





CONVOCATION NOTICE OF THE 101st ANNUAL GENERAL MEETING OF SHAREHOLDERS



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VENUE
Banquet Room “Tsuru,” Banquet Floor, “The Main,” Hotel New Otani, 4-1, Kioi-cho, Chiyoda-ku, Tokyo
DEADLINE FOR EXERCISING VOTING RIGHTS VIA POSTAL MAIL AND INTERNET, ETC.
No later than 5:30 p.m. (JST), March 25 (Tuesday), 2025

 We will be live streaming the General Meeting via the internet.	[URL] https://web.lumiagm.com/155790122 · Please see page 5 for details regarding the live stream. · Please see pages 2-4 for details regarding the exercise of voting rights in advance.	
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English Translation of Original Japanese
This is a translation of the original notice in Japanese. In the event of any discrepancy, the original notice in Japanese shall prevail.

Dear Shareholders:

I hereby deliver this Convocation Notice of the 101st Annual General Meeting of Shareholders.

I would like to invite all our shareholders to attend the meeting.

We request that shareholders who are not attending the meeting on site exercise their voting rights in advance, via either postal mail or the internet, etc., before watching the live stream via the internet.

I would like to ask that our shareholders continue to give us their unwavering support.

Sincerely,

March 4, 2025

Atsushi Katsuki

President and Group CEO, Representative Director

ASAHI GROUP HOLDINGS, LTD.





CONVOCATION NOTICE OF THE 101st ANNUAL GENERAL MEETING OF SHAREHOLDERS

1 DATE AND TIME	March 26 (Wednesday), 2025, at 1:00 p.m. (JST) (Reception start time: Noon)
2 VENUE	Banquet Room “Tsuru,” Banquet Floor, “The Main,” Hotel New Otani, 4-1, Kioi-cho, Chiyoda-ku, Tokyo
3 AGENDA	Items to be reported: Business Report, Consolidated Financial Statements, Non-Consolidated Financial Statements and Reports of the audit results of the consolidated financial statements by the Independent Accounting Auditor and the Audit and Supervisory Board for the 101st term (from January 1, 2024 to December 31, 2024). Items to be resolved: Item 1: Appropriation of Retained Earnings Item 2: Partial Amendment to the Articles of Incorporation Item 3: Appointment of Thirteen (13) Directors
4 LIVE STREAM	URL https://web.lumiagm.com/155790122 * Please see page 5 for details.



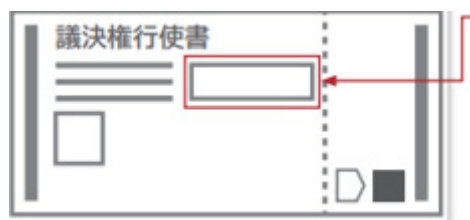
GUIDE TO EXERCISING VOTING RIGHTS

We ask that shareholders who are not attending the General Meeting of Shareholders on site refer to the following guide to exercise their voting rights in advance by using either method below.

1	 <p>Voting via Internet, etc.</p> <p>* The online voting website and Help Desk information are in Japanese.</p> <p>Deadline for exercising voting rights via the internet, etc.: By 5:30 p.m., March 25 (Tuesday), 2025 (JST)</p>
2	 <p>Voting via Postal Mail</p> <p>Please indicate your consent/dissent concerning each item shown on the voting form, and send back the form so that it will arrive no later than the deadline for exercising voting rights.</p> <p>Deadline for exercising voting rights via postal mail: To be received by 5:30 p.m., March 25 (Tuesday), 2025 (JST)</p>



<Guide to filling in the voting form for exercising voting rights>



Please indicate your consent/dissent with respect to each item here.

- * If you exercise your voting rights repetitively (i.e., voting online as well as voting by using the voting form), only the online vote will be counted.
- * If you submit a voting form without indicating your consent/dissent with respect to each item, you will be deemed to have voted in favor of the Company's proposal(s).

Items 1 and 2

If you consent:

Mark a ○ in the box marked “賛”

If you dissent:

Mark a ○ in the box marked “否”

Item 3

If you consent to the appointment of all candidates:

Mark a ○ in the box marked “賛”

If you dissent to the appointment of all candidates:

Mark a ○ in the box marked “否”

If you selectively dissent to certain candidates:

Mark a ○ in the box marked “賛” and write the number of each candidate you choose to veto in the right column.

<Guide to exercising voting rights via the internet, etc.*>

Deadline for exercising voting rights via the internet, etc.:

By 5:30 p.m., March 25 (Tuesday), 2025 (JST)

* Institutional investors may use the platform operated for institutional investors by ICJ, Inc. to electronically exercise the voting rights.

Exercising voting rights using a smartphone, etc.

- (1) Scan the QR code printed on the voting form.



- (2) Tap the “Exercise Voting Rights” button on the top page of the “General Meeting of Shareholders Portal.”



- (3) After the top page of the “Smart Exercise[®]” site appears, follow the instructions on the screen to enter your consent/dissent concerning each item.



Note To make changes to your vote once voting rights have been exercised, you will need to enter your “voting code” and “password” indicated on the voting form.

Exercising voting rights using a computer

- (1) Please use the following URL to access “General Meeting of Shareholders Portal,” and login by entering the login ID and password indicated on the voting form.

“General Meeting of Shareholders Portal” URL:
<https://www.soukai-portal.net>



- (2) Click on “Exercise Voting Rights” and follow the instructions on the screen to enter your consent/dissent concerning each item.



* Please note that shareholders who received the Convocation Notice of the Annual General Meeting of Shareholders for this fiscal year by e-mail will not find the “password” on your voting form. Such shareholders are asked to please enter the “password” that you have set when registering your e-mail address instead.

* You may also continue to use the online voting website.
<https://www.web54.net>

* **If you exercise your voting rights online more than once, only the most recent vote will be counted.**

If you are unclear about the procedure for voting via the internet, etc. using a computer, tablet, smartphone or cellular phone, please contact the following Help Desk for inquiries.

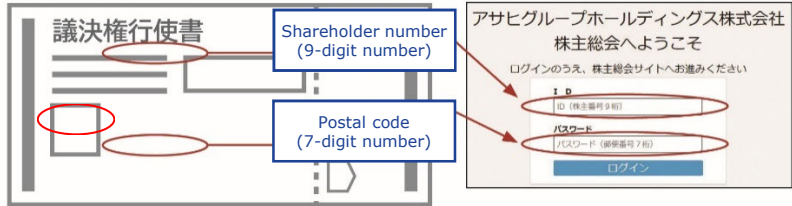
Sumitomo Mitsui Trust Bank, Limited
Stock Transfer Web Support Phone Number
Toll-free (within Japan): 0120-652-031 (9:00 a.m. to 9:00 p.m. (JST))

Note: QR Code is a registered trademark of DENSO WAVE INCORPORATED.

GUIDE TO VIEWING THE LIVE STREAM

The General Meeting of Shareholders will be live streamed, exclusive to our shareholders, as follows.

Note: The live stream is in Japanese.

Date and time of the live stream	March 26 (Wednesday), 2025, from 1:00 p.m. (JST)
Viewing instructions	<div data-bbox="456 600 1062 678"> <p>(1) Please access the “General Meeting of Shareholders live stream website” by using the URL below or the QR code</p> </div> <div data-bbox="493 687 951 719"> <p>URL: https://web.lumiagm.com/155790122</p> </div> <div data-bbox="493 716 866 743"> <p>* The meeting ID is “155-790-122.”</p> </div> <div data-bbox="456 752 1315 806"> <p>(2) Please enter the ID and password stated on the voting form when the screen where you can enter your ID and password appears.</p> </div> <div data-bbox="493 813 1029 842"> <p>ID: Shareholder number (9-digit number)</p> </div> <div data-bbox="493 848 1342 904"> <p>Password: Postal code registered in our shareholder directory (7-digit number without the hyphen)</p> </div> <div data-bbox="496 925 1220 954"> <p>■ (Reference) On-screen input guidance for ID and password input.</p> </div> <div data-bbox="513 967 1307 1171">  <p>The image shows two screenshots. The left screenshot is titled '議決権行使書' (Resolution Exercise Form) and shows a box for 'Shareholder number (9-digit number)' and a box for 'Postal code (7-digit number)'. The right screenshot is titled 'アサヒグループホールディングス株式会社 株主総会へようこそ' (Asahi Group Holdings, Ltd. Welcome to the Shareholders' Meeting) and shows a login form with fields for 'ID (9-digit number)' and 'パスワード (パスワード7桁)' (Password (7-digit password)). Red circles and arrows indicate where to enter the ID and password.</p> </div> <div data-bbox="456 1180 1251 1209"> <p>(3) You may view the live stream after following the on-screen instructions.</p> </div>
Notes	<ul style="list-style-type: none"> ● As you will not be able to participate in resolutions on the day of the General Meeting of Shareholders via the livestream, please exercise your voting rights before joining the live stream. ● Viewers will be able to post comments (feedback and questions) during the General Meeting of Shareholders. However, these comments will not be recognized as questions at the General Meeting of Shareholders under the Companies Act. Provided that, the Company plans on responding to principal questions that align with the purposes of this General Meeting on our website. ● The live stream may not be available depending on your internet connection environment, the connection status of the live stream and other factors. ● Shareholders will bear telecommunication charges for viewing the live stream. ● Please refrain from taking photos, video or audio recordings, or downloading the live stream. ● Providing your ID and password to a third party is strictly prohibited.
Post-meeting streaming	<p>The video of the live stream will be available at the “Annual General Meetings of Shareholders” page on the Company’s website.</p> <p>Date and time that the video will be made available: March 27 (Thursday), 2025 at noon (JST) (Planned)</p> <p>WEB https://www.asahigroup-holdings.com/ir/shareholders_guide/shareholders_meeting.html</p>

If you are unclear about live stream IDs and passwords, please contact the following Help Desk for inquiries.

Sumitomo Mitsui Trust Bank, Limited
Virtual General Meeting of Shareholders Support Phone Number
Toll-free (within Japan): 0120-782-041 (9:00 a.m. to 5:00 p.m. (JST), excluding weekends and holidays)

PROVISION OF DOCUMENTS REGARDING THE GENERAL MEETING OF SHAREHOLDERS VIA THE INTERNET

In accordance with the provisions of laws and regulations and Article 15 of the Articles of Incorporation of the Company, among documents regarding the General Meeting of Shareholders, information that constitutes the content of Business Report, etc. (matters subject to measures for electronic provision) will be provided via the internet (in electronic format).

Matters subject to measures for electronic provision are as set out below. **Please use the following URL or QR code to access the “General Meeting of Shareholders” page on the Company’s website** and refer to matters subject to measures for electronic provision.

URL and QR Code for Matters subject to Measures for Electronic Provision

https://www.asahigroup-holdings.com/ir/shareholders_guide/shareholders_meeting.html

Note: The website is in Japanese.



In the event of any corrections to matters subject to measures for electronic provision, a notification to that effect, and the corrected and pre-corrected versions of these matters will be made available via the internet on the website of the Company, and on the website for posted informational materials for the general meeting of shareholders and the website of the Tokyo Stock Exchange as shown on page 9.

Samples of the items and content included in matters subject to measures for electronic provision are as follows.

Business Report

I Earnings for This Fiscal Year (Business Progress and Result)

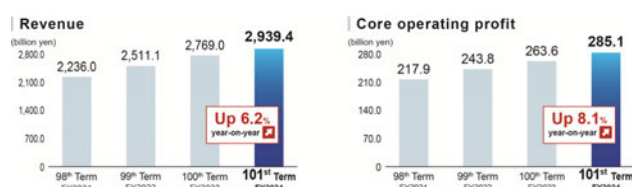
It includes Overview of Consolidated Earnings, Asahi Group Revenue, and Progress of Medium-Term Guidelines in the “Medium- to Long-Term Management Policy,” etc.

WEB https://www.asahigroup-holdings.com/pdf/ir/shareholders_guide/shareholders_meeting/2025_shoushu_03.pdf



<Sample>

Overview of Consolidated Earnings



Asahi Group Revenue

Segment	100 th term FY2023 (million yen)	101 st term FY2024 (current year) (million yen)	Change in amount (million yen)	Change in percentage (%)
Japan	1,362,850	1,362,874	23	0.0
Europe	688,725	781,005	92,279	13.4
Oceania	652,154	715,394	63,239	9.7
Southeast Asia	57,806	66,138	8,331	14.4
Others ¹⁾	21,542	26,470	4,928	22.9
Adjustment ²⁾	(13,988)	(12,459)	1,528	-
Total	2,769,091	2,939,422	170,331	6.2

II Management Policy (Management Perspectives)

It includes “Asahi Group Philosophy,” “Medium- to Long-Term Management Policy,” and “Policy for 102nd term (FY2025),” etc.

WEB https://www.asahigroup-holdings.com/pdf/ir/shareholders_guide/shareholders_meeting/2025_shoushu_04.pdf



<Sample>

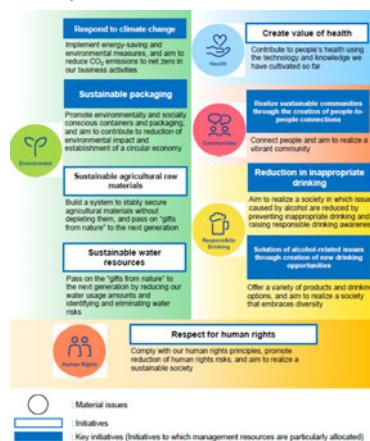
■ Asahi Group Philosophy



■ Medium- to Long-Term Management Policy



■ Specific initiatives based on the Medium- to Long-Term Management Policy (sustainability)



Establishment of a circular energy network in cooperation with local companies and communities



Launch of the "Bottle-to-Bottle" joint project



III Corporate Governance / IV Risk Management

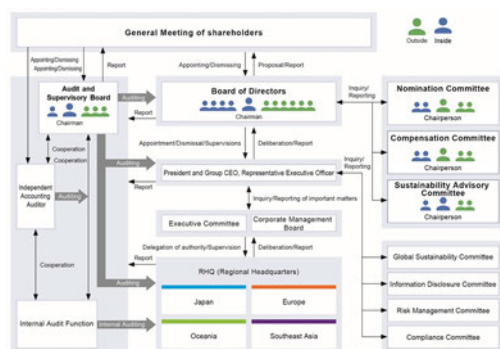
They include Basic Policies and System on Corporate Governance, Nomination and Remuneration of Officers, and Initiatives Carried Out to Enhance Effectiveness, etc. They also include information on Risk Management Measures.

WEB https://www.asahigroup-holdings.com/pdf/ir/shareholders_guide/shareholders_meeting/2025_shoushu_05.pdf

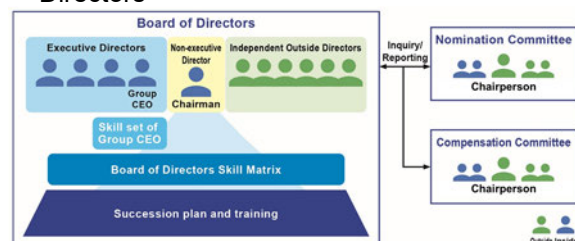


<Sample>

■ Corporate Governance System



■ Nomination and Appointment System of Directors



V Status of Other Matters of the Asahi Group

It includes Financing Activities, Status of Principal Lenders, Status of Capital Expenditures, and Status of Major Establishments and Principal Subsidiaries.

WEB https://www.asahigroup-holdings.com/pdf/ir/shareholders_guide/shareholders_meeting/2025_shoushu_06.pdf



Consolidated Financial Statements and Audit Reports

It includes Consolidated Financial Statements and Audit Reports.

WEB https://www.asahigroup-holdings.com/pdf/ir/shareholders_guide/shareholders_meeting/2025_shoushu_07.pdf



<Sample>

■ Consolidated Financial Statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As of December 31, 2024	As of December 31, 2023
(million yen)		
ASSETS		
Current assets:		
Cash and cash equivalents	83,961	59,945
Trade and other receivables	440,335	465,633
Investments	271,430	267,317
Income tax receivables	4,844	2,530
Other financial assets	17,079	10,469
Other current assets	40,237	40,655
Total current assets	857,891	846,953
Non-current assets:		
Property, plant and equipment	905,441	888,070
Goodwill and intangible assets	3,353,896	3,283,948
Investments accounted for using equity method	11,369	11,081
Other financial assets	143,540	151,168
Deferred tax assets	41,469	40,544
Defined benefit asset	44,100	36,515
Other non-current assets	15,694	19,629
Total non-current assets	4,545,914	4,438,960
Total assets	5,403,805	5,285,913

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	For the year ended December 31, 2024	For the year ended December 31, 2023
(million yen)		
Revenue		
Revenue	2,939,422	2,769,091
Cost of sales	(1,841,741)	(1,770,157)
Gross profit	1,097,681	998,933
Selling, general and administrative expenses	(812,559)	(735,252)
Other operating income	25,204	8,300
Other operating expenses	(41,273)	(25,981)
Operating profit	269,052	244,999
Finance income	18,176	14,118
Finance costs	(20,767)	(18,121)
Share of profit (loss) of investments accounted for using equity method	548	875
Profit before tax	266,999	241,871
Income tax expense	(75,806)	(75,840)
Profit	195,181	166,031
Profit attributable to:		
Owners of parent	192,080	164,073
Non-controlling interests	1,100	1,957
Total	195,181	166,031

Note: Among matters subject to measures for electronic provision, the following matters are not provided in the documents delivered to shareholders who have requested the delivery of paper-based documents in accordance with the provisions of relevant laws and regulations and Article 15 of the Company's Articles of Incorporation. Accordingly, the documents that are delivered to shareholders who have requested the delivery of paper-based documents are part of the documents included in the scope of audits by the Audit and Supervisory Board Members and the Independent Accounting Auditor when they create their respective audit reports.

- (i) "Systems to Ensure Appropriate Execution of Directors' Duties in Conformity With Laws and Regulations and the Articles of Incorporation, and Other Systems to Ensure Appropriate Business Operations" and "Basic Policy Concerning the Persons Who Control Decisions on the Company's Financial and Business Policy" in the Business Report
- (ii) "Consolidated Statement of Changes in Equity" and "Notes to the Consolidated Financial Statements" of the Consolidated Financial Statements
- (iii) "Non-consolidated Financial Statements"
- (iv) "Independent Accounting Auditor's Report on Non-Consolidated Financial Statements"
- (v) "Criteria for Independence of Outside Directors"

- * Matters subject to measures for electronic provision are also available on the website for posted informational materials for the general meeting of shareholders. If you are unable to access matters subject to measures for electronic provision via the Company's website, please navigate to the website for posted informational materials for the general meeting of shareholders by using the following URL and refer to them at that location.

WEB <https://d.sokai.jp/2502/teiji/>

Note: The website is in Japanese.

- * In addition to the above, they are also available on the website of the Tokyo Stock Exchange. If you are unable to access matters subject to measures for electronic provision via the above-mentioned website, please access the Tokyo Stock Exchange "Listed Company Search" website. Enter the issue name (ASAHI GROUP HOLDINGS) or the code (2502) to search, then select "Basic information" followed by "Documents for public inspection/PR information" and refer to the "[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting]."

WEB <https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

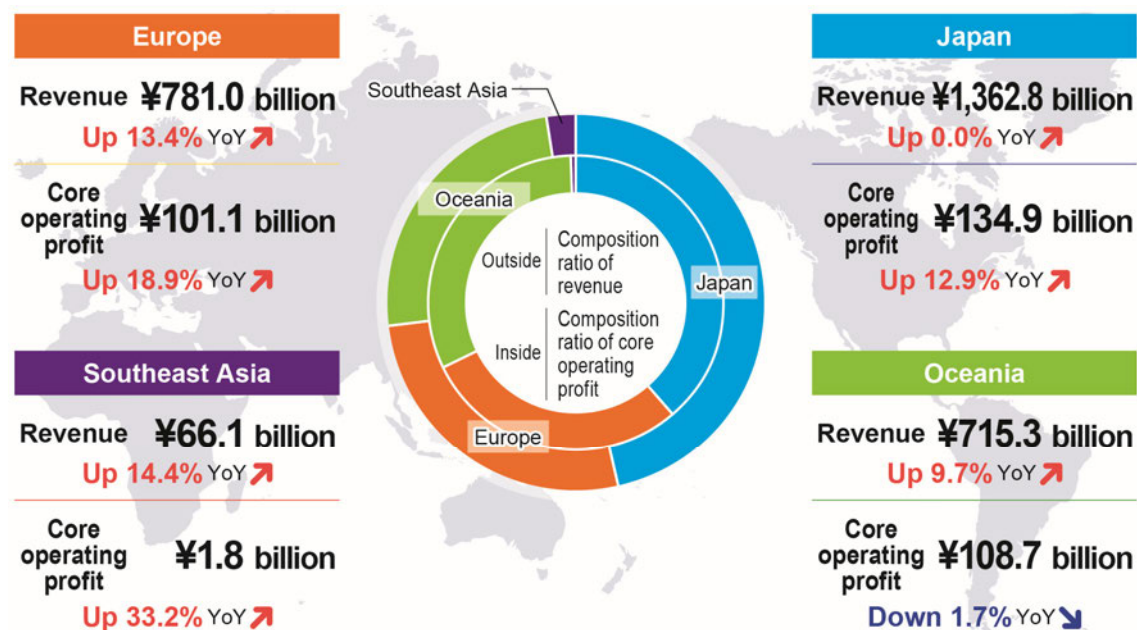
BUSINESS HIGHLIGHTS

[Consolidated earnings^{*1} for the 101st term (from January 1, 2024 to December 31, 2024)]

Revenue	Core operating profit ^{*3}	Operating profit	Profit attributable to owners of parent
¥2,939.4 billion up 6.2% YoY [*] ↗ (up 2.1%) ^{*2} ↗	¥285.1 billion up 8.1% YoY ↗ (up 3.7%) ^{*2} ↗	¥269.0 billion up 9.8% YoY ↗	¥192.0 billion up 17.1% YoY ↗
100 th Term FY2023	100 th Term FY2023	100 th Term FY2023	100 th Term FY2023
101 st Term FY2024	101 st Term FY2024	101 st Term FY2024	101 st Term FY2024

* YoY: Year on Year

[Financial results by segment for the 101st term (from January 1, 2024 to December 31, 2024)]



*1 Consolidated earnings include the businesses of "Others" such as the Korean alcohol beverage business and feedstuffs business that are not included in "Japan," "Europe," "Oceania," and "Southeast Asia" segments, as well as "adjustment" that is the elimination amount of intersegment revenue.

*2 Foreign currency amounts in 2024 are compared after conversion to the yen equivalent using the 2023 exchange rate.

*3 Core operating profit is the Company's original indicator of profit, which measures the ordinary business earnings calculated by deducting cost of sales and selling, general and administrative expenses from revenue.

Note: The stated amounts in the Business Highlights are the figures after truncating fractions less than the representative unit, and the stated percentages are the figures after rounding off fractions to the representative unit.

TRANSITION TO A COMPANY WITH NOMINATING COMMITTEE, ETC.

Subject to approval at this Annual General Meeting of Shareholders, the Company will transition from a Company with an Audit and Supervisory Board to a Company with Nominating Committee, etc. This section will describe the purpose of the transition to a Company with Nominating Committee, etc., and the new structure after the transition.

I Purpose of Transition

The Company will make the transition to a Company with Nominating Committee, etc., in order to further clarify and enhance management's supervisory and executory roles, and establish an organizational audit system.

In April 2024, the Company established the Group CxO position, which redefined the existing CxO*¹ function. The Company also transitioned to an executive structure in which the CEO of each RHQ*² (Region CEO) participates in the management of the entire Group.

The Executive Committee, which was established at the same time as an advisory body to the Group CEO, is composed of Group CxOs and Region CEOs, etc. It has been set up to discuss themes related to group-wide strategies and cross-group measures, and advise the Group CEO.

Through these measures, we will change the Company's institutional design and transition to being a Company with Nominating Committee, etc. in order to effectively supervise the greatly enhanced executive structure.

Furthermore, regarding our auditing system, in response to the expansion of the organization as a result of globalization, we will establish an efficient, comprehensive, and more effective auditing system by adopting an organizational auditing structure with an audit committee.

*1 A general term referring to the head of a specific management execution function (x).

*2 RHQ stands for Regional Headquarters.

II Important Elements of New Structure

1) Board of Directors

Even under our current structure as a Company with an Audit and Supervisory Board, the majority of the Company's directors are Independent Outside Directors. After transitioning to the structure of a Company with Nominating Committee, etc., the majority of the Company's directors will likewise be Outside Directors. In addition, in order to more clearly separate the supervisory and executive functions and ensure the effectiveness of supervision, the Chairperson of the Board of Directors will be selected from among the Independent Outside Directors (see ① on the right).

2) Three Statutory Committees (Nomination Committee, Audit Committee, Compensation Committee)

In order to ensure that the three committees have both the statutory majority of Independent Outside Directors and the independence required of the three committees, the Chairperson of each committee will be selected from among the Independent Outside Directors (see ② on the right).

3) Structure of Executive Officers

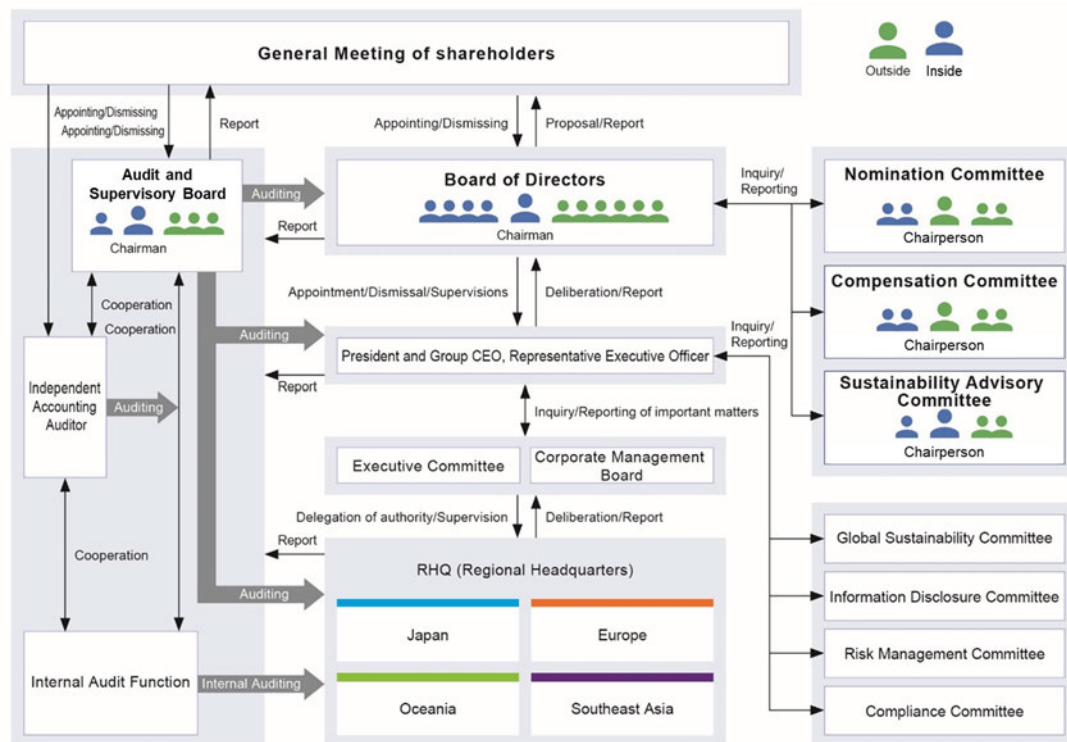
We will clarify the separation of the supervisory and executive functions by, in principle, delegating the execution of business to the Executive Officers (see ③ on the right), thereby strengthening both the supervisory and executive functions.

Furthermore, when it comes to appointing Executive Officers, the following shall be considered as the roles of Executive Officers in the execution of their duties. Those who fulfill the corresponding professional responsibilities shall be appointed as Executive Officers.

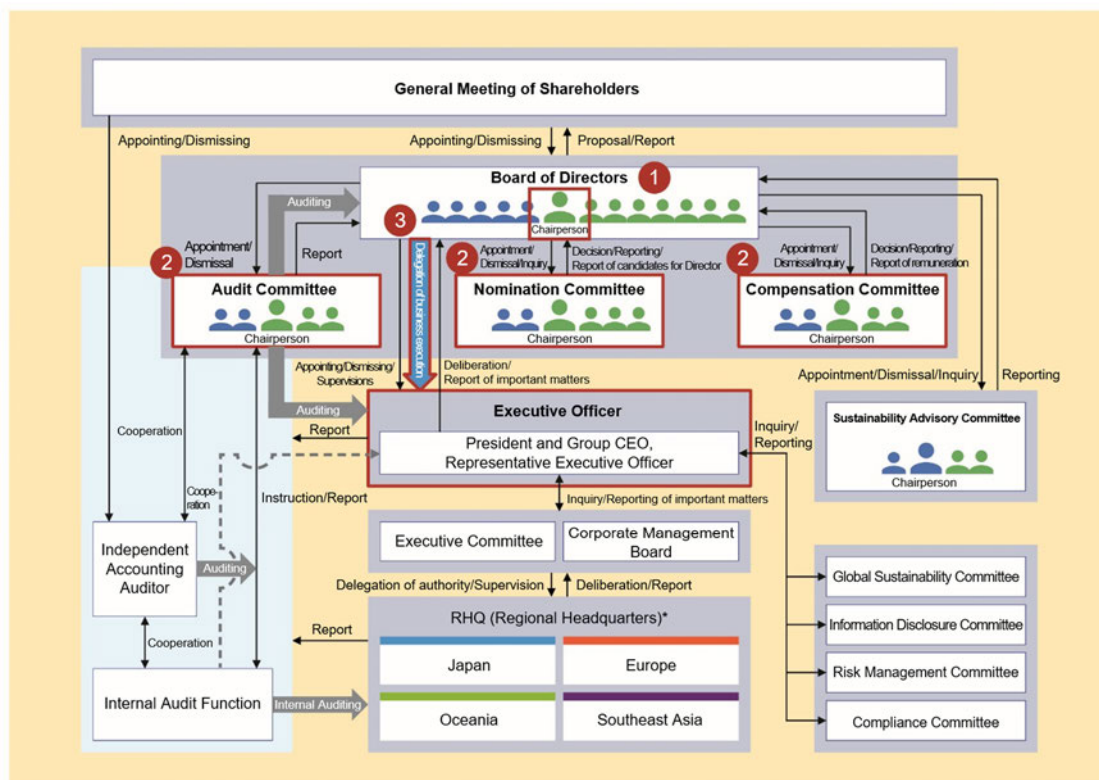
- Group CEO, Group CxO (Group CEO is serving as Representative Executive Officer)
- Corporate Secretary
- Senior Vice President

III Structure After the Transition

[Current structure]



[New structure]



* As of April 1, 2025, the 4RHQ system consisting of Japan, Europe, Oceania, and Southeast Asia will transition to a 3RHQ system, with the integration of Oceania RHQ and Southeast Asia RHQ.

SHAREHOLDER RETURN POLICIES FOR THE FISCAL YEAR ENDED DECEMBER 2024 AND THE FUTURE

I Shareholder Return Policy for the Fiscal Year Ended December 2024

Until now, the Company has maintained its Medium-Term Guidelines for Financial Policy of prioritizing the allocation of generated free cash flow toward debt reduction and increasing flexibility for investment in growth. While we had aimed for a Net Debt/EBITDA^{*1} level of around 3 times or less in 2024, we managed to lower the ratio to 2.49 times in FY2024, thereby achieving the set guideline.

Based on this progress, we have decided to bring forward by one year the achievement of the target “dividend payout ratio”^{*2} of 40% by 2025,” which was set as a guideline, in order to allocate this fiscal year’s free cash flow toward enhancing shareholder returns. We are therefore proposing a year-end dividend of 27 yen per share in Item 1, “Appropriation of Retained Earnings.” Furthermore, we implemented flexible shareholder returns by conducting a share buyback from October to November 2024.

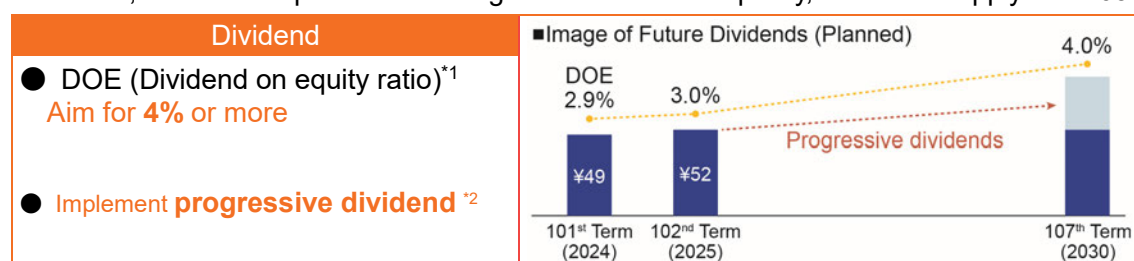
Dividend		Purchase of treasury shares
<ul style="list-style-type: none"> ● Payout ratio: 40.6% (Projection disclosed on February 13, 2024: 38.0%) ● Annual dividend: ¥49 (Projection disclosed on February 13, 2024: ¥44) 	+	<p>¥30.0 billion</p> <p>Total number of shares acquired: 17,172,700 shares (1.13% of total number of issued shares)</p>

*1 Net Debt/EBITDA (EBITDA net debt equity ratio) = (interest-bearing debt - cash)/EBITDA. However, 50% of outstanding subordinated debt is deducted from net debt in the calculation.

*2 Dividend payout ratio is calculated by deducting one-time gains and losses (net of tax), such as business portfolio restructuring and impairment losses, from net income attributable to owners of the parent company.

II Future Shareholder Return Policy

Following an analysis of and investigation into the current state of the Company’s stock price, as well as dialogue with the capital markets, we have updated the guidelines of key performance indicators and the financial policy in our “Medium- to Long-Term Management Policy” that was formulated in 2022. With the aim of continuing to provide more stable dividend increases, we have adopted the following shareholder return policy, which shall apply until 2030.



Purchase of treasury shares	Result	Future plan
	¥30.0 billion	Implementation in a flexible manner based on levels of profit, growth investments, ROE, etc.

*1 Calculated by dividing the total amount of dividends by the total equity attributable to owners of parent.

*2 Progressive dividend: A dividend policy in which the dividend per share is increased every year or at least kept at the same level.

Note on “Shareholder Return Policies for the Fiscal Year Ended December 2024 and the Future”
In consideration of the stock split (3-for-1 stock split) with an effective date of October 1, 2024, the amounts shown for the dividends per share prior to the effective date have been adjusted. The indicated monetary amounts and ratios have been rounded off to the nearest presentation unit.

REFERENCE MATERIALS FOR GENERAL MEETING OF SHAREHOLDERS

— Agenda Items and Reference Information —

Item 1 Appropriation of Retained Earnings

The Company proposes the appropriation of retained earnings in the following manner:

Year-end dividends

Under the “Medium- to Long-Term Management Policy,” which is aimed at implementing the group philosophy, “Asahi Group Philosophy,” the Company has been working to enhance its corporate value through sustainable growth and co-creation with all of its stakeholders, and enhance capacity for future growth investments by prioritizing allocation of the generated free cash flows to the reduction of debt. For Net Debt/EBITDA^{*1}, the Company aimed for a level of around 3 times in 2024, and achieved this guideline by reducing Net Debt/EBITDA to 2.49 times in FY2024. In light of this progress, the Company has set a policy with a dividend payout ratio^{*2} of 40% for FY2024 as described in “I Shareholder Return Policy for the Fiscal Year Ended December 2024” on page 13.

In order to realize this policy, regarding the year-end dividend for this fiscal year, taking into consideration a variety of factors, including our consolidated financial condition, the Company has revised upward the dividend forecast announced in August 2024 and proposes to pay a year-end dividend of ¥27 per share.

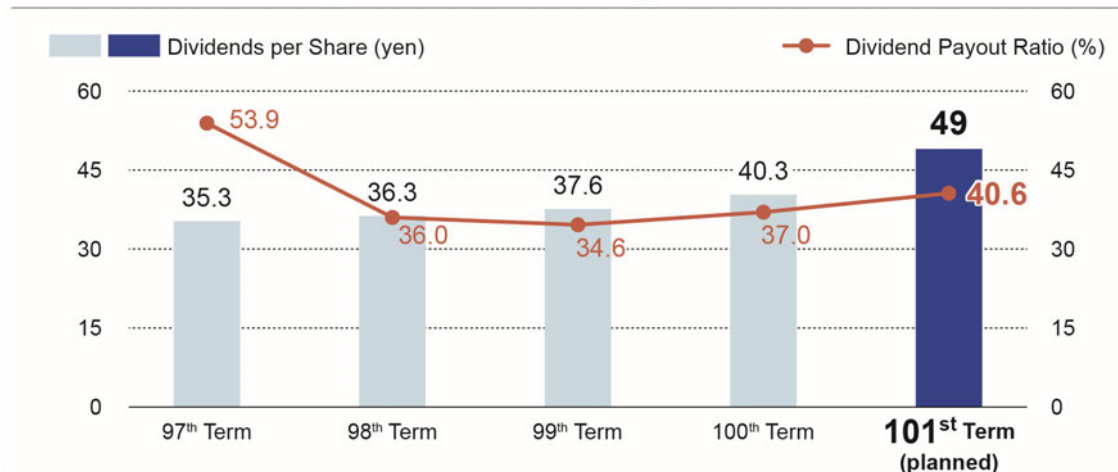
Since the Company previously paid out ¥22 per share as an interim-period dividend, the annual dividend for this fiscal year will amount to ¥49 per share, which is an increase of ¥8.7 per share from the previous fiscal year, for a dividend payout ratio of 40.6%.

*1 Net Debt/EBITDA (EBITDA net debt equity ratio) = (interest-bearing debt - cash)/EBITDA. However, 50% of outstanding subordinated debt is deducted from net debt in the calculation.

*2 Dividend payout ratio is calculated by deducting one-time gains and losses (net of tax), such as business portfolio restructuring and impairment losses, from net income attributable to owners of the parent company.

- (1) **Type of dividend asset**
Cash
- (2) **Allocation of dividend assets to shareholders and total amount of allocation**
¥27 per share of common stock
Total amount of payout: ¥40,587,738,201
- (3) **Effective date of dividends of Retained Earnings**
March 27, 2025

■ Trends in Annual Dividend per Share and Dividend Payout Ratio



Note to Item 1 “Appropriation of Retained Earnings”:

In consideration of the stock split (3-for-1 stock split) with an effective date of October 1, 2024, the amounts shown for the dividends per share prior to the effective date have been adjusted (rounded down to the first decimal place).

Item 2 Partial Amendment to the Articles of Incorporation

The Company proposes to amend the Articles of Incorporation of the Company as follows:

1 Reason for the amendments

- (1) To further clarify and strengthen management's supervision and execution roles and establish a better organized audit system, the Company will change its corporate institutional design from a Company with an Audit and Supervisory Board to a Company with Nominating Committee, etc. In accordance with this change, the Company proposes to make the amendments mainly to newly establish provisions related to each committee and Executive Officers and delete provisions related to the Audit and Supervisory Board Members and the Audit and Supervisory Board.
- (2) Other necessary changes, including the revision of wording, will be made accompanying the above amendments.

The amendments to the Articles of Incorporation related to this item shall take effect upon the conclusion of this General Meeting of Shareholders.

2 Amendment details

The proposed amendments are as follows:

(Amended parts are underlined)

Current Articles of Incorporation	Proposed Amendments
<p>Chapter 1. General provisions</p> <p>Article 1~3 (Provisions omitted)</p> <p>Article 4. Organs The Company shall have the following organs further to the general meeting of shareholders and Directors.</p> <p>(1) Board of Directors (2) <u>Corporate Auditors</u> (3) <u>Board of Corporate Auditors</u> (4) Independent Accounting Auditors</p> <p>Article 5 (Provisions omitted)</p> <p>Chapter 2. Shares</p> <p>Article 6~11 (Provisions omitted)</p> <p>Chapter 3. General meeting of shareholders</p> <p>Article 12~13 (Provisions omitted)</p> <p>Article 14. Convocator and Chairman 1. <u>Unless otherwise provided for by laws and regulations</u>, the general meeting of shareholders</p>	<p>Chapter 1. General provisions</p> <p>Article 1~3(Not amended)</p> <p>Article 4. Organs The Company shall have the following organs further to the general meeting of shareholders and Directors.</p> <p>(1) Board of Directors (2) <u>Nomination Committee, Audit Committee and Compensation Committee</u> (3) <u>Executive Officers</u> (4) Independent Accounting Auditors</p> <p>Article 5 (Not amended)</p> <p>Chapter 2. Shares</p> <p>Article 6~11(Not amended)</p> <p>Chapter 3. General meeting of shareholders</p> <p>Article 12~13(Not amended)</p> <p>Article 14. Convocator and Chairman 1. The general meeting of shareholders shall be convened by a <u>Director determined in advance by</u></p>

Current Articles of Incorporation	Proposed Amendments
<p>shall be convened and chaired by <u>the President pursuant to</u> resolution of the Board of Directors of the Company.</p> <p>2. <u>If the President</u> is unable to act, the other Directors shall preside in his place according to the order determined in advance by resolution of the Board of Directors of the Company.</p>	<p>resolution of the Board of Directors of the Company. <u>Provided, however, if such Director is unable to act, the other Director shall convene the general meeting of shareholders in accordance with the order determined in advance by resolution of the Board of Directors of the Company.</u></p> <p>2. <u>The Chairman of the general meeting of shareholders shall be a Director or Executive Officer determined by resolution of the Board of Directors of the Company.</u> <u>Provided, however, if such Director or Executive Officer is unable to act, the other Director or Executive Officer shall preside in his or her place according to the order determined in advance by resolution of the Board of Directors of the Company.</u></p>
Article 15~17 (Provisions omitted)	Article 15~17(Not amended)
<p>Chapter 4. Directors and Board of Directors</p>	<p>Chapter 4. Directors and Board of Directors</p>
<p>Article 18. Number of Directors The Company shall have not more than <u>15</u> Directors.</p>	<p>Article 18. Number of Directors The Company shall have not more than <u>20</u> Directors.</p>
Article 19~20 (Provisions omitted)	Article 19~20(Not amended)
<p><u>Article 21. Representative Director and Executive Directors</u></p> <p>1. <u>The Board of Directors of the Company shall appoint Representative Directors by its resolution.</u></p> <p>2. <u>The Representative Directors shall represent the Corporation and execute the business of the Company.</u></p> <p>3. <u>The Board of Directors of the Company may appoint one Chairman of the Board, one President, and one or more Vice Chairman of the Board, Executive Vice Presidents, Senior Managing Directors and Managing Directors as Executive Directors by its resolution.</u></p>	<p>(Deletion)</p>
<p>Article <u>22</u>. Board of Directors Unless otherwise provided for by laws and</p>	<p>Article <u>21</u>. Board of Directors Unless otherwise provided for by laws and</p>

Current Articles of Incorporation	Proposed Amendments
<p>regulations, the Board of Directors of the Company shall be convened and chaired by <u>the Chairman</u>.</p> <p>Provided, however, if the <u>Chairman</u> is unable to act, the other Directors shall preside in <u>his</u> place according to the order determined in advance by resolution of the Board of Directors of the Company.</p> <p>2. Convocation notice of the Board of Directors of the Company shall be sent to each Director <u>and Corporate Auditors</u> at least three days prior to the date of the meeting. Provided, however, that this period may be shortened in case of urgency.</p> <p>3. Subject to prior consent of all Directors <u>and Corporate Auditors</u>, the Board of Directors of the Company may be held without a convocation procedure in the preceding Paragraph.</p> <p>Article <u>23~24</u> (Provisions omitted)</p> <p>Article 25. Remunerations Directors' remuneration, bonuses and other financial profits payable by the Company as consideration for the execution of business ("Remunerations") shall be determined by resolution of the <u>general meeting of shareholders</u>.</p> <p>Article <u>26</u> (Provisions omitted)</p>	<p>regulations, the Board of Directors of the Company shall be convened and chaired by <u>a Director determined in advance by resolution of the Board of Directors of the Company</u>.</p> <p>Provided, however, if <u>such Director</u> is unable to act, the other Directors shall preside in <u>his or her</u> place according to the order determined in advance by resolution of the Board of Directors of the Company.</p> <p>2. Convocation notice of the Board of Directors of the Company shall be sent to each Director at least three days prior to the date of the meeting. Provided, however, that this period may be shortened in case of urgency.</p> <p>3. Subject to the prior consent of all Directors, the Board of Directors of the Company may be held without a convocation procedure in the preceding Paragraph.</p> <p>Article <u>22~23</u>(Not amended)</p> <p>Article 24. Remunerations Directors' remuneration, bonuses, and other financial profits payable by the Company as consideration for the execution of business ("Remunerations") shall be determined by resolution of the <u>Compensation Committee of the Company</u>.</p> <p>Article <u>25</u>(Not amended)</p>
<p style="text-align: center;"><u>Chapter 5 Corporate Auditors and Board of Auditors</u></p> <p>Article 27. Number of Corporate Auditors <u>The Company shall have not more than 6 Corporate Auditors.</u></p> <p>Article 28. Election of Corporate Auditors <u>1. Corporate Auditors shall be elected by resolution of the general meeting of shareholders.</u> <u>2. For the purpose of resolution for the election of Corporate Auditors, the attendance of</u></p>	<p style="text-align: center;">(Deletion)</p> <p>(Deletion)</p> <p>(Deletion)</p>

Current Articles of Incorporation	Proposed Amendments
<u>shareholders holding not less than one-third of all shareholders entitled to exercise their voting rights at the general meeting of shareholders, and a majority of voting rights of shareholders so present shall be required.</u>	
<u>Article 29. Term of office of Corporate Auditors</u> <u>Term of office of Corporate Auditors shall expire at the conclusion of the annual general meeting of shareholders held for the last business year ending last within 4 years after the election.</u>	(Deletion)
<u>Article 30. Standing Corporate Auditors</u> <u>The Board of Corporate Auditors shall appoint Standing Corporate Auditors from among Corporate Auditors.</u>	(Deletion)
<u>Article 31. Board of Corporate Auditors</u> <u>1. The Board of Corporate Auditors shall be convened by each Corporate Auditor.</u> <u>2. Convocation notice of the Board of Corporate Auditors shall be sent to each corporate auditor at least three days prior to the date of the meeting. Provided, however, that this period can be shortened in case of urgency.</u> <u>3. Subject to consent of all Corporate Auditors, the Board of Corporate Auditors can be held without a convocation procedure in the preceding Paragraph.</u>	(Deletion)
<u>Article 32. Regulations of the Board of Corporate Auditors</u> <u>Matters concerning the Board of Corporate Auditors shall be governed by the provisions of laws and regulations or the Articles of Incorporation of the Company and Regulations of the Board of Corporate Auditors established by the Board of Corporate Auditors.</u>	(Deletion)
<u>Article 33. Remunerations</u> <u>Remunerations of Corporate Auditors shall be determined by resolution of the general meeting of shareholders.</u>	(Deletion)

Current Articles of Incorporation	Proposed Amendments
<p><u>Article 34. Agreement limiting liability with Corporate Auditors</u></p> <p><u>The Company may, in accordance with the provisions of Paragraph 1, Article 427 of the Companies Act, conclude agreements with Corporate Auditors to limit the liability for damages pursuant to Paragraph 1, Article 423 of the Companies Act. Provided, however, that the liability limit amount under such agreements shall be the higher of either a predetermined amount of not less than 10 million yen or the minimum liability amount provided for by laws and regulations.</u></p>	<p>(Deletion)</p>
<p>(Newly introduced)</p>	<p>Chapter 5. Nomination Committee, Audit Committee, and Compensation Committee</p>
<p>(Newly introduced)</p>	<p><u>Article 26. Number of Members of the Nomination Committee, Audit Committee, and Compensation Committee</u></p> <p><u>The Nomination Committee, Audit Committee, and Compensation Committee of the Company shall be composed of three or more Directors, and the majority of them shall be Outside Directors.</u></p>
<p>(Newly introduced)</p>	<p><u>Article 27. Election of Nomination Committee, Audit Committee, and Compensation Committee Members</u></p> <p><u>Members of the Nomination Committee, Audit Committee, and Compensation Committee of the Company shall be elected from among the Directors by resolution of the Board of Directors of the Company.</u></p>
<p>(Newly introduced)</p>	<p><u>Article 28, Regulations of Committees</u></p> <p><u>Matters concerning the Nomination Committee, Audit Committee, and Compensation Committee of the Company shall be governed by the provisions of laws and regulations or the Articles of Incorporation of the Company, and the respective Regulations of Committee established by the Board of Directors of the Company.</u></p>

Current Articles of Incorporation	Proposed Amendments
(Newly introduced)	<u>Chapter 6. Executive Officers</u>
(Newly introduced)	<u>Article 29. Number of Executive Officers</u> <u>The Company shall have at least one Executive Officer.</u>
(Newly introduced)	<u>Article 30. Election of Executive Officers</u> <u>Executive Officers shall be elected by resolution of the Board of Directors of the Company.</u>
(Newly introduced)	<u>Article 31. Term of office of Executive Officers</u> <u>Term of office of Executive Officers shall expire at the conclusion of the first Board of Directors meeting of the Company convened after the conclusion of the annual general meeting of shareholders held for the last business year ending within one year after the election.</u>
(Newly introduced)	<u>Article 32. Representative Executive Officer and Executive Officers with Specific Titles</u> <u>The Board of Directors of the Company shall appoint Representative Executive Officers from among the Executive Officers by its resolution.</u>
(Newly introduced)	<u>2. The Board of Directors of the Company may appoint Executive Officers with specific titles from among the Executive Officers by its resolution.</u>
Chapter 6. Independent Accounting Auditors	Chapter 7. Independent Accounting Auditors
Article <u>35~36</u> (Provisions omitted)	Article <u>33~34</u> (Not amended)
Article <u>37</u> . Remunerations Remunerations of Independent Accounting Auditors shall be determined by <u>the Representative Director subject to consent of the Board of Corporate Auditors.</u>	Article <u>35</u> . Remunerations Remunerations of Independent Accounting Auditors shall be determined by <u>the Director determined in advance by resolution of the Board of Directors of the Company, subject to the consent of the Audit Committee of the Company.</u>
Chapter 7. Accounts	Chapter 8. Accounts
Article <u>38~40</u> (Provisions omitted)	Article <u>36~38</u> (Not amended)

Item 3 Appointment of Thirteen (13) Directors

At the conclusion of this Annual General Meeting of Shareholders, the terms of office of all Directors will expire. In addition, if Item 2 “Partial Amendment to the Articles of Incorporation” is approved as originally proposed, the Company will transition from a Company with an Audit and Supervisory Board to a Company with Nominating Committee, etc., and the terms of office of all Audit and Supervisory Board Members will expire. Accordingly, subject to approval and adoption of Item 2, the Company asks the shareholders to appoint thirteen Directors.



The Company has decided that the Board of Directors is to be composed of persons suitable as the Company’s Directors who have abundant experience, extensive insight, and high-level expertise and ability required by the Company, with reference to the “Board of Directors Skill Matrix,” which clearly states the personal requirements of the Company’s Directors.

The Company’s Board of Directors, under the current structure of a Company with an Audit and Supervisory Board, is already structured so that Independent Outside Directors make up the majority of its members. After transitioning to a Company with Nominating Committee, etc., in order to properly maintain the current capabilities of the Board of Directors which possesses both effective supervising capability originated from a high level of independence and decision-making capability, the Board of Directors will fundamentally maintain its current structure while expanding its capabilities to include those required for auditing the execution of business by Directors and Executive Officers as an Audit Committee. The current structure of the Audit and Supervisory Board (and its members) will in principle be transferred to the Audit Committee to ensure such expansion of capabilities necessary for auditing.

The nomination of the candidates for the positions of Director has been deliberated at the voluntary “Nomination Committee,” of which Independent Officers form a majority of the members and which is chaired by an Outside Director who is an Independent Officer.

The candidates for Directors are provided below.

Candidate Number	Name	Position	Tenure
1	 Atsushi Katsuki Reappointment	President and Group CEO* ¹ , Representative Director	8 years
2	 Keizo Tanimura Reappointment	Director EVP* ² and Group CPO* ³	6 years
3	 Kaoru Sakita Reappointment	Director EVP and Group CFO* ⁴	3 years
4	 Kenichiro Sasae Reappointment Outside Independent	Outside Director (Independent Officer)	3 years
5	 Tetsuji Ohashi Reappointment Outside Independent	Outside Director (Independent Officer)	3 years
6	 Mari Matsunaga Reappointment Outside Independent	Outside Director (Independent Officer)	2 years
7	 Chika Sato Reappointment Outside Independent	Outside Director (Independent Officer)	1 year
8	 Melanie Brock Reappointment Outside Independent	Outside Director (Independent Officer)	1 year
9	 Yukitaka Fukuda New candidate	Standing Audit and Supervisory Board Member	–
10	 Akiko Oshima New candidate	Standing Audit and Supervisory Board Member	–
11	 Shigeo Ohyagi New candidate Outside Independent	Outside Audit and Supervisory Board Member (Independent Officer)	–

Candidate Number	Name	Position	Tenure
12	 Sanae Tanaka New candidate Outside Independent	Outside Audit and Supervisory Board Member (Independent Officer)	—
13	 Akiko Miyakawa New candidate Outside Independent	—	—

Reappointment: candidate for reappointment

Outside: candidate for Outside Director

*1 CEO stands for Chief Executive Officer.

*2 EVP stands for Executive Vice President.

*3 CPO stands for Chief People Officer.

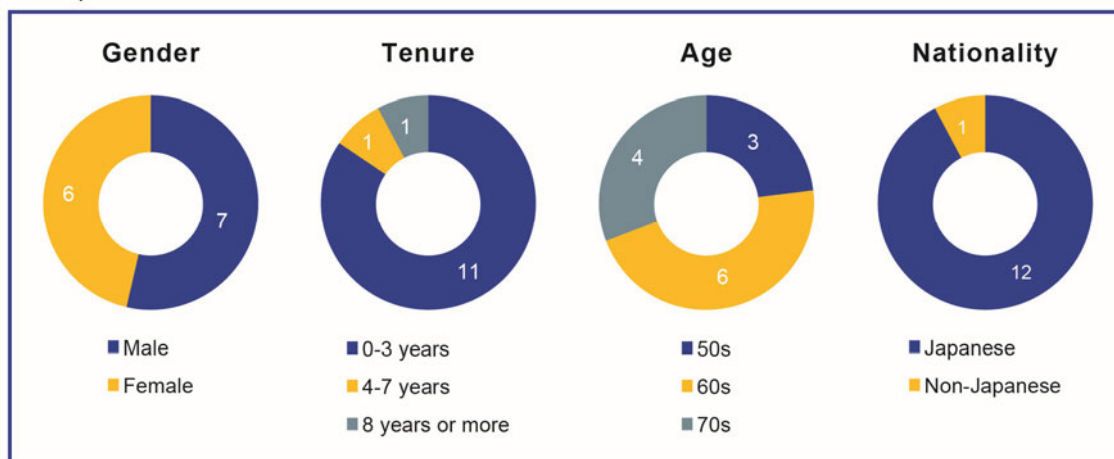
*4 CFO stands for Chief Financial Officer.

New candidate: candidate for new appointment

Independent: candidate for Independent Officer

- Notes:
1. The position and age are as of this Annual General Meeting of Shareholders, and tenure is as of the conclusion of this Annual General Meeting of Shareholders.
 2. There are no special interests between any of the candidates and the Company.
 3. The Company has entered into a directors and officers liability insurance policy with an insurance company. Summary of contents of the insurance policy is described under “V Status of Other Matters of the Asahi Group, [8. Directors and Audit and Supervisory Board Members of the Company], (5) Summary of a directors and officers liability insurance policy.” This is a matter subject to measures for electronic provision. Each of the candidates for reappointment and newly appointed candidates Yukitaka Fukuda, Akiko Oshima, Shigeo Ohyagi and Sanae Tanaka are already listed as an insured person under the insurance policy and will continue to be listed as an insured person upon approval of their appointment. In addition, newly appointed candidate Akiko Miyakawa will be listed as an insured person upon approval of her appointment. The Company plans to renew the said policy with the same terms during the terms of their office.

■Composition



■ Board of Directors Skill Matrix

Candidate Number	Long-term strategy	Global affairs	Sustainability	Discontinuous growth	Senior leadership	Finance & Accounting	Legal affairs & Compliance	Risk governance & Internal control	Human resources & Culture	Operational processes
1	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>			<input type="radio"/>	<input type="radio"/>
2		<input type="radio"/>	<input type="radio"/>				<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
3	<input type="radio"/>	<input type="radio"/>		<input type="radio"/>		<input type="radio"/>		<input type="radio"/>		<input type="radio"/>
4	<input type="radio"/>	<input type="radio"/>			<input type="radio"/>			<input type="radio"/>	<input type="radio"/>	
5	<input type="radio"/>	<input type="radio"/>		<input type="radio"/>	<input type="radio"/>					<input type="radio"/>
6			<input type="radio"/>	<input type="radio"/>	<input type="radio"/>				<input type="radio"/>	
7		<input type="radio"/>		<input type="radio"/>	<input type="radio"/>				<input type="radio"/>	
8		<input type="radio"/>	<input type="radio"/>		<input type="radio"/>				<input type="radio"/>	
9					<input type="radio"/>	<input type="radio"/>		<input type="radio"/>		<input type="radio"/>
10		<input type="radio"/>					<input type="radio"/>	<input type="radio"/>		<input type="radio"/>
11	<input type="radio"/>	<input type="radio"/>			<input type="radio"/>			<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
12			<input type="radio"/>				<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	
13		<input type="radio"/>				<input type="radio"/>		<input type="radio"/>		<input type="radio"/>

Board of Directors Skill Matrix

Subject to approval of Item 2 “Partial Amendment to the Articles of Incorporation,” the Company will make the transition to a Company with Nominating Committee, etc. Following the transition, in addition to establishing a structure whereby business execution is delegated to Executive Officers and supervised by the Board of Directors, the audit of business execution that had hitherto been conducted by the Audit and Supervisory Board Members will be the responsibility of Audit Committee Members who are selected from among Directors.

The Company has identified the skills needed to “make a contribution to enhancing corporate value over the medium to long term” from among those skills required for the previous approach to supervision and for decision-making on important matters of business execution, from which it has formulated a new skill matrix that integrates the necessary skills for the auditing of business execution.

Definition of each skill included in the “Board of Directors Skill Matrix” is as follows:

Skill	Definition
Long-term strategy	<ul style="list-style-type: none"> Ability to assess societal changes over the long term and the ultra-long term Ability to guide according to strategy informed by backcasting from an envisioned future
Global affairs	<ul style="list-style-type: none"> Ability to supervise strategies from a global perspective and frame of reference Ability to optimize a blend of local and global
Sustainability	<ul style="list-style-type: none"> Ability to provide leadership for the creation of social impact through the business Ability to provide direction of management rooted in knowledge and insight on ESG
Discontinuous growth	<ul style="list-style-type: none"> Ability to transform the business structure and earnings model Ability to encourage innovation and explore new areas of business
Senior leadership	<ul style="list-style-type: none"> Ability to accurately assess the status of business execution and raise related issues Ability to evaluate business execution by leadership team
Finance & Accounting	<ul style="list-style-type: none"> Ability to grasp the state of management and resource allocation from performance and management indices and to raise related issues Supervisory ability based on expert knowledge and insight in finance and accounting
Legal affairs & Compliance	<ul style="list-style-type: none"> Supervisory ability based on expert knowledge and insight in legal matters Ability to supervise the establishment and operating status of compliance systems
Risk governance & Internal control	<ul style="list-style-type: none"> Ability to grasp the state of risk control and governance in place for business execution, and to raise related issues Ability to supervise the establishment and operating status of internal control systems
Human resources & Culture	<ul style="list-style-type: none"> Ability to evaluate the status of diverse human resources being able to demonstrate their capabilities Ability to grasp the state of corporate culture and raise related issues
Operational processes	<ul style="list-style-type: none"> Ability to supervise the appropriateness of operational processes based on corporate management experience, and on management and executive experience at the Company


Note that the “Board of Directors Skill Matrix” lists the skills that candidates are expected to exhibit for their roles, and does not represent all the knowledge and experience possessed by each candidate.

■ Chairperson of the Board of Directors after transition (planned)

Shigeo Ohyagi (Outside Director)

■ Composition of new committees after transition (planned)

(1) Nomination Committee		(2) Audit Committee		(3) Compensation Committee	
Chairperson		Chairperson		Chairperson	
Kenichiro Sasae	(Outside Director)	Sanae Tanaka	(Outside Director)	Tetsuji Ohashi	(Outside Director)
Member		Member		Member	
Tetsuji Ohashi	(Outside Director)	Shigeo Ohyagi	(Outside Director)	Kenichiro Sasae	(Outside Director)
Member		Member		Member	
Shigeo Ohyagi	(Outside Director)	Akiko Miyakawa	(Outside Director)	Chika Sato	(Outside Director)
Member		Member		Member	
Chika Sato	(Outside Director)	Yukitaka Fukuda	(Director)	Keizo Tanimura	(Director)
Member		Member		Member	
Atsushi Katsuki	(Director)	Akiko Oshima	(Director)	Kaoru Sakita	(Director)
Member					
Keizo Tanimura	(Director)				



Candidate
Number

1

Atsushi Katsuki

Reappointment

Date of Birth (Age): March 17, 1960 (65 years old)

Owned Shares of the Company: 8,394 shares

Tenure: 8 years

Attended BOD* meetings (FY2024): 12/12

Reasons for recommending Atsushi Katsuki as a candidate for Director

Since being appointed as a Director of the Company in 2017, Atsushi Katsuki has been responsible for alliances & M&As and many domestic and overseas businesses, and has a track record that includes promoting the restructuring of the business portfolio. Serving as President and Group CEO, Representative Director, he has worked to realize sustainable growth in our existing businesses, centered on beer, while leveraging the foundation of those businesses to expand into peripheral and new businesses and service domains, based on the “Medium- to Long-Term Management Policy” enlisting an approach that entails backcasting from megatrends. In addition, he has endeavored to reform the executive structure with the aim of strengthening group governance and maximizing corporate value. Moreover, while increasing the competitiveness of each of the Company’s Regional Headquarters in areas including Japan, Europe, Oceania, and Southeast Asia, he has also built systems to create synergies between these regions.

Furthermore, he sufficiently possesses the insight, expertise, and ability required as a Director of the Company through his experience as Group CEO of overseas Regional Headquarters, a Director and CFO of the Company. In particular, he can be expected to demonstrate insight and expertise regarding long-term strategy, sustainability, senior leadership, finance & accounting, human resources & culture, and operational processes, as well as skills toward discontinuous growth supported by knowledge and experience regarding M&A, and supervision and decision-making abilities from a global perspective, using his extensive experience overseas.

Accordingly, we deem that Atsushi Katsuki will continue to be 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 after the transition to a Company with Nominating Committee, etc., and thus we recommend his reappointment as a Director.

Position President and Group CEO, Representative Director


Responsibilities Overall Management, Corporate Strategy, Public Relations, IR

Career Summary

Apr. 1984	Joined The Nikka Whisky Distilling Co., Ltd
Sep. 2002	Transferred to the Company
Oct. 2011	Managing Director of Asahi Holdings (Australia) Pty Ltd
Apr. 2014	Director, Group CEO of Asahi Holdings (Australia) Pty Ltd
Mar. 2016	Executive Officer of the Company Director, Group CEO of Asahi Holdings (Australia) Pty Ltd
Mar. 2017	Director, Executive Officer of the Company
Mar. 2018	Managing Director, Managing Executive Officer
Mar. 2019	Managing Director, Managing Executive Officer, CFO* ²
Mar. 2020	Senior Managing Director and Senior Managing Executive Officer, CFO
Mar. 2021	President and CEO, Representative Director

Mar. 2024 President and Group CEO, Representative Director
(to the present)

* BOD stands for Board of Directors.



Candidate Number

2

Keizo Tanimura

Reappointment

Date of Birth (Age): August 11, 1965 (59 years old)

Owned Shares of the Company: 15,369 shares

Tenure: 6 years

Attended BOD meetings (FY2024): 12/12

Reasons for recommending Keizo Tanimura as a candidate for Director

Since being appointed as a Director of the Company in 2019, Keizo Tanimura's responsibilities have included administration and governance. His track record includes promoting a succession planning system for the Group's executives and the construction of a system for human resources and compensation global policy, and he has also promoted reinforcement of the operating foundation of governance for increasing the effectiveness of the Board of Directors. Moreover, he built a track record that includes numerous achievements such as driving significant improvement in external ESG assessments through his efforts in promoting the integration of sustainability and management as well as environmental measures including reducing CO₂ emissions. His efforts have also resulted in high scores with respect to employee engagement from coordinating initiatives among the Regional Headquarters, which involved drawing up a Group-wide personnel policy and engaging in diversity, equity and inclusion (DE&I) initiatives.

Furthermore, he sufficiently possesses the insight, expertise, and ability required as a Director of the Company through his extensive experience at multiple companies, including as Director of an overseas Regional Headquarters. In particular, he can be expected to demonstrate insight and expertise regarding legal affairs & compliance, and operational processes, human resources & culture skills from a global perspective and sustainability skills through tapping into the power of inclusiveness of diverse cultures while reading the future trends of DE&I and ESG, along with risk governance and internal control skills based on insight and expertise regarding governance.

Accordingly, we deem that Keizo Tanimura will continue to be 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 after the transition to a Company with Nominating Committee, etc., and thus we recommend his reappointment as a Director.

Position Director EVP and Group CPO

Responsibilities HR, General Affairs

Career Summary

Apr. 1989	Joined the Company
Apr. 2016	Senior Officer, General Manager of Human Resources Section
Mar. 2017	Executive Officer, General Manager of Human Resources Section
Sep. 2018	Executive Officer responsible for Global and Local Talent Management
Mar. 2019	Director, Executive Officer
Mar. 2020	Director and Executive Officer, CHRO*
Mar. 2023	Director EVP and CHRO
Mar. 2024	Director EVP and Group CPO (to the present)

* CHRO stands for Chief Human Resource Officer



Candidate
Number

3

Kaoru Sakita

Reappointment

Date of Birth (Age): March 3, 1966 (59 years old)
Owned Shares of the Company: 1,017 shares
Tenure: 3 years
Attended BOD meetings (FY2024): 12/12

Reasons for recommending Kaoru Sakita as a candidate for Director

Since assuming the role of Director of the Company in 2022, Kaoru Sakita has been responsible for the areas of finance, procurement, and IT, and as a Group CFO, he made a track record that includes having contributed to improving the robustness of our financial position by optimizing our global cash management system and by reducing financial liabilities. Additionally, he has promoted the materialization of innovation in three key areas of the Company's DX strategy (processes, organization, and business models) and contributed to improving Group-wide procurement capabilities.

With an extensive experience of having served in the Group in areas that include finance and corporate planning and as a COO* of overseas Regional Headquarters, he has played an important role in the Company's growth enlisting his high-level expertise and knowledge in global management, and he sufficiently possesses the insight, expertise, and ability required as a Director of the Company. In particular, he is expected to demonstrate insight and expertise regarding long-term strategy, finance & accounting, procurement, risk governance & internal control, operational processes, discontinuous growth skills backed by extensive experience in alliances and M&As, and decision-making abilities from a global perspective, using his extensive experience overseas.

Accordingly, we deem that Kaoru Sakita will continue to be 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 after the transition to a Company with Nominating Committee, etc., and thus we recommend his reappointment as a Director.


Position Director EVP and Group CFO

Responsibilities Finance, Procurement, IT

Career Summary

Apr. 1988	Joined the Company
Apr. 2016	Senior Officer, General Manager of Procurement Section
Mar. 2018	Executive Officer, General Manager of Procurement Section
Apr. 2020	Executive Officer, Head of Procurement
Mar. 2022	Director and Executive Officer, CFO
Mar. 2023	Director EVP and CFO
Mar. 2024	Director EVP and Group CFO (to the present)

* COO stands for Chief Operating Officer.

	<div style="border: 1px solid black; padding: 2px; display: inline-block;">Candidate Number</div> <div style="border: 1px solid black; padding: 5px; display: inline-block; font-size: 24px; font-weight: bold;">4</div>	<div style="font-size: 24px; font-weight: bold;">Kenichiro Sasae</div> <div style="margin-top: 10px;"> <div style="display: inline-block; background-color: #0070C0; color: white; padding: 2px 5px; font-size: 8px;">Reappointment</div> <div style="display: inline-block; background-color: #4F81BD; color: white; padding: 2px 5px; font-size: 8px;">Outside Director</div> <div style="display: inline-block; background-color: #FFD700; color: black; padding: 2px 5px; font-size: 8px;">Independent Officer</div> </div> <div style="margin-top: 10px;"> Date of Birth (Age): September 25, 1951 (73 years old) Owned Shares of the Company: — shares Tenure: 3 years Attended BOD meetings (FY2024): 12/12 </div>
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Reasons for recommending Kenichiro Sasae as a candidate for Outside Director

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 Group CEO succession plan, and proposals regarding officer appointments. Furthermore, as a member of the Compensation Committee, he gave specific opinions and recommendations regarding the formulation of new remuneration plans, and proposals made on bonus payments. He is expected to demonstrate expertise in long-term strategy, global affairs, senior leadership, risk governance & internal control, human resources & culture skills supported by his experience and insight.

Accordingly, we deem that Kenichiro Sasae will continue to be 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 after the transition to a Company with Nominating Committee, etc., and thus we recommend his reappointment as an Outside Director.

Position Outside Director

Career Summary

Apr. 1974	Joined Ministry of Foreign Affairs
Mar. 2002	Director-General of Economic Affairs Bureau, Ministry of Foreign Affairs
Jan. 2005	Director-General of Asian and Oceania Affairs Bureau, Ministry of Foreign Affairs
Jan. 2008	Deputy Minister for Foreign Affairs
Aug. 2010	Vice-Minister for Foreign Affairs
Sep. 2012	Ambassador Extraordinary and Plenipotentiary of Japan to the United States of America
Jun. 2018	President and Director General, The Japan Institute of International Affairs
Dec. 2020	President of The Japan Institute of International Affairs (to the present)
Mar. 2022	Outside Director of the Company (to the present)

Significant Concurrent Positions	President of The Japan Institute of International Affairs Outside Director of SEIREN CO., LTD. Outside Director of MITSUBISHI MOTORS CORPORATION External Director of Fujitsu Limited
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Views on independence


Although the Group has transactional relationships with The Japan Institute of International Affairs, where Kenichiro Sasae concurrently serves as President, 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. In addition, while the said entity receives donations from the Company, the amount of donations does not exceed the criteria amount set forth in the “Criteria for independence of Outside Directors.” As such, based on the “Criteria for independence of Outside Directors” 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.

Regarding agreements limiting the liability

To enable him to contribute fully in his role as an Outside Director, the Company has entered into an agreement with Kenichiro Sasae that limits his liability for damages as prescribed in Paragraph 1, Article 423 of the Companies Act. Under the terms of this agreement, his liabilities are limited to ¥20 million or to the minimum amount stipulated by applicable laws and regulations, whichever is higher. If his appointment is approved, the current agreement will be extended.

Violations of laws and regulations or the Articles of Incorporation, or other facts of wrongful execution of duties, etc. at companies where the candidate for outside director served as director, etc. in the past five years

On April 16, 2024, Fujitsu Limited, where Kenichiro Sasae serves as an External Director, received written administrative guidance from Japan’s Ministry of Internal Affairs and Communications following an incident in which a certificate-issuing service operated by Fujitsu Limited issued a certificate of residence to a resident who was different from the applicant. As an External Director of Fujitsu Limited, Kenichiro Sasae fulfilled his responsibilities appropriately after this fact came to light through such actions as engaging in analysis of the causes of the event, and devising suitable measures to prevent a recurrence.



<div style="border: 1px solid black; padding: 2px; display: inline-block;"> Candidate Number 5 </div>	<h2 style="margin: 0;">Tetsuji Ohashi</h2> <div style="display: flex; flex-direction: column; align-items: flex-start; gap: 5px;"> <div style="background-color: #0070c0; color: white; padding: 2px 5px; font-size: 0.8em;">Reappointment</div> <div style="background-color: #548235; color: white; padding: 2px 5px; font-size: 0.8em;">Outside Director</div> <div style="background-color: #ffc000; color: white; padding: 2px 5px; font-size: 0.8em;">Independent Officer</div> </div> <div style="margin-top: 10px;"> Date of Birth (Age): March 23, 1954 (71 years old) Owned Shares of the Company: — shares Tenure: 3 years Attended BOD meetings (FY2024): 12/12 </div>
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Reasons for recommending Tetsuji Ohashi as a candidate for 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 Group 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 the formulation of new remuneration plans, and proposals made on bonus payments. He is expected to demonstrate expertise in long-term strategy, global affairs, discontinuous growth, senior leadership, and operational process skills supported by his experience and insight.

Accordingly, we deem that Tetsuji Ohashi will continue to be 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 after the transition to a Company with Nominating Committee, etc., and thus we recommend his reappointment as an Outside Director.

Position Outside Director

Career Summary

Apr. 1977	Joined Komatsu Ltd.
Jan. 2004	President and Chief Operating Officer (COO) of Komatsu America Corp.
Apr. 2007	Executive Officer of Komatsu Ltd.
Apr. 2008	Senior Executive Officer (Jomu) of Komatsu Ltd.
Jun. 2009	Director and Senior Executive Officer (Jomu) of Komatsu Ltd.
Apr. 2012	Director and Senior Executive Officer (Senmu) of Komatsu Ltd.
Apr. 2013	President and Representative Director, and CEO of Komatsu Ltd.
Apr. 2019	Chairman of the Board and Representative Director of Komatsu Ltd.
Mar. 2022	Outside Director of the Company (to the present)
Apr. 2022	Chairman of the Board of Komatsu Ltd. (to the present)

Significant Concurrent Positions	Chairman of the Board of Komatsu Ltd. Outside Director of Yamaha Motor Co., Ltd. Outside Director of Nomura Research Institute, Ltd.
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Views on independence


As Tetsuji Ohashi does not fall under any of the items on the “Criteria for independence of Outside Directors” 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.

Regarding agreements limiting the liability

To enable him to contribute fully in his role as an Outside Director, the Company has entered into an agreement with Tetsuji Ohashi that limits his liability for damages as prescribed in Paragraph 1, Article 423 of the Companies Act. Under the terms of this agreement, his liabilities are limited to ¥20 million or to the minimum amount stipulated by applicable laws and regulations, whichever is higher. If his appointment is approved, the current agreement will be extended.

Violations of laws and regulations or the Articles of Incorporation, or other facts of wrongful execution of duties, etc. at companies where the candidate for outside director served as director, etc. in the past five years

On June 3, 2024, it was announced that misconduct had taken place in relation to noise testing and applications for sound pressure testing conducted for vehicles being developed by Yamaha Motor Co., Ltd., where Tetsuji Ohashi serves as an Outside Director. Tetsuji Ohashi was unaware of this incident beforehand, but as an Outside Director of Yamaha Motor Co., Ltd., in addition to routinely making suggestions from the perspective of adherence to laws and regulations and from the standpoint of compliance management, he fulfilled his responsibilities appropriately after this fact came to light through such actions as investigating the facts of the incident and devising appropriate measures to prevent a recurrence.



<div style="border: 1px solid black; padding: 2px; display: inline-block;">Candidate Number</div> <div style="border: 1px solid black; padding: 5px; display: inline-block; font-size: 1.5em;">6</div>	<h2 style="margin: 0;">Mari Matsunaga</h2> <div style="display: flex; justify-content: space-between; align-items: flex-start; margin-top: 10px;"> <div> <p>Date of Birth (Age): November 13, 1954 (70 years old)</p> <p>Owned Shares of the Company: — shares</p> <p>Tenure: 2 years</p> <p>Attended BOD meetings (FY2024): 12/12</p> </div> <div style="text-align: right;"> <div style="background-color: #0070c0; color: white; padding: 2px 5px; font-size: 0.8em;">Reappointment</div> <div style="background-color: #6b8e23; color: white; padding: 2px 5px; font-size: 0.8em;">Outside Director</div> <div style="background-color: #f1c40f; color: white; padding: 2px 5px; font-size: 0.8em;">Independent Officer</div> </div> </div>
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Reasons for recommending Mari Matsunaga as a candidate for 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 Advisory 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, discontinuous growth, senior leadership, and human resources & culture backed by her extensive knowledge and broad insight into the culture and lifestyles of modern society.

Accordingly, we deem that Mari Matsunaga will continue to be 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 after the transition to a Company with Nominating Committee, etc., and thus we recommend her reappointment as an Outside Director.

Position Outside Director

Career Summary

Apr. 1977	Joined Japan Recruit Center, Inc. (current Recruit Holdings Co., Ltd.)
Jul. 1986	Editor in chief of "Shushoku Journal," Recruit Co., Ltd. (current Recruit Holdings Co., Ltd.)
Jul. 1988	Editor in chief of "Travail," Recruit Co., Ltd.
Jul. 1997	Head of Planning Office, Gateway Business Department, NTT Mobile Communications Network, Inc. (current NTT DOCOMO, INC.)
Apr. 2000	Representative of Mari Matsunaga Office (to the present)
Mar. 2023	Outside Director of the Company (to the present)


Significant Concurrent Positions Representative of Mari Matsunaga Office

Views on independence

As Mari Matsunaga does not fall under any of the items on the "Criteria for independence of Outside Directors" 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.

Regarding agreements limiting the liability

To enable her to contribute fully in her role as an Outside Director, the Company has entered into an agreement with Mari Matsunaga that limits her liability for damages as prescribed in Paragraph 1, Article 423 of the Companies Act. Under the terms of this agreement, her liabilities are limited to ¥20 million or to the minimum amount stipulated by applicable laws and regulations, whichever is higher. If her appointment is approved, the current agreement will be extended.



Candidate Number
7

Chika Sato

Reappointment
Outside Director
Independent Officer

Date of Birth (Age): January 23, 1962 (63 years old)
Owned Shares of the Company: — shares
Tenure: 1 year
Attended BOD meetings (FY2024): 8/8

Reasons for recommending Chika Sato as a candidate for Outside Director

Since being as an appointed Outside Director of the Company in 2024, Chika Sato has participated in discussions and activities that contributed to meaningful and appropriate supervision of the Board of Directors, such as by asking substantive questions and raising issues about enhancing human capital based on her extensive experience and wide-ranging insights in the area of human resources at global companies.

The Company expects her to demonstrate her skills in such areas as global affairs, discontinuous growth, senior leadership, human resources & culture, underpinned by her experience in the area of human resources at global companies.

Accordingly, we deem that Chika Sato will continue to be 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 after the transition to a Company with Nominating Committee, etc., and thus we recommend her reappointment as an Outside Director.

Position Outside Director

Career Summary

Apr. 1982	Joined Sumitomo Electric Industries, Ltd.
Jul. 1996	Joined GE Inc. (current GE Japan Inc.)
Sep. 2011	Executive Officer and General Manager of Human Resources Division of Microsoft Japan Co., Ltd.
Sep. 2016	In charge of Human Resources of Japan and North Asia of Nokia Solutions and Networks Japan G.K.
Apr. 2018	Executive Officer and Head of Culture Transformation Division of NEC Corporation
Apr. 2019	Senior Executive, Head of People & Organization Development Division of NEC Corporation
Apr. 2022	Inclusion and Diversity Promotion Leader (Corporate Executive), Human Resources and General Affairs Division of NEC Corporation
Apr. 2023	Chief Diversity Officer, People and Culture Division of NEC Corporation
Mar. 2024	Outside Director of the Company (to the present)

Significant Concurrent Positions Outside Director of Hanwa Co., Ltd.

Note: As Chika Sato was newly appointed as a Director at the 100th Annual General Meeting of Shareholders held on March 26, 2024, the above number of Board of Directors meetings held that she could attend is different from other Directors.

Views on independence

As Chika Sato does not fall under any of the items on the “Criteria for independence of Outside Directors” 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 Chika Sato 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.

Regarding agreements limiting the liability

To enable her to contribute fully in her role as an Outside Director, the Company has entered into an agreement with Chika Sato that limits her liability for damages as prescribed in Paragraph 1, Article 423 of the Companies Act. Under the terms of this agreement, her liabilities are limited to ¥20 million or to the minimum amount stipulated by applicable laws and regulations, whichever is higher. If her appointment is approved, the current agreement will be extended.



Candidate Number
8

Melanie Brock

Reappointment

Outside Director

Independent Officer

Date of Birth (Age): April 10, 1964 (60 years old)
Owned Shares of the Company: — shares
Tenure: 1 year
Attended BOD meetings (FY2024): 8/8

Reasons for recommending Melanie Brock as a candidate for Outside Director

Since being appointed as an Outside Director of the Company in 2024, Melanie Brock has participated in discussions and activities that contributed to meaningful and appropriate supervision of the Board of Directors, such as by asking substantive questions and raising issues about diversity and the global execution of business, based on her experience of marketing and engagement in efforts to promote diversity, etc. during her activities as a global consultant.

The Company expects her to demonstrate her skills in such areas as global affairs, sustainability, senior leadership, human resources & culture, underpinned by her experience at the global level in such matters as in forming networks while serving in an organization linking the financial industries of Japan and Australia, and the experience and insights derived from serving as an outside officer of other companies.

Accordingly, we deem that Melanie Brock will continue to be 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 after the transition to a Company with Nominating Committee, etc., and thus we recommend her reappointment as an Outside Director.

Position Outside Director

Career Summary

Mar. 2003	Representative Director of AGENDA Ltd. (current Melanie Brock Advisory Ltd.) (to the present)
Mar. 2010	Board Member of Australia-Japan Foundation
Apr. 2010	Board Member of Australia Japan Business Co-operation Committee (to the present)
	Chair of Australian and New Zealand Chamber of Commerce in Japan
Oct. 2010	Regional Manager - Japan of Meat & Livestock Australia
Dec. 2012	Chair of Australian Business Asia
Nov. 2016	Chair Emeritus of Australian and New Zealand Chamber of Commerce in Japan (to the present)
Jul. 2019	Board Member of Australia-Japan Research Centre (to the present)
Mar. 2024	Outside Director of the Company (to the present)

Significant Concurrent Positions

- Representative Director of Melanie Brock Advisory Ltd.
- Director of the Board (External) of SEGA SAMMY HOLDINGS INC.
- Outside Director of MITSUBISHI ESTATE CO., LTD.
- Outside Director of Kawasaki Heavy Industries, Ltd.

Note: As Melanie Brock was newly appointed as a Director at the 100th Annual General Meeting of Shareholders held on March 26, 2024, the above number of Board of Directors meetings held that she could attend is different from other Directors.

Views on independence


As Melanie Brock does not fall under any of the items on the “Criteria for independence of Outside Directors” 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.

Regarding agreements limiting the liability

To enable her to contribute fully in her role as an Outside Director, the Company has entered into an agreement with Melanie Brock that limits her liability for damages as prescribed in Paragraph 1, Article 423 of the Companies Act. Under the terms of this agreement, her liabilities are limited to ¥20 million or to the minimum amount stipulated by applicable laws and regulations, whichever is higher. If her appointment is approved, the current agreement will be extended.

Violations of laws and regulations or the Articles of Incorporation, or other facts of wrongful execution of duties, etc. at companies where the candidate for outside director served as director, etc. in the past five years

On July 3, 2024, it was announced that improper conduct related to taxation had taken place at some workplaces of Kawasaki Heavy Industries Co., Ltd., where Melanie Brock serves as an Outside Director. The same company also announced on August 21, 2024, that improper inspections of marine engines bound for commercial vessels had taken place. Melanie Brock was unaware of either of these incidents beforehand, but as an Outside Director of Kawasaki Heavy Industries Co., Ltd., in addition to routinely making various statements regarding adherence to laws and regulations, she fulfilled her responsibilities appropriately after this fact came to light through such actions as actively giving her opinions on strengthening the compliance structure and other measures to prevent a recurrence.



Candidate
Number

9

Yukitaka Fukuda

New candidate

Date of Birth (Age): May 20, 1963 (61 years old)

Owned Shares of the Company: 3,441 shares

Tenure: —

Attended BOD meetings (FY2024): 12/12

Reasons for recommending Yukitaka Fukuda as a candidate for Director

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 and Supervisory Board Member of Asahi Group Japan, Ltd.

Since being appointed as an Audit and Supervisory Board Member of the Company in 2023, he has carried out audits and audit visits to group companies, attended important meetings, conducted interviews with top management, and exchanged opinions with executive departments as well as the standing audit and supervisory board members and independent accounting auditors of domestic group companies, in order to appropriately audit the execution of duties by Directors of the Company, including the internal control system, thus fulfilling his role as Standing Audit and Supervisory Board Member and helping to enhance corporate value of the Company over the medium to long term. The Company expects him to demonstrate his abilities in the areas of finance & accounting, risk governance & internal control, and senior leadership, which are underpinned by a high level of expertise in finance and accounting and deep insight into compliance, risk management, and internal audit, as well as operational process skills based on his extensive knowledge of the Company's businesses, including its Alcohol Beverages Business.

Accordingly, we deem that Yukitaka Fukuda will be 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 after the transition to a Company with Nominating Committee, etc., and thus we recommend his new appointment as a Director.

Position Standing Audit and Supervisory Board Member

Career Summary

Apr. 1986	Joined Toyo Engineering Corporation
Oct. 2001	Joined the Company
Sep. 2012	General Manager of Finance Section
Mar. 2015	Executive Officer, General Manager of Finance Section
Mar. 2017	President and Representative Director of Asahi Professional Management Co., Ltd.
Mar. 2022	Audit and Supervisory Board Member of Asahi Group Japan, Ltd.
Mar. 2023	Standing Audit and Supervisory Board Member of the Company (to the present)

- Notes:
1. Yukitaka Fukuda is currently a Standing Audit and Supervisory Board Member of the Company. At the conclusion of the meeting, his tenure will have been two years.
 2. Yukitaka Fukuda's attended BOD meetings refer to his attendance as a Standing Audit and Supervisory Board Member of the Company.



Candidate Number

10

Akiko Oshima

New candidate

Date of Birth (Age): October 17, 1968 (56 years old)

Owned Shares of the Company: 2,196 shares

Tenure: —

Attended BOD meetings (FY2024): 8/8

Reasons for recommending Akiko Oshima as a candidate for Director

As the Company's Executive Officer, Head of Internal Audit, Akiko Oshima has experience related to compliance, risk management, and internal audit, as well as abundant experience in business management, including overseas business management, at the corporate strategy sections of the Company and its group companies.

Since being appointed as an Audit and Supervisory Board Member of the Company in 2024, she has carried out audits and audit visits to group companies, attended at important meetings, conducted interviews with top management, and exchanged opinions with executive divisions as well as the standing audit and supervisory board members and independent accounting auditors of domestic group companies, in order to appropriately audit the execution of duties by Directors of the Company, including the internal control system, thus fulfilling her role as Standing Audit and Supervisory Board Member and helping to enhance corporate value of the Company over the medium to long term. The Company expects her to demonstrate her abilities in the areas of legal affairs & compliance, risk governance & internal control, and operational process skills which are underpinned by a high level of insight into compliance, risk management, and internal audit, as well as global business skills based on her extensive knowledge of the Company's businesses.

Accordingly, we deem that Akiko Oshima will be 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 after the transition to a Company with Nominating Committee, etc., and thus we recommend her new appointment as a Director.

Position Standing Audit and Supervisory Board Member

Career Summary

Apr. 1991	Joined the Company
Jan. 2018	Manager of Corporate Strategy Department
Apr. 2022	Senior Officer of Strategy
Apr. 2023	Executive Officer, Head of Internal Audit
Mar. 2024	Standing Audit and Supervisory Board Member (to the present)

- Notes:
1. Akiko Oshima is currently a Standing Audit and Supervisory Board Member of the Company. At the conclusion of the meeting, her tenure will have been one year.
 2. Akiko Oshima's attended BOD meetings refer to her attendance as a Standing Audit and Supervisory Board Member of the Company.
 3. As Akiko Oshima was newly appointed as Audit and Supervisory Board Member at the 100th Annual General Meeting of Shareholders held on March 26, 2024, the above number of Board of Directors meetings held that she could attend is different from other candidates for Directors.



Candidate Number

11

Shigeo Ohyagi

Date of Birth (Age): May 17, 1947 (77 years old)

Owned Shares of the Company: — shares

Tenure: —

Attended BOD meetings (FY2024): 12/12

New candidate

Outside Director

Independent Officer

Reasons for recommending Shigeo Ohyagi as a candidate for Outside Director

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 and 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 logical perspective.

Since being appointed as an Outside Audit and Supervisory Board Member of the Company in 2022, he has not only actively given his opinions and recommendations from an objective standpoint at meetings of the Board of Directors and the Audit and Supervisory Board based on his knowledge and insights into corporate management, but also reviewed the audit status of domestic group companies and the activities of the audit committees, etc. of overseas group companies, and conducted interviews with top management in order to appropriately audit the execution of duties by Directors of the Company, including the internal control systems, thus fulfilling his role as Outside Audit and Supervisory Board Member of the Company and helping to enhance corporate value of the Company over the medium to long term. The Company expects him to demonstrate his abilities in the areas of long-term strategy, global affairs, senior leadership, risk governance & internal control, human resources & culture, and operational process skills, which are underpinned by his extensive experience and exceptional insight as an outside officer of other companies and as a participant in corporate management of companies engaged in global businesses.

Accordingly, we deem that he is a human resource necessary to the composition of the Board of Directors for the Company 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 after the transition to a Company with Nominating Committee, etc., and thus we recommend his new appointment as an Outside Director.

Position Outside Audit and Supervisory Board Member

Career Summary

Mar. 1971	Joined Teijin Limited
Jun. 1999	Corporate Officer of Teijin Limited
Jun. 2001	Executive Officer of Teijin Limited
Jun. 2002	Senior Executive Officer of Teijin Limited
Oct. 2003	President & Representative Director of Teijin Pharma Limited
Jun. 2005	Managing Director of Teijin Limited
Jun. 2006	Senior Managing Director of Teijin Limited
Jun. 2008	President & Representative Director, CEO of Teijin Limited
Apr. 2014	Chairman of the Board of Teijin Limited
Apr. 2018	Director, Advisor of Teijin Limited
Jun. 2018	Advisor of Teijin Limited
Mar. 2022	Outside Audit and Supervisory Board Member (to the present)

Significant Concurrent Positions Outside Director of Tokyo Electric Power Company Holdings, Incorporated


Views on independence

As Shigeo Ohyagi does not fall under any of the items on the “Criteria for independence of Outside Directors” 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 Shigeo Ohyagi 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.

Regarding agreements limiting the liability

To enable him to contribute fully in his role as an Outside Audit and Supervisory Board Member, the Company has entered into an agreement with Shigeo Ohyagi that limits his liability for damages as prescribed in Paragraph 1, Article 423 of the Companies Act. Under the terms of this agreement, his liabilities are limited to ¥20 million or to the minimum amount stipulated by applicable laws and regulations, whichever is higher. If his appointment is approved, the current agreement will be extended.

- Notes:
1. Shigeo Ohyagi is currently an Outside Audit and Supervisory Board Member of the Company. At the conclusion of the meeting, his tenure will have been three years.
 2. Shigeo Ohyagi's attended BOD meetings refer to his attendance as an Outside Audit and Supervisory Board Member of the Company.



<div style="border: 1px solid black; padding: 2px; display: inline-block;"> Candidate Number 12 </div>	<h2>Sanae Tanaka</h2> <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div> <p>Date of Birth (Age): July 15, 1962 (62 years old)</p> <p>Owned Shares of the Company: 3,300 shares</p> <p>Tenure: —</p> <p>Attended BOD meetings (FY2024): 12/12</p> </div> <div style="text-align: right;"> <div style="background-color: #e74c3c; color: white; padding: 2px 5px; font-size: 0.8em;">New candidate</div> <div style="background-color: #27ae60; color: white; padding: 2px 5px; font-size: 0.8em;">Outside Director</div> <div style="background-color: #f1c40f; color: white; padding: 2px 5px; font-size: 0.8em;">Independent Officer</div> </div> </div>
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Reasons for recommending Sanae Tanaka as a candidate for Outside Director

Sanae Tanaka, through her long years of practice as an attorney at law, possesses expertise in corporate legal affairs and a high level of insight that enables her to supervise management from the perspective of laws and regulations, etc.

Since being appointed as an Outside Audit and Supervisory Board Member in 2023, she has not only actively given her opinions and recommendations from an objective standpoint at meetings of the Board of Directors and the Audit and Supervisory Board based on her extensive knowledge and experience as an attorney at law, but also reviewed the audit status of domestic group companies and the activities of the audit committees, etc. of overseas group companies, and conducted interviews with top management in order to appropriately audit the execution of duties by Directors of the Company, including the internal control systems, thus fulfilling her role as Outside Audit and Supervisory Board Member of the Company and helping to enhance corporate value of the Company over the medium to long term. The Company expects her to demonstrate her skills in such areas as sustainability, legal affairs & compliance, risk governance & internal control, human resources & culture, underpinned by her many years of activity as an attorney at law.

Accordingly, we deem that Sanae Tanaka will be 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 after the transition to a Company with Nominating Committee, etc., and thus we recommend her new appointment as an Outside Director.

Position Outside Audit and Supervisory Board Member

Career Summary

Apr. 1989	Registered as an Attorney at Law
Sep. 1991	Representative of Sanae Tanaka Law Office (to the present)
Mar. 2023	Outside Audit and Supervisory Board Member of the Company (to the present)

Significant Concurrent Positions

Representative of Sanae Tanaka Law Office
Outside Director of Shochiku Co., Ltd.
Outside Director of TV Asahi Holdings Corporation

Views on independence

As Sanae Tanaka does not fall under any of the items on the “Criteria for independence of Outside Directors” 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, we have registered her as an Independent Officer as stipulated by the said Exchange.

Regarding agreements limiting the liability

To enable her to contribute fully in her role as an Outside Director, the Company has entered into an agreement with Sanae Tanaka that limits her liability for damages as prescribed in Paragraph 1, Article 423 of the Companies Act. Under the terms of this agreement, her liabilities are limited to ¥20 million or to the minimum amount stipulated by applicable laws and regulations, whichever is higher. If her appointment is approved, the current agreement will be extended.

- Notes:
1. Sanae Tanaka is currently an Outside Audit and Supervisory Board Member of the Company. At the conclusion of the meeting, her tenure will have been two years.
 2. Sanae Tanaka's attended BOD meetings refer to her attendance as an Outside Audit and Supervisory Board Member of the Company.



Candidate Number

13

Akiko Miyakawa

New candidate

Outside Director

Independent Officer

Date of Birth (Age): October 18, 1955 (69 years old)

Owned Shares of the Company: — shares

Tenure: —

Reasons for recommending Akiko Miyakawa as a candidate for Outside Director

Through many years of experience as a certified public accountant in Japan and overseas, Akiko Miyakawa is well-versed in accounting audits of global companies and internal control systems, and she possesses a sufficiency of the insight, expertise, and ability required as a Director of the Company in such areas as global affairs, finance & accounting, risk governance & internal control, and operational processes.

Since she has a high level of financial and accounting expertise due to her experience of involvement in global accounting audits as an Outside Director, the Company expects her in particular to actively give her opinions and recommendations at meetings of the Board of Directors with the objective of enhancing the effectiveness of organizational audits, based on her extensive experience and wide-ranging insights on internal control, in addition to providing management oversight and actively pointing out and giving her opinion on management issues from the financial and accounting perspective.

Accordingly, we deem that Akiko Miyakawa will be 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 after the transition to a Company with Nominating Committee, etc., and thus we recommend her new appointment as an Outside Director.

Career Summary

Apr. 1978	Joined Tokyo Branch of Chase Manhattan Bank (current JPMorgan Chase Bank, N.A.)
Nov. 1987	Joined Marunouchi & Co. (current Deloitte Touche Tohmatsu LLC)
May 1998	Registered as certified public accountant
Jan. 2000	Joined the Los Angeles Office of Deloitte US
Jun. 2005	Partner of Deloitte Touche Tohmatsu LLC
Jul. 2008	Joined the Taipei Office of Deloitte Taiwan
Oct. 2015	Joined Tokyo Office of Deloitte Touche Tohmatsu LLC
Aug. 2018	Representative of Akiko Miyakawa CPA Office (to the present)

Significant Concurrent Positions	Representative of Akiko Miyakawa CPA Office External Director of Nomura Real Estate Holdings, Inc. Outside Audit & Supervisory Board Member of JTEKT CORPORATION
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Views on independence

As Akiko Miyakawa does not fall under any of the items on the “Criteria for independence of Outside Directors” 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 Akiko Miyakawa 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.

Regarding agreements limiting the liability

If appointment of Akiko Miyakawa is approved, the Company plans to newly enter into an agreement with her that limits her liability for damages as prescribed in Paragraph 1, Article 423 of the Companies Act in order to enable her to contribute fully in her role as an Outside Director. Under the terms of this agreement, her liabilities are limited to ¥20 million or to the minimum amount stipulated by applicable laws and regulations, whichever is higher.

BUSINESS REPORT

(From January 1, 2024 to December 31, 2024)

I Earnings for This Fiscal Year (Business Progress and Result)

[1. Overview of Consolidated Earnings]

Regarding the global economy during this fiscal year, the U.S. economy was solid against the backdrop of strong consumer spending, and the European economy showed signs of recovery as inflationary pressures eased. In Japan, as well, although the economy was affected by rises in the price of goods, consumer spending rose in conjunction with improvements to the employment and income environment, and there were signs of a gradual recovery.

Under these circumstances, the Asahi Group worked to enhance its business portfolio through initiatives such as promoting premiumization strategies in each region, based on the “Medium-to Long-Term Management Policy.” In addition to further promoting core strategies such as integrating sustainability and management, we have strengthened the management foundations underpinning our long-term strategies by enhancing our human capital for true globalization strengthening group governance, and other efforts.

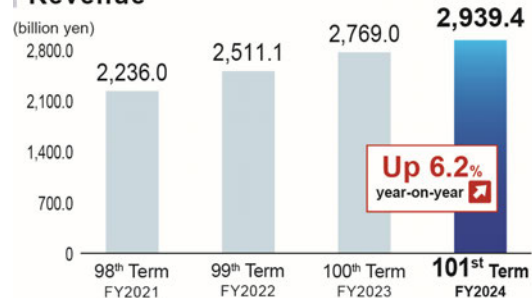
As a result, revenue of the Asahi Group increased by 6.2% year-on-year to ¥2,939,422 million. Core operating profit^{*1} increased by 8.1% year-on-year to ¥285,121 million, and operating profit rose by 9.8% to ¥269,052 million. Profit attributable to owners of parent increased by 17.1% year-on-year to ¥192,080 million and adjusted profit attributable to owners of parent^{*2} totaled ¥182,977 million, an increase of 10.5% year-on-year.

Furthermore, excluding the effects of exchange rate fluctuations, revenue increased by 2.1% year-on-year and core operating profit increased by 3.7% year-on-year.^{*3}

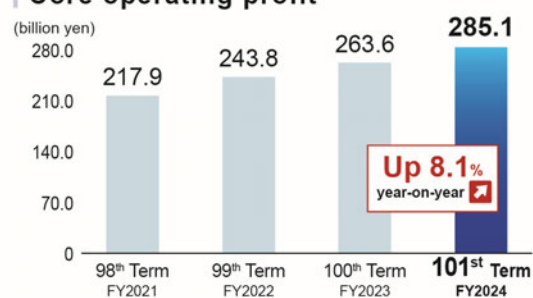
- *1 Core operating profit is the Company's original indicator of profit, which measures the ordinary business earnings calculated by deducting cost of sales and selling, general and administrative expenses from revenue.
- *2 Adjusted profit attributable to owners of parent is profit attributable to owners of parent less special temporary factors, such as business portfolio restructuring and impairment losses.
- *3 Foreign currency amounts in 2024 are compared after conversion to the yen equivalent using the 2023 exchange rate.

■ Asahi Group's Earnings

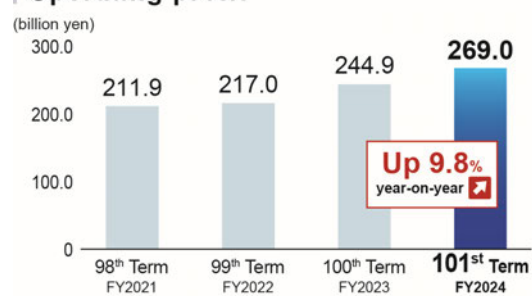
Revenue



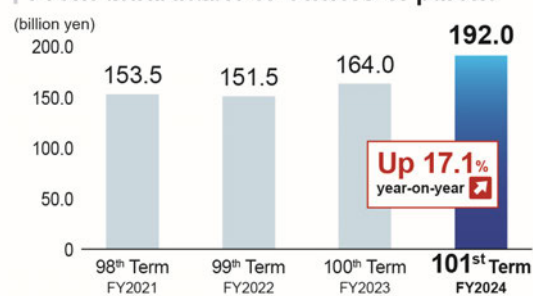
Core operating profit



Operating profit



Profit attributable to owners of parent



Note: The Asahi Group has adopted International Financial Reporting Standards (IFRS).

■ Financial and Profit/Loss Indicators of the Asahi Group

	98 th term FY2021	99 th term FY2022	100 th term FY2023	101 st term FY2024 (current year)
Revenue (million yen)	2,236,076	2,511,108	2,769,091	2,939,422
Core operating profit (million yen)	217,940	243,817	263,680	285,121
Operating profit (million yen)	211,900	217,048	244,999	269,052
Profit attributable to owners of parent (million yen)	153,500	151,555	164,073	192,080
Operating profit ratio (%)	9.5	8.6	8.8	9.2
EBITDA ^{*1} (million yen)	328,497	362,405	389,391	418,999
Basic earnings per share ^{*2} (yen)	100.97	99.70	107.94	126.66
Total assets (million yen)	4,547,748	4,830,344	5,285,913	5,403,405
Total equity (million yen)	1,759,148	2,062,945	2,465,781	2,674,051
Equity attributable to owners of parent per share ^{*3} (yen)	1,155.82	1,355.71	1,618.74	1,775.82
ROE (Profit ratio to equity attributable to owners of parent) (%)	9.4	7.9	7.3	7.5
Adjusted profit attributable to owners of parent (million yen)	153,500	165,430	165,632	182,977
Adjusted earnings per share ^{*4} (yen)	100.97	108.83	108.97	120.65
Adjusted ROE (Adjusted profit ratio to equity attributable to owners of parent) ^{*5} (%)	11.0	11.1	10.3	10.7

*1 EBITDA is equal to the sum of core operating profit and amortization and depreciation.

*2 Basic earnings per share is calculated based on the average total number of shares outstanding during the term. The total number of shares outstanding is exclusive of treasury shares. The shares of the Company held by Custody Bank of Japan, Ltd. as trust property for stock compensation are included in the treasury shares to be deducted in the calculation. The stated amounts are the figures after rounding off fractions to the representative unit.

*3 Equity attributable to owners of parent per share is calculated based on the total number of shares outstanding at the end of the fiscal year. The total number of shares outstanding is exclusive of treasury shares. The shares of the Company held by Custody Bank of Japan, Ltd. as trust property for stock compensation are included in the treasury shares to be deducted in the calculation. The stated amounts are the figures after rounding off fractions to the representative unit.

*4 Adjusted earnings per share is calculated based on adjusted profit attributable to owners of parent. The stated amounts are the figures after rounding off fractions to the representative unit.

*5 Adjusted ROE is calculated based on adjusted profit attributable to owners of parent divided by total equity attributable to owners of parent (net of exchange differences on translation of foreign operations, and changes, etc. of fair value of investment in financial assets measured at fair value through other comprehensive income).

Note: The Company conducted a 3-for-1 common stock split on October 1, 2024. "Basic earnings per share," "Equity attributable to owners of parent per share" and "Adjusted earnings per share" are calculated as if the stock split had occurred at the beginning of FY2021.

[2. Overview of Earnings]

■ Asahi Group Revenue

Segment	100 th term FY2023 (million yen)	101 st term FY2024 (current year) (million yen)	Change in amount (million yen)	Change in percentage (%)
Japan	1,362,850	1,362,874	23	0.0
Europe	688,725	781,005	92,279	13.4
Oceania	652,154	715,394	63,239	9.7
Southeast Asia	57,806	66,138	8,331	14.4
Others ^{*1}	21,542	26,470	4,928	22.9
Adjustment ^{*2}	(13,988)	(12,459)	1,528	—
Total	2,769,091	2,939,422	170,331	6.2

*1 The “Others” segment includes the Korean alcohol beverage business, feedstuffs business and other businesses not included in “Japan,” “Europe,” “Oceania,” and “Southeast Asia” segments.

*2 The adjustment is the elimination amount of intersegment revenue.



In Japan, we invested management resources in our mainstay brands in the alcohol beverages, soft drinks, and food businesses, and worked to expand our foundation for growth by strengthening new value propositions and other efforts. In addition to creating synergies that transcend business boundaries, we strengthened our management foundation in Japan as a whole such as by enhancing our human capital and organizational functions and by promoting sustainability initiatives.

In the alcohol beverages business, in the beer category, we strengthened advertising and sales promotion activities, such as opening a limited-time-only concept shop where visitors could immerse themselves in the world of “Super Dry.” We also worked to increase the value of our “Super Dry” brand, such as by renewing “Asahi Super Dry Dry Crystal.” In addition, we strove to reinforce our beer category through efforts such as sending our “Maru F Alley” cart, which allowed people to experience the world of “Asahi Draft Beer.” In the whisky and spirits category, to commemorate the 90th anniversary of Nikka Whisky Distilling Co., Ltd, we revitalized the master brand and operated the limited-time-only “THE NIKKA WHISKY TOKYO” bar. We also worked to bring in new consumers through initiatives such as the nationwide launch of “NIKKA FRONTIER” in October. In RTD^{*1}, we promoted the creation of new value through initiatives such as launching “Asahi GINON” nationwide and rolling out “Mirai no lemon sour” in select areas and in limited quantities. In alcohol-taste beverages, in addition to the nationwide launch of “Asahi ZERO,” we promoted our “smart drinking” concept to create a lifestyle culture in which people can come together and enjoy themselves regardless of whether or not they drink alcohol.

In the soft drinks business, we strove to increase brand value and create more drinkers of carbonated beverages by reinforcing our advertising and sales promotion activities for “MITSUYA CIDER,” which is celebrating its 140th anniversary, and the “WILKINSON” brand, which is celebrating its 120th anniversary. Furthermore, we renewed the packaging of the “Asahi Sou” brand of green tea to greater emphasize its aromatic flavor. Through initiatives such as these, we have sought to revitalize the market. In addition, we worked to strengthen value propositions based on health consciousness by launching “MITSUYA Immune Support,” a food with functional claims that contains the “*Lactobacillus acidophilus* L-92,” which is reported to help to maintain immune functions in healthy people.

In the food business, for “MINTIA,” in addition to the launch of a product with collaboration packaging design with a popular anime, we renewed “MINTIA BREEZE ULTRA BLACK,” which gives a refreshing taste of powerful mint, and implemented various other measures to expand its consumer base. We also carried out initiatives that help tackle the health problems women face, such as launching “Watashi Prologue,” a Femcare^{*2} product with functional claims related to the menstrual cycle.

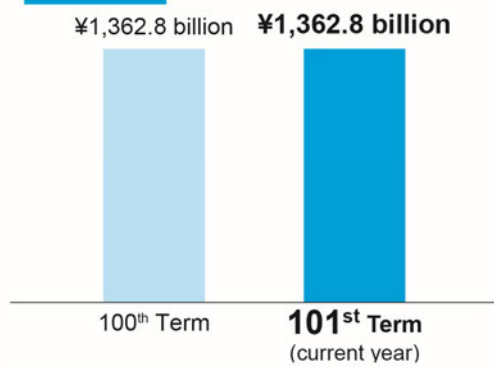
As a result of these efforts, revenue from this segment stayed flat (0.0% year-on-year change) at ¥1,362,874 million, due to increases in revenue of the alcohol beverages business, the soft drinks business and the food business despite a revenue decline due to pulling out of the restaurant business.

Core operating profit increased by 12.9% year-on-year to ¥134,903 million due to the effect of price revisions, various cost efficiencies, etc., despite the impact of increased expenses related to raw materials, etc.

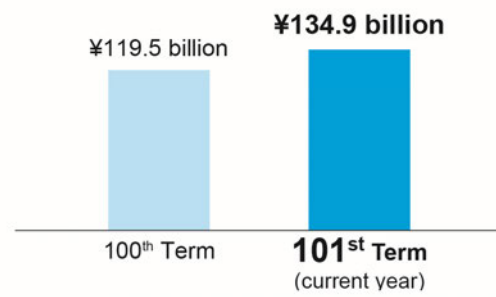
*1 RTD stands for Ready To Drink, which refers to a type of beverage sold in a prepared form and ready for consumption, such as canned chuhai.

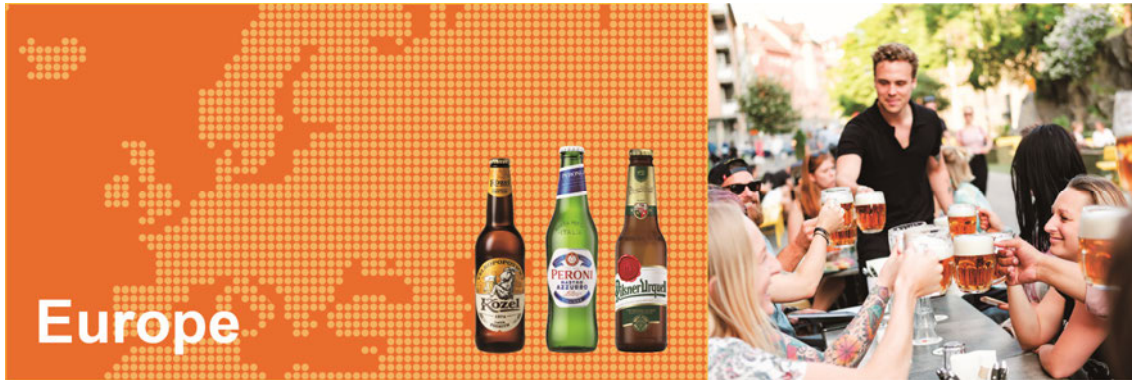
*2 Femcare stands for caring for women's bodies and health.

Revenue



Core operating profit





In Europe, alongside improving our competitive advantage based on our premiumization strategy for each country, we strove to boost awareness of global brands by using global partnerships centered on “Asahi Super Dry” and “Peroni Nastro Azzurro.” In addition, we further expanded our foundation for growth through initiatives such as strengthening our sustainability initiatives with a focus on “Environment” and on “Communities.”

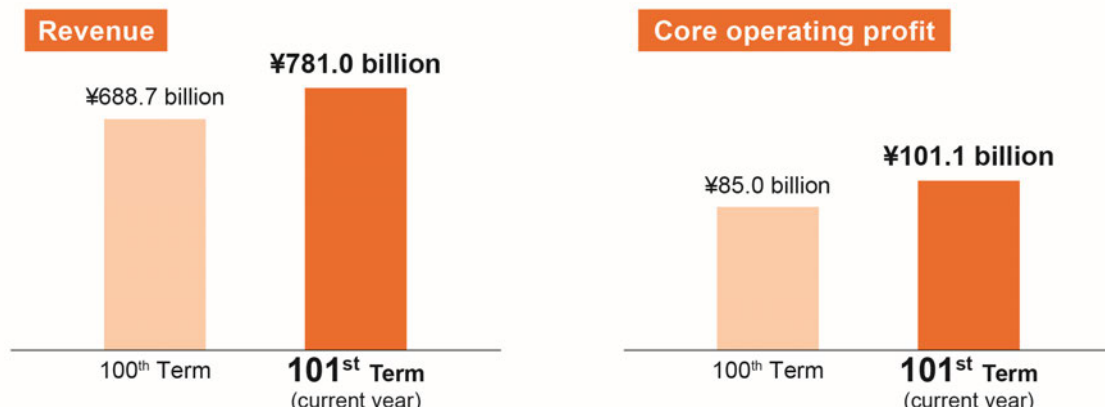
In each of the major regions of Europe, we strove to improve our brand value. In the Czech Republic, in addition to the reinforcement of our promotion of core brands such as “Pilsner Urquell” and “Radegast,” we launched “Proud,” a less bitter, lower alcohol content lager beer, to cultivate new consumers. We also launched “Raffo Lavorazione Grezza” premium lager beer in Italy, and worked to increase brand value through our activities, including sponsoring and participating in festivals in Romania with brands such as “Kozel” and “Ciucas.” In non-alcohol beer, we reinforced our efforts to create new drinking opportunities by launching a new series of drinks infused with caffeine and other ingredients in the “Birell” brand in the Czech Republic, and by actively developing products such as “Lech Free” and “Tyskie 0.0%” in Poland and “Ursus Cooler” in Romania.

In the expansion and development of our global brands, we extended partnership of “Asahi Super Dry” with the Rugby World Cup until 2029 and leveraged our partnership with “City Football Group” in marketing activities. For “Peroni Nastro Azzurro,” we carried out promotions that shared the brand’s premium world view. For the non-alcohol beer “Peroni Nastro Azzurro 0.0,” which began a new partnership with the F1 “Scuderia Ferrari” team, we opened “The House of Peroni Nastro Azzurro 0.0,” a facility in Milano in which, for a limited time only, visitors could experience the brand firsthand, commemorating the F1 Italian Grand Prix. Through efforts such as these, we worked to raise global brand awareness.

As a result of these efforts, revenue from this segment increased 13.4% year-on-year to ¥781,005 million, mainly due to strong performance by premium beers and non-alcohol beers in each country, as well as by global brands.

Core operating profit increased by 18.9% year-on-year to ¥101,140 million, mainly due to the effect of higher revenue and efficiency improvements related to various costs, despite increased costs such as labor costs.

Excluding the effects of exchange rate fluctuations, revenue rose by 4.6% year-on-year and core operating profit increased by 11.1% year-on-year.





In Oceania, as well as pursuing sustainable growth with mainstay brands such as “Great Northern,” we strengthened our product portfolio with a multi-beverage strategy that leveraged the strengths of our alcohol beverages and soft drinks businesses. Furthermore, we further strengthened our business foundation through profit structure reforms including optimizing various operations, and through new value propositions that emphasized sustainability.

In the alcohol beverages business, for the mainstay brand “Victoria Bitter,” we launched a new low-carb beer to meet rising health-related demand. We continued our partnerships with the Australian Open tennis tournament with “Peroni Nastro Azzurro” and “Somersby” brand, launched a new flavor in the RTD brand “Hard Rated,” and accelerated the expansion of sales of the “Nikka” brand. We also strove to strengthen our brands and expand our portfolio to meet various needs throughout the entire alcohol beverages business through initiatives such as the acquisition of Never Never Distilling Co., a premium spirits manufacturing and sales company.

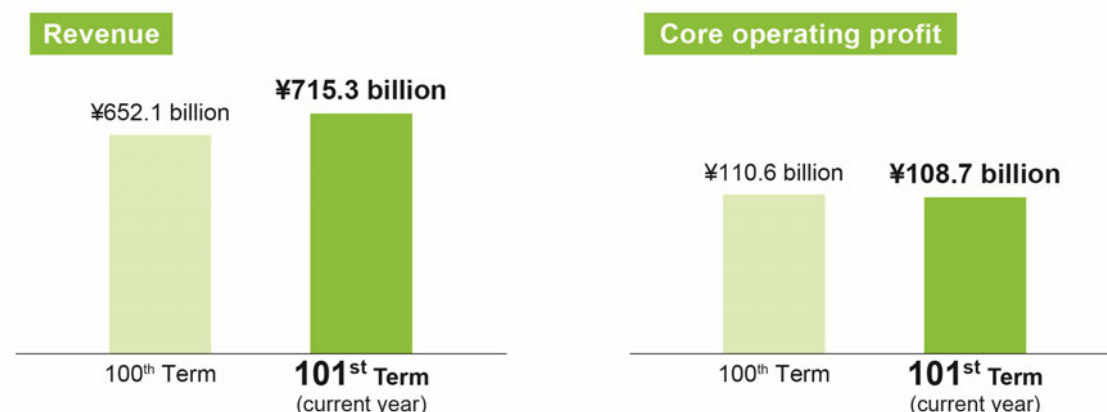
In the soft drinks business, we worked to increase the value of mainstay brands through such initiatives as a renewal of the “Pepsi” brand, fusing traditional values and the latest trends, and strengthening our partnership with the Independent Administrative Institution National Museum of Art with respect to the “Schweppes” brand.

Furthermore, in Australia, we collaborated with indigenous society to strengthen ties with the community, such as our respect for the wellbeing of the community. We also promoted sustainability initiatives such as beginning purchasing electrical power from the largest solar power generation project in New South Wales.

As a result of these efforts, revenue from this segment increased by 9.7% year-on-year to ¥715,394 million due to the strong performance of the soft drinks business, despite a decline in sales of mainstay brands in the alcohol beverages business.

Core operating profit decreased by 1.7% year-on-year to ¥108,798 million, mainly due to the impact of increased costs related to raw materials, etc.

Excluding the effects of exchange rate fluctuations, revenue rose by 2.4% year-on-year and core operating profit decreased by 8.2% year-on-year.





In Southeast Asia, we promoted initiatives to improve profitability in Malaysia and other countries in which we have developed our business by ramping up our investment in mainstay brands with a focus on our own brands and optimizing sales channels. In addition, we expanded our foundation for growth through efforts such as tapping into demand for health, investing in digital transformation, and strengthening human resource development.

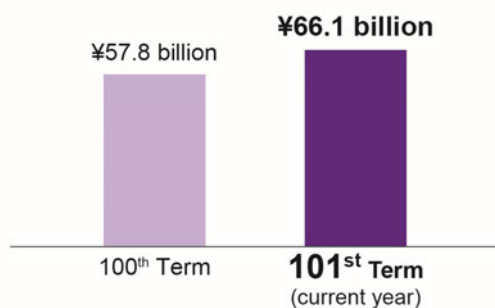
In Malaysia, we launched “Wonda Kluang Coffee,” a new product under our “WONDA” in collaboration with a popular local character, and we reinforced the strength of the brand by showcasing our community-based value propositions to consumers. For “Goodday,” we actively engaged in e-sports-related marketing to provide innovative value propositions to consumers from a broad range of ages.

As a result of these efforts, revenue from this segment increased by 14.4% year-on-year to ¥66,138 million due to strong sales of mainstay brands, in addition to the effect of price revisions and exchange rate fluctuations etc.

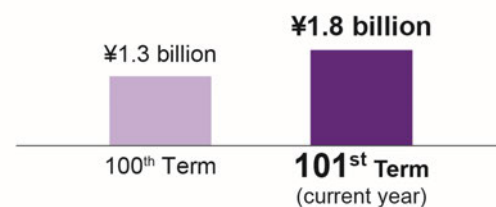
Core operating profit increased by 33.2% year-on-year to ¥1,862 million due to the promotion of efficiency improvements in overall fixed costs, etc.

Excluding the effects of exchange rate fluctuations, revenue rose by 6.9% year-on-year and core operating profit increased by 23.9% year-on-year.

Revenue



Core operating profit



Others

In the Others segment, revenue increased by 22.9% year-on-year to ¥26,470 million, and core operating profit decreased by 21.5% year-on-year to ¥4,179 million.

[3. Progress of Medium-Term Guidelines in the “Medium- to Long-Term Management Policy”]

As for the “Key Performance Indicator Guidelines,” we worked to promote premiumization strategies in each region and increase sales price per unit through appropriate pricing strategies. However, core operating profit (on a constant currency basis) and EPS (adjusted) were below the guidelines due to the impact of the progression of inflation, raw material price hikes, increased brand investment with a view to the future, and other factors. Free cash flow (FCF^{*1}) exceeded the guidelines due to cash generation from the sales of property, plant and equipment, the reduced working capital, etc.

As for the “Financial Policies,” mainly due to the use of FCF to reduce financial liabilities, we were able to lower Net Debt/EBITDA^{*2} below the guidelines. Shareholder returns are expected to rise above the dividend payout ratio guidelines, with the dividend per share for this fiscal year being increased to ¥49^{*3}.

*1 FCF = Cash flows from operating activities – Cash used in investing activities (excluding M&A and other business restructuring)

*2 Net Debt / EBITDA (EBITDA net debt equity ratio) = (interest-bearing debt - cash) / EBITDA. However, 50% of outstanding subordinated debt is deducted from net debt in the calculation.

*3 The amount after adjusting the dividend amount per share prior to October 1, 2024, for the stock split (three-for-one) which was implemented with an effective date of October 1, 2024.

■ Key Performance Indicator Guidelines

	Guidelines for next 3 years out	2022-2024 progress
Core Operating Profit	<ul style="list-style-type: none"> CAGR (Compound annual growth rate): high single digit^{*1} 	CAGR 4.7%
EPS (adjusted^{*2})	<ul style="list-style-type: none"> CAGR (Compound annual growth rate): high single digit 	CAGR 5.9%
FCF	<ul style="list-style-type: none"> Annual average of ¥200.0 billion or higher 	Annual average ¥253.0 billion

*1 Constant Currency Basis

*2 The earnings per share guideline is on an adjusted basis excluding special temporary factors, such as business portfolio restructuring and impairment losses.

Note: The amount of FCF in Key Performance Indicator Guidelines has been rounded to the representative unit.

■ Financial Policies

	Guidelines for 2022 onward	2024 results
Investment for Growth and Debt Reduction	<ul style="list-style-type: none"> Prioritize allocation of free cash flow to the reduction of debt and work to enhance capacity for growth investments Aim for Net Debt/EBITDA of around 3 times in 2024 (after deducting 50% of outstanding subordinated debt from net debt) 	2.49 times
Shareholder Returns	<ul style="list-style-type: none"> Stable dividend increases with the aim of achieving a dividend payout ratio* of around 35% (aiming for dividend payout ratio of 40% by 2025) 	40.6%

* The dividend payout ratio is calculated by deducting one-time gains and losses (net of tax), such as business portfolio restructuring and impairment losses, from net income attributable to owners of the parent company.

II Management Policy (Management Perspectives)

[1. Group Philosophy]

The Asahi Group, under the command of Asahi Group Holdings, Ltd., a pure holding company, conducts business mainly for alcohol beverages, soft drinks, and food with Japan, Europe, Oceania, and Southeast Asia as the core regions.

Based on the group philosophy, the “Asahi Group Philosophy (AGP),” we aim to be a group that is trusted even by future stakeholders. The AGP consists of 4 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 a code of conduct for our stakeholders and the Group’s commitments to them.

In addition, we have established “Make the world shine—we bring people together to make the world shine brighter” as a corporate statement to complement the AGP to declare the AGP’s social value and significance.



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 realizing 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

[2. Medium- to Long-Term Management Policy]

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 carrying out initiatives to realize our ideal business portfolio, we strive to further strengthen our core strategies such as integration of sustainability and management, digital transformation (DX) and research and development (R&D). We also aim to increase our corporate value through sustainable growth and collaborative creation with all of our stakeholders by reinforcing our strategic foundations through efforts such as the enhancement of our human capital and the evolution of our group governance.

1 “Medium- to Long-Term Management Policy”: Overview of long-term strategies

- **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 social issues.
 - Achieve innovation in three key areas (processes, organization, and business models) by pursuing BX* through DX.
 - 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**
 - Advance human resource for executing core strategies and building an ideal business portfolio.
 - Enhance Group governance in order to create an optimal organizational structure; Group-wide sharing of best practices.

* BX stands for Business Transformation.

2 | Ideal Business Portfolio

The business portfolio strategy within our long-term strategies assesses the “risks and opportunities” we face as we respond to the changing conceptions of people’s well-being. Under this strategy, we aim to realize sustainable growth in our existing businesses, centered on beer, while leveraging the foundation of those businesses to expand into adjacent categories and new businesses and services.

In terms of our existing businesses, we improved unit selling price in each region by promoting our premiumization strategy focusing on our mainstay brands, etc. We also strengthened global partnerships centered on “Asahi Super Dry” and “Peroni Nastro Azzurro.” As a result, we achieved a 5% year-on-year increase in sales volume for our five global brands in total.

For new areas, we worked to expand new markets by strengthening investment in BAC*, such as promoting initiatives in non-alcohol and low-alcohol categories in each region. We also worked on expanding new areas by leveraging yeast and lactic acid bacteria technology and developing new services using digital technology in addition to the full-scale operation of an investment management company in the U.S. that we established to explore new growth drivers.

Going forward, by utilizing our long-cultivated capabilities and business foundation, centered on beer, and pursuing growth opportunities in BAC and new product and service domains, we will build an optimal business portfolio.

* BAC stands for Beer Adjacent Categories. It refers to beer-adjacent categories such as low-alcohol beverages, non-alcohol beer, and non-alcohol beverages for adults.



5 Global brands



BAC developed in each region

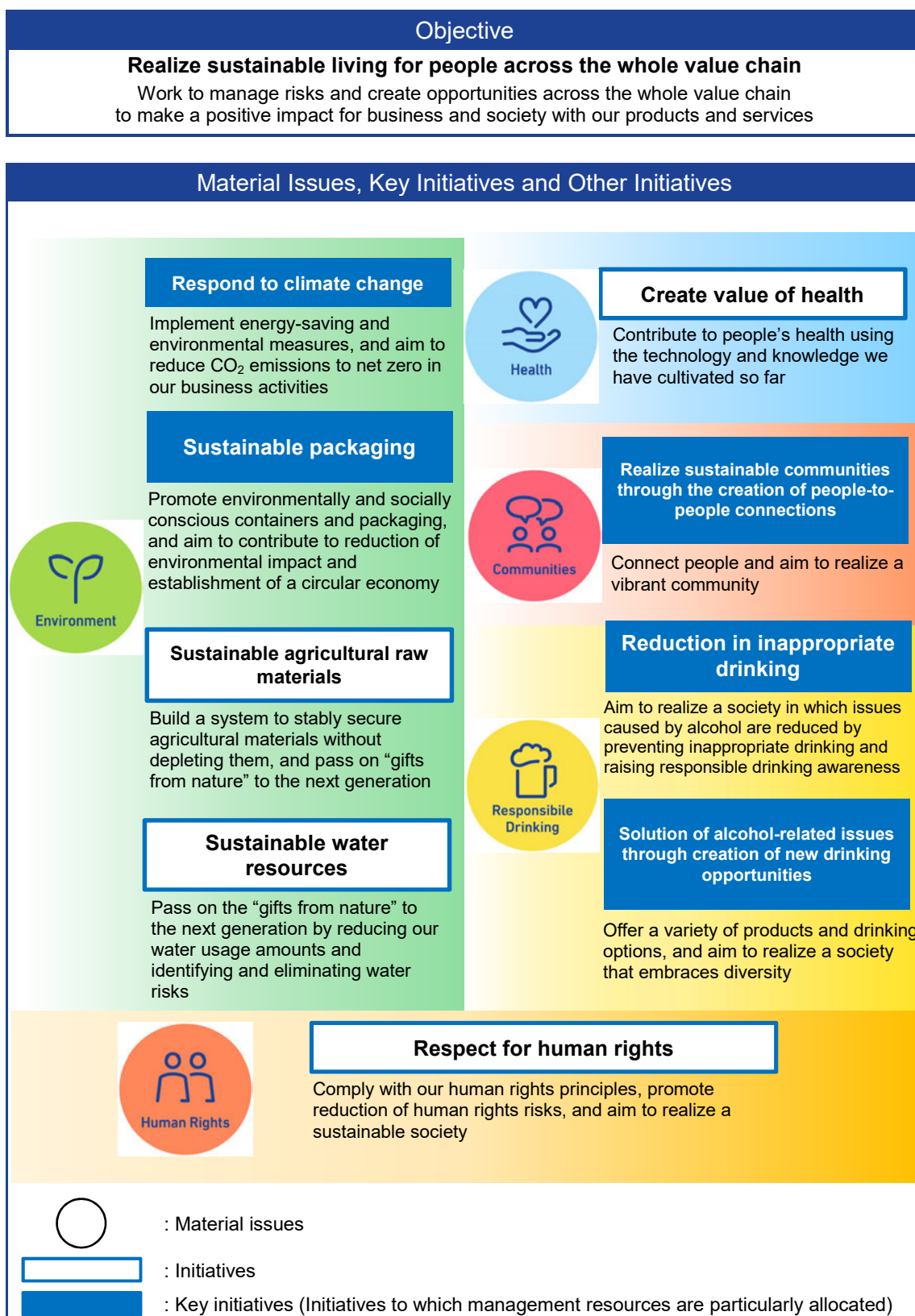


3 | Core Strategies—Sustainability Strategies—

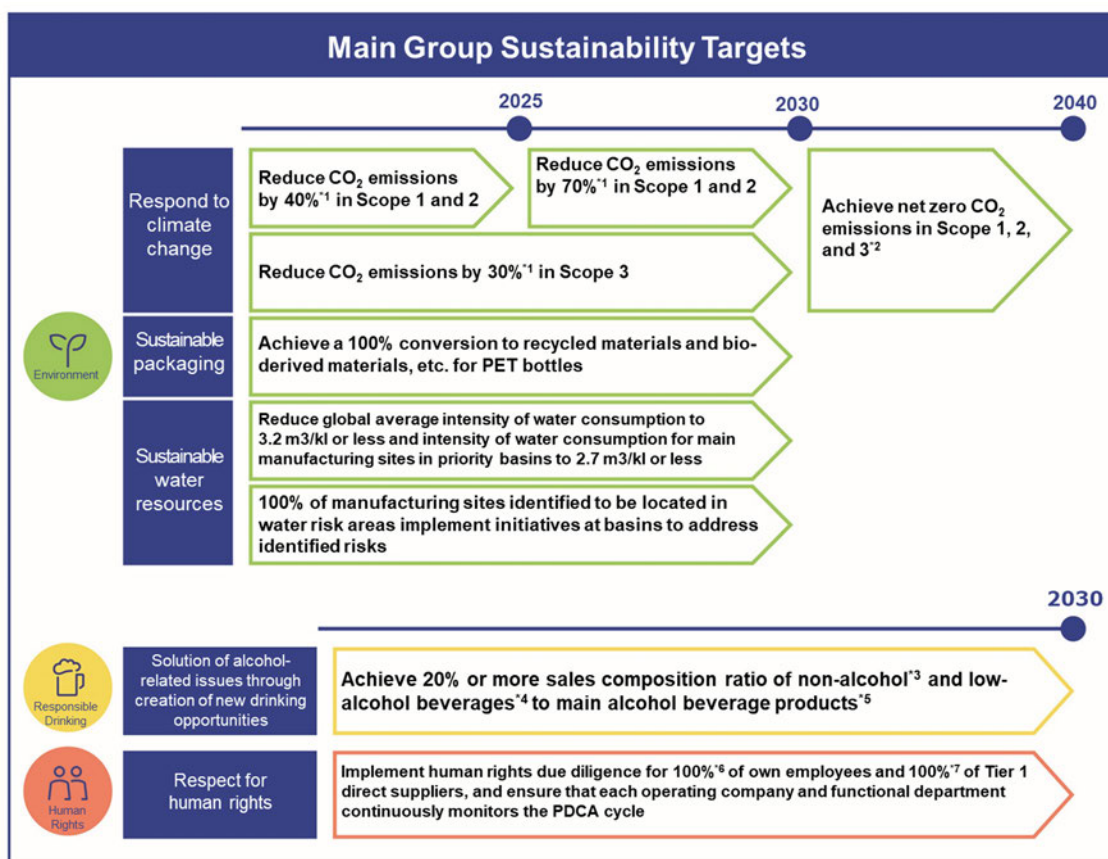
The Asahi Group is committed to “integrating sustainability and management,” and aims to enhance corporate value through sustainable growth and co-creation with various stakeholders.

With the aim of maximizing both business growth and the creation of social value, we have established our objective. We have also set material issues and initiatives that

specify areas to be addressed as management issues, and are moving forward with appropriate and effective measures in response.



For each initiative of the material issues (especially key initiatives), strategies and global targets are discussed and decided upon at the “Global Sustainability Committee,” which is chaired by Group CEO. The outcome of these deliberations is then applied throughout the entire Group.



*1 Compared with 2019

*2 In accordance with the Science Based Targets initiative (SBTi) definition of net-zero, based on the latest scientific knowledge

*3 Non-alcohol beverages are defined in accordance with the laws and regulations in each country

*4 Low-alcohol beverages have an alcohol content of no more than 3.5%

*5 Beer-type beverages, RTD (Ready To Drink: refers to a type of beverage sold in a prepared form and ready for consumption, such as canned chuhai), and non-alcohol beverages

*6 Asahi Group's employees in exporting countries excluding export business through distributors

*7 Existing Tier 1 direct suppliers (raw materials and packaging) over USD 100,000 spend



Respond to climate change

Climate change issues are important environmental issues for the Asahi Group, as we enjoy “gifts from nature” in our business activities.

The Asahi Group has set the “Asahi Carbon Zero,” our goal aiming to achieve net zero CO₂ emissions by 2040 in order to achieve a decarbonized society. In 2024, we earned approval of net zero CO₂ emissions targets from Science Based Targets initiative (SBTi), an international initiative, as this decarbonization target is scientifically consistent with the 1.5 degree target set forth in the Paris Agreement. As part of these initiatives, we installed solar power generation equipment at the Gunma Factory of Asahi Soft Drinks Co., Ltd. and our factory in Malaysia, and established a local energy network using green heat (hot water) in the Netherlands.

Going forward, to achieve net zero CO₂ emissions throughout the entire value chain by 2040, we will actively utilize renewable energy and innovate manufacturing methods. We will also collaborate with suppliers and business partners to accelerate decarbonization across the supply chain mainly in high-emission areas such as raw materials, transportation and delivery.

2023 results*

- Emissions in Scope 1 and 2: 32% reduction from 2019
- Emissions in Scope 3: 12% reduction from 2019

* Results for 2024 will be disclosed around June 2025.

Earned SBTi approval of net zero CO₂ emissions targets



We became the first Japanese company to earn SBTi approval of net zero CO₂ emissions for short- and long-term targets that include greenhouse gas emissions from non-energy sources generated by land use, such as agricultural raw materials.

Establishment of a circular energy network in cooperation with local companies and communities



Promoted reduction of CO₂ emissions and regional cooperation in green gas supply in the Netherlands by establishing a regional energy network using green heat

Identification of Risks and Opportunities Through an Analysis that Integrates the TCFD and TNFD

In order to identify and evaluate important risks and opportunities that take into account all aspects of nature and consider response measures, the Asahi Group took an approach that integrates the TCFD^{*1} and TNFD^{*2}, and analyzed it from the perspectives of business and society (climate and nature) based on common scenarios. We then identified the risks arising from the interaction, visualized the impact on our businesses and nature, and identified response measures and opportunities that could have synergies. We disclosed the results in June 2024.

In addressing climate change, we identified the introduction of a carbon tax as the most significant climate change risk for the Asahi Group. As a result of the analysis, it was determined that urgent reductions in CO₂ emissions from “raw materials, supplies, and transportation” within Scope 1, 2, and 3 are necessary to address these risks.

*1 It refers to the Taskforce on Climate-related Financial Disclosures and provides a framework for disclosing corporate climate-related risks and opportunities and financial impacts.

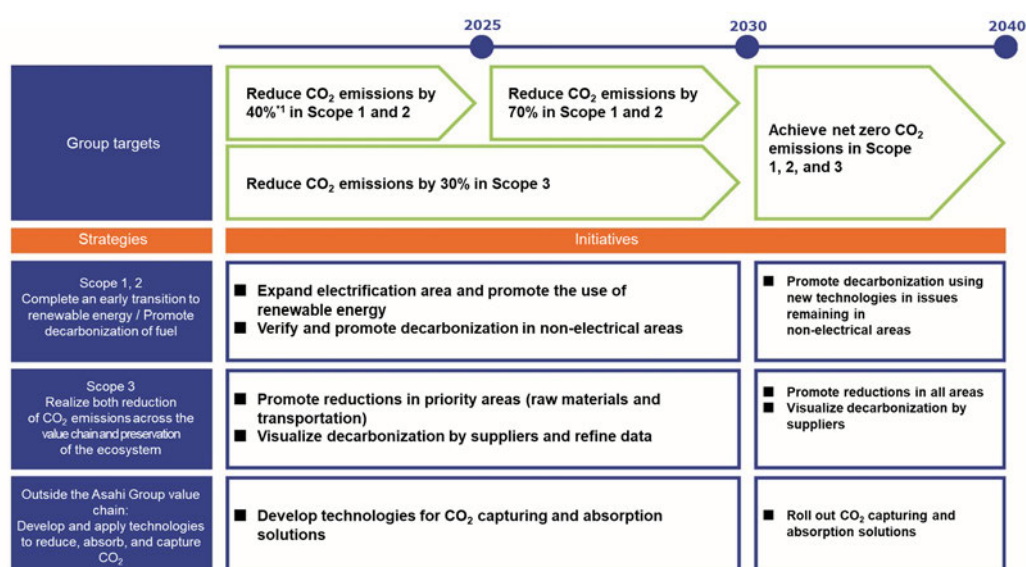
*2 It refers to the Taskforce on Nature-related Financial Disclosures and provides a framework for the appropriate assessment and disclosure of corporate natural capital and biodiversity-related risks and opportunities.

[Risk identification]

Financial Impact of the Introduction of a Carbon Tax	
<u>Scope 1 and 2</u>	¥8.6 billion in 2030
<u>Scope 3</u> (Containers and packaging; upstream and downstream transportation and delivery)	¥73.8 billion in 2030

[Opportunities and response measures]

A timeline of strategies, initiatives, and goals was provided as opportunities and response measures. Examples of specific reduction measures for Scope 1 and 2 include utilizing renewable energy, innovating manufacturing methods, and introducing heat pump technology to reduce CO₂ emissions. For Scope 3, we are working closely with suppliers and business partners to co-create reduction measures, particularly in high-emission areas such as raw materials (containers and packaging, agricultural raw materials, etc.), transportation and delivery, thereby accelerating decarbonization throughout the supply chain. We also see the acceleration of a fundamental review of manufacturing methods and verification testing of new technologies as an opportunity to improve cost competitiveness and promote further efficiency.





Sustainable packaging

Containers and packaging are necessary to ensure quality maintenance and transportation strength, and function as a means of communication through design and labeling. On the other hand, marine pollution and the effects on the ecosystem due to inappropriately disposed plastic containers and packaging are urgent social issues.

The Asahi Group is pursuing the 100% conversion to using recycled materials, bio-derived materials, etc. in PET bottles by 2030. As part of these initiatives, we have established a joint venture with other companies in Australia to build and operate a PET bottle recycling plant. In Japan, we have partnered with municipal governments and beverage companies to launch horizontal recycling, in which collected PET bottles are recycled into new PET bottles.

Going forward, we will actively collaborate with industry groups, pursue joint technology development with suppliers, and carry out initiatives aimed at changing consumer behavior concerning disposable containers. In addition, we will also strive to save resources, reduce weight, and improve the recyclability from the perspective of 3R (Reduce, Reuse, Recycle) for other container and packaging materials such as cans, bottles, barrels, and paper.

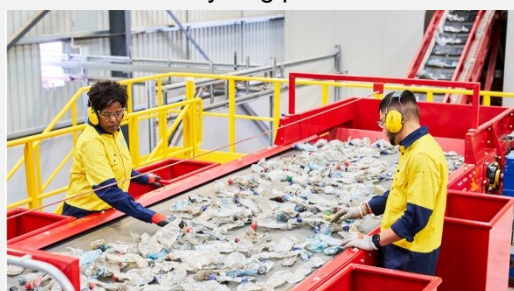
2023 results^{*1}

- Materials that can be used effectively as a percentage of plastic container composition: 99%
(Approaches toward effective use^{*2} vary by country in which business is operated.)
- Recycled materials, bio-derived materials, etc. as a percentage of PET bottle composition: 25%

*1 Results for 2024 will be disclosed around June 2025.

*2 Effective use refers to materials that are reusable, recyclable (including recyclable at the research stage), compostable, or thermal recyclable, etc.

Operating one of Australia's largest recycling plants



We operate Victoria's largest PET bottle recycling plant, the second of its kind in Australia, through a joint venture with competitors and companies from other industries.

Launched Bottle-to-Bottle collaborative project



Launching PET bottle recycling through a partnership with Coca-Cola Bottlers Japan Inc. and Akashi City



Reduction in inappropriate drinking/ Solution of alcohol-related issues through creation of new drinking opportunities

Guided by the “Asahi Group Responsible Drinking Principles,” the Asahi Group is working to eradicate inappropriate drinking and to resolve the social issues caused by alcohol. Further, we are taking on the challenge of bringing innovation to the relationships between people and alcohol beverage, and also working to solve the social issues that can arise from inappropriate drinking, while helping foster the healthy development of alcohol beverage culture, which can help enrich people’s lives, to realize a society with a fewer issues caused by alcohol.

Towards eradication of inappropriate drinking, in order to promote “responsible drinking” on a global scale, we have joined the International Alliance for Responsible Drinking (IARD), an international non-profit organization, and are working with the world’s major alcohol beverage manufacturers to promote the eradication of inappropriate drinking.

In Japan, we shared the results of joint research with University of Tsukuba on the effects of the use of non-alcohol beverages to suppress alcohol intake with medical organizations, and we are making efforts to propose alcohol consumption control using non-alcohol beverages.

To solve alcohol-related issues by creating new drinking opportunities, we are actively expanding non-alcohol and low-alcohol beverages, aiming for a 20% or more sales composition ratio of non-alcohol and low-alcohol beverages of main alcohol beverage products by 2030.

We will continue to carry out a variety of initiatives to promote responsible drinking and support the healthy development of alcohol beverage culture. We will also bring together the insight and technologies of the Asahi Group to develop innovative new products and create new drinking opportunities that can be enjoyed not only by those who drink, but also by those who do not drink or cannot drink.

2023 results*

Sales volume of non-alcohol and low-alcohol beverages as a percentage of main alcohol beverage products: 10.5%

* Results for 2024 will be disclosed around June 2025.

Utilizing research results on the effects of the use of non-alcohol beverages to suppress alcohol intake



When healthcare professionals provide health guidance to individuals consuming alcohol at levels that increase the risk of lifestyle-related diseases, we propose that the healthcare professionals inform those individuals of the effects of the use of non-alcohol beverages to suppress alcohol intake and suggest that they control their alcohol consumption with non-alcohol beverages.

Development of non-alcohol and low-alcohol beverages



Actively promote non-alcohol and low-alcohol products as extensions of global brands such as "Asahi Super Dry" and "Peroni Nastro Azzurro."



Respect for human rights

As a company that operates globally, the Asahi Group regards respect for human rights as the foundation of our business activities, and recognizes its responsibility to respect human rights of people affected by our business activities.

In December 2023, we revised the “Asahi Group Human Rights Principles” with the aim of bolstering its efforts to respect human rights. The principles serve as the Group’s supreme policy on human rights as well as the foundation of all the Asahi Group’s business activities.

The Asahi Group has been implementing human rights due diligence, providing thorough human rights education for its employees and business partners, and establishing a system of redress for victims of human rights violations, with the aim of conducting human rights due diligence for 100% of its employees and 100 % of direct material primary suppliers by 2030, while ensuring that all operating companies and functional departments can continuously monitor the PDCA cycle.

We began operating a global whistleblowing system in May 2024 as part of these efforts. The whistleblowing system has been unified to allow not only our employees and business partners but also third parties to report, and anonymous reporting is now possible 24 hours a day, 365 days a year in the local language of the country in which the Asahi Group operates. Through this system, we aim to create an environment where all stakeholders can easily report issues, and enable early identification and response to compliance issues and human rights violations.

Going forward, we remain committed to respecting human rights in accordance with the “Asahi Group Human Rights Principles,” and will contribute to the realization of a sustainable global society.





Realize sustainable communities through the creation of people-to-people connections

Through business activities such as procurement, production, and sales, the Asahi Group has been supported by various communities. Based on the belief that it is important to reevaluate and once again develop “Connections,” we have set the activity slogan for the materiality “Communities” as “RE:CONNECTION” and are working to promote these activities, while also aiming to review the weakened “connections” and create new “connections.”

In our community strategy, we define our key activities as “sustainable agricultural industry,” and our basic activities as “Community support activities with employee participation.” We work to strengthen our ties with the communities.

Agricultural industry support “FOR HOPS” aimed at solving regional issues



In the Czech Republic, we collaborate with various industries to resolve regional issues related to hops, a vital ingredient for beer production and improve productivity.

Globally shared community support activities



Various activities are held around the world on World Environment Day in June every year to enable many employees to establish connections with their respective communities and contribute to solving local environmental issues



Create value of health

The Asahi Group is promoting initiatives that utilize the Group's knowledge, proprietary materials, and technologies to help people maintain good health.

We develop and sell products that aim to solve various health issues faced by people today by applying the yeast and fermentation technology from our beer business, as well as technical capabilities cultivated through over 100 years of lactic acid bacteria research for "CALPIS."

In addition, as a company involved with food, we engage in social activities that contribute to the health of all generations, from children to the elderly. In addition, in response to the World Health Organization's (WHO) call to curb sugar intake, we are expanding our no-sugar and low-sugar product lines in our beverage business in regions such as Oceania and Southeast Asia, where sugar consumption is high.

We will continue using our range of accumulated technologies and insight to contribute to people's health through our products and services.

Development of health value products



We propose health promotion measures that can be easily performed on a daily basis through the "CALPIS" brand, which has been popular for many years.

No-sugar and low-sugar beverages



We are proceeding with research and product development related to reducing sugar, and expanding our product lineups in Australia and Southeast Asia.


4 | Core Strategies—DX Strategy—

We recognize that our DX is not merely digitalization, but management reform for survival. Considering that DX = BX, we are promoting innovation across the three key areas of “Business,” “Processes,” and “Organization.”




1) Business Innovation

By capturing the form of each person’s well-being, we aim to achieve a personalization model. We will also use digital technology to solve sustainability challenges, driving initiatives aimed at realizing sustainable living for people.

Initiative items	<ol style="list-style-type: none"> 1. Personalization Creation of personalization models to realize Our Mission to “deliver on our great taste promise and bring more fun to life” for each person 2. Sustainability Creation of structure aimed at realizing sustainable lifestyles for people through digital technology 	<p>[Example of initiatives]</p>  <p>We identify customer information that could not be obtained at restaurants before, analyze it in conjunction with order history, and use the data for proposal-based sales.</p>
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2) Process Innovation

In our global procurement, we pursue economies of scale, optimizing procurement costs and risks. Our supply chain, sustainability teams, and IT organization all work together to implement the best solutions for collecting and aggregating all information and data related to our sustainability efforts.

Initiative items	<ol style="list-style-type: none"> 1. Global foundation that improves productivity Creation and reinforcement of a foundation on a global scale utilizing regional characteristics to enhance productivity 2. Flexible system foundation Creation of a foundation that can accommodate new business models and optimization of overall operations 	
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3) Organization Innovation

Under our vision to transform into a digital native organization, we have set a goal of “democratizing the use of IT/data” so that each function and organization has IT/data utilization skills as standard capabilities. In addition, we will simultaneously promote the introduction of agile work styles.*

Initiative items	<p>Transforming into a “digital native organization”</p> <p>Transformation into a digital native organization through the democratization of IT and data utilization and the permeation of agile workstyles</p>	
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* A way of working that emphasizes flexibility and agility, and responds to changes quickly

5 | Core Strategies—R&D Strategy—

In our R&D strategy, we anticipate changes in the social and competitive environment over the medium to long term. Based on the future scenarios derived by a backcasting

approach that took into account megatrends as well as the technologies, insight, and know-how that we have thus far cultivated through our research, we have positioned the following four areas as key R&D domains. In these key domains, we are pursuing product and technological development with a view to creating new value and reducing risks. In addition, we are actively working to create new value by fostering technological synergies between our bases, including our overseas bases, and by using open innovation with different fields.



1) Alcohol-related

We are engaged in research and development to create new value in the BAC area in response to the diversification of alcohol-related needs and social changes. Based on the yeast breeding, fermentation process, flavoring, sensory evaluation and other technologies that we have fostered over the years, we combine advanced technologies such as psychology, neuroscience, and artificial intelligence (AI) to pursue advantages not only in taste and functionality but also in environmental impact and costs.

We aim to achieve further research results by capturing medium- to long-term market trends from both global and local perspectives, incorporating them into technical challenges, and strengthening a series of development functions from research to product development.



Research and development to create new value in response to diversifying needs and a changing society

2) Health & Wellness

In response to the growing health consciousness among consumers, we are working to help people maintain and improve their health by providing solutions that support physical and mental wellness.

We are working toward the global application of our proprietary functional lactic acid bacteria, including “*Lactobacillus acidophilus* L-92,” which helps maintain immune function in healthy people, and “*Lactobacillus gasseri* CP2305,” which has functions such as alleviating psychological stress, improving sleep quality (depth of sleep), and regulating intestinal health. In Australia, a labeling notification to the local authorities regarding the function of “*Lactobacillus gasseri* CP2305” in improving sleep quality and intestinal health has been accepted.

We will continue to strengthen our health and wellness research to support people’s healthy and abundant lives not only in Japan but also overseas, and aim to propose new value propositions.



Food with functional claims containing *Lactobacillus acidophilus* L-92 (left) and *Lactobacillus gasseri* CP2305 (right), for which notification has been accepted in Japan

3) Sustainability

We fulfill our social responsibilities and contribute to the development of a sustainable society through research and development on sustainability, including the practical application of technologies in environmental and energy fields, minimizing the impact of rising raw material costs stemming from climate change, and reducing the environmental impact of containers and packaging.

In the environmental field, envisioning a future where disposable containers such as cans, bottles, and PET bottles are eliminated, we have developed “EXTRA BURST,” a server that allows consumers to enjoy a strong carbonated beverage without using disposable containers. We started providing services for offices and hotels in 2024, with the aim of rolling out servers for home use by the end of 2025. Furthermore, we aim to provide sustainable beverages that significantly reduce environmental impact compared to disposable containers such as PET bottles by using proprietary refillable tumblers.

In addition to this initiative, we are also focusing on the development of green energy technologies and by-product utilization technologies to continue to improve the effectiveness of our environmental impact reduction efforts.



“EXTRA BURST,” a server that achieves high gas pressure without using disposable containers by using a nozzle utilizing proprietary technology

4) New Businesses

To realize the business portfolio that we aim for over the medium to long term, we are integrating technologies and business models both inside and outside the Group. In this way, we aim to create extraordinary “seeds” that can grow into new businesses.

We will create unprecedented new value and develop new businesses by combining the yeast, lactic acid bacteria and other microbial-related technologies that the Asahi Group has utilized up until now with a variety of next-generation technologies, including AI and digital technologies, from a new perspective.

To achieve this, we aim to create innovation by incorporating innovative external technologies from a global perspective and actively promoting the integration of different fields of technology.

6 | Enhancement of Human Capital

The Asahi Group is achieving the growth of both its employees and itself and promoting enhancement of medium- and long-term corporate value by strengthening the management foundation and realizing the “enhancement of human capital,” which serve as the source of our competitive advantage, through the three initiatives of “fostering the ideal corporate culture,” “continuing the nurturing of managers,” and “securing essential capabilities”^{*1}.

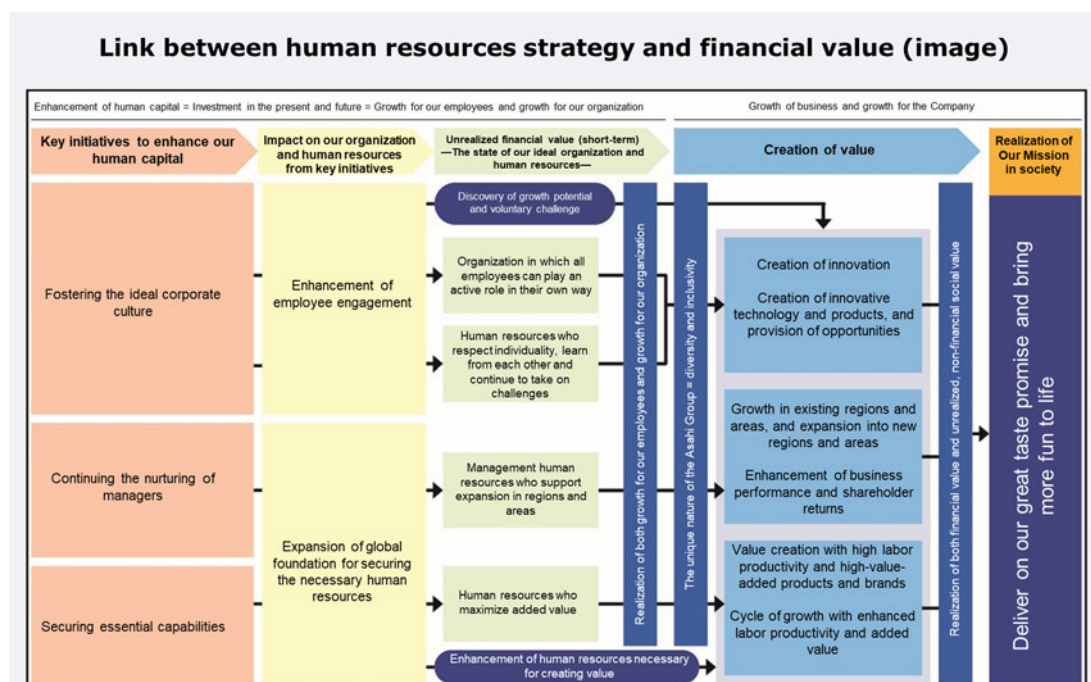
For the first time in 2024, we published our “People & Culture Report”^{*2}, a summary of the Asahi Group’s initiatives aimed at enhancing human capital. We also created a relations diagram that shows the structure of our value chain, describing what kinds of business and social impacts result from the enhancement of human capital, and how these lead to the enhancement of the Asahi Group’s corporate value. We will use this relations diagram to visualize the overall picture of the Asahi Group’s human capital management and verify the effectiveness of our human resources strategy as well as clarify our priorities in order to contribute to our decision-making for the purpose of maximizing value creation.

^{*1} Organizational capabilities necessary to realize our strategy.

^{*2} The details are posted on the following Company website:

WEB [WEB People & Culture Report](#)

https://s3-ap-northeast-1.amazonaws.com/asahigroup-doc/company/policies-and-report/pdf/en/people_culture2024.pdf



Note: For more details on “The Linkage of Our People Strategy to Our Financial Value,” see Page 13 in the aforementioned “People & Culture Report.”

1) Fostering the ideal corporate culture

It is vital to have various experiences and ideas that differ from previous ones to resolve ever more complex and diversifying various issues surrounding the Asahi Group. Based on these circumstances, we are working to foster a culture of “learning, growing, achieving TOGETHER” based on the “People Statement,” and through our initiatives in “Safety and Well-being (S&W),” “Diversity, Equity & Inclusion (DE&I),” “learning organization” and “collaboration.”

For “S&W,” “Global Safety and Well-Being Council” promotes initiatives to build a group-wide vision and strategy, set targets for initiatives, expand education and training, and create a comfortable workplace. Furthermore, sessions are held in all areas to

spread and instill the newly formulated “Global Safety and Well-being Vision” in our employees, whereby encouraging dialogue on safety and well-being and creating opportunities for each employee to contribute to the development of a culture of safety and well-being.

For “DE&I,” we have adopted “shine AS YOU ARE” as our core message and are working to spread it to employees around the world. Furthermore, we have set a goal of increasing the percentage of women in management^{*1} to 40% or more^{*2} by 2030. In order to achieve this goal, we are working to improve our percentage of women in management by reviewing the human resource system and developing guidelines for promotions, training, recruitment, and other topics.

For “learning organization” and “collaboration,” we are working to create a setting in which we can all grow together by holding regional and global awards to share best practices from around the world in the three fields of “AGP,” “Kando^{*3}” and “Supply Chain,” as we learn from and celebrate each other.

*1 The scope consists of officers and employees of Asahi Group’s internal grade 21 or above who are in charge of leading each functional department.

*2 The scope consists of the Company, each RHQ, and major operating companies in Japan.

*3 Literally meaning “to impress” or “to move emotionally,” Kando refers to activities that impress customers with products and services that exceed expectations.

2) Continuing the nurturing of managers

The change of the surrounding business environment is expected to accelerate further. To achieve sustainable growth in such an environment, we are working to strengthen our system that enables developing management personnel.

As a foundation for developing human resources, we have formulated the “Global Leadership Competency Model” that clearly defines “excellent leadership” for the Asahi Group. This model presents a global shared leadership framework required for employees at all levels around the world and is used for recruitment and human resource development. In this manner, we promote the development of future global leaders who will produce outstanding results in terms of both business and culture.

Moreover, as part of our management human resources succession plan, we conduct a “review of global talent” annually for human resources in key positions. Through these efforts, we are working to formulate a pipeline of leader human resources that has even more layers than before by visualizing outstanding human resources throughout the Group, and selecting the optimal human resources by finding the right job for the right person across countries and regions over the medium to long term and promoting human resource development.

3) Securing essential capabilities

In order to realize the enhancement of human capital, it is essential to secure the necessary capabilities from the perspectives of “Ideal Business Portfolio” strategy, “Core Strategies,” and “Strategic Foundation Strengthening” in the “Medium- to Long-Term Management Policy.” To this end, we are promoting the use of Group human resources and acquiring expert human resources from outside the Group. In addition, we are also promoting the use of external resources through partnerships, alliances, etc. We have also started a global initiative to identify the capabilities needed to achieve sustainable corporate growth, and we will clarify our target growth potential, accelerating growth through investment in human capital.

Furthermore, as part of efforts to acquire capabilities and to build a foundation for utilizing those capabilities, we have developed globally standardized human resource systems, such as global grading, and established the “Asahi Group Global Mobility Policy,” which sets forth global guidelines on job transfers and compensation. Through these efforts, we are working to develop human resources throughout the Group, promote the allocation of human resources across regions, and further enhance recruitment competitiveness.

7 | Medium-Term Guidelines

The Key Performance Indicator Guidelines and Financial Policies have been updated as follows, based on progress through 2024 and dialogues with capital markets, with a target schedule of 2030.

Regarding our key performance indicators, we are committed to achieving profitability with “high single-digit up to double-digit” in terms of CAGR (compound annual growth rate) of EPS. Furthermore, we will work to achieve sustainable improvements in both the amount and profit margin of our core operating profit through measures such as accelerating our growth strategy. We will consolidate our profitability indicators to focus on EPS, which reflects profit growth and capital policy, and promote further engagement as we align our views with those of the capital markets. In addition, in order to improve the valuation of stock prices, we need to work on improving not only profitability but also capital efficiency, and we will add ROE and ROIC^{*1} as key indicators in the future.

In terms of our financial policy, we will continue to prioritize investing for growth while maintaining financial robustness (Net Debt/EBITDA^{*2}: 2.5–3 times), but given the increased flexibility of our financial strategy, we will aim to improve capital efficiency while also allocating capital to enhance shareholder returns. Regarding shareholder returns, in order to ensure a more stable increase in dividends, we will implement progressive dividend^{*3} payments with the aim of achieving a DOE^{*4} of 4%, and we will also flexibly acquire treasury shares.

Through disciplined growth investments, we will continue to fortify our business portfolio and vigorously promote our core strategies, while also working to improve capital efficiency through our financial strategy and reduce our cost of capital through engagement with the capital markets, as we aim for sustainable growth and the medium- to long-term enhancement of our corporate value.

^{*1} Calculated by dividing core operating profit after taxes by the sum of net interest-bearing debt and equity attributable to owners of parent (excluding translation differences on foreign operations, changes in the fair value of investments in financial instruments measured at fair value through other comprehensive income, etc.)

^{*2} Net Debt / EBITDA (EBITDA net debt equity ratio) = (interest-bearing debt - cash) / EBITDA. However, 50% of outstanding subordinated debt is deducted from net debt in the calculation.

^{*3} Progressive dividend is a dividend policy in which the dividend per share is increased every year or at least kept at the same level.

^{*4} Calculated by dividing the total amount of dividends by the total equity attributable to owners of parent.

■ Key Performance Indicator Guidelines

	Guidelines by 2030	2024 results
EPS (Adjusted EPS ^{*1})	CAGR (Compound annual growth rate): From high single digit to double digit (CAGR (Compound annual growth rate): From high single digit to double digit	EPS: 126.66 yen (Adjusted EPS: 120.65 yen)
ROE (Adjusted ROE ^{*2})	11% or more *the cost of shareholders' equity: around 8% (14% or more)	7.5% (10.7%)
ROIC	10% or more * WACC (the weighted average cost of capital): around 5.5-6%	6.9%

^{*1} The adjusted EPS is calculated excluding special temporary factors, such as business portfolio restructuring and impairment losses.

^{*2} Adjusted ROE is calculated based on adjusted profit attributable to owners of parent (i.e., profit attributable to owners of parent, excluding special temporary factors, such as business portfolio restructuring and impairment losses) divided by total equity attributable to owners of parent (excluding translation differences on foreign operations, changes in the fair value of investments in financial instruments measured at fair value through other comprehensive income, etc.).

Note: The 2024 results for EPS and adjusted EPS are the figures after rounding off fractions to the representative unit.

■ Financial Policies

	Guidelines by 2030	2024 results
Shareholder Returns	<ul style="list-style-type: none"> • DOE: Progressive dividend aiming for 4% or higher • Flexible acquisition of treasury shares 	2.9%
Financial Soundness	<ul style="list-style-type: none"> • Maintain Net Debt/EBITDA at around 2.5 to 3 times 	2.49 times

[3. Policy for 102nd term (FY2025)]

In the fiscal year 2025, geopolitical risks are expected to become more complex, and there are concerns about the risk of economic slowdown due to inflation. In this environment, we will continue enhancing our business portfolio by promoting premiumization strategies in each region, expanding our global brands, and strengthening investments in BAC based on the “Medium- to Long-Term Management Policy.” In addition to our core strategies such as integrating sustainability and management, we will work to enhance corporate value beyond the sum of individual business operations through the further evolution of group governance systems and the upgrading of global procurement functions.

In Japan, in addition to strengthening mainstay brands in the alcohol beverages, soft drinks, and food businesses, we will work to expand our foundation for growth by strengthening new value propositions, centered on the development of high-value-added products. In addition to improving profitability by creating synergies beyond the boundaries of each business, we will strengthen the management foundation for sustainable growth by enhancing our human capital and promoting sustainability initiatives.

In Europe, alongside strengthening the premium beer and non-alcohol beer in major market countries, we will boost awareness of global brands by expanding and developing “Asahi Super Dry” and “Peroni Nastro Azzurro” by using global partnerships, etc. In addition, we will further strengthen our foundation for growth by promoting sustainability initiatives and DX.

In Oceania, in addition to restructuring of our product portfolio with a focus on major beer brands, we will promote a multi-beverage strategy that leverages the strengths of our alcohol beverages and soft drinks businesses by promoting premiumization through the development of high-value-added RTDs*¹ and entering growth areas in the soft drinks business. Furthermore, we will further strengthen our business foundation through profit structure reforms by accelerating DX and improving supply chain efficiency, and through new value proposals that emphasize sustainability.

In Southeast Asia, we will work to improve profitability in Malaysia, Singapore, and other countries in which we have developed our business by ramping up our investment in mainstay brands with a focus on our own brands and optimizing sales channels. We will also build a sustainable business foundation by placing sustainability at the center of our management.

With these efforts, the Group projects revenue to be ¥2,970,000 million, core operating profit*² to be ¥287,000 million, operating profit to be ¥262,000 million, and profit attributable to owners of parent to be ¥177,500 million (adjusted profit attributable to owners of parent*³ to be ¥177,500 million), for FY2025.

While the Company has been based on a four-RHQ*⁴ structure in Japan, Europe, Oceania, and Southeast Asia, we will transition to a three-RHQ structure effective April 1, 2025 by integrating Oceania RHQ and Southeast Asia RHQ. Through the integration of the alcohol beverages and soft drinks businesses in Oceania, Southeast Asia, and South Asia, we will strengthen our multi-beverage strategy. In the alcohol beverages business in East Asia, we will enhance our competitive advantages more than ever by leveraging the strong brands, development capabilities, and supply chains of Asahi Group Japan, Ltd., which is responsible for our Japanese operations.

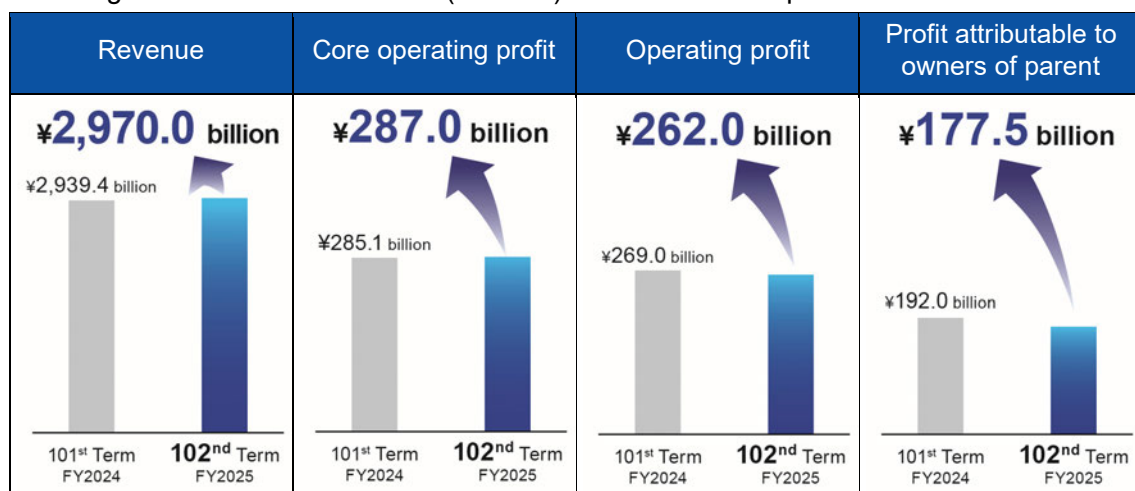
*1 RTD stands for Ready To Drink, which refers to a type of beverage sold in a prepared form and ready for consumption, such as canned chuhai.

*2 Core operating profit is the Company’s original indicator of profit, which measures the ordinary business earnings calculated by deducting cost of sales and selling, general and administrative expenses from revenue.

*3 Adjusted profit attributable to owners of parent is profit attributable to owners of parent less special temporary factors, such as business portfolio restructuring and impairment losses.

*4 RHQ stands for Regional Headquarters.

■Earnings forecasts for 102nd term (FY2025) of the Asahi Group



III Corporate Governance

The Company plans to transition to a Company with Nominating Committee, etc., subject to approval at the Annual General Meeting of Shareholders held on March 26, 2025. This section explains the corporate governance system as of December 31, 2024. For the corporate governance system after the transition, please refer to “Transition to a Company with Nominating Committee, etc.” on the Convocation Notice of the 101st Annual General Meeting of Shareholders.

[1. Basic Policies]

The Company aims to achieve sustainable growth and increase corporate value over the medium to long term by putting the group philosophy of the Asahi Group, the “Asahi Group Philosophy (AGP)” into practice.

The Company positions the reinforcement of the Group’s corporate governance at the top of management priorities. It has been proactive in its efforts to strengthen Group management in response to globalization, build solid relationships of trust with society including promotion of sustainability management, and enhance its social presence and transparency, such as advancement of engagement with stakeholders.

[2. Characteristics of the Company’s Corporate Governance]

To realize sustainable growth and enhance corporate value over the medium to long term, the Company is working to continuously enhance the effectiveness of the Board of Directors.

Through the following initiatives, etc., Directors and the Board of Directors have established a framework for ensuring that the Board of Directors can engage in appropriate decision-making and monitor the managerial ranks in a highly effective manner.

In addition, the Audit and Supervisory Board Members and the Audit and Supervisory Board appropriately fulfill their roles and duties by auditing the operational execution of Directors, the Group CEO, and other members of management, based on their fiduciary responsibility and accountability to shareholders and from an independent and objective standpoint aided by an auditor system and structure with such advantages as the independence and autonomy of each Audit and Supervisory Board Member, designation of Standing Audit and Supervisory Board Members, and a composition with the majority of its members being Independent Outside Audit and Supervisory Board Members.

Structure of the Board of Directors

To ensure balance and diversity in terms of the knowledge, experience, and ability of the entire Board of Directors deemed necessary for the Company to realize sustainable growth and increase corporate value over the medium to long term, the Company has formulated the “Board of Directors Skill Matrix,” which clarifies the personal requirements of Directors of the Company based on the AGP, management strategies, etc. In accordance with the “Board of Directors Skill Matrix,” the Board consists of persons who have abundant experience, extensive insight, and high-level expertise and ability required by the Company.

Evaluation of effectiveness

Every year, the Company evaluates the effectiveness of the Board of Directors, Nomination Committee, Compensation Committee, and Audit and Supervisory Board with the help of a third party. Through such evaluations, these bodies incorporate points to improve in their activity plans for the following year, thereby working to enhance their effectiveness.

Nomination Committee and Compensation Committee

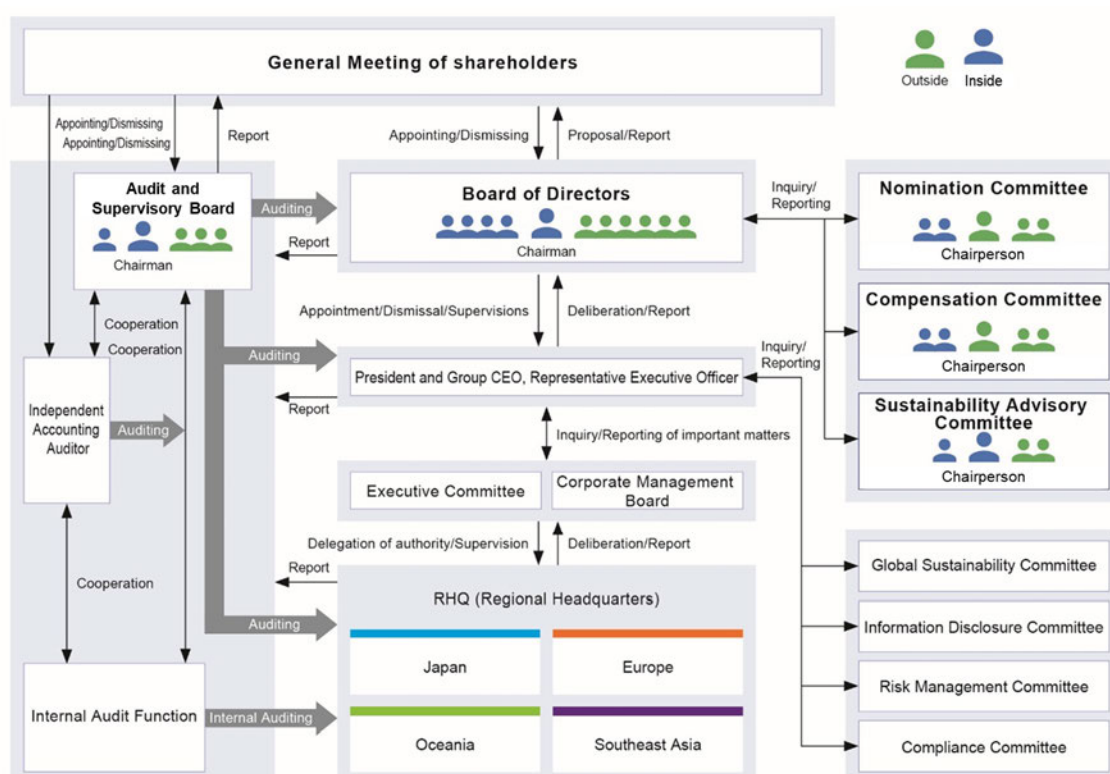
To ensure transparency, fairness, and appropriateness, the Nomination Committee

and Compensation Committee, a majority of whose members consist of Independent Outside Directors, are consulted by the Board of Directors on agenda items related to officer appointments and remuneration, deliberate on said items, and then report their opinions to the Board of Directors.

Structure of the Audit and Supervisory Board

To ensure diversity and balance in terms of the knowledge, experience, and ability deemed necessary for the Company to realize sustainable growth and increase corporate value over the medium to long term, the Company has formulated the “Audit and Supervisory Board Skill Matrix,” which clarifies the personal requirements for Audit and Supervisory Board Members. In accordance with the “Audit and Supervisory Board Skill Matrix,” the Audit and Supervisory Board consists of persons who possess abundant experience, extensive insight, high-level expertise and ability required by the Company.

[3. Corporate Governance System]



1 | Roles and functions of the Board of Directors

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 practices the AGP and promotes 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

We aim 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

We establish important corporate strategies such as the "Medium- to Long-Term Management Policy" and a policy on business portfolio, and revise them when necessary, thereby striving to strengthen proactive and determined management in order to enhance corporate value over the medium to long term.

Strengthening decision-making processes through the separation of executive and supervisory functions

A non-executive inside 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.

Reform of the executive structure to strengthen group governance and maximize corporate value

Effective April 1, 2024, the Company transitioned to a management execution structure aimed at optimizing its organizational framework to maximize the Asahi Group's corporate value and bring it closer to becoming a true global company that positively impacts the environment and local communities through its corporate activities.

Specifically, we have redefined the functions of existing CxOs* and established new Group CxOs in the five functions of Finance, People, Growth, Sustainability, and R&D to demonstrate their functions throughout the Group.

In addition, we have also set up the Executive Committee as an advisory body to the Group CEO. Under this structure, in addition to the Group CxOs, the CEOs of each Regional Headquarters participate in the Group management, providing opportunities for discussing matters such as Group-wide strategies and initiatives.

Going forward, we will continue to evolve group governance and further strengthen the management foundation to support our long-term strategy.

* A general term referring to the head of a specific management execution function (x).

Deliberations on officer appointments and remuneration

We strive 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 and 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

We provide appropriate support for risk-taking by the management, including the Group CEO, 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 by adopting 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 and Supervisory Board. In addition, the Board of Directors is carrying out appropriate crisis management measures, such as the monitoring of responses to contingencies by those in charge of business execution.

2 | Audit and Supervisory Board

The Audit and Supervisory Board Members and the Audit and Supervisory Board appropriately fulfill their roles and duties by auditing the operational execution of Directors, the Group CEO, and other members of management, based on their fiduciary responsibility and accountability to shareholders and from an objective and independent standpoint aided by an auditor system and structure with such advantages as the independence and autonomy of each Audit and Supervisory Board Member, designation of Standing Audit and Supervisory Board Members, and a composition with the majority of its members being Independent Outside Audit and Supervisory Board Members.

In order to ensure an effective balance in the entire Audit and Supervisory Board in terms of the knowledge, experience, ability, and diversity required to achieve sustainable growth and increases in corporate value over the medium to long term, the Audit and Supervisory Board shall consist of suitable individuals who possess abundant experience, extensive insight, high-level expertise and ability required by the Company, in accordance with the “Audit and Supervisory Board Skill Matrix,” which clarifies the personal requirements for Audit and Supervisory Board Members.






In addition, the Company shall ensure that at least 3 of the Audit and Supervisory Board Members are Outside Audit and Supervisory Board Members who meet the Company’s requirements for Independent Officers.

By combining the information held by the Standing Audit and Supervisory Board Members and the high level of expertise of the Outside Audit and Supervisory Board Members, the Company’s system enables Audit and Supervisory Board Members to exercise their authority proactively and decisively, making appropriate judgments and taking action from an independent and objective standpoint.

1) Nomination Committee

Nomination Committee provides reports on its findings and views about personnel affairs of officers, etc. in response to the inquiries referred from the Board of Directors. The Committee consists of 3 Outside Directors and 2 Inside Directors, and an Outside Director is co-operatively appointed as its chairperson.

5 members (of whom 3 are Outside Directors)

 Outside	Chairperson	Kenichiro Sasae (Outside Director)
 Outside	Member	Christina L. Ahmadjian (Outside Director)
 Outside	Member	Tetsuji Ohashi (Outside Director)
 Inside	Member	Akiyoshi Koji (Chairman and Director, Chairman of the Board of Directors)
 Inside	Member	Atsushi Katsuki (President and Group CEO, Representative Director)

Activities in FY2024






The Nomination Committee convened a total of 6 times in FY2024.

- Deliberation and reporting regarding nomination of Director and Audit and Supervisory Board Member candidates
- Deliberation and reporting regarding appointment of the Representative Director, Chairman of the Board, President, the Group CEO, and Group CxO
- Discussions, decision, and reporting to Board of Directors on matters regarding the appointment of Nomination Committee members after reappointment
- Discussion on appointment of members of the Nomination Committee, Audit Committee, Compensation Committee, and Sustainability Advisory Committee after the transition to a Company with Nominating Committee, etc.
- Report on the committee activity plan for FY2024 to the Board of Directors
- Discussion on succession planning
- Discussion on cultivation and acquisition of human resources, and the assessment system

2) Compensation Committee

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 3 Outside Directors and 2 Inside Directors, and an Outside Director is co-operatively appointed as its chairperson.

5 members (of whom 3 are Outside Directors)

 Outside	Chairperson	Christina L. Ahmadjian (Outside Director)
 Outside	Member	Kenichiro Sasae (Outside Director)
 Outside	Member	Tetsuji Ohashi (Outside Director)
 Inside	Member	Keizo Tanimura (Director EVP ^{*1} and Group CPO ^{*2})
 Inside	Member	Kaoru Sakita (Director EVP and Group CFO ^{*3})

*1 EVP stands for Executive Vice President

*2 CPO stands for Chief People Officer

*3 CFO stands for Chief Financial Officer

Activities in FY2024

The Compensation Committee convened a total of 8 times in FY2024.





- Discussion and decision regarding individual evaluations tied to annual bonus amounts
- Discussion, decision, and reporting to Board of Directors of officer bonuses (annual and medium-term) and allocation of points for stock compensation
- Discussion, decision, and reporting to Board of Directors of the appointment of members of Compensation Committee after reappointment
- Discussion on the social value indicators in the medium-term bonus
- Discussion on the evaluation system of executive directors
- Discussion regarding officer remuneration for FY2025 and beyond

3) Sustainability Advisory Committee

The Sustainability Advisory Committee further promotes the integration of sustainability and management, deliberates key sustainability themes from professional perspectives and makes recommendations to the Board of Directors.

The Committee consists of 2 Outside Directors and 2 Inside Directors including Group CEO, and Group CEO is appointed as its chairperson. The Committee shall invite outside experts on a case-by-case basis, depending on matters of inquiries or discussions.

4 members (of whom 2 are Outside Directors)

 Inside	Chairperson	Atsushi Katsuki (President and Group CEO, Representative Director)
 Inside	Member	Keizo Tanimura (Director EVP and Group CPO)
 Outside	Member	Christina L. Ahmadjian (Outside Director)
 Outside	Member	Mari Matsunaga (Outside Director)

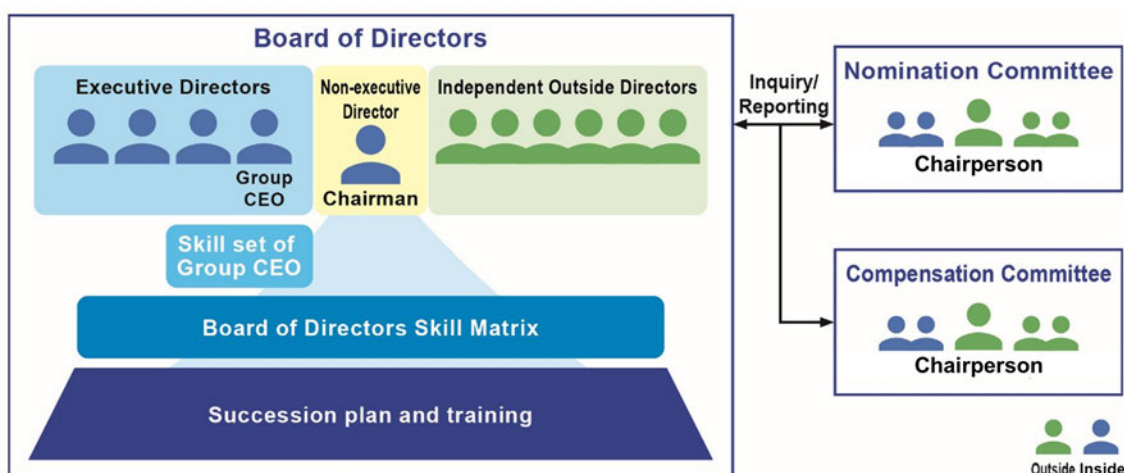
Activities in FY2024

The Sustainability Advisory Committee convened a total of 2 times in FY2024.

- Discussion regarding risks and opportunities for our business in the future based on ultra-long term trends
- Discussion on the role of alcohol in society
<External experts invited in FY2024>
Julian Braithwaite, CEO and President
International Alliance for Responsible Drinking (IARD)

[4. Nomination and Appointment of Officers]

■Nomination and appointment system of Directors



1 | Board of Directors Skill Matrix

The “Board of Directors Skill Matrix” is composed of the necessary skills for decision-making as the Board of Directors and particularly necessary skills for the oversight of business execution. According to the Board of Directors Skill Matrix, the Company shall make the Board of Directors composed of persons who are suitably qualified to be Directors of the Company possessing abundant experience, extensive insight, high-level expertise and ability required by the Company.

2 | Succession plan and training

The Company regards the succession planning involving its Group CEO and Directors as one of the matters of utmost priority, and accordingly draws up a succession plan pertaining to the Group CEO and Directors, etc. pursuant to requirements demanded of the Group CEO and Directors as individuals, and the composition of the entire Board of Directors. The Board of Directors properly supervises the succession plan.

Based on the succession plan, the Company makes appointments and assignments according to plan, engages in coaching of successor candidates, and carries out training, etc. for successors of the next and subsequent generations. Meanwhile, the Company arranges professional assessments by external organizations and makes use of such means as 360-Degree Feedback in-house. The Nomination Committee regularly monitors and reviews such plans as necessary.

For the Directors and Audit and Supervisory Board Members, the Company provides training required for their roles and responsibilities on a regular basis. The Company provides Outside Directors and Outside Audit and Supervisory Board Members with information relating to the overview of the Asahi Group including its businesses, financial affairs and organizations, and implements measures, such as office visits and exchanges of opinions with employees, to facilitate their understanding of the Group and human resources as needed.

3 | Skill set of the Group CEO

The Company has formulated the “Skill set of the Group CEO,” in order to enhance the sustainability of management and proceed the succession planning of the Group CEO based on fair and transparent processes.

The skill set consists of distinctive skills required for the Group CEO of the Company in addition to universally essential skills as the Group CEO, and articulates the essential skills of the Group CEO from the perspective of ultimate responsibility of execution.

The table of the skill set of the Group CEO is formulated with the business environment within and outside the Company as of now and over the next five years in mind, and are subject to review depending on environmental changes, etc.

The Company examines the appointment, reappointment, and succession planning of the Group CEO based on the skill set of the Group CEO.

■ Skill set of the Group CEO

Necessary skills of the Group CEO	Personal Image Ideal perceptions from inside and outside the Company, and ideal presence			
	<ul style="list-style-type: none"> • A leader who, as a representative of Asahi Group, thinks the most deeply about AGP, embodying a sense of mission and an ethical code • A leader who, regardless of any business environment, always exhibits a clear vision that leads employees, and unshakeable code of values • A leader who actively encourages different thinking and achieves growth of employees and the Company through maximizing the capabilities of employees 			
	Personal traits “Personality, attitude and stance” conducive to serving duties	Capabilities “Insight, ability, expertise” required to accomplish duties	Performance record Necessary “experience and successes”	
	<ul style="list-style-type: none"> • Sincerity and humility • Mental toughness • Open-mindedness 	<ul style="list-style-type: none"> • Foresight, decisiveness, competency • Organizational leadership • Learning skills 	<ul style="list-style-type: none"> • Experience as a top management of operating company or RHQ* • Experience in international operations • Experience in addressing discontinuous growth 	
Skills required as Director	Long-term strategy	Global	Sustainability	Discontinuous growth
	Senior leadership	Finance	Risk & Governance	Human resources & Culture

* RHQ stands for Regional Headquarters

4 Appointment, dismissal, and evaluation of the Group CEO and executive directors

1) Appointment and dismissal of the Group CEO

The Board of Directors appoints as the Group CEO individuals who will contribute to the sustainable growth of the Company and help increase its corporate value over the medium to long term.

The appointment or dismissal of the Group CEO is based on the following guidelines. Such appointment and/or dismissal is deliberated on by the Nomination Committee and determined by the Board of Directors.

- Based on the skill set of the Group CEO, individuals who possess abundant experience, extensive insights, and a high level of expertise and ability suitable for the Group CEO of the Company shall be nominated.
- A candidate shall be appointed as the Group CEO after being deliberated on beforehand by the Nomination Committee and judged to be appropriate.
- In the event that there is a possibility that the Group CEO has met the criteria for dismissal, the Nomination Committee shall hold deliberations, and after the results of said deliberations are verified by the Board of Directors, the relevant individual shall not be nominated as a candidate for Director, or they shall be dismissed from the position of the Group CEO.

2) Appointment of executive directors

Executive directors are appointed through the following framework, in accordance with the Board of Directors Skill Matrix, to facilitate sustainable growth and increase corporate value over the medium to long term.

- Each fiscal year, a request is submitted to the Nomination Committee by the Board of Directors to formulate proposals for executive director candidates for the following fiscal year from among the executive team.
- The Nomination Committee discusses the appropriateness of all possible candidates. As for candidates to be reappointed, evaluations are shared with the Compensation Committee.
- The candidate proposals formulated by the Nomination Committee are submitted to the Board of Directors.

3) Evaluations of the Group CEO and executive directors

The Group CEO and executive directors are evaluated through the following framework to facilitate sustainable growth and increases in corporate value over the medium to long term.

- Each fiscal year, Directors formulate annual activity plans based on the “Medium-to Long-Term Management Policy” and annual management plans, which are then finalized through discussions with the Group CEO.
- After the conclusion of each fiscal year, Directors submit self-evaluations of their activities to the Group CEO and then discuss these evaluations. The Group CEO prepares evaluation proposals for each Director.
- The Group CEO submits the evaluation proposals for all executive directors, including themselves, to the Compensation Committee.
- The Compensation Committee discusses the impartiality and appropriateness of the evaluation proposals and then decides the evaluations and compensation payments for the Group CEO and each Director. Total compensation amounts are decided within the scope delegated by the Board of Directors.

[5. Officers' Remuneration (Policies concerning the setting of remunerations, etc. paid to Directors and Audit and Supervisory Board Members)]

1 | Directors' remunerations, etc.

The Company established the policies concerning the setting of remunerations, etc. 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.

1) Basic concepts

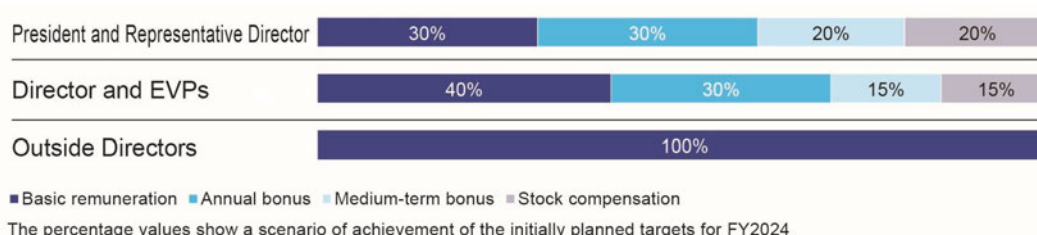
The remunerations for Directors are designed and operated as follows.

- 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 ESG-oriented management

2) Composition of remuneration

The remunerations, etc. for Directors comprise basic remuneration, bonuses (annual and medium-term), and stock compensation for Directors (excluding the Outside Directors; hereinafter the "Inside Directors") and basic remuneration only for Outside Directors. With the principle that the remunerations of Inside Directors will be highly linked to performance, the percentage of variable remuneration (bonus and stock compensation) in the annual income for the President and 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 Inside Directors, the percentage of variable remuneration is around 60%, by a design based on positions and roles.

Compensation Model for Achievement of FY2024 Performance Targets



3) 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.

4) 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 or roles.

5) 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.

■ List of variable remunerations

	Annual bonus	Medium-term bonus	Stock compensation
Objective	Forming a strong incentive for sustainable and steady growth, enhancement in financial value and achievement of plans	Forming a strong incentive for achieving discontinuous growth and medium-term performance	Forming an incentive for continually enhancing corporate value over the long term and sharing benefits and risks with shareholders
Period	Single fiscal year	3 years	3 years
Payment method	Cash	Cash	Stock
Payment timing	March every year	March of the year following completion of medium-term plan	On retirement
Evaluation method	As stated in (i) below	As stated in (ii) below	No
Malus and clawback (repayment of remuneration) provision	Yes	Yes	Yes

(i) Evaluation method of annual bonus

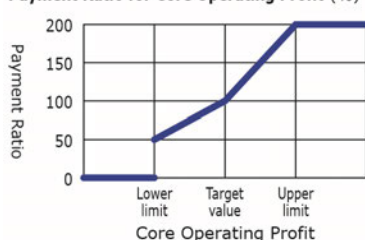
Performance Coefficient and KPI for Annual Bonus and Individual Evaluation Coefficient

Individual payment amount

= Role-specific basic remuneration × Performance coefficient (Payment ratio for core operating profit × 50% + Payment ratio for profit attributable to owners of parent × 50%) × Individual evaluation coefficient*

* The individual evaluation coefficient comprehensively evaluates each individual's contributions to enhancing the effectiveness of the Board of Directors as a Director as well as their business execution performance as an executive director. Set at 100% when targets are met, fluctuates within a range from 70% to 130%

Payment Ratio for Core Operating Profit (%)



Payment Ratio for Profit Attributable to Owners of Parent (%)



Notes: 1. Set as a KPI that is linked to KPIs in annual business plans and that aims for continuous and steady improvement in financial value.

2. Set at 100% when targets are met, fluctuates within a range from 0% to 200%.
3. As a basis, the upper limit is set at 115% of the target value and the lower limit is set at 85% of the target value. Every year, the upper and lower limits are determined after examining the appropriateness of their levels.

(ii) Evaluation method of medium-term bonus

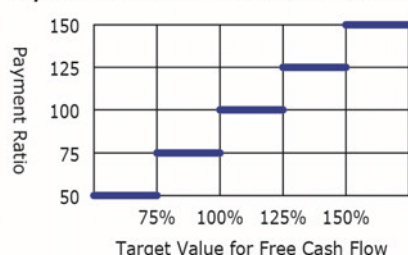
Performance Coefficient and KPI for Medium-Term Bonus and Individual Evaluation Coefficient

Individual payment amount

$$= \text{Role-specific basic remuneration} \times \text{Performance coefficient (Payment ratio for financial value indicators} \times 60\% + \text{Payment ratio for social value indicators [sustainability indicators]} \times 40\%) \times \text{Individual evaluation coefficient}^*$$

- * The individual evaluation coefficient comprehensively evaluates each individual's contributions to enhancing the effectiveness of the Board of Directors as a Director as well as their business execution performance as an executive director. Set at 100% when targets are met, fluctuates within a range from 70% to 130%

Payment Ratio for Financial Value Indicators (%)



- Notes:
1. Set as a KPI that is linked to KPIs in medium-term business plans and that aims for enhancing cash flow management
 2. Set at 100% when targets are met, fluctuates within a range from 50% to 150%

Payment Ratio for Social Value Indicators (Sustainability Indicators) (%)

Evaluation	Payment Ratio
S	150
A	125
B	100
C	75
D	50

- Notes:
1. Set as a KPI that is linked to KPIs in medium-term business plans and that aims for improvement in social value
 2. Comprehensively evaluates progress and status of achievement of sustainability indicators
 3. Set at 100% when targets are met, fluctuates within a range from 50% to 150%

6) Method for determining remuneration

Directors' remunerations, etc. are set in line with a resolution at a meeting of the Board of Directors within the total amount of remunerations, etc. 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 constituting a majority of its membership and an Outside Director appointed as its chairperson, acts as an advisory body to the Board of Directors, deliberating the content of said resolutions in the interests of greater transparency and objectivity through fair processes.

7) 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. The Company delegates authority to the Compensation Committee for "individual evaluation" and "determination of the individual remuneration amount in accordance with the evaluation."

2 | Audit and Supervisory Board Members' remunerations, etc.

Audit and Supervisory Board Members' remunerations, etc. are set by discussion by the Audit and Supervisory Board Members within the total amount of remunerations resolved in advance at a General Meeting of Shareholders.

Remunerations, etc. for an Audit and 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 and Supervisory Board Members according to their job responsibilities and status distinction between internal and outside and by drawing on outside professional organization's survey data.

[6. Initiatives Carried Out to Enhance Effectiveness of the Board of Directors]

To implement the AGP, realize sustainable growth, and increase corporate value over the medium to long term, the Company's Board of Directors must maintain a high level of effectiveness.

To do so, the Board of Directors must be able to hold meaningful debate on appropriately determined topics and engage in timely decision-making and supervision of business execution.

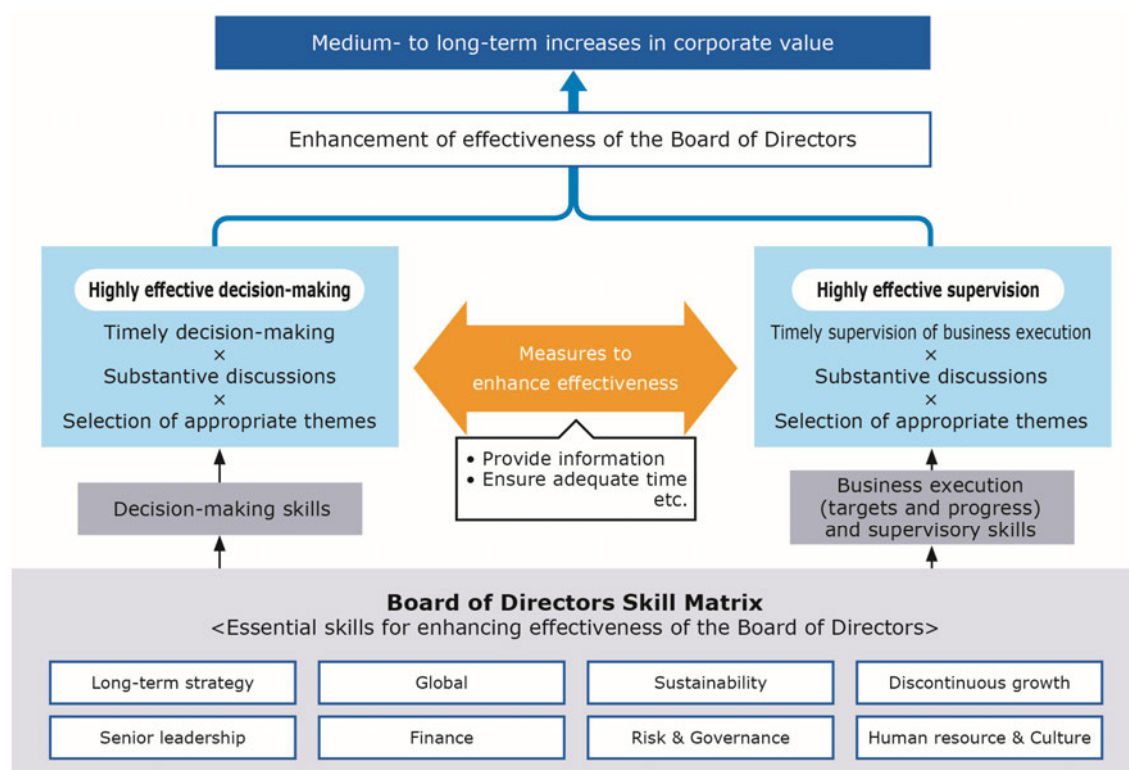
Therefore, by ensuring the Board of Directors comprises Directors who possess the necessary skills determined under the "Board of Directors Skill Matrix," the Company maintains a Board of Directors with the necessary decision-making and supervisory capabilities, along with the capability to operate in a manner conducive to its effectiveness.

The Board of Directors and the Directors themselves are supported by the effective audits of the Audit and Supervisory Board, which evaluates the effectiveness of the Board of Directors on its own and seeks to make improvements, and are also aided by the participation of the Nomination Committee and the Compensation Committee, both of which consist of a majority of Outside Directors.

Also, the Board of Directors holds evaluations of its effectiveness each year with the aim of identifying issues that should be addressed in order to further enhance its effectiveness. Through these evaluations, improvements are made on an ongoing basis. In this way, the Board seeks to maintain and enhance a high level of effectiveness.

Through this framework for enhancing effectiveness of the Board of Directors, the Board of Directors implements management based on the AGP with the aim of ensuring that the Asahi Group will continue to enjoy a high level of trust from its stakeholders into the future.

■ Framework for enhancement of effectiveness of the Board of Directors



Details of the initiatives carried out to enhance effectiveness of the Board of Directors are posted on the following Company website:

WEB Corporate Governance Report
https://www.asahigroup-holdings.com/pdf/en/company/policies-and-report/240531_cgr_en.pdf



[7. Evaluation of Effectiveness of the Board of Directors, Nomination Committee, Compensation Committee, and Audit and Supervisory Board]

To make the above “framework for enhancing effectiveness of the Board of Directors” work effectively and to contribute to the increase of corporate value over the medium to long term, the Board of Directors analyzes and evaluates the effectiveness of the Board of Directors, Nomination Committee and Compensation Committee on an annual basis, and discloses the summary of the evaluation results.

Further, as a Company with an Audit and Supervisory Board, to contribute to the increase of corporate value over the medium to long term, and to support the prevention of damage, the Audit and Supervisory Board Members and the Audit and Supervisory Board shall analyze and evaluate the effectiveness of the Audit and Supervisory Board, and disclose the summary of the evaluation results.

The summary of the evaluation results is posted on the following Company website:

WEB Evaluation of Effectiveness
<https://www.asahigroup-holdings.com/en/company/governance/policy.html>

[8. Policy of Reducing Cross-Shareholdings]

The Company makes it its policy to refrain from holdings shares when such holding is deemed as neither contributing to the sustainable growth of the Company nor increasing its corporate value over the medium to long term. This policy has been adopted out of consideration for our goal of pursuing asset and capital efficiency improvement.

As to the shareholdings, we comprehensively consider factors such as the appropriateness of the holding purposes, the contributions to performance, and the effects obtained from holdings from the perspective of risks, and specifically examine whether they are reasonable in the light of the capital cost etc. The result of examinations of matters including the holding purpose for major ones among the shareholdings is reviewed every year by the Board of Directors.

In the event that a shareholding is deemed not to contribute to the Company's sustainable growth or to the increase of its corporate value over the medium to long term, the Company, as a shareholder, shall engage in the requisite dialogue with the counterpart entity. Shareholdings that are deemed not improvable, even after engaging in dialogue, are to be sold in a timely and appropriate manner.

For each agenda item, the Company appropriately exercises the voting rights attached to the shares it holds by comprehensively weighing factors such as whether proposals contribute to the sustainable growth of the Company and to the increases in its corporate value over the medium to long term, and whether they contribute to the common interests of the investee's shareholders.

For shareholdings during this fiscal year, strategic necessities such as maintaining and strengthening business relationship as well as facilitating business activities, etc. were verified, and the appropriateness of holding the shares in terms of risks etc. was examined based on the above policy. The result of examinations was reported to the Board of Directors, and the appropriateness of holding the shares was duly confirmed.

The total amounts recorded in the consolidated statement of financial position and the ratio to total equity as of the end of this fiscal year are as follows.

Total equity (a)	¥2,674,051 million
Total amounts recorded in the consolidated statement of financial position (b)	¥112,816 million
Ratio (b/a)	4.2%

IV Risk Management

With the aim of ensuring sustainable growth and enhancing corporate value over the medium to long term in an uncertain management environment, the Asahi Group is working to promote appropriate risk-taking while controlling overall risk through the following risk management measures.

[1. The Asahi Group Enterprise Risk Management]

The Asahi Group has introduced enterprise risk management (ERM) for the entire Group. The Asahi Group effectively and efficiently controls its overall risk that could impede embodiment of the “Asahi Group Philosophy (AGP)” as well as execution of strategies and achievement of objectives defined in the “Medium- to Long-Term Management Policy” through activities such as identifying and evaluating critical risks across all areas that include strategy, operations, finance, and compliance, building up responding plans, and executing and monitoring the plans continuously.

The respective companies of the Asahi Group implement ERM on the basis of each business unit, and report the details of the initiatives to the Risk Management Committee of the Company. The Committee monitors the initiatives, and its members identify and evaluate critical risk across the Group, build responding plans, and execute and monitor the plans. All such initiatives are reported to the Board of Directors, which ascertains the effectiveness of ERM by monitoring the initiatives.

[2. The Asahi Group’s Risk Appetite]

The Asahi Group has developed “The Asahi Group Risk Appetite” to specify risks to be accepted or to be minimized for achieving objectives of the “Medium- to Long-Term Management Policy” while promoting ERM.

“The Asahi Group Risk Appetite” is a policy related to risk management of the Asahi Group. It serves as a guideline for engaging in ERM and a guideline for opting whether or not to take risks when decisions are made. It consists of the “Risk Appetite Statement” which shows the Group’s basic stance toward risk, and the “Specific Risk Appetite” which shows each stance (appetite) for major categories of risk that greatly affect business execution, premised on the assumption of practical application. The Company has developed the Appetite through consideration on its Group strategy, risk culture, risk profile, and stakeholders’ expectations. The Appetite is approved by the Board of Directors and is applied to the entire Group. The Risk Management Committee monitors its implementation and reports its progress to the Board of Directors. Through the initiatives, the Company promotes appropriate risk takings across the overall Asahi Group.

The Asahi Group Risk Appetite Statement

In order to achieve sustainable corporate value enhancement, the Asahi Group has made it its Medium- to Long-Term Management Policy to “Contribute to sustainable society and respond to changing conceptions of Well-being through delivering great taste and fun,” based on the Asahi Group Philosophy (AGP).

To this end,

- **The Asahi Group achieves organic growth by building high-value-added brands, and with regard to discontinuous growth achieved by M&A activities and innovations, is willing to take commercial risks in a controlled manner that balance the need for a robust financial position whilst creating value growth for shareholders;**
- **The Asahi Group delivers excellent quality products and ensures a safe work environment for everyone at the Asahi Group, both of which are critical priorities at the heart of Asahi’s success;**
- **The Asahi Group pursues initiatives to protect the environment and is willing to innovate to create greater environmental value in society; and**
- **The Asahi Group accepts as little risk of non-compliance with the “Asahi Group Code of Conduct” and the “Asahi Group Human Rights Principles” as possible.**

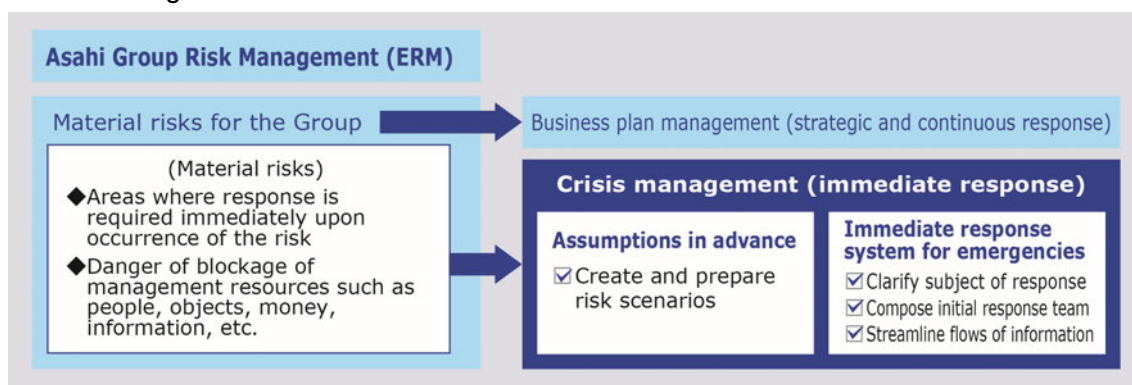
[3. The Asahi Group’s Crisis Management]

Of the material risks for the entire Asahi Group identified through ERM, “Crisis Management” covers areas where there is a risk of blockage of management resources, such as people, objects, money, information, etc. and the Group “responds immediately.”

In order to enhance the effectiveness of crisis management, an “immediate response system for emergencies” has been established to quickly respond without confusion in time of crisis by making “assumptions in advance” even in ordinary times. Preparation of “risk scenarios” that assume a risk of blockage of management resources and responses to such situation are underway.

In addition, we have established a system to quickly respond to emergencies by clarifying in advance who will respond according to the type of crisis. Fact verification and assessment of its seriousness will be promptly and accurately implemented at times of taking initial actions in the event of a crisis.

■ Risk management structure



V Status of Other Matters of the Asahi Group

[1. Financing Activities]

The Company financed the capital requirements including capital expenditures through loans from financial institutions, and the issuance of commercial papers and bonds.

Funds required for businesses within the Asahi Group are primarily sourced by the Company.

■ Overview of issued bonds

Issued bonds	Payment date	Total amount of bonds
Euro denominated senior unsecured bonds due 2029	April 16, 2024	EUR 500,000 thousand
Euro denominated senior unsecured bonds due 2032	April 16, 2024	EUR 500,000 thousand
The 24th issue of Unsecured Corporate Bonds (for individuals, 5 years)	October 24, 2024	¥20,000 million
The 25th issue of Unsecured Corporate Bonds (5 years)	October 17, 2024	¥30,000 million
The 26th issue of Unsecured Corporate Bonds (10 years)	October 17, 2024	¥20,000 million

[2. Status of Principal Lenders]

(As of December 31, 2024)

Lender	Outstanding balance (million yen)
Sumitomo Mitsui Banking Corporation	26,709
Mizuho Bank, Ltd.	15,000
Sumitomo Mitsui Trust Bank, Limited	11,000
The Norinchukin Bank	11,000
MUFG Bank, Ltd.	7,001

[3. Status of Capital Expenditures]

Capital expenditures in this fiscal year totaled ¥161,687 million, and the breakdown of capital expenditures by segment is as follows. A large portion of the capital expenditures represented investments made for the purpose of enhancing production capacity and efficiency.

Segment	Amount of capital expenditure (million yen)
Japan	64,666
Europe	62,170
Oceania	30,095
Southeast Asia	1,259
Others	1,025
Company-wide (common)	2,470
Total	161,687

[4. Status of Major Establishments and Principal Subsidiaries]

(As of December 31, 2024)

- (1) Asahi Group Holdings, Ltd.
(Head office) 23-1, Azumabashi 1-chome, Sumida-ku, Tokyo
- (2) Significant subsidiaries

Company name	Location	Issued capital (million yen)	Shareholdings (%)	Main operations
Asahi Group Japan, Ltd.	Sumida-ku, Tokyo	50	100	Overseeing operations of alcohol beverages, soft drinks, foods, etc. in Japan
Asahi Europe and International Ltd	Surrey, the United Kingdom	1,196,492 (EUR 9,838,916 thousand)	100	Overseeing alcohol beverages operations in Europe and export sales operations of alcohol beverages in the global market
Asahi Holdings (Australia) Pty Ltd	Victoria, Australia	1,385,448 (AUD 18,926,514 thousand)	100	Overseeing alcohol beverages and soft drinks operations in Oceania

Notes:

- There were 194 consolidated subsidiaries of the Company as of the end of this fiscal year, including those listed above. There were 33 companies accounted for using equity method.
- There were no wholly owned specified subsidiaries of the Company as of the end of this fiscal year.

[5. Significant Developments such as Corporate Reorganization]

Not applicable.

[6. Employees]

(As of December 31, 2024)

Segment	Number of employees	Increase (decrease) from the end of the previous term
Japan	10,815	(568)
Europe	10,582	432
Oceania	4,226	94
Southeast Asia	1,684	80
Others	397	11
Company-wide (common)	455	90
Total	28,159	139

Note: The number of employees in "Company-wide (common)" has increased significantly compared to the end of the previous fiscal year due to our use of internal human resources and recruitment of external human resources to acquire the capabilities we require (organizational capabilities necessary to realize our strategy).

[7. Shares Outstanding (As of December 31, 2024)]

(1) Total number of authorized shares

2,900,000,000 (common stock)

Note: On October 1, 2024, the Company conducted a 3-for-1 stock split of its common stock, and in accordance with the accompanying amendment to the Articles of Incorporation, the total number of authorized shares was changed from 972,305,309 to 2,900,000,000.

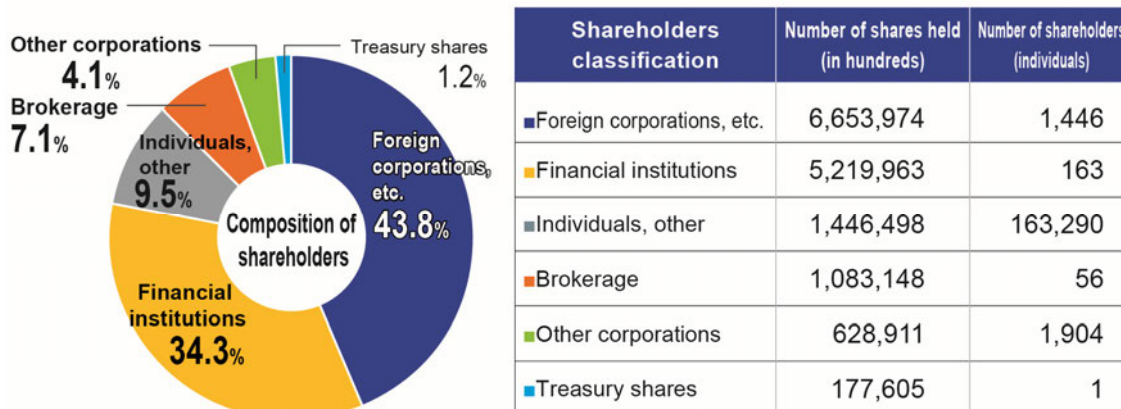
(2) Total number of issued shares

1,521,010,086 (including 17,760,523 treasury shares)

Note: On October 1, 2024, the Company conducted a 3-for-1 stock split of its common stock, resulting in the total number of issued shares increasing by 1,014,006,724 shares.

(3) Total number of shareholders

166,860 (Increased by 23,059 from the end of the previous fiscal year)



(4) Major shareholders

Name of shareholder	Number of shares held (in hundreds)	Percentage of shares held (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	2,851,855	19.0
Custody Bank of Japan, Ltd. (Trust Account)	1,065,056	7.1
STATE STREET BANK AND TRUST COMPANY 505001	474,550	3.2
JPMorgan Securities Japan Co., Ltd.	314,627	2.1
STATE STREET BANK AND TRUST COMPANY 505325	303,629	2.0
STATE STREET BANK WEST CLIENT - TREATY 505234	287,027	1.9
The Dai-ichi Life Insurance Company, Limited	231,789	1.5
Goldman Sachs Japan Co., Ltd. BNYM	221,168	1.5
JP MORGAN CHASE BANK 385781	197,852	1.3
CEP LUX-ORBIS SICAV	193,032	1.3
Total	6,140,589	40.8

Note: Shareholding percentages are calculated based on the total number of issued shares less the number of treasury shares.

Note to "7 Shares Outstanding":

The shares of the Company held by Custody Bank of Japan, Ltd. as trust property for stock compensation (17,760,523 shares) are excluded from the treasury shares (397,515 shares).

[8. Directors and Audit and Supervisory Board Members of the Company]

(1) Directors and Audit and Supervisory Board Members

(As of December 31, 2024)

Name	Position	Attended Board of Directors [D]/ Audit and Supervisory Board [A] meetings
	Areas of responsibility and significant concurrent positions	
Akiyoshi Koji	Chairman and Director, Chairman of the Board of Directors	[D] 12/12
	Outside Director of Imperial Hotel, Ltd.	
Atsushi Katsuki	President and Group CEO, Representative Director	[D] 12/12
	Overall Management, Corporate Strategy, Public Relations, IR	
Keizo Tanimura	Director EVP and Group CPO (Chief People Officer)	[D] 12/12
	HR, General Affairs	
Kaoru Sakita	Director EVP and Group CFO (Chief Financial Officer)	[D] 12/12
	Finance, Procurement, IT	
Naoko Nishinaka	Director EVP	[D] 12/12 [A] 5/5
	Supply Chain, Legal, Risk Management (including Crisis Management), Internal Audit	
Christina L. Ahmadjian	Outside Director	[D] 12/12
	Outside Director of Sumitomo Electric Industries, Ltd. Outside Director of NEC Corporation Member of the Board (Outside Director) of NGK SPARK PLUG CO., LTD.	
Kenichiro Sasae	Outside Director	[D] 12/12
	President of The Japan Institute of International Affairs Outside Director of SEIREN CO., LTD. Outside Director of MITSUBISHI MOTORS CORPORATION External Director of Fujitsu Limited	
Tetsuji Ohashi	Outside Director	[D] 12/12
	Chairman of the Board of Komatsu Ltd. Outside Director of Yamaha Motor Co., Ltd. Outside Director of Nomura Research Institute, Ltd.	
Mari Matsunaga	Outside Director	[D] 12/12
	Representative of Mari Matsunaga Office	
Chika Sato	Outside Director	[D] 8/8
	Outside Director of Hanwa Co., Ltd.	
Melanie Brock	Outside Director	[D] 8/8
	Representative Director of Melanie Brock Advisory Ltd. Director of the Board (External) of SEGA SAMMY HOLDINGS INC. Outside Director of MITSUBISHI ESTATE CO., LTD. Outside Director of Kawasaki Heavy Industries, Ltd.	
Yukitaka Fukuda	Standing Audit and Supervisory Board Member	[D] 12/12 [A] 13/13
Akiko Oshima	Standing Audit and Supervisory Board Member	[D] 8/8 [A] 8/8
Yutaka Kawakami	Outside Audit and Supervisory Board Member	[D] 12/12 [A] 13/13
	Outside Audit & Supervisory Board Member of Mitsubishi Research Institute, Inc.	
Shigeo Ohyagi	Outside Audit and Supervisory Board Member	[D] 12/12 [A] 13/13
	Outside Director of Tokyo Electric Power Company Holdings, Incorporated	
Sanae Tanaka	Outside Audit and Supervisory Board Member	[D] 12/12 [A] 13/13
	Representative of Sanae Tanaka Law Office Outside Director of Shochiku Co., Ltd. Outside Director of TV Asahi Holdings Corporation	

Notes:

- Directors Christina L. Ahmadjian, Kenichiro Sasae, Tetsuji Ohashi, Mari Matsunaga, Chika Sato, and Melanie Brock are Outside Directors as defined in Item 15, Article 2 of the Companies Act.
- Audit and Supervisory Board Members, Yutaka Kawakami, Shigeo Ohyagi, and Sanae Tanaka are

Outside Audit and Supervisory Board Members as defined in Item 16, Article 2 of the Companies Act.

3. The Company designated 6 Outside Directors Christina L. Ahmadjian, Kenichiro Sasae, Tetsuji Ohashi, Mari Matsunaga, Chika Sato, and Melanie Brock and 3 Outside Audit and Supervisory Board Members Yutaka Kawakami, Shigeo Ohyagi, and Sanae Tanaka as Independent Officers as defined by the Tokyo Stock Exchange and reported to the said Exchange.
4. The Company has business transactions with The Japan Institute of International Affairs but the transaction value is minimal, less than 1% of consolidated revenue or ordinary profit for the Company and the said entity. Moreover, the Company provides donations to the aforementioned institute but the amount of those donations does not exceed the monetary threshold set in the Criteria for independence of Outside Directors, which the Company has established to objectively judge independence. Accordingly, there is no special business relationship that could have impact on the Company's management.
5. There is no special relationship or significant transactions between the Company and entities where its Outside Directors or Outside Audit and Supervisory Board Members hold significant concurrent positions.
6. Audit and Supervisory Board Member Yukitaka Fukuda was formerly General Manager of Finance Section of the Company etc. and has considerable expertise in finance and accounting.
7. Audit and Supervisory Board Member Yutaka Kawakami has many years of experience as a certified public accountant; he has considerable expertise in finance and accounting.
8. Chika Sato and Melanie Brock were newly appointed as Directors, and Akiko Oshima was newly appointed as an Audit and Supervisory Board Member, and they assumed their offices at the 100th Annual General Meeting of Shareholders held on March 26, 2024. Accordingly, for Directors Chika Sato and Melanie Brock, and Audit and Supervisory Board Member Akiko Oshima, the numbers of Board of Directors and Audit and Supervisory Board meetings held are different from those of the other Directors and Audit and Supervisory Board Members. In addition, for Naoko Nishinaka, who retired as Audit and Supervisory Board Member at the conclusion of the same Annual General Meeting of Shareholders and newly assumed the office as Director at the same Annual General Meeting of Shareholders, the numbers of Board of Directors and Audit and Supervisory Board meetings held include the number such meetings held while she was Audit and Supervisory Board Member.

(2) Remunerations, etc. paid to Directors and Audit and Supervisory Board Members

Category	Fixed remuneration		Variable remuneration						Total amount (million yen)
	Basic remuneration		Annual bonus		Medium-term bonus		Stock compensation		
	Number of persons	Total amount (million yen)	Number of persons	Total amount (million yen)	Number of persons	Total amount (million yen)	Number of persons	Total amount (million yen)	
Directors [of which, Outside Directors]	11 [6]	465 [132]	5 [-]	347 [-]	5 [-]	201 [-]	5 [-]	174 [-]	1,188 [132]
Audit and Supervisory Board Members [of which, Outside Audit and Supervisory Board Members]	6 [3]	169 [66]	- [-]	- [-]	- [-]	- [-]	- [-]	- [-]	169 [66]

Notes:

- The figures above include Director Naoko Nishinaka, who retired as an Audit and Supervisory Board Member at the conclusion of the 100th Annual General Meeting of Shareholders held on March 26, 2024 and took office as a Director.
- The maximum amount of Directors' remunerations (basic remuneration and bonus) is ¥3,000 million (including ¥400 million for Outside Directors) per year (The resolution passed at the 100th Annual General Meeting of Shareholders held on March 26, 2024; 11 Directors at the time of resolution). Separate from the above, the Company has passed the resolution, at the 98th Annual General Meeting of Shareholders held on March 25, 2022 (5 Directors (excluding Outside Directors) at the time of resolution), to contribute up to ¥450 million during the period of the Trust (3 years) and pay stock compensation to Directors (excluding Outside Directors) who were appointed and took office during the period of the Trust. Furthermore, the Company may grant up to a total of 112,500 shares of the Company per fiscal year to all eligible Directors. This maximum amount has been adjusted, taking into consideration the (3-for-1) stock split implemented with an effective date of October 1, 2024.
- The amounts of annual bonus and medium-term bonus are the amount that was recorded as cost in this fiscal year.
- The amount of remuneration stated as stock compensation is the amount that was recorded as cost in accordance with the stock compensation plan that was resolved at the 98th Annual General Meeting of Shareholders held on March 25, 2022.
- The maximum amount of Audit and Supervisory Board Members' remunerations is ¥500 million (including ¥200 million for Outside Audit and Supervisory Board Members) per year (The resolution passed at the 100th Annual General Meeting of Shareholders held on March 26, 2024; 5 Audit and Supervisory Board Members at the time of resolution).
- A detailed description of the performance indicator and the calculation method of variable remunerations and the method for determining remuneration is presented in "III Corporate Governance, [5. Officers' Remuneration (Policies concerning the setting of remunerations, etc. paid to Directors and Audit and Supervisory Board Members)]."

Reason for the judgment of the Board of Directors that the content of remunerations, etc. for individual Directors for this fiscal year is in accordance with the policy determined

As the content of remunerations, etc. for individual Directors is determined by the Compensation Committee following the standards established by the Board of Directors and based on the policy established by the Board of Directors for determining remunerations, etc. for Directors, the Board of Directors has judged that the content is in accordance with the policy established by the Board of Directors.

(3) Major activities of Outside Directors and Outside Audit and Supervisory Board Members

Category	Name	Major activities, etc.
Outside Directors	Christina L. Ahmadjian	<p>Christina L. Ahmadjian has proactively expressed her opinions about discussions on enhancement of corporate value of the Group at the Board of Directors meetings, and contributed to promoting the medium- to long-term management strategy. For example, she participated in discussions and activities that contributed to substantial and appropriate supervision of the Board of Directors such as making honest and simple inquiries, and raising concerns about the invigoration of the management of proceedings from the ESG, sustainability, global perspective, etc. from her standpoint as an expert in corporate governance and human resources & culture and using her experience as an outside officer in other companies.</p> <p>Furthermore, as the chairperson of the Compensation Committee, she took the initiative in operating the committee in a fair and transparent manner, and reported the establishment of the social value indicators for the medium-term bonus, and made proposals regarding bonus payment to the Board of Directors, for enhancement of its oversight function. Moreover, as a member of the Nomination Committee, she gave specific opinions and recommendations regarding the Board of Directors Skill Matrix and supervision of the Group CEO succession plan. As a member of the Sustainability Advisory Committee, she also gave specific opinions and recommendations regarding strengthening the sustainability governance system and further promotion of integration of sustainability and management.</p>
	Kenichiro Sasae	<p>Kenichiro Sasae has proactively expressed his opinions about discussions on enhancement of corporate value of the Group at the Board of Directors meetings, and contributed to promoting the medium- to long-term management strategy. For example, he participated in discussions and activities that contributed to substantial and appropriate supervision of the Board of Directors such as asking questions and raising concerns that grasp the essence of global business execution from the perspective of geopolitical risks and international situations, using his extensive knowledge and experience on international politics and economies, as well as his experience as an outside officer in other companies.</p> <p>Furthermore, as the chairperson of the Nomination Committee, he took the initiative in operating the committee in a fair and transparent manner, reported proposals regarding the Board of Directors Skill Matrix, the supervision of the Group CEO succession plan and officer appointments to the Board of Directors. Moreover, as a member of the Compensation Committee, he gave specific opinions and recommendations regarding the formulation of a new remuneration plan, and reports of proposals regarding bonus payment.</p>
	Tetsuji Ohashi	<p>Tetsuji Ohashi has proactively expressed his opinions about discussions on enhancement of corporate value of the Group at the Board of Directors meetings, and contributed to promoting the medium- to long-term management strategy. For example, he participated in discussions and activities that contributed to substantial and appropriate supervision of the Board of Directors such as asking questions and raising concerns that grasp the essence of group governance and global business execution from his perspective of managing a global corporation and using his experience as an outside officer in other companies.</p> <p>Furthermore, as a member of the Nomination Committee, he gave specific opinions and recommendations on the Board of Directors Skill Matrix, the supervision of the Group CEO succession plan and officer appointments. Moreover, as a member of the Compensation Committee, he gave specific opinions and recommendations regarding the formulation of a new remuneration plan, and reports of proposals regarding bonus payment.</p>

Category	Name	Major activities, etc.
Outside Directors	Mari Matsunaga	Mari Matsunaga has proactively expressed her opinions about discussions on enhancement of corporate value of the Group at the Board of Directors meetings, and contributed to promoting the medium- to long-term management strategy. For example, she participated in discussions and activities that contributed to substantial and appropriate supervision of the Board of Directors such as asking questions and raising concerns that grasp the essence of new business and sustainability (especially responsible drinking), using her extensive knowledge and experience in developing new services and building business models, as well as her experience as an outside officer in other companies. Furthermore, as a member of the Sustainability Advisory Committee, she gave specific opinions and recommendations regarding strengthening the sustainability governance system and further promotion of integration of sustainability and management.
	Chika Sato	Chika Sato has proactively expressed her opinions about discussions on enhancement of corporate value of the Group at the Board of Directors meetings, and contributed to promoting the medium- to long-term management strategy. For example, she participated in discussions and activities that contributed to substantial and appropriate supervision of the Board of Directors such as asking questions and raising concerns that grasp the essence of the enhancement of human capital based on her extensive experience and broad insight in the area of human resources in global companies.
	Melanie Brock	Melanie Brock has proactively expressed her opinions about discussions on enhancement of corporate value of the Group at the Board of Directors meetings, and contributed to promoting the medium- to long-term management strategy. For example, she participated in discussions and activities that contributed to substantial and appropriate supervision of the Board of Directors such as asking questions and raising concerns that grasp the essence of global business execution and diversity based on her experience in marketing and diversity promotion activities developed through her global consulting activities.
Outside Audit and Supervisory Board Members	Yutaka Kawakami	At the Audit and Supervisory Board, Yutaka Kawakami carried out activities that audit the execution of duties by the Directors, including the internal control system. Specifically, he received reports from Standing Audit and Supervisory Board Members, the internal audit function and the Independent Accounting Auditor, reviewed the audit status of domestic group companies and the status of activities of overseas group companies' audit committees, had meetings with the Chairman and Director, Chairman of the Board of Directors and the President and Group CEO, Representative Director, and interviewed and exchanged opinions with the finance function. Furthermore, as an Outside Audit and Supervisory Board Member, he proactively made suggestions from an expert point of view as an experienced certified public accountant who is well versed in accounting audits of global corporations at the Board of Directors meetings.
	Shigeo Ohyagi	At the Audit and Supervisory Board, Shigeo Ohyagi carried out activities that audit the execution of duties by the Directors, including the internal control system. Specifically, he received reports from Standing Audit and Supervisory Board Members, the internal audit function and the Independent Accounting Auditor, reviewed the audit status of domestic group companies and the status of activities of overseas group companies' audit committees, and had meetings with the Chairman and Director, Chairman of the Board of Directors and the President and Group CEO, Representative Director. Furthermore, as an Outside Audit and Supervisory Board Member, he has proactively made suggestions from diverse points of view based on his experience in global corporate management at the Board of Directors meetings.

Category	Name	Major activities, etc.
	Sanae Tanaka	At the Audit and Supervisory Board, Sanae Tanaka carried out activities that audit the execution of duties by the Directors, including the internal control system. Specifically, she received reports from Standing Audit and Supervisory Board Members, the internal audit function and the Independent Accounting Auditor, reviewed the audit status of domestic group companies and the status of activities of overseas group companies' audit committees, had meetings with the Chairman and Director, Chairman of the Board of Directors and the President and Group CEO, Representative Director. Furthermore, as an Outside Audit and Supervisory Board Member, she proactively made suggestions from an expert point of view as an experienced attorney at law at the Board of Directors meetings.

(4) Summary of agreements limiting liability

The Company has entered into an agreement with its Outside Directors and Outside Audit and Supervisory Board Members limiting their liability for damages as prescribed in Paragraph 1, Article 423 of the Companies Act, to either ¥20,000,000 or the minimum amount stipulated by applicable laws and regulations, whichever is higher.

(5) Summary of a directors and officers liability insurance policy

1) Scope of insured person

Directors, Audit and Supervisory Board Members, Executive Officers and organization heads of the Company as well as officers of domestic and overseas group companies

2) Summary of the policy

The Company has entered into a directors and officers liability insurance policy as prescribed in Paragraph 1, Article 430-3 of the Companies Act with an insurance company. This policy covers insured person's losses and costs such as related litigation expenses incurred from claims for damages arising from acts (including nonfeasance) carried out by insured person in relation to their duties as an officer of the company stated in 1). The insurance premiums are fully borne by the Company.

[9. Independent Accounting Auditor]

(1) Name of the Independent Accounting Auditor

KPMG AZSA LLC

(2) Remunerations paid to the Independent Accounting Auditor for this fiscal year

Category	Remuneration based on audit professional services (million yen)	Remuneration based on non-audit professional services (million yen)
Remunerations by the Company for this fiscal year	321	22
Remunerations by the Company's subsidiaries for this fiscal year	190	–
Total of cash and other financial profits payable by the Company and its subsidiaries to the Independent Accounting Auditor	511	22

Notes:

1. In its agreement with the Independent Accounting Auditor, the Company makes no distinction between the remunerations that it pays for auditing services governed by the Companies Act and for auditing services governed by the Financial Instruments and Exchange Act. Consequently, the amount for "Remuneration based on audit professional services" shown above is a sum of these 2 amounts.
2. Having performed the necessary verifications on the contents of the Independent Accounting Auditor's audit plan, evaluation and analysis of the audits actually conducted during the previous fiscal year, status of execution of accounting audit duties, and reasonableness of the basis for calculation of remuneration, the Audit and Supervisory Board has consented to the amount of remunerations for the Independent Accounting Auditor.
3. Non-audit professional services refer to the services which are outside the scope of Paragraph 1, Article 2 of the Certified Public Accountants Act.
4. In addition to the above, the Company and the Company's subsidiaries such as Asahi Europe and International Ltd and Asahi Holdings (Australia) Pty Ltd paid KPMG, which belongs to the same network as the Company's Independent Accounting Auditor, a total of ¥797 million in audit fees, etc.

(3) Consecutive audit period

55 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.

(4) Names of certified public accountants who performed the duties and their consecutive audit years

Kanako Ogura (Consecutive audit years: 2 years)

Hiroshi Tani (Consecutive audit years: 4 years)

Masahiro Morita (Consecutive audit years: 3 years)

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.

(5) Structure of assistants who supported the audit duties

Certified public accountants: 28 Others: 58

Note: The figures above represent the total number of assistants involved with auditing duties for this fiscal year.

(6) Nature of non-audit professional services provided by the Independent Accounting Auditor

The non-audit services involve preparation of comfort letters regarding the issuance of bonds.

(7) Company Policy regarding dismissal of or decision not to reappoint the Independent Accounting Auditor

If the Independent Accounting Auditor is found to correspond to any of the items prescribed in Paragraph 1, Article 340 of the Companies Act, the Audit and Supervisory Board shall be entitled to dismiss the Independent Accounting Auditor subject to the consent of all Audit and Supervisory Board Members, in which case the Audit and Supervisory Board Member designated by the Audit and Supervisory Board shall report on the fact that said Independent Accounting Auditor has been dismissed and the reason for dismissal, at the first General Meeting of Shareholders held after such dismissal. If the Audit and Supervisory Board considers necessary, such as when it is reasonably recognized that the Independent Accounting Auditor is no longer able to execute its duties in an appropriate manner, it shall determine the contents of proposal for dismissing or not re-appointing said Independent Accounting Auditor to be submitted to the General Meeting of Shareholders. On the basis of this determination by the Audit and Supervisory Board, the Board of Directors shall propose to the General Meeting of Shareholders a resolution to dismiss or not to reappoint the Independent Accounting Auditor.

Note: The stated amounts in the Business Report are the figures after truncating fractions less than the representative unit, and the stated percentages and ratios are the figures after rounding off fractions to the representative unit, unless otherwise noted.

CONSOLIDATED FINANCIAL STATEMENTS (IFRS ACCOUNTING STANDARDS)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(million yen)

	As of December 31, 2024	As of December 31, 2023 [Reference]
ASSETS		
Current assets:		
Cash and cash equivalents	83,961	59,945
Trade and other receivables	440,335	465,633
Inventories	271,430	267,317
Income tax receivables	4,844	2,930
Other financial assets	17,079	10,469
Other current assets	40,237	40,655
Total current assets	857,891	846,953
Non-current assets:		
Property, plant and equipment	935,441	888,070
Goodwill and intangible assets	3,353,896	3,283,948
Investments accounted for using equity method	11,369	11,081
Other financial assets	143,540	151,168
Deferred tax assets	41,469	48,544
Defined benefit asset	44,100	36,515
Other non-current assets	15,694	19,629
Total non-current assets	4,545,514	4,438,960
Total assets	5,403,405	5,285,913

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(million yen)

	As of December 31, 2024	As of December 31, 2023 [Reference]
LIABILITIES and EQUITY		
LIABILITIES		
Current liabilities:		
Trade and other payables	720,870	714,781
Bonds and borrowings	451,129	389,848
Income tax payables	31,280	26,263
Provisions	21,381	17,429
Other financial liabilities	135,634	113,642
Other current liabilities	150,012	134,984
Total current liabilities	1,510,308	1,396,950
Non-current liabilities:		
Bonds and borrowings	828,047	1,020,950
Defined benefit liability	14,394	17,242
Deferred tax liabilities	238,593	233,190
Other financial liabilities	129,642	143,156
Other non-current liabilities	8,367	8,642
Total non-current liabilities	1,219,044	1,423,181
Total liabilities	2,729,353	2,820,131
EQUITY		
Issued capital	220,044	220,044
Share premium	162,216	161,867
Retained earnings	1,418,660	1,282,432
Treasury shares	(31,214)	(1,190)
Other components of equity	899,094	797,393
Total equity attributable to owners of parent	2,668,801	2,460,548
Non-controlling interests	5,250	5,233
Total equity	2,674,051	2,465,781
Total liabilities and equity	5,403,405	5,285,913

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(million yen)

	For the year ended December 31, 2024	For the year ended December 31, 2023 [Reference]
Revenue	2,939,422	2,769,091
Cost of sales	(1,841,741)	(1,770,157)
Gross profit	1,097,681	998,933
Selling, general and administrative expenses	(812,559)	(735,252)
Other operating income	25,204	8,300
Other operating expenses	(41,273)	(26,981)
Operating profit	269,052	244,999
Finance income	18,176	14,118
Finance costs	(20,787)	(18,121)
Share of profit (loss) of investments accounted for using equity method	548	875
Profit before tax	266,990	241,871
Income tax expense	(73,808)	(75,840)
Profit	193,181	166,031
Profit attributable to:		
Owners of parent	192,080	164,073
Non-controlling interests	1,100	1,957
Total	193,181	166,031

[Reference] CONSOLIDATED STATEMENT OF CASH FLOWS (Summary)

(million yen)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Cash flows from operating activities:		
Profit before tax	266,990	241,871
Depreciation and amortization	157,935	147,992
Decrease (increase) in trade receivables	39,067	(23,608)
Decrease (increase) in inventories	1,550	(24,447)
Increase (decrease) in trade payables	(13,585)	32,898
Increase (decrease) in accrued alcohol tax	7,384	2,984
Increase (decrease) in defined benefit asset and liability	199	1,073
Increase (decrease) in other liabilities	5,165	46,395
Other	20,175	1,324
Subtotal	484,883	426,484
Interest and dividends received	10,106	7,624
Interest paid	(15,691)	(12,646)
Income taxes paid	(75,574)	(73,914)
Net cash provided by (used in) operating activities	403,723	347,547
Cash flows from investing activities:		
Purchase of non-current assets	(136,257)	(109,828)
Proceeds from sale of non-current assets	32,884	11,710
Purchase of investment securities	(2,236)	(1,292)
Proceeds from sale of investment securities	7,929	3,387
Purchase of shares of subsidiaries and others resulting in change in scope of consolidation	(21,448)	(3,551)
Proceeds from sales of shares of subsidiaries and others resulting in change in scope of consolidation	485	—
Payments of contingent consideration	—	(18,574)
Other	(22)	434
Net cash provided by (used in) investing activities	(118,665)	(117,713)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Cash flows from financing activities:		
Increase (decrease) in financial liabilities	(192,305)	(168,323)
Purchase of treasury shares	(30,023)	(25)
Dividends paid	(66,374)	(57,761)
Proceeds from settlement of derivatives	18,230	–
Other	(2,309)	(635)
Net cash provided by (used in) financing activities	(272,784)	(226,746)
Effect of exchange rate changes on cash and cash equivalents	11,743	20,004
Net increase (decrease) in cash and cash equivalents	24,016	23,093
Cash and cash equivalents at beginning of period	59,945	37,438
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	–	(586)
Cash and cash equivalents at end of period	83,961	59,945

AUDIT REPORTS

Independent Auditor's Report

February 10, 2025

To the Board of Directors of Asahi Group Holdings, Ltd.:

KPMG AZSA LLC
Tokyo Office, Japan

Kanako Ogura
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Hiroshi Tani
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Masahiro Morita
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Opinion

We have audited the consolidated financial statements, which comprise the consolidated statement of financial position, the consolidated statement of profit or loss, the consolidated statement of changes in equity and the related notes of Asahi Group Holdings, Ltd. ("the Company") and its consolidated subsidiaries (collectively referred to as "the Group"), as at December 31, 2024 and for the year from January 1, 2024 to December 31, 2024 in accordance with Article 444-4 of the Companies Act.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position and the results of operations of the Group for the period, for which the consolidated financial statements were prepared, in accordance with the latter part of Article 120-1 of the Regulation on Corporate Accounting that prescribes some omissions of disclosure items required under IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The other information comprises the business report and its supplementary schedules. Management is responsible for the preparation and presentation of the other information. The Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the reporting process for the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management, the Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the latter part of Article 120-1 of the Regulation on Corporate Accounting that prescribes some omissions of disclosure items required under International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with the latter part of Article 120-1 of the Regulation on Corporate Accounting that prescribes some omissions of disclosure items required under International Financial Reporting Standards.

The Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The selection and application of audit procedures depend on the auditor's judgment.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures in the consolidated financial statements are in accordance with the latter part of Article 120-1 of the Regulation on Corporate Accounting that prescribes some omissions of disclosure items required under International Financial Reporting Standards, the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purpose of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit & Supervisory Board Members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit & Supervisory Board Members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

We do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Reader of Independent Auditor's Report:

The Independent Auditor's Report herein is the English translation of the Independent Auditor's Report as required by the Companies Act for the conveniences of the reader.

REPORT OF THE AUDIT AND SUPERVISORY BOARD

Audit Report

The Audit and Supervisory Board has prepared the following report based on the audit reports prepared by individual Audit and Supervisory Board Members related to the Directors' execution of their duties during the 101st fiscal year, the period from January 1, 2024 to December 31, 2024, after due discussions and consultations among the Audit and Supervisory Board Members.

1. Methods used in audits by individual Audit and Supervisory Board Members and by the Audit and Supervisory Board and content of audits

- (1) The Audit and Supervisory Board determined the audit policies and division of duties etc., and received reports from each Audit and Supervisory Board Member regarding the status and results of the audits, as well as reports from the Directors and Independent Accounting Auditor on the execution of their duties, and requested explanations of those reports when necessary.
- (2) Each Audit and Supervisory Board Member, in accordance with the audit policies, division of duties, etc. based on the audit standards established by the Audit and Supervisory Board, sought to achieve mutual understanding with the Directors, the body in charge of internal audit and other employees, strove to collect information and create an audit environment, attended meetings of the Board of Directors and other important meetings, received reports from Directors, other employees regarding the execution of their duties and requested explanations when necessary, reviewed documents related to important decisions, and inspected the operations and property of the head office, major business offices and other locations, while making use of telephones, the internet and other means. With respect to "systems to ensure appropriate execution of Directors' duties in conformity with laws and regulations and the Articles of Incorporation and other systems to ensure appropriate business operations (internal control systems)," (Item 6, Paragraph 4, Article 362 of the Companies Act and Paragraphs 1 and 3, Article 100 of the Regulations for Enforcement of the Companies Act), which is included in the Business Report, the Audit and Supervisory Board received reports regularly from Directors and other employees regarding the status of the establishment and implementation of the systems, sought additional explanations as necessary, and expressed opinions thereon. The Audit and Supervisory Board Members discussed the contents of the "basic policy concerning the persons who control decisions on the Company's financial and business policies" (Item 3, Article 118 of the Regulations for Enforcement of the Companies Act) included in the Business Report, based on discussions of the Board of Directors and other parties. With respect to subsidiaries, the Audit and Supervisory Board Members took steps to facilitate communications and exchange information with the Directors and Corporate Auditors of subsidiaries and, when necessary, received reports from subsidiaries on the status of their businesses. Using the foregoing methods, the Audit and Supervisory Board Members reviewed the Business Report and the supplementary schedules for this fiscal year.

- (3) The Audit and Supervisory Board oversaw and verified that the Independent Accounting Auditor maintained its independence and carried out appropriate audits, moreover, and received reports from the Independent Accounting Auditor regarding the execution of its duties and requested explanations when necessary. The Audit and Supervisory Board also received notifications from the Independent Accounting Auditor to the effect that “a system for the maintenance of appropriate execution of duties” (included in Article 131 of the Regulations on Corporate Accounting) is in place in accordance with the “standards for quality control of audits” (Business Accounting Council), etc., and requested explanations when necessary. With regard to risks requiring special consideration for audit purposes, the Audit and Supervisory Board held discussions with the Independent Accounting Auditor for each cash generating unit mainly on those which might be impaired from the perspective of profitability, capital efficiency, etc., as well as received a report on implementation status of its audit and requested explanations when necessary. Based on the above activities, the Audit and Supervisory Board examined the non-consolidated financial statements (non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of changes in net assets, and notes to the non-consolidated financial statements), the supplementary schedules, and the consolidated financial statements (Consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of changes in equity, and notes to the consolidated financial statements) for this fiscal year.

2. Results of the Audit

(1) Results of audit of the Business Report, etc.

- In our opinion, the Business Report and the supplementary schedules present the situation of the Company fairly, in compliance with the provisions of applicable laws and regulations and the Articles of Incorporation.
- In our opinion, there are no wrongful acts or material violations of applicable laws and regulations or the Articles of Incorporation in the execution of their duties by the Directors.
- In our opinion, the content of the resolution by the Board of Directors regarding internal control systems is appropriate. Furthermore, the content of the Business Report regarding the internal control systems and the execution by the Directors is appropriate.
- In our opinion, the Company’s basic policy concerning the persons who control decisions on the Company’s financial and business policies in the Business Report is appropriate.
We acknowledge that the measures implemented to achieve this basic policy are consistent with the basic policy, do not harm the common interest of the Company’s shareholders, and do not serve the purpose of maintaining the positions of the Company’s Directors and Audit and Supervisory Board Members.

(2) Results of the audit of non-consolidated financial statements and the supplementary schedules

In our opinion, the auditing methods used by KPMG AZSA LLC, the Independent Accounting Auditor, and the results of its audit are appropriate.

(3) Results of the audit of consolidated financial statements

In our opinion, the auditing methods used by KPMG AZSA LLC, the Independent Accounting Auditor, and the results of its audit are appropriate.

February 12, 2025

Audit and Supervisory Board
Asahi Group Holdings, Ltd.

Yukitaka Fukuda (Seal)

Standing Audit and Supervisory Board Member

Akiko Oshima (Seal)

Standing Audit and Supervisory Board Member

Yutaka Kawakami (Seal)

Outside Audit and Supervisory Board Member

Shigeo Ohyagi (Seal)

Outside Audit and Supervisory Board Member

Sanae Tanaka (Seal)

Outside Audit and Supervisory Board Member

