar importance.
*9. "Close relative" refers to a spouse or persons within the second degree of consanguinity.
*10. "Tenure of Outside Directors/Audit & Supervisory Board Members stipulated by the Company" means ten (10) years with respect to Directors and twelve (12) years with respect to Audit & Supervisory Board Members.

[Incentives]

Incentive Policies for Directors	Bonuses (annual and medium-term) and Stock Compensation

Supplementary Explanation

Under its performance-linked remuneration system, the Company has adopted three elements: an annual bonus linked to performance on a single fiscal year basis, a medium-term bonus linked to medium-term performance, and stock compensation

intended to motivate recipients to improve sustainable corporate value over the long term, and to align interests and risks with those of shareholders.
Short-term performance-linked bonuses are determined using core operating profit and profit attributable to owners of parent as performance benchmarks in proportion to the level of achievement of targets, which are set at the beginning of each fiscal year, and other factors. Medium-term performance-linked bonuses are determined using financial and social value indicators set in line with the goals of the "Medium- to Long-Term Management Policy" as performance benchmarks in proportion to the level of achievement of targets, which are set at the beginning of each fiscal year.
For stock compensation, under the system adopted, points are granted according to the position held, and at the time of the Directors' retirement, the Company shares in the number equivalent to the cumulative number of these points will be delivered, thereby offering appropriate incentives.
The bonus and the stock compensation are provided only to Internal Directors.

Recipients of Stock Options	—

Supplementary Explanation

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[Director Remuneration]

Disclosure of Individual Directors' Remuneration	Selected Directors

Supplementary Explanation

The total amount of the remuneration of Internal Directors and Outside Directors is disclosed, respectively.
The remuneration, etc. of Directors is disclosed through posting them on the website of the Company, etc. for public inspection. The details are as follows:
- In the securities report, 750 million yen for Internal Directors (including stock compensation) and 127 million yen for Outside Directors/Audit & Supervisory Board Members (including the amount for Outside Audit & Supervisory Board Members) are disclosed as the remuneration, etc. of Directors (including the bonus for the 100th fiscal year) paid.
- The total amount of the remuneration, etc. in the 100th fiscal year of Akiyoshi Koji, Chairman and Representative Director is 203 million yen (basic remuneration: 83 million yen, bonus: 90 million yen, stock compensation: 30 million yen), and the total amount of the remuneration, etc. of Atsushi Katsuki, President and Group CEO, Representative Director, is 356 million yen (basic remuneration: 88 million yen, bonus: 210 million yen, stock compensation: 57 million yen). The remunerations of the above two (2) persons become not less than 100 million yen, respectively. Therefore, such remunerations of two (2) persons are set forth in the securities report in accordance with the "Cabinet Office Ordinance on the Disclosure of Corporate Affairs, etc."
- In the business report, the total amount of the remuneration, etc. of all of Directors and Outside Directors is disclosed in accordance with the Ordinance for Enforcement of the Companies Act.

Policy on Determining Remuneration Amounts and Calculation Methods	Established

Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods

A Directors' remunerations

The Company established the policies concerning the setting of remunerations paid to Directors by a resolution of its Board of Directors. Prior to the Board of Directors passing the resolution, the Compensation Committee is consulted regarding the contents of the resolution and provides reports on its findings and views.

<Basic concepts>
The remunerations for Directors are designed and operated as follows.

- To further strengthen the incentive to strive for the Company's sustainable growth and enhancement of corporate value over the medium- to long-term
- Remuneration with a content and level that is effective in continuing to ensure outstanding human resources with diverse skills
- To base on the role and magnitude of responsibilities of the Directors and their contribution to performance
- Remuneration highly variable based on performance linked to management strategy
- Remuneration in which benefits and risks are shared with shareholders and which provides an incentive to management from the ESG standpoint

<Composition of remuneration>
The remunerations for Directors comprise basic remuneration, bonuses (annual and medium-term), and stock compensation for Directors (excluding the Outside Directors; hereinafter the "Internal Directors") and basic remuneration only for Outside Directors. With the principle that the remunerations of Internal Directors will be highly linked to performance, the percentage of variable remuneration (bonus and stock compensation) in the annual income for the President and Group CEO, Representative Director, will be around 70%, and the percentage of stock compensation, which is remuneration that shares benefits and risks with the shareholders, will be around 20%. With respect to the other Internal Directors, the percentage of variable remuneration is around 60%, by a design based on positions and roles.

<Remuneration level>
The remunerations, etc. for Directors are set at a level of remuneration aimed at the achievement of performance targets, taking into consideration the level of remuneration that is effective for continuing to secure outstanding human resources with diverse skills with reference to groups of global companies and Japanese benchmarks that are the same in business operations, scale, and complexity in business regions, etc. as those of the Company.

<Basic remuneration (fixed remuneration)>
The basic remuneration paid in a fixed monthly amount is determined by adding the actual expenses paid by the Directors, such as health checkup expenses to the fixed amount based on their positions and roles.

<Variable remuneration>
As one of the basic concepts for further strengthening the incentive to strive for the Company's sustainable growth and enhancement of corporate value over the medium- to long-term, the system design for remunerations for Directors has been implemented, with consideration given to increasing variable remuneration (incentive) as a percentage of annual income as well as contributing to the Company's sustainable growth (short-term, medium-term, and long-term) and enhancement of corporate value (in terms of both financial value and social value) through an incentive system as a whole.

<Method for determining remuneration>
Directors' remunerations are set in line with a resolution at a meeting of the Board of Directors within the total amount of remunerations resolved in advance at a General Meeting of Shareholders. When remuneration related resolutions are being made by the Board of Directors, the Compensation Committee, which has Outside

Directors/Audit & Supervisory Board Members constituting a majority of its membership and an Outside Director appointed as its chairperson, acts as an advisory body to the Board of Directors, evaluating the content of said resolutions in the interests of greater transparency and objectivity through fair processes.

<Amount of remunerations for individual Directors>
The determination of the amount of remunerations for individual Directors has been left to the Compensation Committee by a resolution of the Board of Directors. Authority delegated to the Compensation Committee is for " individual evaluation" and "determination of the individual remuneration amount in accordance with the evaluation."

B Audit & Supervisory Board Members' remunerations
Audit & Supervisory Board Members' remunerations are set by discussion by the Audit & Supervisory Board Members within the total amount of remunerations resolved in advance at a General Meeting of Shareholders.
Remunerations for an Audit & Supervisory Board Member consist only of basic remuneration paid in a fixed monthly amount, and the level of such basic remunerations is set subject to a mutual consultation of Audit & Supervisory Board Members according to his/her job responsibilities and status distinction between internal and outside and by drawing on outside professional organization' survey data.

[Supporting System for Outside Directors and/or Audit & Supervisory Board Members]

For the holding of the meeting of the Board of Directors, the relevant documents are sent to the Outside Directors and Outside Audit & Supervisory Board Members, and the explanation thereof is conducted, whenever necessary.

2. Matters on Functions of Business Execution, Auditing, Oversight, Nomination and Remuneration Decisions (Overview of Current Corporate Governance System)

The Directors/Audit & Supervisory Board Members of the Company consist of five (5) Internal Directors (male: four (4), female one (1)) and six (6) Outside Directors (male: two (2), female: four (4)), as well as two (2) Standing Audit & Supervisory Board Members (male: one (1), female one (1)) and three (3) Outside Audit & Supervisory Board Members (male: two (2), female: one (1)), and all Outside Directors/Audit & Supervisory Board Members are designated as Independent Directors/Audit & Supervisory Board Members as defined by the Stock Exchange. Such Outside Directors/Audit & Supervisory Board Members are Directors and Audit & Supervisory Board Members who are judged by the Company to have no fear of occurrence of the conflict of interest with general shareholders, and they initiatively gave their opinions at the meeting of the Board of Directors. Furthermore, Outside Directors and Outside Audit & Supervisory Board Members also give beneficial advice from their respective specialty and wide range of viewpoints, as members of an optional Nomination Committee, Remuneration Committee or Sustainability Committee. The meeting of the Board of Directors, in principle, is ordinarily held once per month, and extraordinarily held, whenever necessary. In fiscal 2023, ordinary meetings of the Board of Directors were held twelve (12) times, and matters concerning management direction for the ultra-long term, medium- to long-term management policy, business portfolio policy decisions, strengthening the decision-making process by separating execution and supervision, deliberation of executive personnel and executive compensation, risk governance, and emergency response as a board of directors among others were deliberated. The attendance rate for Outside Directors was 100%.
As of April 1, 2024, the chairman and members of the board are as follows.

Chairman and Director, Chairman of the Board of Directors, Akiyoshi Koji
President and Group CEO, Representative Director Atsushi Katsuki
Director and EVP, Group CPO Keizo Tanimura

Director and EVP, Group CFO Kaoru Sakita
Director and EVP Naoko Nishinaka
Outside Director (independent officer) Christina L. Ahmadjian
Outside Director (independent officer) Kenichiro Sasae
Outside Director (independent officer) Tetsuji Ohashi
Outside Director (independent officer) Mari Matsunaga
Outside Director (independent officer) Chika Sato
Outside Director (independent officer) Melanie Brock
Standing Audit & Supervisory Board Member Yukitaka Fukuda
Standing Audit & Supervisory Board Member Akiko Oshima
Outside Audit & Supervisory Board Member (independent officer) Yutaka Kawakami
Outside Audit & Supervisory Board Member (independent officer) Shigeo Ohyagi
Outside Audit & Supervisory Board Member (independent officer) Sanae Tanaka
(Note) CEO: Chief Executive Officer; EVP: Executive Vice President; CPO: Chief People Officer; CFO: Chief Financial Officer

The Executive Committee, the Corporate Strategy Board, the Global Sustainability Committee, the Information Disclosure Committee, the Risk Management Committee, and the Compliance Committee are established as an advisory organization for the President and Group CEO, Representative Director.

The "Executive Committee" contribute to the development of Group strategy and global initiatives. The Committee consists of President and Group CEO, Representative Director, and other Group CxOs, Region CEOs, and Senior Executive Officers, and President and Group CEO, Representative Director, serves as its chairperson.

The "Corporate Management Board" provides reports on its findings and views about evaluation of the legality, objectivity and reasonableness and of substantial matters concerning business execution in response to the inquiries referred from the President and Group CEO, Representative Director. The Board consists of the President and Group CEO, Representative Director, and other executive directors, Group CxOs, Standing Audit & Supervisory Board Members, Senior Executive Officers, and Function Heads designated by the chairperson, and the President and Group CEO, Representative Director, serves as its chairperson.

The Global Sustainability Committee provides reports on its findings and views about formulation and monitoring of sustainability strategies for the entire Asahi Group in response to the inquiries referred from the President and Group CEO, Representative Director. The Committee consists of the President and Group CEO, Representative Director, and other Group CxOs, CEO of Asahi Global Procurement, CEOs and executive officers in charge of sustainability of Regional Headquarters. The President and Group CEO, Representative Director, serves as the committee chairperson and the organization in charge of sustainability acts as a secretariat.

The Information Disclosure Committee is responsible for centrally managing and controlling corporate information disclosure, and provides reports on its findings and views in response to the inquiries referred from the President and Group CEO, Representative Director from the perspective of fair, expeditious and wide-ranging information disclosure. The Committee consists of the President and Group CEO, Representative Director, and other executive directors, Group CxOs and Heads of CEO Office, Finance, Legal, CC and IR. The President and Group CEO, Representative Director, serves as the committee chairperson and the organization in charge of public relations acts as a secretariat.

The Risk Management Committee provides reports on its findings and views on the promotion and supervision of enterprise risk management (ERM) for the overall Asahi Group, in response to inquiries referred from the President and Group CEO, Representative Director. The Committee consists of the President and Group CEO,

Representative Director, and other executive directors, Group CxOs and Function Heads appointed by the committee chairperson. The President and Group CEO, Representative Director, serves as its chairperson, and the organization in charge of risk management acts as a secretariat. In addition, Standing Audit & Supervisory Board Members also attend this Committee's meetings and state opinions as necessary.

The Compliance Committee provides reports on its findings and views in response to inquiries referred from the President and Group CEO, Representative Director, regarding matters of promoting and supervising corporate ethics and compliance for the overall Asahi Group. The Committee consists of the President and Group CEO, Representative Director, and other executive directors, Group CxOs, and Function Heads appointed by the committee chairperson. The President and Group CEO, Representative Director, serves as its chairperson, and the organization in charge of legal affairs acts as a secretariat.

The Management Monitoring System is established mainly through the Directors' supervision on the status of business execution and the Audit & Supervisory Board Members' and Audit & Supervisory Board's audit.
For the audit system on Audit & Supervisory Board Members, the transparency is improved as the Outside Audit & Supervisory Board Members represents a majority of Audit & Supervisory Board Members, and Audit & Supervisory Board Members' and Audit & Supervisory Board's audit works can be smoothly conducted as four (4) dedicated staff members are assigned. The Company has five (5) Audit & Supervisory Board Members: two (2) standing Audit & Supervisory Board Members and three (3) Outside Audit & Supervisory Board Members.
Standing Audit & Supervisory Board Member Yukitaka Fukuda has abundant management experience in the Group, mainly in finance and accounting, as an Executive Officer and General Manager of Finance Section of the Company, President and Representative Director of Asahi Professional Management Co., Ltd., and Audit & Supervisory Board Member of Asahi Group Japan, Ltd. Furthermore, Outside Audit & Supervisory Board Member Yutaka Kawakami has expert knowledge related to corporate accounting and abundant auditing experience both in Japan and overseas as a certified public accountant and an engagement partner for accounting auditors at listed companies, etc. The three (3) Outside Audit & Supervisory Board Members each have abundant experience and broad insight as an expert in corporate accounting, a lawyer, and a corporate manager, respectively.
The key items, etc. of audit plans and courses of action are reviewed yearly according to the management environment. In fiscal 2023, the meeting of the Audit & Supervisory Board was held twelve (12) times, and the percentage of attendance of Outside Audit & Supervisory Board Members was 100%. For the internal audit, the members of the organization in charge of audits having the internal audit function audit whether the business executions of the entire Group are appropriately and efficiently conducted in accordance with the annual audit plan.

In this way, the Company has a system of mutual checks and cooperation among the "Board of Directors" and its component the Internal Directors and Outside Directors, the "Audit & Supervisory Board" and its component Standing Audit & Supervisory Board Members and Outside Audit & Supervisory Board Members, and the "organization in charge of audits," which has been established based on knowledge cultivated over many years.
For the view of enhancement of the power of the Board of Directors, a higher-grade Corporate Governance System is realized by adding the optional "Nomination Committee," "Remuneration Committee" and "Sustainability Committee."
The Company has entered into an agreement with each Outside Director/Audit & Supervisory Board Member that limits his/her liability for damages as prescribed in Paragraph 1, Article 423 of the Companies Act. Under the terms of this agreement, his/her liabilities are limited to 20 million yen or to the minimum limited amount stipulated by applicable laws and regulations, whichever is higher.

For the Accounting Auditor, the Company has concluded an audit agreement with KPMG AZSA LLC which has conducted an audit of the Company.

The Company has been continuously audited for the following period.
54 years
The period stated above denotes the consecutive audit period through which KPMG AZSA or its predecessor (Asahi & Co.) has been appointed as an auditor of the Company since the predecessor was incorporated as an audit firm.

Names of certified public accountants who performed the duties and number of years of audit
Kanako Ogura (Number of years of audit: 1 years)
Hiroshi Tani (Number of years of audit: 3 years)
Masahiro Morita (Number of years of audit: 2 years)
Assistants who supported the audit duties are thirty-four (34) Certified public accountants and forty-three (43) others. The independent Accounting Auditor has appropriately established a rotation schedule regarding its engagement partners, pursuant to revisions of the Certified Public Accountants Act made in 2003 and 2007. The engagement partners are not involved in carrying out audit services after having been engaged in such services for 7 consecutive years. The lead engagement partner is not involved in carrying out audit services after having provided such services for 5 consecutive years.

3. Reasons for Adoption of Current Corporate Governance System

The Company adopts the current Corporate Governance System because the Company believes by the following reasons that the transparency of management is secured and the suitability of business of the Company is warranted:
(1) Election of Outside Directors who supervise the business execution of the Company from the independent and fair viewpoint and Outside Audit & Supervisory Board Members who conducts the audit of the Company from the special viewpoint of accounting, legality, etc.;
(2) Election of Outside Directors as members of the Nomination Committee, the Remuneration Committee, and the Sustainability Committee, the optional advisory organizations for the Board of Directors; and

III. Implementation of Measures for Shareholders and Other Stakeholders

1. Measures to Vitalize the General Shareholder Meetings and Smooth Exercise of Voting Rights

	Supplementary Explanations
Early Notification of General Shareholder Meeting	In principle, the notice is sent no later than three (3) weeks prior to the holding date of the Meeting, and also before such sending, the details are early disclosed in the "Annual General Meetings of Shareholders" on the website of the Company, "Listed Company Search" on the website of the Tokyo Stock Exchange, and "Electric Voting Platform" operated by ICJ Inc.
Scheduling AGMs Avoiding the Peak Day	In principle, the Meeting is held in the afternoon of a date avoiding the peak day.
Allowing Electronic Exercise of Voting Rights	The electronic exercise of voting rights via the Internet of a computer, smart phone or cellular phone is allowed.
Participation in Electronic Voting Platform	The Company has participated in the electronic voting platform in and after 2007, and initiatively conducts the activities for promoting the exercise of voting rights, including

	the appropriate explanation of proposals, to institutional investors.
Providing Convocation Notice in English	The full text of the convocation notice is prepared in English, and publicly disclosed on the English website.
Other	The implementation of virtual hybrid remote participation-type general shareholder meetings, the holding of the General Shareholder Meeting in the afternoon, the questionnaire prior to the holding of the General Shareholder Meeting and the establishment of the site for shareholders setting forth the report of the General Shareholder Meeting are conducted for the vitalization of the General Shareholder Meeting and the improvement of communication with the shareholders.

2. IR Activities

	Supplementary Explanations
Preparation and Publication of Disclosure Policy	The details of the disclosure policy, including the "Basic Disclosure Policy" are posted on the website of the Company.
Regular Investor Briefings for Analysts and Institutional Investors	The briefings for analysts and institutional investors are held by the Company's representative and the persons in charge, coinciding with the presentation of financial results. The briefings of business strategy in Japan, Europe and Oceania and Core Strategy (Sustainability, DX and R&D) are held regularly.
for Overseas Investors	The meetings for overseas investors are held in Europe, USA, and Asia once per year, respectively.
Posting of IR Materials on Website	The "Statement of Accounts," "Integrated Report," "Sustainability Report," "Corporate Governance Report," "Convocation Notice of the Annual General Meeting of Shareholders," "Securities Report" etc. are posted on the Investor Information site of the website of the Company, and the video of the progress of the General Meeting of Shareholders is transmitted. Also, the special site for individual investors is established, and the "IR news" is distributed to applicants via e-mail.
Establishment of Department and/or Manager in Charge of IR	Handled by the organization in charge of IR.
Other	<Holding of IR meetings with analysts and institutional investors> IR meetings with Japanese and overseas analysts and institutional investors are held throughout the year. (That excludes the silent period.)

3. Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanations
Stipulation of Internal Rules for Respecting the Position of Stakeholders	The "Asahi Group Philosophy" and "The Asahi Group Code of Conduct" stipulate respect for all stakeholders.
Implementation of Environmental Activities, CSR Activities etc.	The Company sets the strategy "Integrate sustainability into management in order to positively impact both society and the Group's businesses; contributing to solving social issues," as one of the core strategies of the Medium- to Long-Term Management Policy and carries out initiatives for global issues of sustainability. In addition, the Company also aims to sophisticate its risk management systems (Enterprise Risk Management) and to strengthen global governance systems. The Company promotes the Group's sustainability initiatives with establishing "key policies" and "Material Issues" to accelerate the integration of sustainability and management. Priority Policies: Realizing sustainable living for customers across the value chain Material Issues: Environment, Communities, Responsible drinking, Health, People The Company will strive to provide effective communication on the Group's sustainability initiatives by disclosing such information on its website. (Japanese version) https://www.asahigroup-holdings.com/sustainability/index.html (English version) https://www.asahigroup-holdings.com/en/sustainability/index.html
Development of Policies on Information Provision to Stakeholders	The "Disclosure Policy" is established and the appropriate information disclosure is timely conducted.
Other	<Initiatives regarding the respect for human rights> In the "Asahi Group Human Rights Principles," the Company recognizes its responsibility as a company operating businesses globally to respect the human rights of all people who are impacted by the Company's business activities and declares that in carrying out business, it shall respect individual human rights and diversity, it shall not take part in discrimination or acts leading to the loss of individual dignity, and not take part in forced labor or child labor. <"People Statement," Basic Policy on Group Personnel in the Asahi Group> The Company has formulated "People Statement" to obtain excellent personnel with diversity from various countries and foster a corporate culture with a high level of engagement and is aiming to put the "Asahi Group Philosophy" into practice.

IV. Matters Related to the Internal Control System

1. Basic Views on Internal Control System and the Progress of System Development

<Overview of the resolution regarding systems to ensure appropriate business operations>

The Board of Directors passed the following resolution with respect to the above-mentioned systems.

To "Deliver on our great taste promise and bring more fun to life" as stipulated in its group philosophy, the "Asahi Group Philosophy," the Company shall:

- establish, in accordance with the Companies Act and the Regulation for Enforcement of the Companies Act, the following basic policies (the "Basic Policies") to improve systems designed to ensure the appropriate execution of Directors' duties in conformity with laws and regulations and the Articles of Incorporation of the Company and its subsidiaries (herein this section the "Group Companies") and ensure the appropriate business operations of the Group Companies (herein this section the "Internal Control System");
- recognize that it is the Representative Director(s) who shall assume the ultimate responsibility for the improvement of the Internal Control System in accordance with this resolution and demand the Representative Director(s) to cause the Directors and Corporate Officers, through the respective departments and organizations they are in charge of, to develop and fully enforce individual internal regulations that will be applied to the Company and the entire Asahi Group and are required based on the Basic Policies; and
- take steps to maintain and enhance the effectiveness of the Internal Control System by reviewing the Basic Policies and relevant internal regulations that will be applied to the Company or the entire Asahi Group in a timely and appropriate manner in accordance with changes in conditions and circumstances.

(1) System to ensure execution of duties by Directors and employees of the Company and the Group Companies in conformity with laws and regulations and the Articles of Incorporation of the Company and the Group Companies

1)In order to promote "Building value together with all our stakeholders" as stipulated in the "Asahi Group Philosophy," the Company shall establish "The Asahi Group Code of Conduct" and ensure its Directors, Audit & Supervisory Board Members and employees abide by these regulations.

2)The Company shall establish a "Compliance Committee" to oversee compliance of the Asahi Group based on the "The Asahi Group Ethics/Compliance Policies."

3)An officer of the Company in charge shall have authority over compliance within the Asahi Group. The section in charge of legal affairs shall handle day-to-day compliance and risk management tasks.

4)The Company shall assign responsible persons in charge of compliance in the Company and the Group Companies. The responsible person shall make efforts to prioritize compliance in all aspects of business activities at each Group Company.

5)The Company shall establish a "Clean Line System" and other systems for employees in Japan and overseas, enabling them to blow the whistle on illicit behavior of others.

6)The Company shall establish "The Asahi Group Global Procurement Policy" addressing mutual cooperation for fair and equitable deals and social responsibilities between each Group Company and suppliers and a system that enables suppliers to blow a whistle on breaches of the Policy as necessary. The Company shall inform and spell out these measures to its suppliers to enable the Company to develop an Internal Control System in cooperation with its suppliers.

7)To ensure antisocial forces do not exert any undue influence on the Group, all relevant information shall be shared within the Asahi Group and the Company shall establish an internal system on the measures. The Company shall also cooperate closely with industry bodies, local communities, the police and other external specialist organizations in this field.

8)The operational details of the aforementioned agencies and systems shall be spelled out under a separately prepared set of internal regulations that will be applied to the Company or the entire Asahi Group.

(2) System to ensure the preservation and management of information related to execution of duties by Directors

1)Information related to execution of duties by Directors shall be properly preserved and managed in accordance with "Document-Management Policies" and other related internal regulations that will be applied to the Company or the entire Asahi Group.
2)The aforementioned information shall be preserved and managed in a way accessible by Directors and Audit & Supervisory Board Members for inspection at any time.
3)Control over the clerical tasks related to preservation and management of the aforementioned information shall be determined in accordance with internal regulations that will be applied to the Company or the entire Asahi Group.

(3) Regulations and other organizational structures of the Asahi Group to manage risk of loss

1)The Company shall position risk management as a core element of its corporate management in "The Asahi Group Risk Management Policies," and implement it in a continuous manner.
2)In addition to having the appropriate sections manage risk in their respective areas, the Company shall establish a "Risk Management Committee" to identify and evaluate cross-sectional material risk for the entire Asahi Group, and design countermeasures accordingly.
3)With regard to the risk of failing to maintain product quality, as a food and drink manufacturing group, the Asahi Group strongly recognizes their social responsibility to consumers to ensure the safety and security of their products and shall establish sufficient control systems.
4)In the event of any major accident, disaster, scandal, etc., the Company shall establish an "Emergencies Response Headquarters" chaired by the President and Group CEO, Representative Director.

(4) System to ensure efficient execution of duties by Directors of the Company and the Group Companies

1)To ensure efficient performance of duties by Directors, the Board of Directors shall divide duties in a reasonable way to be delegated to respective Directors.
2)The Company shall establish "Delegation of Authority" and "The Asahi Group's Delegation of Authority" stipulating rules of delegation of power and for a mutual checks-and-balances mechanism among sections and among Group Companies.
3)The Company shall ensure the effective utilization of the "Corporate Management Board," consisting of the Company's internal Directors, and Standing Audit & Supervisory Board Members by such means as formulating the Asahi Group's corporate strategy and implementing progress management.
4)To maximize operational efficiency, the Company shall utilize indices that provide an objective and rational way of measuring its management and control of operations; and it shall employ a unified system of follow-up and evaluation.
5)To use funds efficiently, a global cash management system among the Company and the Group Companies is introduced.

(5) System to ensure appropriate operations of the Asahi Group

1)All systems required for the Internal Control, including those for risk management, compliance and crisis management system, shall apply comprehensively across the entire Asahi Group. As the holding company, the Company shall manage the said systems of the Group Companies while respecting their autonomy, and supporting the development and operation of the Internal Control System, in accordance with the conditions and circumstances with which individual companies are facing.
2)While cooperating with the internal auditing organs established within the Asahi Group, the section in charge of internal auditing in the Company shall get a grasp of and evaluate the Internal Control System and discipline in day-to-day tasks within the Asahi Group by directly and indirectly auditing the Group Companies, and this section

shall also conduct the evaluation of internal control related to financial reporting of the Group Companies and submit the relevant reports.
3)Decision-making authority related to business activities of the Group Companies shall be subject to the document entitled "Asahi Group's Delegation of Authority."
4)Each of the Group Companies will provide reports at the "Corporate Management Board" one or more times each quarter on performance of its operations including risk-related information.

(6) Securement of employees in the event that Audit & Supervisory Board Members request staff to assist in their auditing duties
The "Audit & Supervisory Board" shall appoint dedicated staff for assistance in the activities of the Audit & Supervisory Board Members.

(7) Independence of employees assigned to assist the Audit & Supervisory Board Members from the Directors and ensuring the effectiveness of instructions given to relevant staff
1) When a dedicated staff receives an order from an Audit & Supervisory Board Member in relation to auditing duties, he/she shall not be subject to directives or orders from Directors or other employees regarding that order.
2) Any issuance of orders to, personnel transfers of, merit evaluations of, or reprimands of a dedicated staff shall require the prior concurrence of Audit & Supervisory Board Members.

(8) System for Directors' and employees' reporting to Audit & Supervisory Board Members
1) Directors and employees shall report regularly to Audit & Supervisory Board Members on matters related to the Internal Control System, and shall report on an as-needed basis when a significant event occurs. When necessary, the Audit & Supervisory Board Members shall be entitled to request reports from the Directors and employees (including from Directors and employees of the Group Companies).
2) Directors shall ensure that Audit & Supervisory Board Members have every opportunity to participate in discussions of important bodies, etc. such as the Board of Directors meetings, the "Corporate Management Board" meetings, the "Risk Management Committee" meetings, and the "Compliance Committee" meetings. Directors shall provide details of the agenda items of such meetings beforehand for Audit & Supervisory Board Members.
3)Audit & Supervisory Board Members shall at all times have the right to review documents such as the minutes of important meetings and the documents of approval.

(9) System for reporting, by the Group Companies' Directors, Corporate Auditors, employees or persons receiving reports, to the Company's Audit & Supervisory Board Members
1) The Group Companies' Directors, Corporate Auditors, employees or persons receiving reports from them shall report regularly to the Company's Audit & Supervisory Board Members on matters related to the Internal Control System and, shall report on an as-needed basis when a significant event occurs. When necessary, the Audit & Supervisory Board Members shall be entitled to request reports from the Directors and employees of the Group Companies.
2) The Company's or the Group Companies' sections in charge of internal auditing shall report the results of the Group Companies' internal audits to the Audit & Supervisory Board Member of the Company without delay.
3) The whistle blowing channels under the Clean Line System shall include that for reporting to the Company's Audit & Supervisory Board Members, and the information reported to other whistle blowing channels shall be reported to the Company's Audit & Supervisory Board Members.
4) The Company prohibits any party from treating the whistle blower prescribed in the preceding item and this item in any manner disadvantageous to him/her on the ground of the whistle blow.

(10) Policy on procedures for advance or reimburse expenses incurred in association with Audit & Supervisory Board Members' execution of their duties, and treatment of other expenses or debts incurred in association with the execution of their duties

To defray expenses incurred in association with the Audit & Supervisory Board Members' execution of their duties, the Company shall secure a certain specific amount of budget and shall, in response to the request of the Audit & Supervisory Board or the Standing Audit & Supervisory Board Members concerned, advance or reimburse expenses or otherwise treat debts incurred in association with the Audit & Supervisory Board Members' execution of their duties.

(11) Other systems ensuring effective auditing by Audit & Supervisory Board Members

To ensure the effectiveness of auditing activities, Directors shall ensure opportunities for Audit & Supervisory Board Members to exchange information and opinions regularly with members of the section in charge of internal auditing of the Company and with the Independent Accounting Auditor.

<Overview of operation of systems to ensure appropriate business operations>

(1) Overall Internal Control System

1) In order to develop and operate the Internal Control Systems of the Company and the Group Companies and effectively achieve the objectives of internal control, the section of the Company in charge of internal auditing cooperates with the internal auditing organs established within the Asahi Group in conducting audits to determine whether business operations are executed properly and efficiently in accordance with annual audit plans.

2) With respect to internal control over financial reporting, the section of the Company in charge of evaluation of internal control cooperates with the organs in charge of evaluation of internal control established within the Asahi Group and performs evaluations of the Group Companies' internal control activities pursuant to the "Policies of Management Assessment and Reporting of Internal Controls over Financial Reporting."

(2) Compliance System

1) The Company established "The Asahi Group Code of Conduct," and tries hard to keep its employees informed about it.

2) The Company promotes awareness of compliance by putting managers responsible for compliance in place in the Company and the Group Companies and conducting education by job class.

3) The Company conducts multifaceted and multilayered surveys of compliance awareness and behavior by conducting a "Compliance Survey" to the employees of the Company and the Group Companies.

4) By keeping in place the "Clean Line System," the Company detects and resolves risk problems early, and effectively prevents risk problems themselves from occurring.

(3) Risk Management System

1) The Risk Management System adopts enterprise risk management (ERM) for the overall Asahi Group.

2) The respective companies of the Asahi Group identify and evaluate critical risks that could impede achievement of business objectives across all risk categories such as strategy and operations. They also draw up action plans and continually implement and monitor such plans. The respective companies of the Asahi Group report details of such initiatives to the Company's Risk Management Committee, which monitors such initiatives, while its members identify and evaluate critical risk across the Group, draw up action plans, and execute and monitor such plans. They also report to the Board of Directors with the aim of ascertaining effectiveness of such initiatives.

3) The Company has a risk management system in place to deal with any major accident, disaster, scandal, etc. by setting up an "Emergency Response Headquarters" under the management of the President and Group CEO, Representative Director. The Company assigns top priority to the safety of its business partners and employees with respect to COVID-19. To such ends, it continues to implement measures to prevent further spread of infection and has been promoting various initiatives seeking new work arrangements, which has entailed making teleworking more of the norm in Japan and carrying out meetings and business discussions online. In addition, the Company has been making progress in setting the stage for facilitating a seamless transition to a crisis management approach to be set into action in times of crisis. During 2021, this has entailed implementing risk management practices under ordinary conditions, which involves pinpointing risk that must be addressed immediately should such risk materialize, as well as envisioning ramifications of such risk scenarios and measures necessary in response. Meanwhile, in alignment with its transition to a framework consisting of four Regional Headquarters (RHQ) including one in Japan, the Company has been strengthening its crisis management structure internationally in part by clearly assigning entities primary responsibility for addressing different categories of crisis and by streamlining flows of information used in the event of a crisis.

(4) Business Management of Group Companies

1) With respect to the Group Companies' business management, the Company has put in place a system whereby, pursuant to the "Asahi Group's Delegation of Authority," the Group Companies' business executions are subject to resolutions of the Company's Board of Directors or decisions of an individual Director or the responsible persons of the responsible sections of the Company, depending on the degree of their importance.
2) Once a month, the "Corporate Management Board" receives reports from main Group Companies on the status of their business executions.

(5) Execution of Directors' Duties

In order to ascertain the efficiency of Directors' duties, the Board of Directors conducts rational assignment sharing of services to be performed by Directors and Corporate Officers, and has each Director and Corporate Officer report on the status of his/her business execution once every 3 months.

(6) Execution of Audit & Supervisory Board Members' Duties

1) Audit & Supervisory Board Members attend meetings of the Board of Directors, the "Corporate Management Board," the "Risk Management Committee," the "Compliance Committee" and other important organs, and receive reports from Directors, employees, thereby confirming the status of development and operation of the Internal Control System.
2) Audit & Supervisory Board Members work to enhance the effectiveness of auditing by finding opportunities regularly or as needed for exchanging information and views with the section in charge of internal auditing, the Independent Accounting Auditor, etc. During fiscal 2023, Audit & Supervisory Board Members had opportunities to exchange information and views with the section in charge of internal auditing for a total of eleven (11) times, with the Independent Accounting Auditor for a total of twenty (20) times. Audit & Supervisory Board Members also find opportunities to exchange information and views with Audit & Supervisory Board Members of the main Group Companies once a month generally.
3) The Company ensures that Audit & Supervisory Board Members and the Audit & Supervisory Board will be able to smoothly perform their duties by posting four (4) dedicated staff members to the Audit & Supervisory Board.

2. Basic Views on Eliminating Anti-Social Forces

<Basic Views>

Under "The Asahi Group Code of Conduct," which is common to the entire group in Japan and overseas, it is strictly forbidden in the Group to have any kind of relationship with anti-social forces or persons involved in illegal acts such as money laundering.

<Readiness>
(1) Establishment of Supervisory Department in Charge and Person responsible for the Prevention of Unreasonable Demands
A "Person responsible for the prevention of unreasonable demands" is appointed in the organization in charge of general affairs of each of the Group Companies.

(2) Cooperation with External Professional Agencies
Even if an unreasonable demand is received, the Company Group is prepared to deal with it in cooperation with the relevant government agencies including police, organized crime fighting specialists, legal counsel, and other professional consultants.

(3) Collection and Management of Information about Anti-Social Forces
The organizations in charge of general affairs of each of the Group Companies collect information on cases of an anti-social force's unreasonable demands and record that information. The collected information including basic countermeasures are distributed within the Group on a monthly basis for the sharing of information.

(4) Preparation of Response Manuals
Basic views are indicated in the "The Asahi Group Code of Conduct" and, in addition, manuals related to procedures such as the "Asahi Group Manual for Racketeering by Interceding in Civil Disputes and Threatening the Use of Violence" are prepared. Also, to raise the accuracy of response, the "Crisis Management Website" has been opened on the group portal site to disclose the information on remedies.

(5) Implementation of Training
At training sessions and workshops for new employees and legal personnel, "The Asahi Group Code of Conduct," which sets forth basic views, is used as a teaching material. In addition, personnel in charge of general affairs regularly hold information exchange meetings where cases of unreasonable demands in the Group are shared.

V. Other

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not Adopted

Supplementary Explanation

(1) Basic policy
According to the Company's view, the persons who control decisions on its financial and business policy must properly grasp various matters concerning its business, including the initiatives to "create appealing products," to "care about quality and craftsmanship" and to "convey the inspiration to customers," which form the source of the corporate value of the Asahi Group, and other tangible and intangible management resources thereof, potential effects of forward-looking measures and other items that constitute the corporate value, and must enable the Company to maintain and increase the Asahi Group's corporate value as well as the common interests of shareholders continuously and sustainably.
Upon facing a proposal of large-scale share purchases, the Company is not always in a position to automatically object to the purchases even if it is a so-called hostile takeover, which is pursued without approval from the Board of Directors, provided that such takeover contributes to the increase of the corporate value and the common interests of shareholders of the Company. Also, the Company recognizes that the final decision as to whether to accept a proposal for an acquisition of shares in the Company

that would lead to a transfer of control of the Company should be made based on the will of the shareholders as a whole.
It shall be noted, however, that there are not a few cases of large-scale share purchases that would not contribute to the increase of the corporate value and the common interests of shareholders of a company, including ones that would, in light of their purposes, etc., cause obvious damage to the corporate value and the common interests of shareholders or could effectively coerce shareholders to sell their shares, ones that the purchaser does not provide information and/or time reasonably necessary for the target company's board of directors and shareholders to review and examine details of the proposed purchase or for the target company's board of directors to make an alternative proposal, and ones where the target company's board of directors would have to conduct negotiation with the purchaser so as to seek more favorable terms than those initially proposed by the purchaser.
The person who intends to conduct a large-scale purchase of shares in the Company must have an understanding of the source of the Asahi Group's corporate value and have the capability to maintain and enhance it in the medium- and long-term; otherwise, the Asahi Group's corporate value and the common interests of shareholders would be damaged.
The Company thus believes that it is necessary to protect the Asahi Group's corporate value, and in turn, the common interests of shareholders, from such large-scale share purchases.

(2) Framework that contributes to realization of the basic policy
1) Special Measures Contributing to Realization of the Basic Policy
The Company established a group philosophy, the "Asahi Group Philosophy," which articulates the Group's mission and vision for the future, reaffirms values cherished and handed down over the years, and serves as a code of conduct for our stakeholders and the Group's commitments to them. At the same time, the Company established a "Medium- to Long-Term Management Policy" for the realization of the "Asahi Group Philosophy" and put group-wide efforts in line with them.
The Company believes that it will be able to assure the flexibility of its corporate strategy by setting and carrying out such management policy and will be able to increase its sustained corporate value and ultimately secure common interests of its shareholders by setting such a policy as " Engagement Agenda" (agenda for constructive dialogs) and making dialogs with the stakeholders even more firm, and is striving to further strengthen its corporate governance.

2) Efforts to prevent decisions on the Company's financial and business policy from being controlled by any person who is inappropriate according to the basic policy
The Company will take appropriate measures against any person who attempts to make a large-scale purchase in accordance with the Financial Instruments and Exchange Act, the Companies Act and other related laws and regulations such as requesting provision of necessary and sufficient information for shareholders to properly determine whether to approve or disapprove the large-scale purchase, disclosing the opinions, etc. of the Board of Directors of the Company and endeavoring to secure enough time for shareholders to contemplate the large-scale purchase.

(3) Judgment of the Company's Board of Directors regarding the specific measures and reasons therefor
The measures described above in 1) of (2) conform to the basic policy of the Company as described above (1), are fully compatible with the corporate value and the common interests of shareholders of the Asahi Group including the Company, and are never implemented for the purpose of maintaining the status of Directors and Audit & Supervisory Board Members of the Company.

2. Other Matters Concerning Corporate Governance System

The internal system for the timely disclosure of the company information and the disclosure policy of the Company are as set forth below.

<Overview of Timely Disclosure System>
(1) Collection of Information
The basic attitude of the Company is to timely disclose the appropriate company information to the investors, and the information to be timely disclosed shall be handled in accordance with the internal regulations (Asahi Group Information Management Regulations and Asahi Group Insider Trade Prevention Regulations) as follows:
- The aggregation/management of the information shall be conducted by the Director in charge of the legal affairs or the organization in charge of legal affairs. The Director in charge of the legal affairs or the organization in charge of legal affairs shall strictly manage the internal information, and promptly transmit the matters to be timely disclosed to the Information Disclosure Committee.
- The timely disclosure of the company information defined by the Stock Exchange, including the material facts, etc., of the Company shall be conducted by the organization in charge of PR under the direction of the Director appointed by the President and Group CEO, Representative Director, or the manager of the organization in charge of PR as the person responsible for the handling of information.

(2) Procedures for Information Disclosure
a. For the information aggregated to the Director in charge of the legal affairs or the organization in charge of legal affairs from each organization of the Company and each of the Group Companies, the organization in charge of legal affairs, as a supervisor, makes a basic decision on whether such information is a matter subject to timely disclosure. For the facts of determination, the occurred facts, and the information of the settlement of accounts out of the above, the "Information Disclosure Committee" analyzes the content of such information, and conducts the prior examination of the necessity of disclosure, content/method of disclosure, etc. in accordance with the Timely Disclosure Regulations, etc.
b. For the information that is judged as special material matters by the Information Disclosure Committee in the above process, the proceedings and content at the meeting of the Information Disclosure Committee are reported by the chief to the President and Group CEO, Representative Director.

(3) Timely Disclosure to the Stock Exchange
The person responsible for the handling of information timely discloses the fact, the timely disclosure of which is judged as necessary, immediately after the occurrence thereof.

<Disclosure Policy>
(1) Basic Disclosure Policy
For the disclosure of the important information in the case where the facts of determination, occurred facts or information on the settlement of accounts affecting on the judgement of investment occur, the Company discloses such facts in accordance with the laws and regulations, including the Financial Instruments and Exchange Act, etc., as well as the "Regulations on Timely Disclosure, etc. of the Company Information of the Issuer of Listed Securities" (hereinafter referred to as "Timely Disclosure Regulations") established by the Financial Instruments Exchange in which the Company lists stocks.
Also, for the information that is not subject to the Timely Disclosure Regulations, the Company, as a basic policy for information disclosure, conducts a fair/prompt and comprehensive information disclosure to meet the demands from the investors and security analysts.

(2) Method of Information Disclosure
The disclosure of the important information that is subject to the Timely Disclosure Regulations is registered in the "Timely Disclosure Information Transfer System

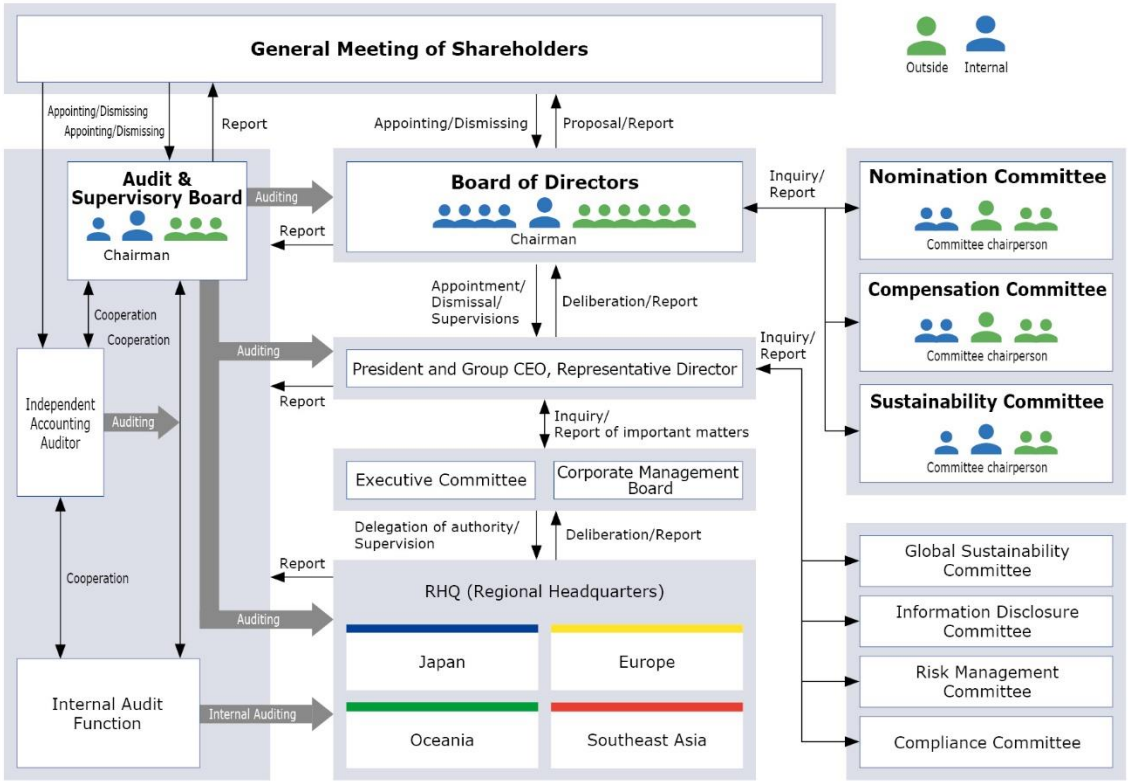
(TDnet)" provided by the Tokyo Stock Exchange in accordance with the above Regulations.
After the registration, the Company promptly provides the same information to news media, and the same information is posted on the website of the Company.
Also, even in the case where the information that is not subject to the Timely Disclosure Regulations, etc. is disclosed, the Company endeavors to ensure that such information is fairly transferred via the website of the Company, media, etc. in accordance with a spirit of the timely disclosure.

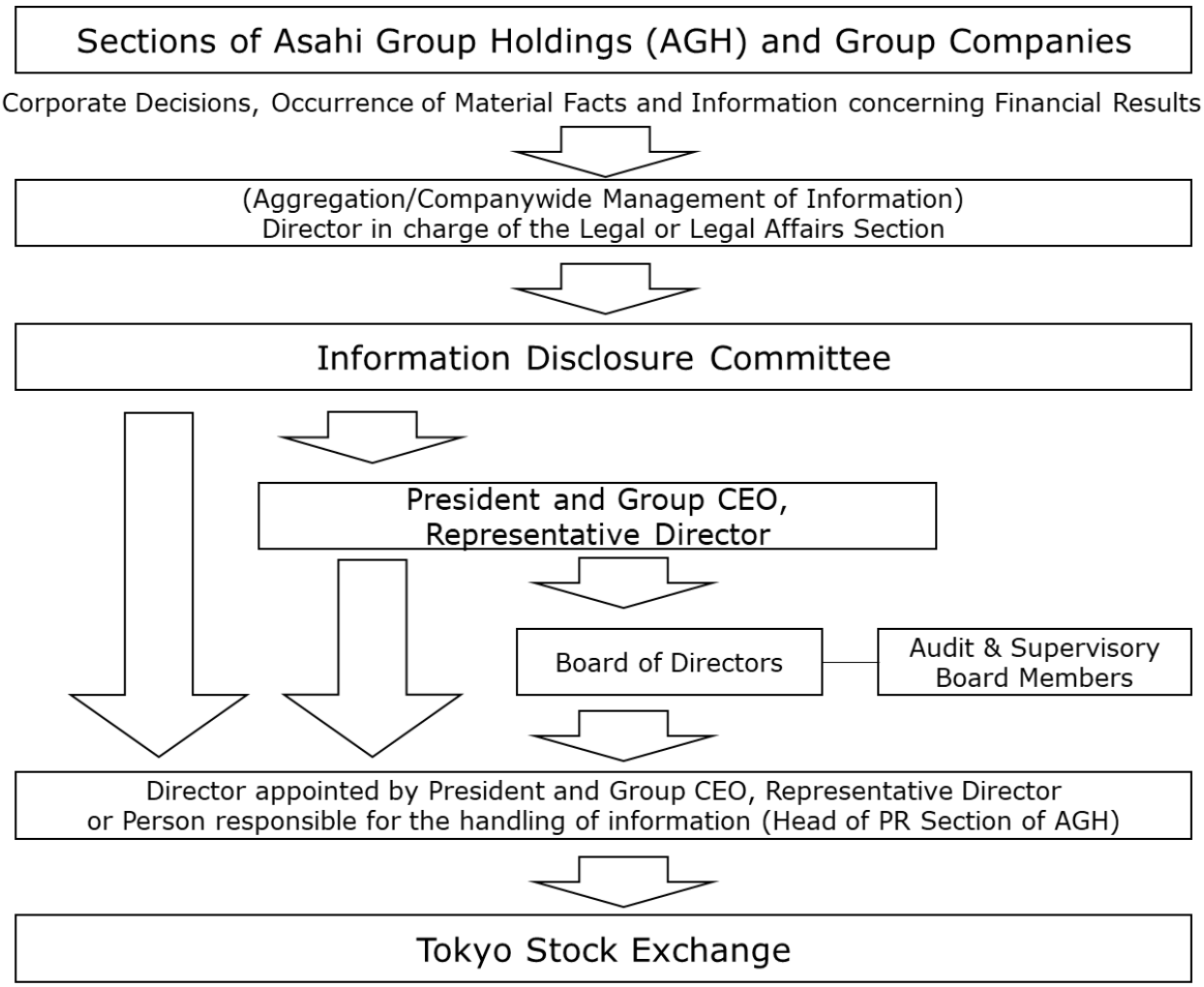
(3) Items to be Voluntarily Disclosed
The Company voluntarily discloses the information that is not subject to the Timely Disclosure Regulations, etc., but is judged as being useful for the investment judgement. The information so disclosed includes the "Medium- to Long-Term Management Policy," the monthly sales information, supplemental/presentation materials used in the financial results briefing, etc.

(4) Earnings Forecast and Future Prospect
In addition to the earnings forecast set forth in the statement of accounts, the Company may include the future prospect and opinions in the media, briefings, various materials, questions and answers, etc. In any case, any forecast or prospect, which did not become a fact, is based on the judgement rendered by the Company on certain assumptions at that time.
Therefore, please note that the future prospect may be changed without notice according to the change of the assumptions, and the actual earnings may vary greatly from such prospect due to various elements.

(5) Silent Period
In the Company, the period from the following date of the settlement of accounts to the date of the announcement of the settlement of accounts is the silent period of IR activities to prevent the divulgement of the information of the settlement of accounts and to ensure the fairness of information disclosure. During such period, the Company refrains from giving any comment on the settlement of accounts or any reply to questions.
However, if any fact that is subject to the timely disclosure occurs during such period, the Company will disclose such fact in accordance with the Timely Disclosure Regulations.

<Schema of Timely Disclosure System>




Sections of Asahi Group Holdings (AGH) and Group Companies
Corporate Decisions, Occurrence of Material Facts and Information concerning Financial Results
(Aggregation/Companywide Management of Information)
Director in charge of the Legal or Legal Affairs Section
Information Disclosure Committee
President and Group CEO,
Representative Director
Board of Directors
Audit & Supervisory
Board Members
Director appointed by President and Group CEO, Representative Director
or Person responsible for the handling of information (Head of PR Section of AGH)
Tokyo Stock Exchange