



Asahi Group
Integrated Report

May 2025

2025

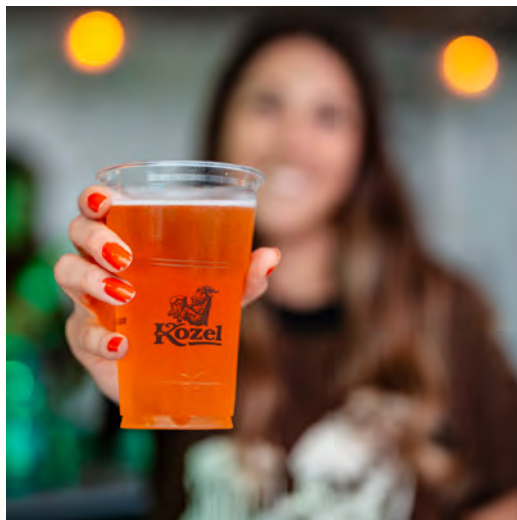


Make the world shine

We bring people together to make the world shine brighter

Our Brands

The Asahi Group is promoting the premiumization of its brand portfolio in local markets and expanding the rollout of premium brands in global markets, centered on its global brands and the robust brands it possesses in each country and region.



Key Figures

The Asahi Group places sustainability at the center of its management and is building a business model where the resolution of social issues also serves as a source of profits. By doing so, the Group aims to build a global and robust earnings foundation and deliver value to the world that exceeds customer expectations, centered on its high-value-added brands.



Revenue

JPY **2,939.4** billion

Core Operating Profit

JPY **285.1** billion

EBITDA

JPY **419.0** billion

Profit Attributable to Owners of Parent (Adjusted)*¹

JPY **183.0** billion

Free Cash Flow

JPY **306.0** billion

EPS (Adjusted)*¹

JPY **120.7**

ROE (Adjusted)*²

10.7 %

Net Debt/EBITDA*³

2.49 times

Dividend Payout Ratio (Adjusted)*⁴

40.6 %

*¹ Adjusted figures exclude one-time special factors such as the impacts of business portfolio restructuring and the recording of impairment losses.

*² Adjusted profit attributable to owners of parent / Equity attributable to owners of parent (after the deduction of translation difference on foreign operations and changes in fair value of financial instruments measured at fair value through other comprehensive income)

*³ Figures have been calculated by excluding 50% of the amount of JPY300.0 billion for outstanding subordinated bonds from net debt.

GHG*⁵ Emissions (Scope 1 and 2)
(Compared with 2019)

35 % reduction

GHG*⁵ Emissions (Scope 3) (Compared with 2019)

14 % reduction

Usage Rate of Recycled Materials,
Bio-based Materials, etc. for PET Bottles

37 %

Non- and Low-Alcohol Adult Beverages*⁶ Sales
Composition Ratio of Main Alcohol Beverage Products*⁷

12.8 %

*⁴ Calculated based on adjusted EPS

*⁵ "CO₂ emissions" has been changed to "GHG emissions" from 2025.

*⁶ Non-alcohol adult beverages are defined in accordance with the laws and regulations in each country. Low-alcohol beverages have an alcohol content of no more than 3.5%.

*⁷ Non-alcohol adult beverages (beer-taste), ready-to-drink (RTD) beverages, non-alcohol adult beverages

Ratio of Women in Management Positions*⁸

24 %

Sustainable Engagement Survey Score

80

Rates of Industrial Accidents*⁹

TRIFR **3.33**

LTIFR **1.88**

*⁸ Management level: The Asahi Group's internal grade 21 or above, executives, or leaders who are in charge of leading each functional department

*⁹ LTIFR (Lost-Time Injury Frequency Rate): Total hours of lost working time ÷ Cumulative work hours x 1,000,000

TRIFR (Total Recordable Injury Frequency Rate): Total number of industrial accidents ÷ Cumulative work hours x 1,000,000

Note: Figures are from fiscal 2024 results.



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



Overview of the Asahi Group's Value Creation as Communicated in This Report

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Editorial Policy and Information Disclosure System

The Asahi Group positions its integrated report as the primary method of corporate value reporting, aiming to provide an overview to help readers understand its corporate value. In addition to the integrated report, we publish secondary reports annually that comprehensively cover various themes and provide supplementary information.

Voluntary Disclosure

Primary

Overview



Details

Secondary



Integrated Report

Integrated Report 2025 serves as a communication tool that systematically compiles our strategies, aiming to increase corporate value over the medium to long term. Integrating both financial and non-financial information, the report provides an overview of the Asahi Group's value creation.



Sustainability Report*

Comprehensively discloses sustainability-related issues



Human Capital Report* (People & Culture Report)

Discloses both qualitative and quantitative perspectives on human capital, which is the driving force behind our value creation



Corporate Governance Report*

Comprehensively discloses the status of corporate governance, which underpins our value creation

* Scheduled for publication in June

Report Period Covered

January 1, 2024–December 31, 2024

Note: Includes some information outside this period

Scope of Report

Asahi Group Holdings, Ltd. and Group companies

Referenced Guidelines

International Integrated Reporting Framework issued by the IFRS Foundation

Guidance for Collaborative Value Creation issued by the Ministry of Economy, Trade and Industry

About Stated Amounts

For all amounts and percentages stated in this publication, the figures are rounded to the nearest unit.

Forward-Looking Statements

The current plans, forecasts, strategies, and information on business performance presented in this report include forward-looking statements based on assumptions and opinions arrived at from currently available information. We caution readers that actual future results could differ materially from these forward-looking statements depending on the outcome of certain factors. All such forward-looking statements are subject to certain risks and uncertainties including, but not limited to, economic conditions, market competition, foreign exchange rates, taxes, and other systems and factors influencing the Company's business areas.

Statutory Disclosure

Securities Report

Convocation Notice of General
Meeting of Shareholders

Corporate Governance
Report



Reinforcing Our Business and Organizational Foundation to Advance as a Global Company

Atsushi Katsuki

President and Group CEO,
Director and Representative Executive Officer

Message from the Group CEO

2024—A Year in Which We Verified the Effectiveness of Our New Group Structure to Advance to the Next Stage

There is an outside perception that our business portfolio is overly reliant on alcohol beverages and, therefore, the potential for the Asahi Group to grow is limited. I certainly do not share this view. While the Alcohol Beverages Business, centered on beer, remains vital to the Group, we also recognize the growing demographic of consumers choosing not to drink alcohol as an important market. For example, out of the roughly 90 million people 20 and older in Japan, we estimate that over half—about 50 million people—do not drink alcohol on a regular basis. Moreover, through an analysis of megatrends up to 2050, we anticipate that global demand for alcohol alternatives and health-conscious products will continue to rise alongside further diversification of consumer preferences. Customers that previously existed as one group have now become more fragmented and personalized as well as more inclined to prefer high-quality products and experiences.

To capitalize on these long-term trends and sustain our growth, we have established the premiumization of our entire business portfolio as a core strategy of the Asahi Group. With that said, premiumization alone is not enough to respond to megatrends such as increasing health consciousness and the shifting attitudes toward alcohol, nor will it allow us to fully capitalize on the major opportunity to offer value to those who choose not to drink alcohol. For this reason, we believe it is essential to pursue efforts in beer-adjacent categories (BACs)* that combine the Group's capabilities in alcohol and non-alcohol beverages. We also understand the need to establish new products and services leveraging our proprietary yeast and lactic acid bacteria technologies as a core source of earnings.

In my message in *Integrated Report 2024*, I talked about

how the Asahi Group has moved from the stage of strengthening its business foundation in each individual region to the stage of pursuing

genuine global growth in a way that goes beyond the sum total of our businesses in each region. In 2024, we strengthened a new Group governance structure, starting with a revamp of our executive structure, with the aim of building our ideal business portfolio through such means as the premiumization of beer and the growth of BACs. One year since then, I believe we have properly verified the effectiveness of our new Group structure and feel that we have made genuine progress toward realizing the goals of our Medium- to Long-Term Management Policy.

One example of this progress is the introduction of the Group CxO (G-CxO) positions and the establishment of the Executive Committee, an advisory body to the Group CEO. Through these transformations, we have put in place a system that allows us to pursue Group-wide optimization in a manner that goes beyond regional boundaries. Carrying out decision-making from a Group-wide perspective while ascertaining the situation in each region and for each function is crucial to the realization of overall optimization. I have long believed that we could establish the most robust and effective management structure if we were to integrate and leverage the respective strengths of Japanese-style management, through which decisions are made based on thorough discussions among relevant parties while considering the continuity of strategies, and Western-style management, whereby decisions are made in a bold, rational, and agile manner based on data. The Executive Committee was designed with this objective in mind. The committee's members comprise chief officers, who oversee key functions across the entire Group, and regional CEOs, who oversee business operations in each region. After thorough discussions are held by the committee, key



SUMADORI-BAR SHIBUYA, a place where people who cannot or choose not to drink alcohol can enjoy themselves.



* Categories adjacent to beer such as non-alcohol adult beverages, RTDs, and adult soft drinks



We implemented organizational reforms aimed at promoting our premiumization strategy and generating Group synergies. By doing so, we have further reinforced our organizational foundation.

Moving forward, we will continue to promote strategies that fully leverage the Asahi Group's strengths as we boldly pave the way for sustainable growth.



functional strategies, including finance and human capital strategies, are implemented under the supervision of the chief officers, while regional strategies are carried out by the regional CEOs. Under this kind of executive structure, we are able to conduct logical and sustainable management that does not overly rely on the characteristics of the Group CEO and executes strategies and initiatives with a sense of speed. Previously, we met with all regional CEOs on a monthly basis, but with the establishment of the Executive Committee, we are now able to share best practices, built up by each individual executive, and realize sophisticated decision-making to a greater extent than ever before. In addition, we held a team-building session where all members of the Executive Committee gathered in person to discuss their approaches to work and their formative life experiences. This session helped invigorate our discussions during committee meetings. By gaining a deeper understanding of each other's values, we were able to foster more candid and open discussions. I believe that these types of discussions will lead to the formulation of more effective strategies moving forward.

In tandem with our efforts to strengthen executive functions, in 2024 the Board of Directors held extensive discussions on the importance of enhancing the supervisory function for business execution and on strengthening collaboration between the auditing structure of the Company and the audit and supervisory boards of each regional headquarters (RHQ). As a result of these discussions, we transitioned to our new organizational structure in March 2025, with the primary aims of promoting appropriate risk-taking, enhancing the oversight function in response to the strengthening of the executive side, and expanding audit capabilities through organizational audits carried out in collaboration between members of the Audit Committees of the Company and the RHQs. Through this transformation, we have laid the groundwork for the further strengthening of both our executive and supervisory functions.

Nevertheless, the structure of an organization is something that starts to become outdated from the moment it is established. For this reason, we will constantly assess whether or not our organizational structure is optimized for achieving our goals and take steps to make further updates.

The enhancement of human capital is indispensable in the creation of Group-wide synergies. Since 2023, the Asahi Group has been advancing efforts toward Group-wide talent management based on the Asahi Leadership Competency Model. In 2024, we reached an important milestone: we transferred nearly 40 personnel between the RHQs. Looking ahead, we will continue to transfer personnel between the RHQs on a regular basis while sharing human resources across the Group in an effort to ensure the optimal placement of talent at the global level. By doing so, we will further strengthen the overall capabilities of the Asahi Group. Furthermore, we hold quarterly meetings in the areas of diversity, equity, and inclusion and safety and wellbeing, at which we actively share the best practices in each region. Through these kinds of consistent efforts across the Group, we are steadily fostering an ideal corporate culture for making a positive impact on our business.



Pushing Ahead with Efforts to Realize Our Ideal Business Portfolio

Guided by our new executive and organizational structure, we made steady progress in 2024 in advancing the premiumization of our overall portfolio—an ongoing initiative—and driving growth in BACs, a key focus area for the future, as we worked toward realizing our ideal business portfolio under the Medium- to Long-Term Management Policy. In our core Alcohol Beverages Business, the promotion of premiumization helped drive a 2.6% Group-wide increase in unit prices across beer-type and non-alcohol adult beverages (beer-taste) categories. Additionally, our marketing investments in global brands, primarily through sponsorship activities, have led to steady profit growth. Among products in these categories, *Asahi Super Dry* saw a 10% increase in global sales volume year on year, excluding in its home market of Japan, due to marketing activities that leveraged brand recognition gained through the brand's partnership with City Football Group and its role as the official beer of Rugby World Cup France 2023. Additionally, in Japan, we successfully captured the increased demand for beer following the liquor tax revision. From 2025 onward, we will continue to actively invest in marketing activities to sustain the premiumization trend. In Europe, the decline in our sales volumes began to subside as inflation and cost pressure continued to ease. The premium category remains popular in the European market, and we expect this category to contribute more significantly to earnings moving forward through efforts to increase unit prices, including via flexible pricing strategies.

Meanwhile, in Oceania, we are faced with the pressing issue of addressing a deteriorating operating environment. The slump in consumer spending, brought about in part by the continuation of high mortgage interest rates, has had a significant impact

on our business. While we expect consumer spending to recover in the second half of 2025, driven by policy measures to reduce interest rates and tax-cut measures, we must take action from both near-term and long-term perspectives in order to generate stable profits under a challenging market environment. To that end, we are pursuing profit structure reforms aimed at improving customer convenience, such as bolstering supply chain efficiency and integrating IT systems, while pushing forward with our multi-beverage strategy in order to grow our profit base by leveraging our robust market position. In the Australian market, we are the only corporate group that has a large-scale presence across multiple categories in alcohol and non-alcohol beverages. Drawing on this strength, we will not only bolster product development in each category but also focus on sharing know-how across categories and pursuing trade marketing. Through such multifaceted initiatives, we will differentiate ourselves from our competitors.

Although our business in Oceania, which had driven the Group's performance up until 2023, experienced a slowdown in 2024, we are working toward a recovery. In addition, we recorded solid performances in Japan and Europe, helping offset any negative impact. As a result, I feel we were able to achieve stronger overall business operations in 2024.

In BACs, which are positioned as a growth area in our business portfolio, the Group achieved a 13% year-on-year increase in sales volume in 2024, primarily due to the launch of new products. This achievement has further strengthened our competitive advantage in BACs across various regions. In Japan, we launched

Rugby World Cup France 2023



Sponsorship activity with City Football Group



Message from the Group CEO

the non-alcohol adult beverage (beer-taste) *Asahi Zero*, which has 0.00% alcohol content and is made using our proprietary dealcoholization technologies. This

product offers unique value in terms of quality and taste that the products of our competitors simply do not have. *Asahi Zero* garnered a very positive response among consumers, helping us further solidify our position as the market leader in the non-alcohol adult beverages (beer-taste) sector. In other regions, we established a solid presence with non-alcohol products under our global brands through the promotion of marketing activities and the launch of new products. For example, *Peroni Nastro Azzurro 0,0%* sponsored the Scuderia Ferrari F1 team, which helped enhance its brand value. We were also able to achieve significant growth in the ready-to-drink (RTD) beverages segment, including



through the roll out of *Mirai no Lemon Sour* in Japan and *Hard Rated* in Australia.

We also lowered procurement costs through the operations of Asahi Global Procurement Pte. Ltd. (AGPRO), which commenced in 2024, thus supporting profitability in each region. Previously, we conducted procurement activities on an individual basis by region and country, but we have now transitioned to a system where AGPRO manages a large number of procurement categories, representing approximately 50% of the Group's total procurement. This system has created benefits far exceeding expectations, not only through simple cost savings but also by controlling future cost increases. Although we expect to continue to see cost increases from 2025 onward, we are bolstering the resilience of our procurement activities through the steady operations of AGPRO. Looking ahead, we will further enhance Group-wide profitability by expanding the procurement categories under AGPRO's management.



Cultivating New Profit Pillars Under Our Multi-Beverage Strategy

We remain committed to achieving the ideal business portfolio that we adopted under our Medium- to Long-Term Management Policy. Our analysis of megatrends suggests that the global economy will follow a path of gradual growth, despite regional differences arising from growing geopolitical risks. As I mentioned at the start of this message, we view the resolution of alcohol-related issues, the increase in health consciousness, and the diversification of consumer preferences as trends that we can utilize as a path for growth.

Taking a look at the market environment, major beer manufacturers across the globe are moving forward with the development of non-alcohol adult beverages and low-alcohol beers. This means that, while the market is expanding, our competition is becoming more intense. In such an environment, our multi-beverage strategy, in which we leverage our expertise in both alcohol and non-alcohol beverages, is an advantage that sets us apart from the competition. It enables us to ascertain market trends where

the boundaries are blurring between alcohol and non-alcohol beverages, identify and analyze diversifying consumer needs, and develop products that meet such needs. For example, by combining the know-how of each Group business, including the brewing techniques in the Alcohol Beverages Business and the blending technologies of the Non-Alcohol Beverages Business, and by mutually utilizing the customer engagement experience cultivated in all our businesses, we can more accurately capture market needs and develop products that exceed market expectations.

BACs, including non-alcohol adult beverages (beer-taste), may require a product portfolio with a broader variety of niche products, compared with alcohol beverages, in order to capture the increasingly specialized needs in these categories. While maintaining the conventional business model of generating profits from large-scale production, we aim to enhance our capabilities by introducing distinctive premium products that meet the diversifying needs of the market. By doing so, we aim to

significantly boost profits by enhancing the value proposition of our entire product portfolio. The know-how and resources cultivated in our businesses to date will help us expand the reach of these premium products, which we will develop in a highly flexible manner. In these ways, we intend to cultivate BACs into a new growth pillar by building on our existing portfolio through the addition of products that, while highly specialized, maintain a certain scale.

Also, we need to constantly reinforce our marketing methods for generating ideas, acquiring insight, and identifying needs if we are to create product categories and services that offer new value. To help supplement our insight, in January 2023 we established Asahi Group Beverages & Innovation, LLC in the United States, where new trends are constantly being created. With this company as our starting point, we are working to incorporate know-how and technologies through minority investments in start-ups. In the future, we will seek to develop innovative products that meet

consumer needs and offer value that exceeds their expectations by combining the capabilities the Group possesses in alcohol and non-alcohol beverages with external know-how and ideas. To do so, we will clearly outline and convey our vision and strategies in categories that we define as BACs.

As the boundaries between alcohol and non-alcohol beverages become less distinct, we will promote our multi-beverage strategy aimed at enhancing value by centrally managing a diverse product portfolio, thereby offering consumers a broader range of choices. In order to expand the scale of this strategy and enhance our capabilities based on swift, market-driven decision-making in each region, we have transitioned from a four-RHQ structure, where alcohol and non-alcohol beverages were managed separately, to a three-RHQ structure, where we are able to roll out the multi-beverage strategy in each region. The synergies we expect to generate through this reorganization will be incorporated into our future business plans.

Updating Our Financial Policy and Key Performance Indicator Guidelines That Underpin Medium- to Long-Term Growth

In February 2025, we updated our guidelines for key performance indicators (KPIs) and financial policy under the Medium- to Long-Term Management Policy, extending their time frame to 2030. This move demonstrates our commitment to engaging in management that places an even greater emphasis on capital efficiency. Specifically, we will commit to the compound annual growth rate (CAGR) of earnings per share (EPS) as a KPI. In addition, we added return on equity (ROE) and return on invested capital (ROIC) as new KPIs, and set dividend on equity (DOE) as a KPI for shareholder returns.

In updating our KPI guidelines, I personally held around 100 dialogues with investors in 2024, including through our normal investor relations activities. Through these dialogues, I was once again reminded of our low level of capital efficiency compared with that of our global competitors. The fundraising activities we carried out to execute large-scale acquisitions in 2016, 2017, and 2020 brought about a significant increase in the Group's interest-bearing debt. In 2021, we set a target for net debt/EBITDA of around three times or less in 2024 in order to restore a sound financial position. Guided by this target, we sought to enhance our ability to generate cash flows, including through the sale of assets and improvement in working capital, in an effort to reduce interest-bearing debt. Although free cash flow and net debt/EBITDA have significantly

exceeded our plans and surpassed our guidelines, and despite our being able to surpass a 40% adjusted dividend payout ratio one year ahead of schedule, this process has led to delays in our efforts to enhance capital efficiency. We have also been dealing with rapid changes in our operating environment due to the unprecedented cost increases and inflation that have been occurring since 2022. As a result, the progress we have made with Core Operating Profit and the CAGR of EPS has fallen below our guidelines. Moreover, due in part to the increase in cumulative translation adjustments caused by the significant depreciation of the yen, ROE decreased to 7.5% in 2024, around the same level as our cost of shareholders' equity. Our evaluation from capital markets continues to be unsatisfactory, with our stock price valuations and price-to-book ratio (PBR) remaining stagnant. This has caused some frustration as it feels as though we have not received sufficient recognition based on a long-term perspective.

Under our new financial policy, we will continue to prioritize the allocation of cash toward growth investments, but we will also allocate cash to improving capital efficiency and enhancing shareholder returns.

Regarding capital efficiency, we established ROE and ROIC as KPIs as they have the clearest relationship to corporate value. For ROIC, in particular, we will set targets and

conduct monitoring toward 2030, incorporating these targets down to the RHQ and business unit levels. Taking into account our dialogues with the markets, we estimate that our current cost of capital is around 8% on a cost-of-shareholders'-equity basis and about 5.5% to 6.0% on a weighted-average-cost-of-capital (WACC) basis. In light of this, we aim to achieve an ROE of 11% or more and an ROIC of 10% or more by 2030, ensuring a spread of more than 3% over capital cost. The decision to set targets with a view toward 2030, rather than a shorter-term time frame, reflects the feedback we have received from the capital markets. Targets set for the near term can be impacted by the external environment, and thus can result in the Group not receiving an evaluation from the market that reflects its true capabilities. For this reason, we have received many requests to establish targets from a medium- to long-term perspective and to present a strategy for achieving them. The KPIs we have set for Core Operating Profit also take into account this feedback. In addition to Core Operating Profit growth, we have incorporated the growth rate of EPS, which reflects our capital policies.

With regard to growth investments, we aim to generate cash flows from operating

activities of between JPY450.0 billion to JPY500.0 billion by 2030. At the same time, in the upcoming three years, we will allocate around JPY170.0 billion to JPY200.0 billion to capital investment each year as an organic growth investment. Furthermore, in our numerous dialogues with capital markets, we received a fair number of questions regarding M&As. Although we do not currently have a limit set on M&A investment, when an opportunity arises for us to conduct an M&A, we will naturally do so in a disciplined manner based on specific financial criteria.

For shareholder returns, we will strive to pay progressive dividends and flexibly acquire treasury shares with the aim of reaching a DOE of 4% or more. In terms of acquiring treasury shares, we will buy back approximately 150 million shares, issued by public offering when Carlton & United Breweries Pty. Ltd. (CUB business) was acquired in 2020, as soon as possible, with the aim of rewarding our shareholders who have supported us in the medium to long term. By exceeding our KPI guidelines, we aim for ongoing improvement in our stock price valuation and total shareholder return (TSR).

Reaching Our Vision for the Group Through the Integration of Sustainability into Management



Under its Global Alcohol Action Plan 2022–2030, the World Health Organization (WHO) has adopted the target of reducing harmful alcohol use by 20% by 2030, compared with 2010. This target makes it clear that not only consumers but also society as a whole are moving toward the reduction of excessive alcohol consumption. In consideration of this trend, we have been making efforts toward non-alcohol and low-alcohol adult beverages and low-alcohol beers in order to promote Responsible Drinking, which we have adopted as a material issue. Through discussions at meetings of the Global Sustainability Committee in 2024, at which members of the Executive Committee participated, we established targets for these efforts and are working toward achieving them. Also, at meetings of our various committees, we continue to share the best practices of each RHQ and hold discussions on incorporating them into our strategies for each function, including R&D and global marketing.

I have long held the belief that the resolution of social issues should serve as the source of our profits and, to that end, it is essential that we realize the integration of

sustainability into management. For us to do so, we must formulate sustainability initiatives, incorporate them into each function and RHQ, and achieve results on a Group-wide basis. As showcased by our discussions on non-alcohol and low-alcohol adult beverages, I believe we are steadily approaching an ideal state for realizing the integration of sustainability into management. This integration is a personal ambition of mine and, moving forward, I will see to it that we continue to visualize the mutual relationship between sustainability initiatives and corporate value and quantify the business and social impacts brought about by our sustainability initiatives. These efforts will help establish an order of priority for our sustainability initiatives and assist in investment decision-making. By monitoring the progress of these efforts, we aim to enhance both social and business sustainability. Additionally, we will advance our sustainability initiatives by identifying areas where the Asahi Group can succeed on its own as well as those that require collaboration with other companies. The United Nations will hold its Fourth High-level Meeting on the Prevention and Control of Non-Communicable Diseases (NCDs) in 2025, and alcohol-related diseases and health issues are expected to be discussed. To promote efforts toward Responsible Drinking, we will collaborate with other companies and the International Alliance for

Responsible Drinking (IARD) to advocate for greater discussion and rulemaking within the industry.

In terms of initiatives specific to the Asahi Group, we have not only brought forward the achievement of Asahi Carbon Zero, our target of realizing net-zero GHG emissions, from 2050 to 2040 but also obtained SBTi (Science Based Targets initiative) net-zero approval, including for FLAG* emissions. In this way, we are making steady progress with efforts based on our material issues. At the management level, we appointed Drahomira Mandikova, who oversaw sustainability at Asahi Europe and International Ltd. (AEI), one of our RHQs, as Group chief sustainability officer, further strengthening our framework to address sustainability matters, including information disclosure, which is progressing primarily in Europe. Centered on AEI, which has led the way with sustainability initiatives, we are moving forward with the transfer of personnel as well as efforts to enhance Group-wide strategies across regions. Moving forward, we will actively encourage action among employees on the front lines as we advance sustainability initiatives across the Group so that they are integrated into all of our business operations.

* FLAG: Abbreviation of forest, land and agriculture; refers to areas related to agricultural, forestry, and other land use. This area emits GHG from non-energy sources.

Positioning 2025 as a Year in Which We Will Realize Corporate Value That Surpasses the Sum of Each Business

With our new organizational structure at the forefront, in 2025 we will commence various new efforts from the perspectives of our organization, finance, and business strategies. In terms of our structure, we will take the next step with the genuine globalization efforts we initiated in 2024, entering a new stage where we pursue opportunities for further growth while taking appropriate risks. Although this may sound somewhat abstract, as the leader of the Asahi Group it is imperative that I clearly signal the direction our management should take, ensuring that each business and function takes responsibility for execution. As the Group CEO, I will therefore make even greater efforts to promote the appropriate allocation of resources and the

sharing of best practices so that we can realize corporate value that surpasses the sum of each business. I would like to ask for your continued support going forward as we pursue these endeavors.

May 2025



Atsushi Katsuki
President and Group CEO, Director and
Representative Executive Officer

Message from the Group CFO



We will update our key performance indicator guidelines and financial policy and steer the Group in a new direction to enhance corporate value over the medium to long term.

Kaoru Sakita

Group CFO, Director and Executive Officer

Striving to Reach Our Targets for Financial Soundness as a Priority Issue

Since 2020, we have been faced with an unstable operating environment, marked by the spread of COVID-19 and the need to respond to global cost-push inflation. In such an environment, we have been executing appropriate pricing strategies while continuing to invest strategically, primarily in efforts to strengthen our global brands. For top-line growth in 2024, there has been a 20% increase in unit prices, compared with fiscal 2021, with year-on-year growth in fiscal 2024 alone coming to 2.6%. This increase showcases the steady progress we have made with our premium

strategies. As a result, Core Operating Profit in 2024 reached a record high of JPY285.1 billion, up 3.7% year on year on a constant currency basis. By region, our performance in Oceania fell below our forecasts, following a deterioration in consumer spending. This resulted primarily from the continuation of high mortgage interest rates. However, the results we achieved in Japan and Europe exceeded our forecasts. The operations of Asahi Global Procurement Pte. Ltd. (AGPRO), which oversees our global procurement activities, generated cost savings exceeding USD1 million annually, and this helped underpin profit growth. Moreover, we saw an improvement in the cash conversion cycle (CCC), driven by the shortened accounts receivable cycle that

resulted from the reduction of working capital. This enabled us to generate operating cash flows that exceeded our forecasts.

With regard to our defined in previous message KPI guidelines up to fiscal 2024, we did not meet our targets in Core Operating Profit and of a compound annual growth rate (CAGR) of earnings per share (EPS) in the high single digits. On the other hand, in 2024 we generated a free cash flow totaling JPY306.0 billion, making for a three-year average of JPY253 billion that significantly exceeded our target of JPY200.0 billion. Our net debt/EBITDA ratio (excluding 50% of the amount of outstanding subordinated bonds), which temporarily rose to 6.03 times following the acquisition of Australia-based Carlton & United Breweries Pty. Ltd. (CUB business) in 2020, declined to 2.49 times as a result of our efforts to prioritize the reduction of interest-bearing debt backed by our cash flow generation capabilities. In these ways, we made greater-than-expected progress with our efforts to improve financial soundness, which was positioned as our most important financial issue, and I view this as a tremendous accomplishment. Regarding shareholder returns, we have gradually increased the dividend payout ratio and achieved our 2025 target for a ratio of 40% one year ahead of schedule. At the same time, we acquired treasury stock for the first time in roughly 10 years. Looking ahead, we will draw on our cash flow generation capabilities and robust financial foundation to execute investments aimed at realizing the Medium- to Long-Term Management Policy. Also, we will enter a stage where we allocate even greater cash to shareholder returns.

Establishing New KPI Guidelines With an Awareness of Capital Efficiency

The basic concept behind our KPI guidelines to date was to first strengthen our cash-generating capabilities and prioritize efforts to improve financial soundness so that we could realize growth as a global company. As we have done so, however, we have not been able to fully meet the expectations of capital markets regarding improvements in capital efficiency and increases in shareholder

Message from the Group CFO

returns. We have also been unable to meet the expectations of our investors in terms of corporate value enhancement.

For this reason, when formulating our new KPI guidelines, announced in February 2025, we held repeated dialogues with capital markets, including meetings with key investors, in addition to internal discussions. These dialogues made clear that we face issues in terms of our indicators for Core Operating Profit and that our investors have a strong desire for us to enhance capital efficiency. Core Operating Profit is impacted not only by our ability to generate cash but also by the external environment. One factor behind our failure to meet the target outlined in the KPI guidelines—achieving a mid-to-high single-digit CAGR for Core Operating Profit and EPS—was the significant impact of external factors, including the COVID-19 pandemic and inflation-driven cost increases, despite our success in enhancing the Group's cash-generating capabilities. The uncertainty of achieving our targets due to external factors outside the Group's control was an issue. Moreover, ROE has been trending downward since fiscal 2021, due in part to the decrease in profitability caused by cost increases and the rise in cumulative translation adjustments caused by the significant depreciation of the yen. In 2024, ROE fell to 7.5%, around the same level as our cost of shareholders' equity. Meanwhile, given the fact that we did not include indicators for capital efficiency in previous guidelines, we understand that the lack of visibility for future improvement was also a factor for the uncertainty we have seen from the market. This situation with our market evaluation was also reflected in our indicators for stock price, with our price-to-book ratio (PBR) falling to just under 1.0 times at the end of fiscal 2024 and our price-to-earnings ratio (PER) remaining at a lower level than our global competitors. In our dialogues with investors, we received such feedback as: "We would like to see you establish targets aimed at expanding equity spread to a level comparable with your global competitors," and "We hope you can formulate a cash allocation policy that emphasizes not only growth investments but also capital efficiency, including shareholder returns."

To garner the support of investors over the medium to long term, we must create an equity story that aligns with our Medium- to Long-Term Management Policy and, based on this story, address concerns about the KPI guidelines, while also communicating a message that focuses more on stock price. Based on this belief, we held repeated internal discussions, including at meetings of the Board of Directors. Through these discussions, we determined a policy that we will allocate cash not only to improve profitability but also to enhance capital efficiency while prioritizing growth investments, with the aim of medium- to long-term corporate value enhancement.

Promoting Ongoing Efforts to Expand Equity Spread

Following the updated KPI guidelines established through the aforementioned process, we aim to ramp up growth investments

aimed at realizing our Medium- to Long-Term Management Policy, improve capital efficiency, and enhance shareholder returns. Our profitability indicators have been integrated into the CAGR of EPS, and we have set return on equity (ROE) and return on invested capital (ROIC) as indicators for capital efficiency. EPS reflects the results of efforts such as our capital policies and ROE and ROIC help us measure capital efficiency. By establishing these as indicators, we will realize medium- to long-term corporate value enhancement. With a view toward 2030, we ultimately aim for a CAGR of EPS in the high single digits to double digits, an ROE of 11%, and an ROIC of at least 10%. Given that we have set EPS as an indicator for profitability, not only will we pursue profit growth from our businesses, we will also carry out the acquisition of treasury stock depending on the situation.

Taking into account the recent rise in interest rates and the trends in market risk premiums, we estimate that our current cost of capital is around 8% on a cost-of-shareholders'-equity basis and about 5.5% to 6% on a weighted-average-cost-of-capital

Key Financial Indicators	Guidelines Through 2030	2024 Results
EPS	CAGR: High single digits to double digits	JPY126.7
(Adjusted EPS)* ¹	CAGR: High single digits to double digits	(JPY120.7)
ROE	11% or higher *Cost of shareholders' equity (roughly 8%)	7.5%
(Adjusted ROE)* ²	(14% or higher)	(10.7%)
ROIC*³	10% or higher *WACC: roughly 5.5–6%	6.9%
Financial Policy	Guidelines Through 2030	2024 Results
Shareholder returns	DOE: Aim 4% or higher by progressive dividends and flexible share buybacks	2.9%
Financial soundness	Net Debt/EBITDA: Maintain close to 2.5–3 times range	2.49 times

*¹ Excludes temporary special factors such as business portfolio restructuring and impairment losses

*² Calculated by dividing adjusted profit attributable to owners of the parent (excluding temporary special factors such as business portfolio restructuring and impairment losses) by total equity attributable to owners of the parent (excluding changes in the fair value of investments in financial instruments measured at fair value through translation adjustments on overseas business activities and other comprehensive income)

*³ Calculated by dividing Net Core Operating Profit by Net interest-bearing debt + Equity attributable to owners of the parent (after the deduction of translation difference on foreign operations and Changes in fair value of financial instruments measured at fair value through other comprehensive income)

Message from the Group CFO

(WACC) basis. Based on the assumption that we will achieve ROE and ROIC exceeding cost of capital, we will also aim to further expand their equity spread with capital costs. Our purpose in establishing 11% as our ROE target is to set restoring profitability to its fiscal 2019 level as our initial milestone. Our ROE was 11.9% in fiscal 2019 but, as of the fiscal 2024 year-end, it has declined to 7.5% due to the impact of financing activities following the acquisition of the CUB business in Australia in fiscal 2020 as well as the COVID-19 pandemic. Therefore, we will first aim to restore ROE to its previous level.

Moving Forward with Effective ROIC-Based Management

To enhance our capital efficiency, we must not only set relevant Company-wide targets but also promote effective ROIC-based management and adopt such management as the foundation of our business operations on a Group-wide basis. Conventionally, the Board of Directors and Corporate Management Board have been conducting monitoring activities that compare WACC and ROIC on a reporting-segment basis. Going forward, however, we will establish ROIC as an internal KPI for each business, transitioning to a more effective management approach. We established ROIC targets at RHQs and are formulating initiatives on both the profit-and loss and balance-sheet fronts, aimed at achieving these targets. As Group CFO, I will provide support for autonomous initiatives to achieve the ROIC targets at each RHQ. At the same time, by setting hurdle rates for evaluating business performance and investment profitability, we will consistently monitor the appropriateness of investments, strategies for improving business profitability, and decisions on whether to continue operations.

Pursuing Initiatives for Profitability Improvement and Cost Reductions to Achieve Our KPI Guidelines

To achieve our financial targets, we will continue to pursue top-line growth and cost reductions. For top-line growth, as stated in the Medium- to Long-Term Management Policy, we are focusing on strengthening our global brands, increasing unit sales prices of local brands in accordance with their premiumization, and expanding beer adjacent categories (BACs). For cost reductions, we are working to optimize the production and logistics structure at our RHQs, enhance cost efficiencies through the advanced global procurement structure of AGPRO, and bolster risk management in terms of products and foreign exchange market fluctuations. At the RHQ level, we have been advancing post-merger integration (PMI)* after business acquisitions. Looking ahead, we need to further create and leverage Group-wide synergies so that we can realize value that goes beyond the sum of our individual businesses. To that extent, we shifted from a four-RHQ to a three-RHQ structure in April 2025, under which we are working to build a medium- to long-term business portfolio centered on our premium and multi-beverage strategies. By doing so, we will steadily promote initiatives that capitalize on various opportunities to generate global synergies.

At the global level, in particular, we will strive to reduce costs and curtail cost fluctuation risks through advanced risk management. We have commenced the full-scale operations of AGPRO, thereby establishing a global foundation for the centralized management and procurement of raw materials. By doing so, we are now able to assess the exposure and risk level of targeted raw materials across the entire Group and implement hedging strategies based on consultations with the Global Commodity Risk Management Committee. Going forward, we aim to increase the total procurement coverage of AGPRO and its affiliated RHQ procurement divisions to 90% in an effort to further accumulate cost-saving effects and enhance our hedging strategies.

* The process of maximizing the anticipated synergies after concluding an M&A transaction

In terms of foreign exchange risks, we will maintain our policy of hedging important foreign currency-denominated imports, product purchases, and expense payments using primarily financial instruments, following reviews by the risk management committees in each region. However, AGPRO will handle foreign exchange risk management associated with commodities that are included in procurement contracts. In 2025, although we expect to see a trend of yen appreciation due to revisions to monetary policies in each country, we will work to stabilize costs by diversifying hedge timing, especially in highly volatile foreign exchange markets.

Executing Growth Investments Aimed at Realizing the Medium- to Long-Term Management Policy and Enhancing Shareholder Returns

Our investment capacity has increased since we successfully restored our financial soundness. In consideration of this, we will continue to prioritize the allocation of funds to growth investments aimed at realizing the Medium- to Long-Term Management Policy. To secure cash that serves as the source of such investments, we will seek to increase cash flows from operating activities, from JPY403.7 billion in fiscal 2024 to between JPY450.0 billion to JPY500.0 billion by 2030, through the promotion of growth strategies and profit structure reforms.

Of this amount, we plan to allocate JPY170.0 billion to JPY200.0 billion each year of the three-year period from fiscal 2025 to fiscal 2027 to growth investments, with a focus on organic growth. Specifically, as part of our regular investments, we will update our production and R&D facilities as well as our offices and IT infrastructure, thereby strengthening our business continuity. At the same time, we will execute safety-related investments to ensure the safety and well-being of our employees. Similarly, for growth investments, we will execute investments to bolster facilities and functions in each region where we

Message from the Group CFO

implement our premium strategies and investments in core strategies, such as R&D and digital transformation. To get us closer to achieving our ideal business portfolio for 2030, it is essential that we establish new profit foundations, including in BACs and new businesses, and develop products and services that leverage new technologies. To that end, by enhancing strategic investments, we will seek to build a foundation for sustainable growth with a view toward 2030.

Investments in M&As aimed at discontinuous growth are always an option we have available. Accordingly, we will continue to examine various M&A options, regardless of company size, as a

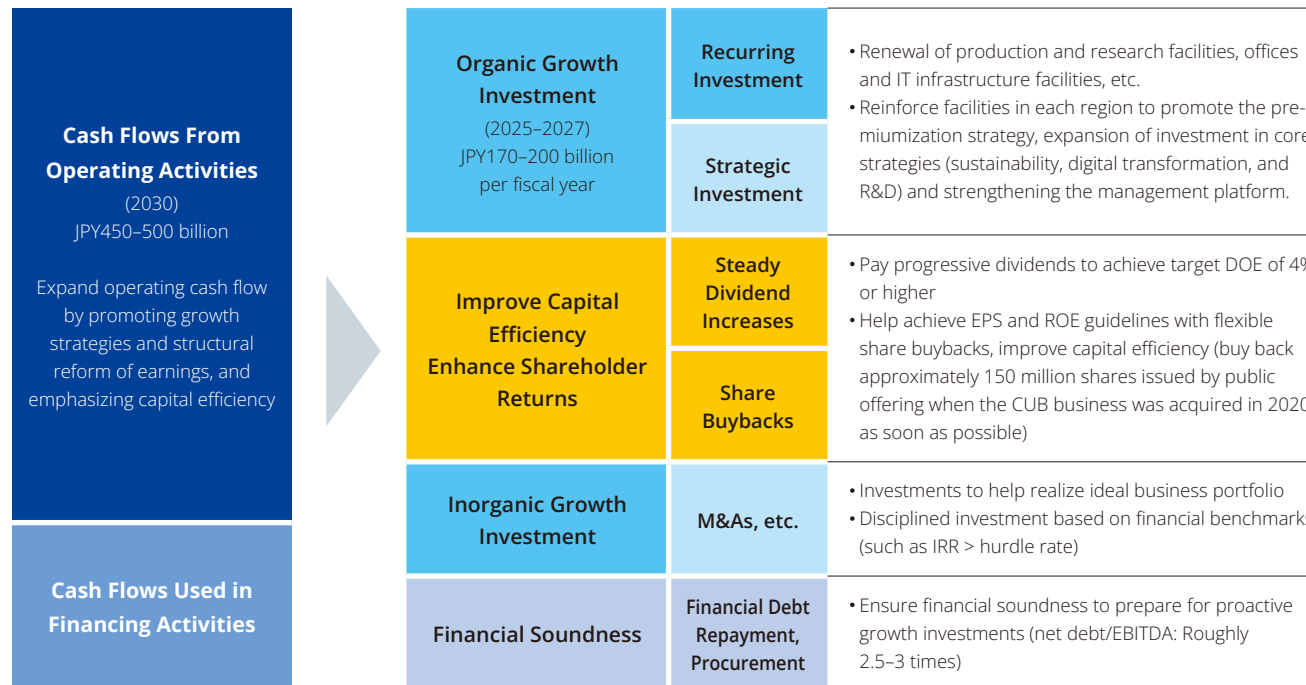
means of expanding into new domains while maintaining a focus on the beer category, based on our business portfolio strategy. Although, currently, there are no specific candidates we are considering, we will continue to evaluate opportunities for attractive large-scale acquisitions, taking into account an appropriate capital strategy while balancing financial leverage, as we have done in the past.

Also, we will continue to enhance shareholder returns. Specifically, we will strive to pay progressive dividends, with the aim of reaching a DOE of 4% or more. We have already achieved our target for an dividend adjusted payout ratio of 40%, and, as

such, moving forward we will seek to ensure more stable and sustainable dividend increases, while taking into account business growth, so that we may garner the support of our investors over the medium to long term. In addition, we will flexibly acquire treasury shares in an appropriate manner, including repurchasing approximately 150 million shares issued by public offering when the CUB business was acquired in 2020, as soon as possible.

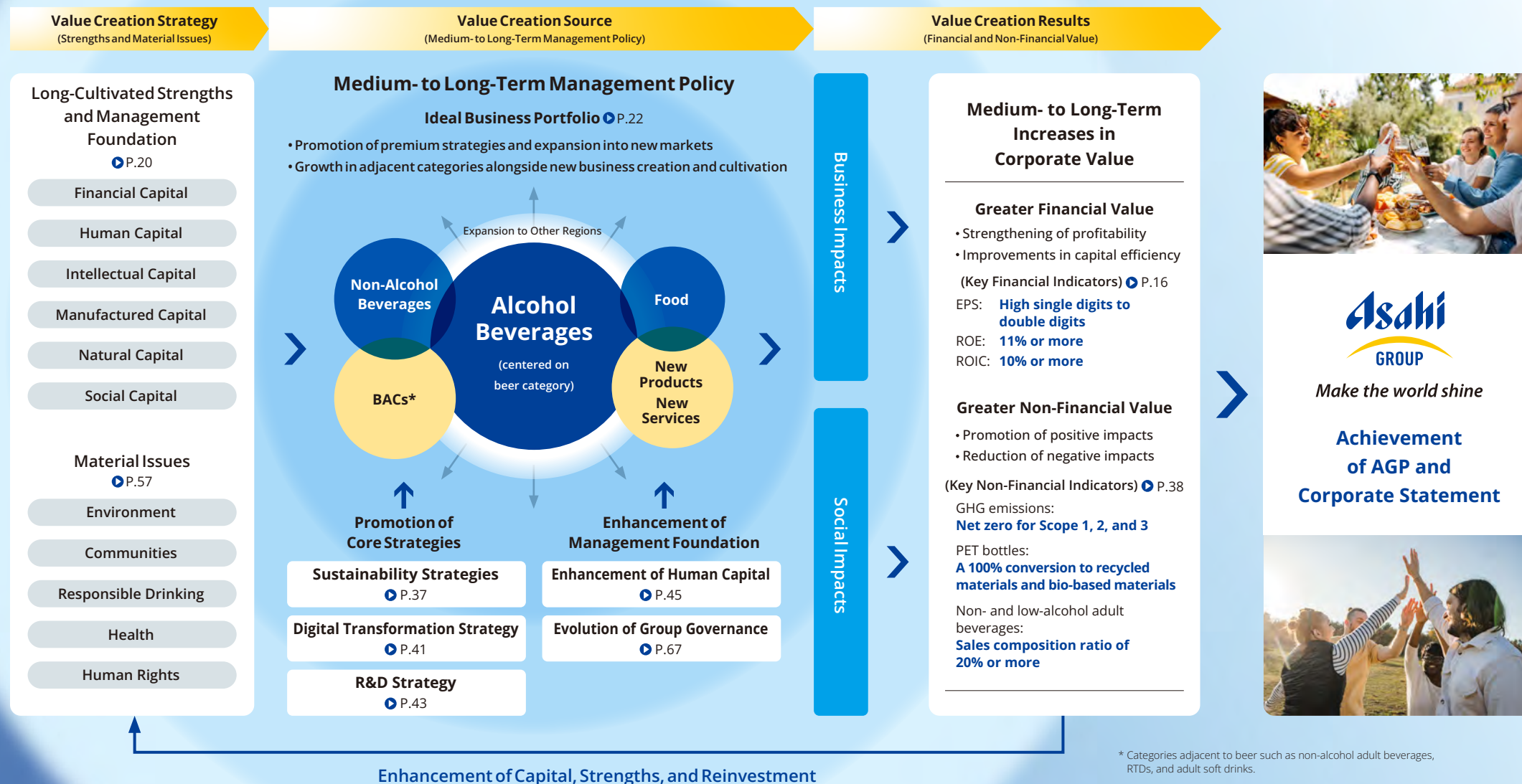
Establishing a Virtuous Cycle for Realizing Corporate Value That Surpasses the Sum of Each Business

Fiscal 2025 marks the first year operating under our new KPI guidelines and financial policy. I believe my role as Group CFO is to ensure business operations align with our financial policy and to design systems via which our financial targets and the resulting enhancement of corporate value serve as our motivation. Additionally, I believe it is important to actively communicate messages across the Group and establish a foundation and structure enabling all Group employees to approach business operations and daily tasks based on a shared perspective. By fulfilling my role in this manner, we will enhance our Group-wide performance and establish a growth cycle that enables new investment and enhanced returns, thereby realizing sustainable corporate value enhancement.

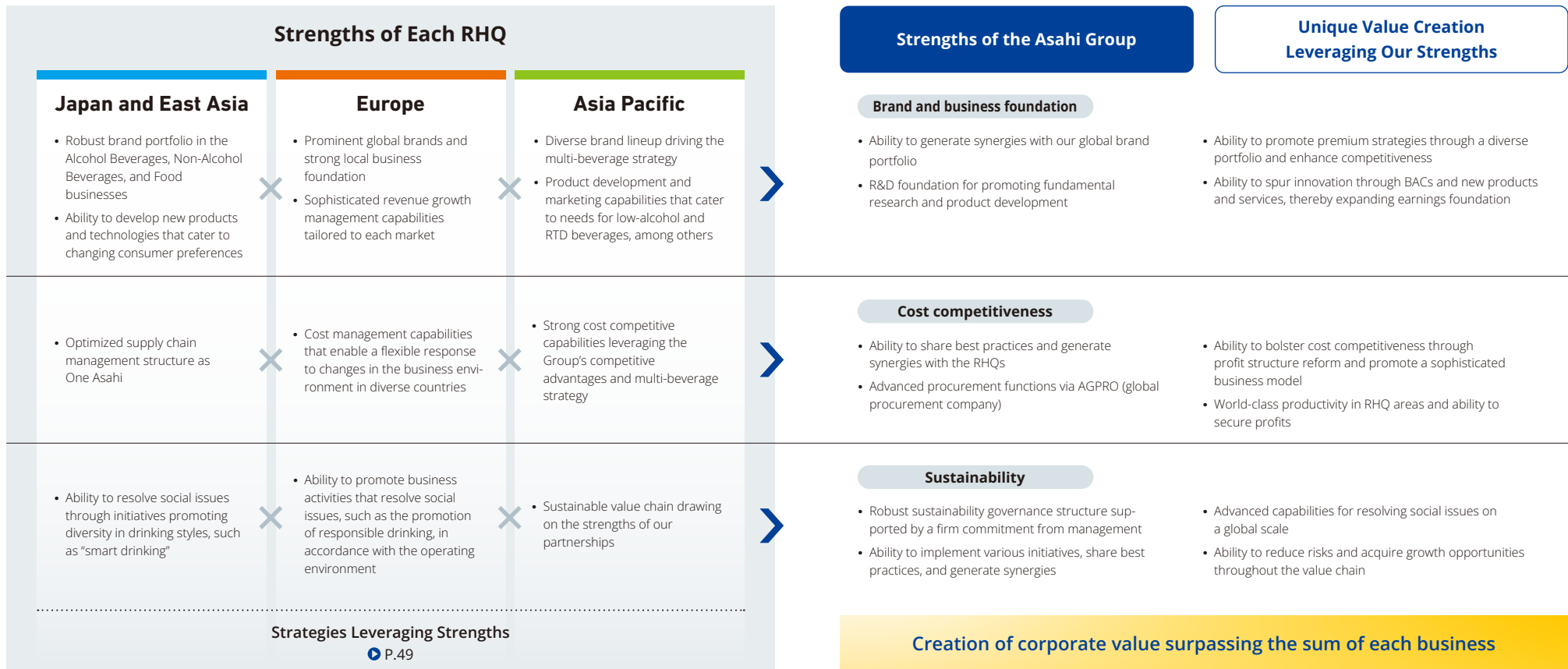


The Asahi Group's Value Creation Process

In addition to its long-cultivated strengths and management foundation, the Asahi Group promotes a value creation strategy in accordance with its Medium- to Long-Term Management Policy, drawing on the material issues it has identified based on both internal and external issues. Through the promotion of this strategy, the Group aims to generate business and social impacts, enhance its financial and non-financial value over the medium to long term, and realize the Asahi Group Philosophy (AGP) and Corporate Statement.



Long-Cultivated Strengths and Business Foundation of the Asahi Group



Note: Transitioned to a three-RHQ structure as of April 2025

Reinforced Management Foundation Underpinning Our Strengths

Human Resources

- Shared value systems and corporate culture based on the Asahi Group Philosophy (AGP) and Corporate Statement
- Cross-organizational deployment of know-how and technologies cultivated at RHQs through the exchange and development of global human resources

Governance

- Reinforcement of the decision-making function and supervisory function of the Board of Directors by increasing its diversity
- Enhancement of governance through the establishment of the Executive Committee,* the reinforcement of executive structure, and the transition to a company with nominating committee, etc., design

* Executive Committee, an advisory body to the Group CEO comprising primarily Group chief officers and regional CEOs

Finance

- Maximization of cash generation through appropriate financial management and implementation of investments geared toward sustainable growth
- Allocation of cash to improve capital efficiency and enhance shareholder returns based on capital allocation policy

Overview of Medium- to Long-Term Management Policy

Basic Concept Behind Long-Term Strategies: Contribute to a Sustainable Society and Respond to Changing Conceptions of Well-Being Through Delivering Great Taste and Fun

Ideal Business Portfolio

Sustainable growth of existing businesses centered on the beer category while expanding into new areas

- 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
- Growth driven by global brands and premiumization in existing operating regions; expansion into new markets

▶ P.24

▶ P.35

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 business transformation (BX) through digital transformation (DX)
- Increase the value of existing products and create new products and markets through bolstering R&D

▶ P.37

▶ P.41

▶ P.43

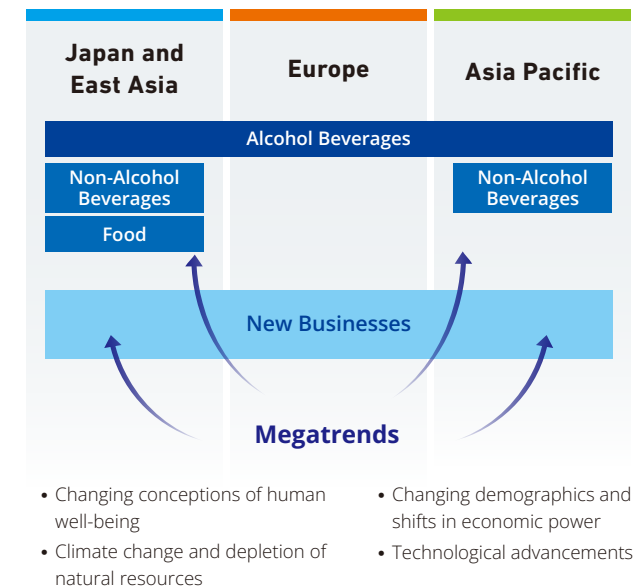
Strategic Foundation Strengthening

Consolidate the management foundations underpinning long-term strategies

- Advance human resources for executing core strategies and building an ideal business portfolio
- Enhance Group governance in order to create an optimal organizational structure; promote Group-wide sharing of best practices

▶ P.45

▶ P.67



KPIs and Financial Policy (2025–2030)

KPIs	Guidelines Through 2030
EPS	CAGR: High single digits to double digits
(Adjusted EPS)* ¹	CAGR: High single digits to double digits
ROE	11% or higher * Cost of shareholders' equity (roughly 8%)
(Adjusted ROE)* ²	(14% or higher)
ROIC* ³	10% or higher * WACC: Roughly 5.5–6%

Financial Policy	Guidelines Through 2030
Shareholder returns	DOE: Aim for 4% or higher by progressive dividends and flexible share buybacks
Financial soundness	Net Debt/EBITDA: Maintain close to 2.5–3 times range

*1 Excludes temporary special factors such as business portfolio restructuring and impairment losses

*2 Calculated by dividing adjusted profit attributable to owners of the parent (excluding temporary special factors such as business portfolio restructuring and impairment losses) by total equity attributable to owners of the parent (excluding changes in the fair value of investments in financial instruments measured at fair value through translation adjustments on overseas business activities and other comprehensive income)

*3 Calculated by dividing Net Core Operating Profit by Net interest-bearing debt + Equity attributable to owners of the parent (after the deduction of translation difference on foreign operations and Changes in fair value of financial instruments measured at fair value through other comprehensive income)

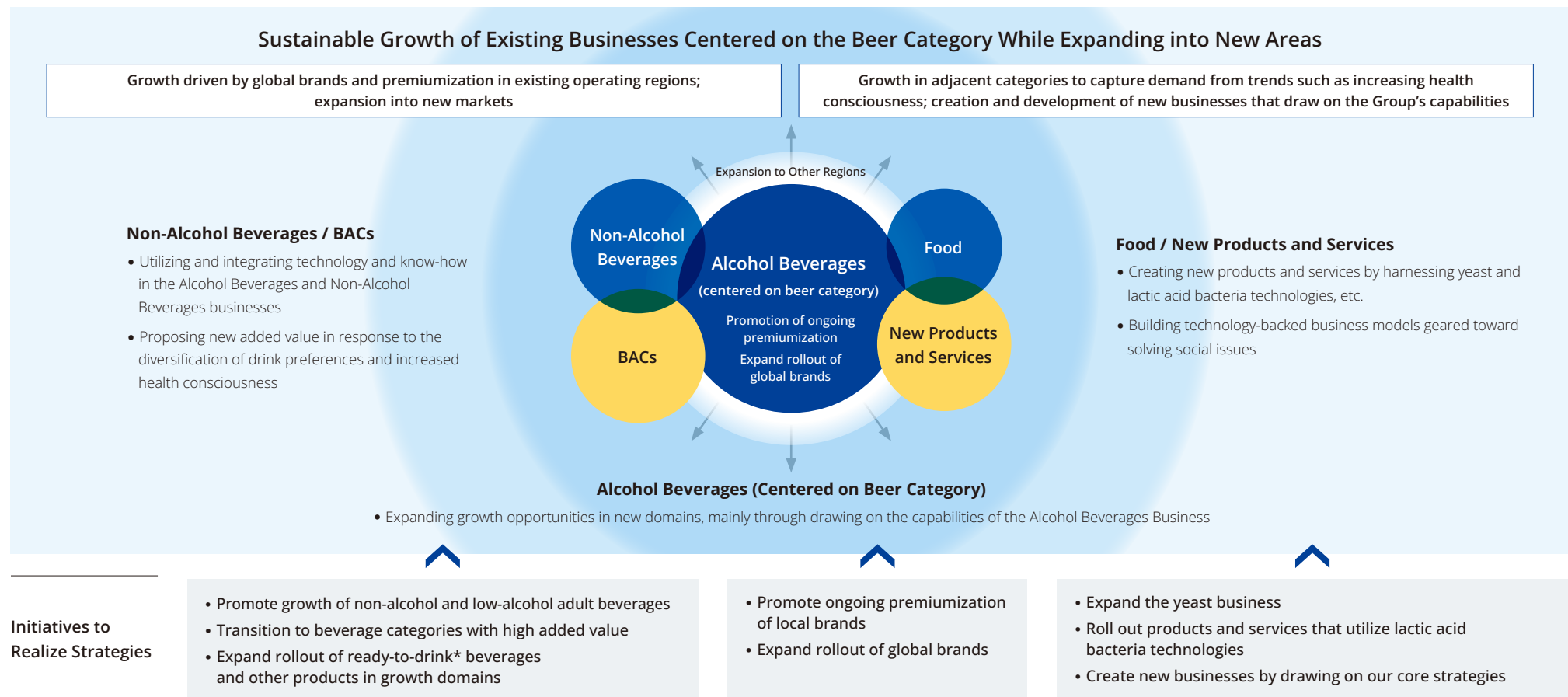
Ideal Business Portfolio

Under our long-term business portfolio strategy, we strive to realize the sustainable growth of our existing businesses based on a firm understanding of the changing conceptions of human well-being. In addition, we seek to expand into peripheral domains and new businesses and services by leveraging the foundation of our existing businesses.

Moving forward, we will not only further promote premiumization and expand our global brands in existing areas of operation but also respond to diversifying consumer needs by entering into beer

adjacent categories (BACs), which are expected to grow in the future. Additionally, we will advance into new business domains by leveraging our long-cultivated proprietary technologies. At the same time, we will further reinforce our business portfolio through the promotion of our core strategies to integrate sustainability into management, achieve innovation through digital transformation, and increase value by bolstering R&D. In these ways, we will strive to enhance our corporate value through co-creation activities with all our stakeholders.

Integration of Sustainability into Management



* RTD (ready to drink) refers to beverages such as canned chuhai that can be consumed as is after purchase.

02 Special Features

Our Strategy and Synergy Story



Special
Feature

01

The Asahi Group's BAC Strategy

The Potential for Expanding the BAC Market—A Path to Sustainable Growth

A Path to Sustainable Growth

In light of the diversifying needs of increasingly health-conscious consumers, beer adjacent categories (BACs), which include non-alcohol adult beverages, ready-to-drink products (RTDs)*, and adult soft drinks, are primed for growth. Accordingly, the Asahi Group views BACs as one of the keys to its own sustainable growth.

Looking at trends by category in the global market, the non-alcohol adult beverages (beer-taste) category has continued to grow at an average annual growth rate of approximately 5% over the past 10 years, while the RTD category has continued to grow at approximately 10%. With bases in Japan, Europe, and Oceania, the Group is implementing a comprehensive strategy to seize this opportunity and realize sustainable growth.

The Group's strength lies in maximizing the technology and know-how it has cultivated in its Alcohol Beverages and Non-Alcohol Beverages businesses. In particular, we possess a level of product development and marketing capabilities in our Alcohol Beverages Business that has allowed us to create top-tier brands for our RHQs as well as a robust sales network. Using these advantages in combination with our superior microorganism controls and the blending technology of our Non-Alcohol Beverages Business gives us an even sharper competitive edge.

**Average Annual
Growth Rate
(Past 10 Years)**

Non-Alcohol
Adult Beverages
(Beer-Taste)
Approx.
+5%

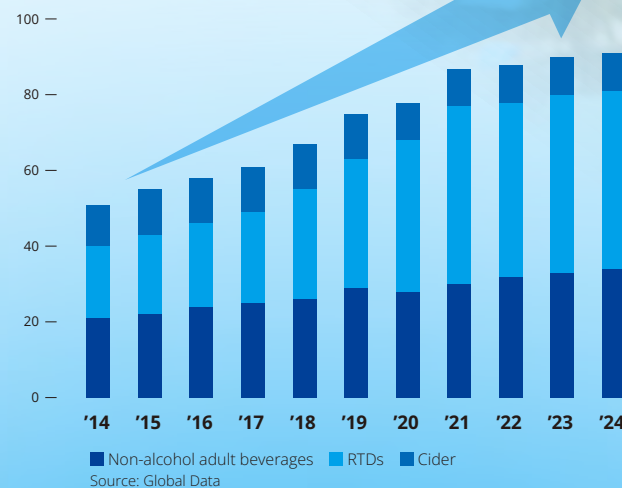
RTDs
Approx.
+10%

With these strengths in hand, we are working to expand further by building up RHQ-specific brands while developing global brand extension products. At the same time, we plan to pursue expansion by utilizing the R&D capabilities from operations in Japan on a Group-wide basis, while also taking products that have succeeded on the RHQ level and promoting them through our Group-wide sales channels.

Looking ahead, we foresee opportunities for further BAC growth. We aim to achieve sustainable growth for the Asahi Group by capitalizing on these opportunities as a flexible response to changes in the market and as a means to create new value.

* Canned chuhai and other drinks that can be consumed as is after purchase.

Sales Volume of BACs in the Global Market
(mhl)



01 The Asahi Group's BAC Strategy

Growth Opportunities by Category

Non-Alcohol Adult Beverages

The market for non-alcohol adult beverages in Japan and Europe continues to expand, and the Asahi Group continues to grow in this category due to possessing top brands in both regions and to its efforts to ramp up marketing of its global brands. Oceania is another market with potential for future growth.



RTDs and Cider

The Group is reaching a wide range of consumers, especially young people, through innovative products such as *Mirai no Lemon Sour* in Japan and *Hard Rated* in Oceania and is working to seize opportunities to expand its market share. The Group is also rolling out new brands in search of growth opportunities in Europe.

Adult Soft Drinks

There are several premium drinks available in the United States and United Kingdom that offer functional benefits, such as helping consumers relax or featuring a low calorie count. The Asahi Group intends to join the adult soft drinks market in these regions by developing drinks in conjunction with its R&D wing and making full use of its technical expertise in alcohol and non-alcohol beverages.



01 The Asahi Group's BAC Strategy

Capturing Market Needs—Product Sales by Region

Japan

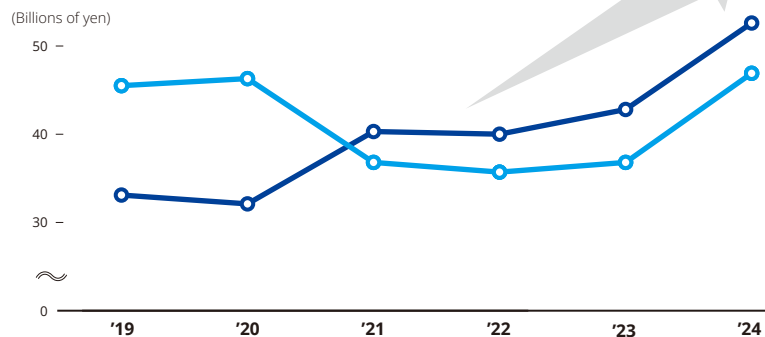
In Japan, there are approximately 90 million people aged 20 or older, the legal drinking age. We estimate that of this population, there are approximately 50 million who do not or cannot drink alcohol, as well as 20 million who only drink occasionally. That is a total of about 70 million people, and it is absolutely crucial that we meet the needs of these people in order to achieve future growth. At the same time, the needs of people who drink alcohol are becoming more diverse, so we are promoting diversity in drinking styles, or "smart drinking," which fosters respect between people who drink alcohol and those who do not, while offering products with high added value.

Regarding non-alcohol adult beverages (beer-taste), we launched *Asahi Zero* in 2024, which is made using a dealcoholization process that realizes 0.00% alcohol content. The product has been well received for its taste, which comes tantalizingly close to an authentic beer, and is helping drive market growth alongside growing sales of *Asahi Dry Zero*.

In the RTD category, we also released *Mirai no Lemon Sour*, a limited-edition high-value product. This product turns conventional wisdom on its head thanks to its revolutionary full-open can design, which opens all the way to reveal a slice of real lemon inside. We expect this brand to contribute toward business growth as unit prices for RTD beverages increase, with nationwide expansion planned for 2025.

Going forward, we will continue to launch high-value products to expand our market presence and set ourselves apart from the competition.

Revenue of RTDs and Non-Alcohol Adult Beverages Sold by the Asahi Group



◇ RTDs ◇ Non-alcohol adult beverages



Mirai no Lemon Sour, a canned chu-hi that overturned common perceptions

Key markets to date

People who drink occasionally
Approx. 20 million



New businesses opportunities / new approaches

Approx. 70 million

People who drink occasionally
Approx. 20 million

People who do not or cannot drink alcohol
Approx. 50 million

Establishment of Smart Drinking Co., Ltd.
Opening of SUMADOR-BAR SHIBUYA



Smart Drinking Declaration

2020

Launch of *Asahi Beery*, a low-alcohol beer with 0.5% alcohol content



2021

Launch of *Asahi Super Dry Dry Crystal* a beer with 3.5% alcohol content



2023

Launch of *Asahi Zero* nationwide
Launch of *Mirai no Lemon Sour* in select regions and limited quantities



2024

New Challenges 2025

01 The Asahi Group's BAC Strategy

Capturing Market Needs—Product Sales by Region

Europe

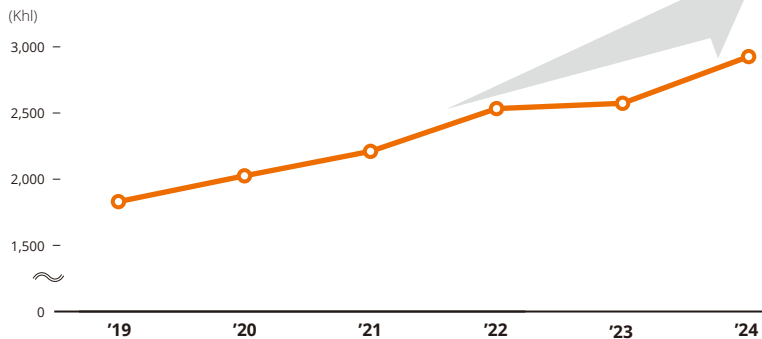
In Europe, our goal is to raise the sales composition ratio of non-alcohol adult beverages, aiming to create new drinking opportunities to meet a diversifying set of needs and promote responsible drinking.

Peroni Nastro Azzurro 0.0% plays an important role in reaching this goal as we work to expand the reach of the brand from Europe to the world. We have been boosting name recognition of the brand since 2021 through Formula One partnerships, and, most recently, in 2024, we entered into a new global partnership with Scuderia Ferrari, expanding brand reach even further through the sport. For 2025, we are also running a campaign with the theme “The Italian Way” to promote Italian food culture and a concept of elegance.

Furthermore, in key markets such as the Czech Republic, Poland, and Romania, we have maximized brand strength and established an unshakable position. This was made possible by growing our global and local non-alcohol adult beverages portfolio as more than just a substitute for beer. Instead, we created new customer demand for the product as a type of refreshment that supports a balanced and active lifestyle.

Going forward, we will continue working to increase demand by using partnerships to drive strategic marketing and by using our national leading brands to spread the appeal of the unique Asahi flavor.

Revenue of Non-Alcohol Adult Beverages (Beer-Taste) Sold by the Asahi Group



Growth rate

+60%

(2024 compared with 2019)

Salute The Italian Way



01 The Asahi Group's BAC Strategy

Capturing Market Needs—Product Sales by Region

Oceania

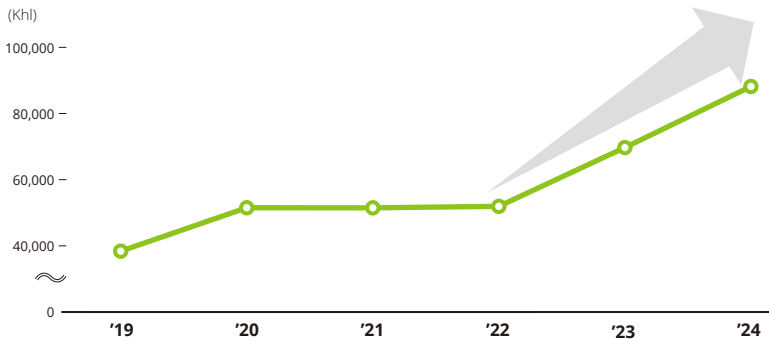
In Oceania, consumer preferences are becoming more diverse, which has resulted in growing demand for RTD beverages and non-alcohol adult beverages (beer-taste), particularly among younger people.

We accurately pinpointed the trend toward RTD beverages and established ourselves as trailblazers in the category, with strong brand propositions that could meet a wide range of needs thanks to products such as *Woodstock*, a dark RTD beverages with a whisky base, and *Vodka Cruiser*, a light RTD beverages with a vodka base. Additionally, *Hard Rated*, which was launched in 2023, received high praise from consumers for its delicious lemon flavor and refreshing taste, establishing a strong position for light RTD beverages in Australia in 2024, thanks in part to our strong distribution capabilities. We are currently working to enliven the RTD beverages market further by developing more low- and no-sugar products and a wider variety of great-tasting flavors.

Although the market for non-alcohol adult beverages (beer-taste) is currently small, we are building up our portfolio with a view toward growth. Efforts to this effect include the launch of *Great Northern Zero* under the Great Northern brand, which is the No. 1 beer brand in Australia.

Going forward, we will continue to strengthen existing brands and create new ones to further solidify our leading position in the Oceania market.

**Number of RTDs Sold in Australia
by the Asahi Group**

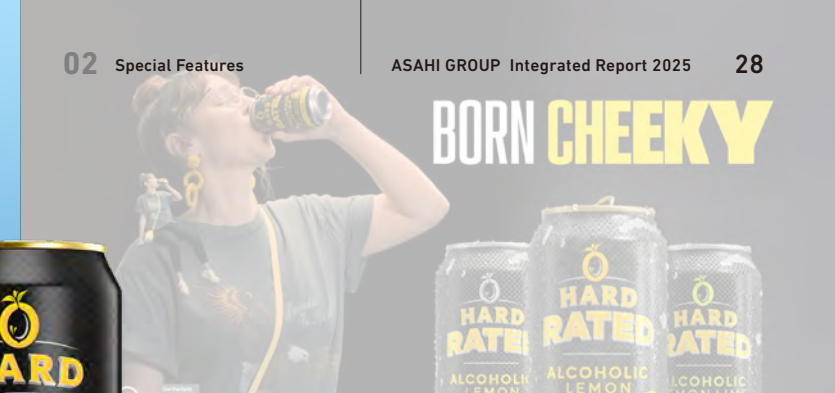


Source: Circana data to December 2024

Growth rate

+130%

(2024 compared with 2019)



01 The Asahi Group's BAC Strategy

Interview with the Group Chief R&D Officer (CR&DO)

“ We will use technology cultivated in our Alcohol Beverages and Non-Alcohol Beverages businesses to create disruptive innovation that will transform the alcohol beverages market. ”

The Changing Alcohol Beverages Market and the Potential of BACs

Disruptive innovation is something that fundamentally transforms business as we know it and takes place when changes in customer value and technological innovation occur at the same time. Without a doubt, the alcohol beverages market has found itself in such a period. Consumer values are evolving, with a growing number of people seeking the positive aspects of drinking alcohol, such as the enjoyment it brings and the opportunity to communicate, while wanting to avoid any negative health effects. By 2040, “sober-curious” people—people who can drink but may choose not to—are expected to become an increasingly prominent force. Technology-wise, dealcoholization, the process of removing all the alcohol from beer post-fermentation, has led to revolutionary advancements that make it possible to create non-alcohol adult beverages (beer-taste) that tastes as close to the original flavor as it can.

For the Asahi Group, alcohol beverages are the core business, meaning that any disruptive innovation in that particular market presents major risks that we cannot afford to ignore. That being said, if we can create disruptive innovation of our own, we can create a stellar opportunity to capture a market being inadequately addressed by the competition. I believe we can lay down the foundation for this type of innovation by taking advantage of our know-how in alcohol and non-alcohol beverages and by incorporating our innovative technical seeds into BAC products.

The Asahi Group's Disruptive Innovation Goals

The Group has technology that can control concentration and separation for alcohol beverages, flavoring technologies for

non-alcohol beverages, and more fundamental technologies related to chemical analysis and analysis of taste and physiological conditions. When we bring these different technologies together, we can develop unique products. Approximately six years have passed since 2019, when Asahi Quality & Innovations, Ltd. (AQI) was established specifically for medium- to long-term research. The fruits of its labor are starting to emerge in the form of innovative technological seeds. We intend to overcome any obstacles that arise when trying to turn these seeds into products and challenge ourselves to create new products that will upend the alcohol beverages market.

The mainstream approach for typical product development is the stage-gate method, in which the process from idea generation to product launch is divided into multiple stages. Once certain requirements for a product are met at one stage, it moves on to the next stage. This method works well when developing products for established markets, but it is less suited for products channeling disruptive innovation for potential markets. If we were to conduct a consumer survey, for instance, we would be unable to acquire the data needed to validate a need for a product, likely putting a halt to further development. Therefore, I believe that we need decision-making criteria that differ from that used for product development in existing businesses.

For the Group to grow in the long term, it is essential that it establishes a dominant position in the BAC market. This is a considerable hurdle to overcome, and it will only become more difficult if we continue along the same path as before. I see it as my mission to guide us along this new path and make our goal a reality.



Manabu Sami

Executive Officer, Group Chief R&D Officer (CR&DO)

AGH and AGPRO Accelerating Sustainability Efforts as “One Asahi”



Drahomira Mandikova

Group Chief Sustainability Officer
(Group CSO)

Tomas Veit

Asahi Global Procurement Pte. Ltd.
CEO

Asahi Group Holdings, Ltd. (AGH) and Asahi Global Procurement Pte. Ltd. (AGPRO) are leading the Asahi Group's sustainability efforts by continuously engaging in dialogue to monitor strategic progress and assess the situation with their business partners. In this special feature, we bring you an inside look at the efforts of AGH and AGPRO through the firsthand perspectives of the sustainability leaders from two parts of the Asahi Group.

Pursuit of Sustainability as “One Asahi”

Q. Looking back on 2024, what were some of your key considerations in accelerating sustainability initiatives?

Mandikova First of all, sustainability means both business longevity and contribution to the sustainability of society and the environment, and it is something that all employees of the Asahi Group pursue. To that end, all of us—from operating companies to regional headquarters (RHQs) and AGH—play a role in pursuing sustainability. It is essential that each individual understands why we pursue sustainability and how they can contribute through their daily work as part of one Asahi team. When communicating with Mr. Veit and his team, as well as representatives from each RHQ, I make a conscious effort to see us not as representatives of AGH but as members of a single team—“One Asahi.”

02 AGH and AGPRO Accelerating Sustainability Efforts as “One Asahi”

Veit In our discussions, when we were referring to AGH and AGPRO as two separate companies, you kindly pointed out: “We are not two companies—we are one team.” During 2024, we began holding discussions with Ms. Mandikova and her team, which helped us build a strong framework for collaboration. Through this framework, we were able to identify opportunities and overcome many challenges together.

Mandikova As Mr. Veit mentioned, in 2024 we began the year by holding discussions to establish a shared understanding of where we needed to collaborate in terms of sustainability. Previously, AGH had worked at a Group level, collaborating individually with each local procurement department. With the establishment of AGPRO, however, we now have in place a global procurement structure that allows us to incorporate global perspectives and gather information and expertise from local procurement departments as well as from our business partners. As a result, we have built a foundation for pursuing Group-wide sustainability activities in a highly effective and strategic manner.

Veit In 2024, the teams from AGH and AGPRO worked closely together to properly divide roles and responsibilities. Through this collaboration, we aligned our understanding and clarified key areas, including the Asahi Group’s key issues, indicators, targets, and the methods for measuring the success of our sustainability initiatives. By doing so, we laid the foundation for said sustainability initiatives and, in 2025, we have to draw on this foundation and deliver tangible results. In 2024, we identified the areas of sustainability that AGPRO will focus on. However, rather than addressing these areas individually within AGH, AGPRO, or at other operating companies, the key to achieving the significant success we aim for in 2025 will be pursuing sustainability as “One Asahi.”

AGPRO’s Areas of Focus in Promoting Sustainability

Q. Within the Asahi Group’s sustainability strategy, what areas will AGPRO focus on, and how will you collaborate with AGH?

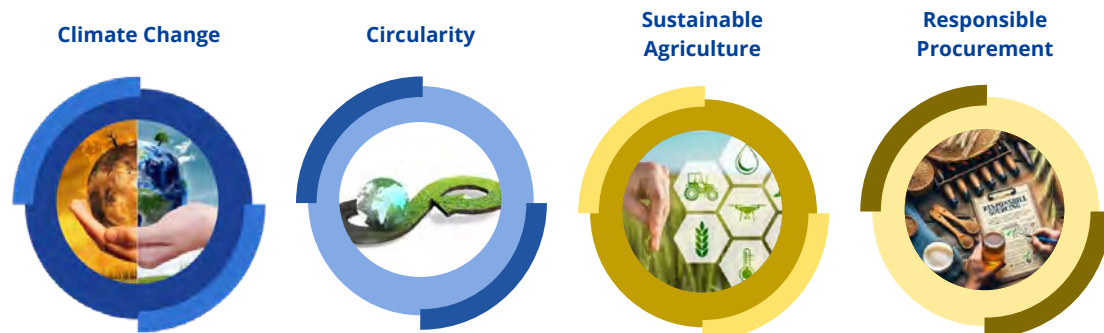
Veit At AGPRO, we have positioned climate change, circularity, sustainable agriculture, and responsible procurement as four areas in which we have a significant impact as a procurement function.

With regard to climate change, in 2024 it was important for us to harmonize our methodology of measuring Scope 3 emissions. Rather than adopting a different approach in each region and market, we must make measurements as one company based on a consistent standard. For this reason, AGPRO plays a leading role

at the Group level to drive further reductions to help us achieve our goal of a 30% reduction in GHG emissions by 2030 compared with 2019. In addition to establishing a unified measurement methodology, we have been promoting individual activities aimed at reducing GHG emissions, thereby making great strides toward achieving our 2030 goal.

Mandikova Scope 3 is an area where AGPRO plays a significant role. This is because Scope 3 emissions, which come from sources outside the Group, account for over 90% of the Group’s total GHG emissions in the supply chain. Cooperation with our partners is therefore essential and plays a crucial role in the Asahi Group’s efforts to address climate change. For Scope 1 and 2, we maintain close cooperation with our manufacturing sites across all locations to advance initiatives to reduce emissions.

The Focus of AGPRO’s Initiatives



02 AGH and AGPRO Accelerating Sustainability Efforts as "One Asahi"



Veit For circularity, we are moving forward with the development of products and materials, aiming to achieve our ambitious 2030 targets for sustainable packaging. Realizing sustainable packaging presents cost-related challenges in maintaining quality. However, our goal is not to compromise between quality and sustainability but rather to develop products that deliver on both. To that end, we are working closely with Asahi Quality & Innovations, Ltd. (AQI), the R&D function of the Group, external R&D laboratories, and many of our suppliers on an ongoing basis

in order to develop products and materials that get us closer to achieving our ambitious targets.

When it comes to sustainable agriculture, the procurement of certified raw materials is a major theme alongside special programs with local farmers. While our focus has been on the procurement of certified barley and coffee, we have reviewed more categories than initially expected, and this has made it possible to take a position on certification for a wider variety of agricultural raw materials. Looking ahead, we will seek to better understand whether there are other agricultural raw materials used across the Asahi Group that require a certain level of certification to ensure that we procure socially and environmentally sustainable raw materials.

Mandikova We have adopted the target of procuring 100% sustainably produced barley and coffee by 2030, utilizing certification. Through the certification process, we aim to establish a PDCA cycle that enables us to monitor the situation at our partners and suppliers on a regular basis and, based on our findings, seek to address any issues they face, as we work toward our 2030 goals. In addition, procuring certified agricultural raw materials helps us effectively identify, evaluate, mitigate, and correct any human rights risks.

Veit Regarding human rights risks, in the beginning of 2024, we engaged in extensive discussions with AGH and made a human rights due diligence (HRDD) program for our suppliers a

top priority. Our initial focus on deploying this HRDD program has been on Tier 1 direct suppliers. We recognize the importance of addressing risks deeper in the supply chain. In 2025, we will pilot the program with selected Tier 2 suppliers of critical commodities, taking a risk-based approach. This pilot will help us understand how best to strengthen our approach beyond Tier 1.

Mandikova As we work together with our suppliers, we place great importance on conducting monitoring, and we have thus established general rules and systems shared across the Group for monitoring and evaluating suppliers. The ability to establish these rules and systems is a result of the Asahi Group's strong governance structure.

Mr. Veit and I speak on a regular basis to formulate strategies and plans on how we will drive efforts by our sustainability teams toward AGPRO's four focus areas. We also hold regular meetings of task forces within our respective teams to confirm the progress of our efforts. As a result, we are able to monitor and share our progress toward medium- to long-term goals both internally and externally. Moving forward, we will continue to advance efforts toward these goals, united as "One Asahi."

02 AGH and AGPRO Accelerating Sustainability Efforts as "One Asahi"

Global Synergies in the Promotion of Sustainability

Q. What have been your impressions as you have promoted the Group's sustainability strategy, aiming for the integration of sustainability into management?

Mandikova The Asahi Group has set up task forces and working groups in charge of sustainability at RHQs, working together in collaboration. At meetings of these task forces, we discuss and agree upon key topics for the calendar year. After doing so, the working groups begin to promote concrete initiatives based on these key topics. In addition to AGH and AGPRO, sustainability representatives from every RHQ participate in these working groups, and all members have a clearly defined role. Through our structure for collaboration and governance, as well as our clear, shared targets, we are accelerating efforts toward sustainability. I believe that, by doing so, we have truly become one team.

Veit One of the great benefits of being One Asahi is the ability to learn from each other. For example, if there are best practices in Japan, through working as one team we are able to share these practices globally, not only internally but also with external partners such as suppliers. Furthermore, working as one team enables us to amplify a greater global impact within the Group synergies we generate.

Mandikova From the perspective of global synergies, what is critically important is that we all unite under our strategies and commit to the same targets. As One Asahi, we seek to understand what is needed to achieve our targets, where we should invest, and what should be done to adopt these targets at a global level. In procurement, we will move forward with setting sustainability criteria across all processes, from R&D to technological innovation and the methods for bringing products to market. Of course, we place great importance on having sustainability criteria not just for procurement but also for the entire value chain.

Veit To integrate sustainability into management, AGPRO must provide decision-making support to the Group's management. In that sense, we play an important role in advising what is appropriate from a sustainability perspective, both for society and business. The insight we have gained show that the past is no longer always valid. To make a positive impact on society, we need to adopt wider perspectives while learning even more facts, so that we can make smart choices based on an expansive and evolving knowledge base. Our mission is to make the right choices—for the planet and for our business—to guide the Asahi Group in the right direction.

Mandikova I also feel that, thanks to the impacts of our Group synergies, there have been greater opportunities for our employees to play an active role. Through the establishment of AGPRO, we have brought together a strong, diverse, and capable team as we step up our approach to sustainability. By doing so, we have created more development opportunities for talented employees



who are passionate about sustainability. By placing such employees in a more global environment, we have been able to better foster their talents.

With the aim of integrating sustainability into management, the Asahi Group will continue to pursue sustainability while collaborating and learning together with stakeholders, both inside and outside of the Group, who share the same goals.

03

Path to the Next Stage

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Ideal Business Portfolio

Promotion of Premium Strategies Focused on Beer

To realize our ideal business portfolio, we are working to grow our existing businesses through efforts focused primarily on the expansion of high-value-added products, such as premium beers. In 2024, total sales volumes of beer-type beverages and non-alcohol adult beverages (beer-taste) were down 1.2% year on year in our three core regions of operation. However, by promoting premiumization and through the impacts of our pricing strategy in each country, we were able to achieve a 2.6% increase in unit sales prices.

In Japan, we worked to revitalize demand for beer by strengthening the brand appeal of *Asahi Super Dry* and focusing our marketing activities on *Asahi Super Dry Dry Crystal*, targeting younger consumers. In Europe, we have continued to move forward with premiumization in such ways as strengthening local premium beers and non-alcohol adult beverages (beer-taste) in each country and region and expanding the development of global brands. Meanwhile, in Oceania, unit prices fell slightly due to increased promotion of mainstream-priced beer in response to the sluggish market. We expect to see demand for imported premium beer and craft beer remain firm, and the trend toward premiumization recover.

Going forward, we will continue to promote premium strategies by focusing on high-value-added categories, such as premium beer and non-alcohol adult beverages (beer-taste).

Beer-Type and Non-Alcohol Adult Beverages (Beer-Taste) Results for 2024 (Year on Year)

	Japan	Europe	Oceania	Total
Improvement in Unit Sales Prices (Excluding Liquor Tax)	+3.0%	+4.7%	-0.4%	+2.6%
Revenue	+1.0%	+4.2%	-3.8%	+1.4%
Sales Volume	-2.0%	-0.4%	-3.4%	-1.2%

Note: Including low-alcohol beverages in Japan

Efforts in the United States

Future-Oriented Investment Activities in North America

Since it commenced operations in San Francisco in 2023, investment management company Asahi Group Beverages & Innovation, LLC (AGBI) has been engaged in ongoing discussions with more than 500 start-ups. AGBI has invested in several start-up companies with promising brands, new sales methods, and unique manufacturing methods, focusing on high-growth areas such as BACs.

Through such investment activities, AGBI will continue to anticipate future U.S. trends and contribute to evolving RHQ strategies while aiming to strengthen the Group's presence in the United States.



Commencement of Production of Global Brands Aimed at the North American Market

In January 2024, Asahi Europe and International Ltd. (AEI) acquired Octopi Brewing, a leading contract beverage production company based in Wisconsin, the United States. Having acquired a production base in the United States, *Asahi Super Dry* and other products began to be brewed there in early 2025, which will not only enable sales expansion in the United States but also bring benefits in terms of sustainability, such as a reduction in GHG emissions through a shift from imports to local production. We will continue to strengthen our operations in North America with a focus on our global brands.



Development of Global Brands

The Asahi Group is strengthening its global marketing to accelerate the growth of its two most promising super premium brands, *Asahi Super Dry* and *Peroni Nastro Azzurro*. We are also rolling out distinctive brands, including *Kozel*, *Pilsner Urquell*, and *Grolsch*, in a way that suits the unique market profile of each country they are sold in.

Centered on these five main brands, we aim to enhance brand value and expand our presence in global markets by spreading awareness through global partnerships and brand extensions of non-alcohol adult beverages (beer-taste).

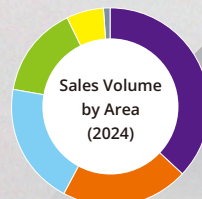
Volume of Products Sold	Fiscal 2024 Results (YoY)	2020–2024 CAGR (Sales Volume)
Our Five Global Brands	+5%	+8%
<i>Asahi Super Dry</i>	+10%	+21%
<i>Peroni Nastro Azzurro</i>	–1%	+9%



Asahi Super Dry

Asahi Super Dry is positioned as the global premium brand with the highest growth potential. With a brand concept of “inviting our customers to step into an appealing world,” we are ramping up efforts to ensure that product quality remains consistently high across all countries in which it is offered.

In 2024, we achieved growth by leveraging our partnership with City Football Group to boost our brand appeal, as well as through the rollout of *Asahi Super Dry Nama Jokki Can* in South Korea. Going forward, we aim to grow by boosting our global appeal as the official beer of the Rugby World Cup, in addition to our partnership with City Football Group.

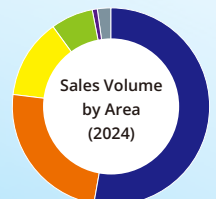


■ Asia (except China)
■ Europe
■ China
■ Oceania
■ North America
■ Others



Peroni Nastro Azzurro

Peroni Nastro Azzurro is increasing its presence, especially in Europe, as a premium Italian beer with a stylish and elegant concept. In 2024, we were affected by a downturn in our main markets, but we were able to significantly expand sales of our non-alcohol adult beverage (beer-taste) *Peroni Nastro Azzurro 0.0%* by engaging in marketing activities that made use of our new global partnership with the Scuderia Ferrari Formula 1 Team. We will continue our efforts to expand the market for *Peroni Nastro Azzurro 0.0%* by leveraging sponsorships to roll it out to new markets while boosting its appeal as a premium product.

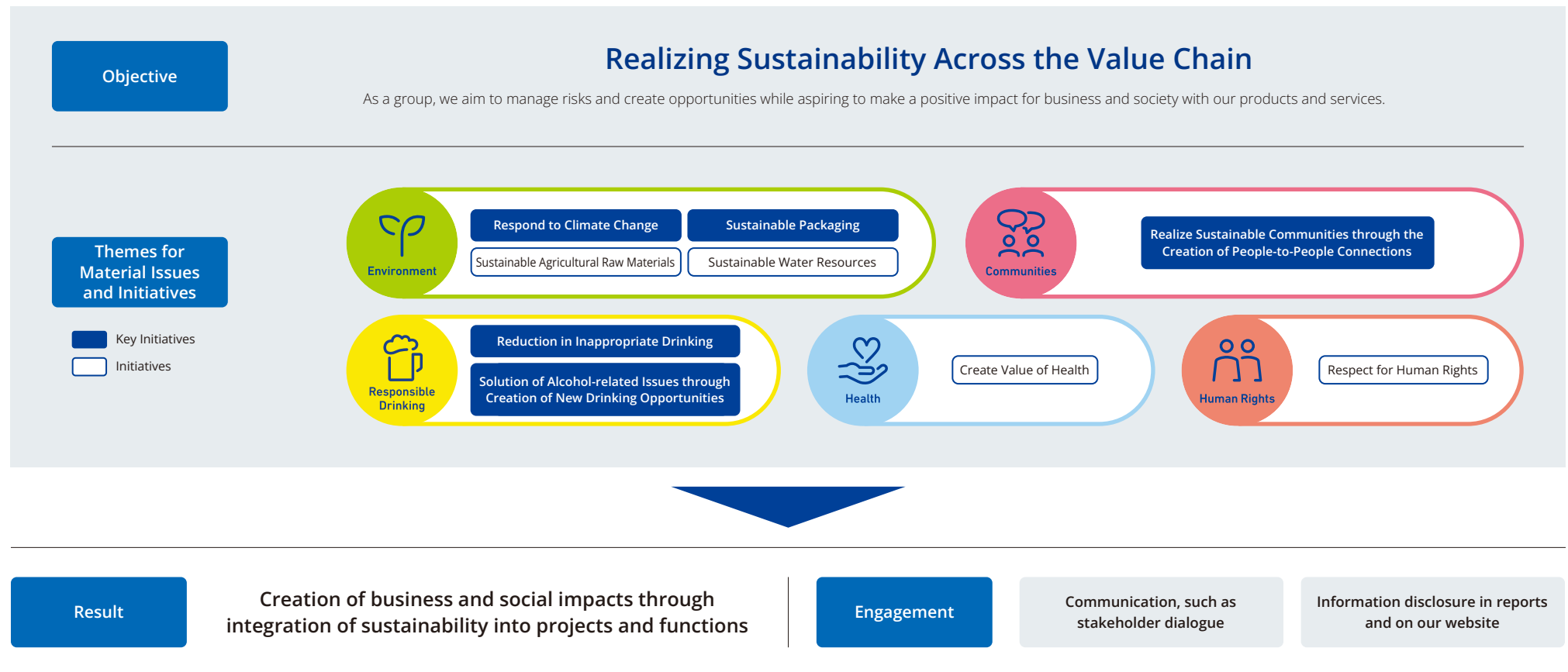


■ UK
■ Europe (except UK)
■ North America
■ Oceania
■ Asia
■ Others

Sustainability Strategies

For over 100 years, we have worked with the gifts and power of nature to deliver on our great taste promise to consumers around the world. We are proud that our products have helped encourage people-to-people connections, create communities, and bring more fun to life for everyone—a history we aim to continue well into the future.

With the aim of maximizing business growth and creating positive social impacts, we have identified key material issues and initiatives, representing priority areas to address as management challenges. We have also made it our objective to realize sustainable lifestyles for people through our products and services.



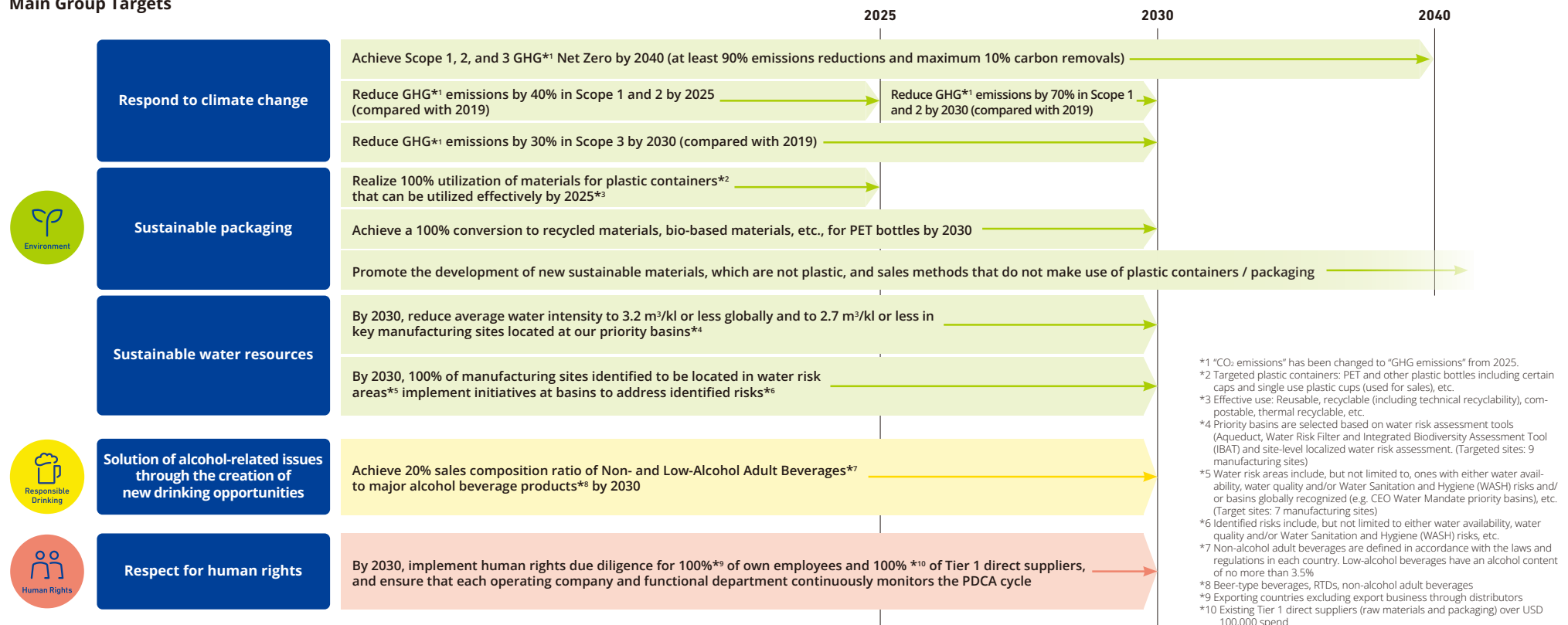
Group Targets

The Asahi Group holds discussions and makes decisions on strategies and global targets at meetings of the Global Sustainability Committee, which is chaired by the Group CEO, director and representative executive officer. The theme of these meetings is initiatives to achieve its material issues (particularly its key initiatives). The details of these strategies and global targets are applied on a Group-wide basis through the Global Sustainability Leaders Meeting and the Sustainability Task Forces. Under the Sustainability Task Forces established for each theme, each regional headquarters (RHQ) formulates three- to five-year road maps and annual action plans to create concrete initiatives geared toward accomplishing the global targets.

In 2024, we brought the deadline for our existing decarbonization targets forward a decade, from 2050 to 2040, with the underlying goal of realizing a future that is even more sustainable. In addition, our net-zero targets have been broadened to incorporate FLAG* emissions, thereby earning them the approval of the Science Based Targets initiative (SBTi), a global corporate climate action organization. By taking such actions, we are making steady progress with efforts to tackle our material issues. We have also set targets for each RHQ based on Group targets, which are guiding efforts to generate business and create social impacts.

* FLAG: Abbreviation of Forest, Land and Agriculture; refers to areas related to agricultural, forestry, and other land use. This area emits CO₂ from non-energy sources.

Main Group Targets



Visualizing Our Impacts

To realize the integration of sustainability into management, the Asahi Group is striving to quantitatively visualize the business and social impacts of its sustainability initiatives from both positive and neutral perspectives.

We believe that these initiatives will help us identify key metrics that can be utilized in business management as well as be referenced when prioritizing measures, making investment decisions, and managing progress, thereby delivering on sustainable business growth and creating further positive social impacts. In addition, we believe that presenting the impacts quantitatively will lead to better information disclosure and enhance engagement with all stakeholders.

Outline of Initiatives

The Asahi Group has independently created a step-by-step outline for its initiatives to visualize its impacts, with the aim of rolling these activities out on a Group-wide basis.

Step 1 in this process is the creation and verification of a value relevance map, which serves as the foundation for visualizing our impacts. Step 2 is visualizing the business and social impacts of our sustainability initiatives. For step 3, we visualize, or demonstrate, how such impacts affect corporate value enhancement, indicating how the visualized impacts help increase corporate value. Through this step,

we clarify the purpose for engaging in sustainability activities and make that purpose visible. Lastly, based on the results of step 1 through step 3, we identify important indicators that can be utilized by management (step 4: impact metrics), establish Group-wide targets and KPIs, and take action toward their achievement.

Initiatives in 2024

In 2024, we continued working on the creation and verification of a value relevance map for step 1. In step 2, we focused on developing a framework for visualizing business impacts using logic specific to the Group. For social impacts, we worked to establish a framework for the future visualization of these and expanded the number of analysis case studies. For step 3, we undertook a stakeholder-specific analysis to verify the indirect effects (reputational effects) of our impacts. The scope of our analysis continued to be Japan only. Furthermore, in 2024, we engaged in discussions and exchanged information not only internally but also with a large number of external parties, in order to assess the direction and current state of our sustainability initiatives. Through this process, we gained a plethora of new insight.

Creation and Hypothesis Verification of the Value Relevance Map

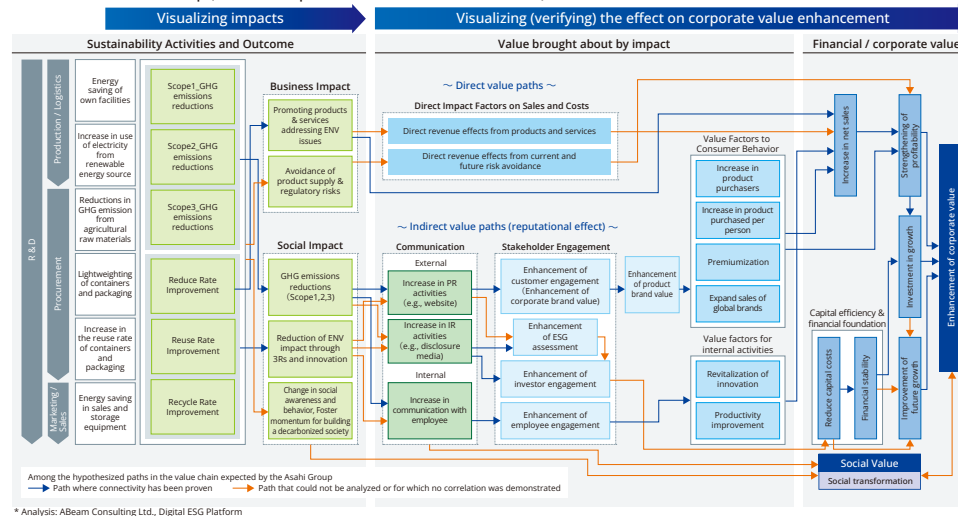
In the 2024 iteration of our value relevance map, we built upon the version we adopted in 2023, outlining how our sustainability initiatives lead to corporate value enhancement through a “direct value path” and an “indirect value path.” The former refers to factors within our sustainability activities that directly impact earnings, such as revenues and costs. Meanwhile, the indirect value path represents factors influencing our reputation, specifically those gained through improved stakeholder engagement by communicating the impact of our sustainability activities internally and externally. In addition, the indirect value path outlines not only the impact on corporate value enhancement but also on social change. The arrows at the top of the value relevance map labeled “Visualize social impacts” and “Visualize (or verify) impacts’ effect on corporate value enhancement” illustrate which parts of the map correspond to the steps outlined in the previous section.

The finalized value relevance map was carefully created based on individual themes, and using this map we formulated metrics, collected data, and carried out a value relevance analysis. Based on the results of these analyses, while some activities demonstrated continuous value enhancement, many initiatives with non-financial metrics did not establish a clear correlation. We also continued to face issues with setting appropriate indicators and acquiring accurate data. To address some of these issues, we have begun to develop our own survey format and conduct independent research to obtain data on such matters as stakeholder engagement and social change, with a view to improving our visualization initiatives moving forward.

Initiatives	Analysis Method	Details	Theme (as of 2024)
Step 1 Create and verify hypothesis through a Value Relevance Map	Value relevance analysis (Overview analysis: Yanagi Model*)	Visualize how sustainability activities lead to corporate value enhancement, verify their correlations, and ascertain an understanding of the overall picture of activities	<ul style="list-style-type: none"> Environment Enhancement of Human Capital Communities Responsible Drinking
Step 2 Visualize business impacts	Independent development	Visualize the impact of products and services on profitability, as well as the impact of current (and future) risk mitigation measures (carbon tax, etc.) on profitability.	<ul style="list-style-type: none"> Environment
Visualize social impacts	Impact-weighted accounting	Quantify the financial impact of each sustainability activities Visualize social impacts leveraging impact-weighted accounts (IWA) methods	<ul style="list-style-type: none"> Environment Communities Responsible Drinking
Step 3 Visualize (or verify) impacts’ effect on corporate value enhancement	Verify impacts as part of a cohesive and coherent story	<ul style="list-style-type: none"> Visualize impacts created by sustainability activities on corporate value enhancement in terms of direct effects (business impacts) and indirect effects (social impacts) Monitor and evaluate the level of social change the Group aims to achieve 	—
Step 4 Identify and utilize impact metrics	Independent creation	Identify important metrics among those connected to corporate value enhancement and utilize them in business management	—

Note: Ryohei Yanagi, CFO Policy (Dai 3 han): Zaimu hizaimu senryaku ni yoru kachi sozo (CFO Policy (3rd Edition): Financial and Non-financial Strategies for Value Creation), Chuokeizai-Sha, 2023

2024 Value Relevance Map (Some Excerpts from the Environment Theme)



Visualizing Social Impacts

Continuing on from 2023, in 2024 we calculated the impacts of sustainable rice production activities using beer yeast agricultural materials, a product of Asahi Biocycle Co., Ltd., via the framework for product-impact weighted accounts, in accordance with the following process. As the first step of this process, we determined our purpose for this calculation: contributions to the resolution of social issues. Next, to assess the impact of rice production using the water-saving dry direct-seeding cultivation method with beer yeast agricultural materials, we defined the scope of calculations to cover three categories: GHG emissions reductions, crop yields, and rice production costs. The effects of this method were compared with those of conventional paddy rice cultivation. After this, we established the calculation method and formula and proceeded with trial calculations.

Web Sustainable agriculture activities using beer yeast agricultural materials

For the sample data on the surveyed agricultural materials, the champion data from each experimental farm was used. Data was gathered from each of these farms, helping us visualize monetary value based on sales volume of the beer yeast agricultural materials. As a result, we observed roughly a 65% reduction in life cycle GHG emissions per unit of production compared with conventional paddy rice cultivation. Crop yields were comparable with that of conventional methods. In terms of costs, we hypothesized that the number of farm labor hours could be reduced, but since we could not obtain

reliable data in this regard, cost analysis was excluded from this study. Based on these factors, we set GHG emissions reductions as the scope of our calculations and determined that the social impact generated by the beer yeast agricultural materials used at one experimental farm was JPY2.91 million, which equates to roughly JPY18,000 per ton of rice produced. In addition, assuming that the entire amount of agricultural materials sold in 2024, which was used in conventional paddy rice cultivation, was instead used via the water-saving direct-seeding cultivation method, the estimated social impact comes to around JPY133 million.

Our task for the future is to include costs and other factors in the scope of calculations. We will also examine the calculation of impacts from the reduction in water use. Our efforts in sustainable rice production are still in the initial stages, and we will continue to determinedly pursue them moving forward. We believe that quantifying the effects of these efforts will help drive even greater efforts that lead to the creation of significant social impacts.

Future Initiatives

In our efforts to visualize the effects on corporate value enhancement, we focused on the positive impact of our sustainability activities in 2024 on both the consumer and investor paths and worked on hypothesis verification. However, we were unable to verify our hypothesis. On the other hand, through this trial-and-error process, we have been able to envision the future direction of our initiatives based on opinion exchanges with many outside stakeholders.

While increasing the accuracy of our value relevance analysis, we will seek to make value relevance maps based on themes other than environment that have yet to be fully visualized. We will aim to establish internal Group frameworks for visualizing business and social impacts, in anticipation of proceeding with the execution phase. We will also expand case studies for analyzing both these impacts. Up until 2024, our focus was on building a framework for impact visualization and putting it into practice on a small scale. From 2025 on, however, we will strive to expand the scale of this framework to include all the material issues of the Group. In these ways, the Asahi Group will continue its pursuit of becoming a pioneer in the visualization of impacts in the future.

Process

Establishment of purpose and identification of target for calculating social impact

Sustainable Rice Production
Realization of sustainable agricultural industry

Water-Saving Dry Direct-Seeding Cultivation method utilizing beer yeast agricultural materials

Purpose of calculation	Environmental improvement	Contribution to alleviating food crises	Improvement of agricultural producers' well-being
	Monetary impact of GHG reductions	Monetary value of increase in crop yield	Amount of cost reductions

Establishment of the calculation method
(Collection of necessary data)

Establishment of the calculation formula

Digital Transformation Strategy

DX Strategy: A Driving Force That Influences the Overall Medium- to Long-Term Strategy

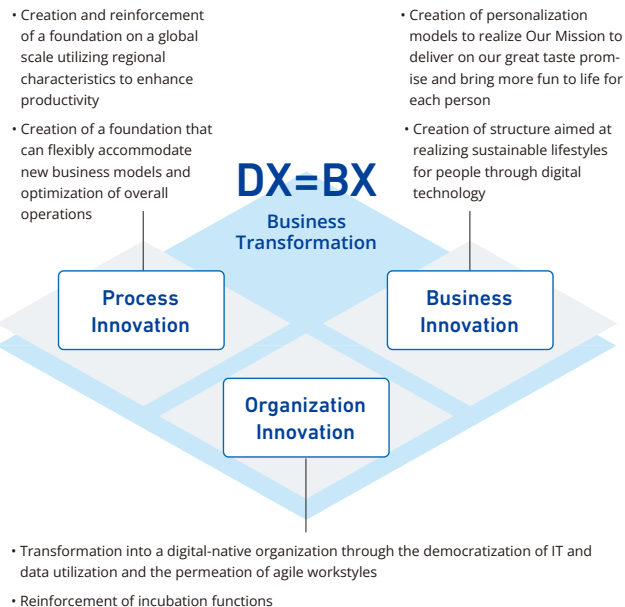
The Asahi Group views digital transformation (DX), a means of creating value, as a transformation that changes the very foundation of business operations. Our DX strategy is the driving force behind our management strategy and promotes innovation in the three areas of business, processes, and organization.

In the area of business innovation, we aim to create a personalization model that offers customers new experiences through products and digital services tailored to suit individual tastes, situations, and circumstances. In fiscal 2024, we utilized AI cameras in bars and restaurants to identify the age and gender of customers, which had not previously been possible. We analyzed this data together with order history and implemented initiatives to utilize this data for sales proposals. We are also using digital technology to help curb inappropriate drinking, as set forth in our responsible drinking initiative. As such, we are developing a smartphone application that helps people drink in moderation and AI that can recognize the symptoms of intoxication.

As for process innovation, we are in the process of building a data platform, and the supply chain and sustainability teams are working with our IT organizations to implement the optimal solution for collecting and aggregating information and data. Through the establishment of a global procurement platform, we are working to optimize procurement costs and risks by maximizing the use of economies of scale in our procurement functions.

Through organization innovation, the Company is aiming to transform into a digital-native organization. It is therefore promoting the democratization of IT and data use so that each of the Company's functions and organizations has IT and data utilization skills at their disposal as a matter of course, as well as the permeation of agile workstyles that are highly compatible with DX initiatives. In our efforts to democratize IT and data use, we have conducted DX assessments on all employees of the Company and have begun initiatives to visualize DX skills and provide e-learning programs. In the area of permeating agile workstyles, we have begun creating a vision for the transformation of our DX organizations.

DX Strategy of the Asahi Group



DX Strategy Road Map

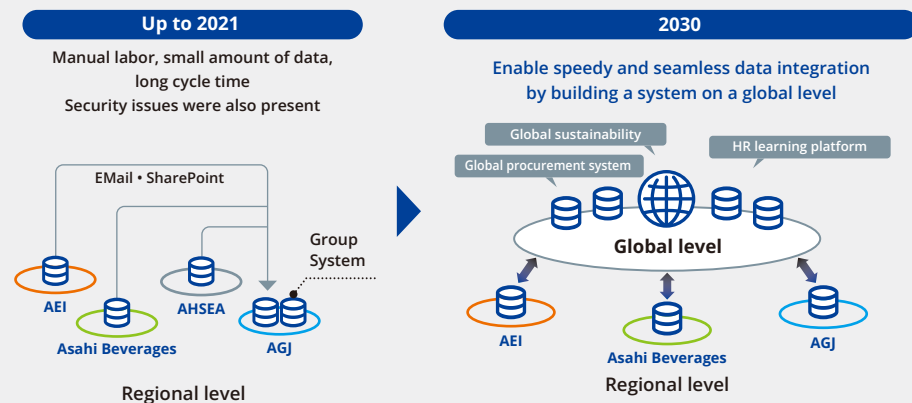
		2024	2025	2026–2030	Impact by 2030
Business Innovation	Personalization	Phase one: Building models for everyday scenarios			Global launch of new business model serving as a further pillar alongside existing businesses
	Sustainability	Responsible drinking		Materialization of initiatives for other important themes	
Process Innovation	Improvement of productivity	Management of supply chain management data	Resolution of the five material issues put forth in our sustainability strategies		
		Management of sustainability-related data			
		Integration of Group procurement functions		Sustainable growth and dramatic improvements to productivity	
	Integration of internal website and construction of shared platform				
	Establishment of flexibility	Ongoing strengthening of enterprise architecture			
Organization Innovation	Transformation into a digital-native organization	Democratization of IT and data use Permeation of agile workstyles			

Process Innovation Initiatives

TOPICS

Building and Integrating Systems with a View to Global Collaboration

Having expanded globally, the Group used to rely on systems that were built for each region, and there were many processes related to data collection that were carried out manually. Since 2022, we have been working to build an integrated system in functional areas where we can clearly expect to see benefits on a global level, with an emphasis on efficiency. By building a system for the Group at an independent global level, rather than a regional or IT-led global level, we have made it possible to achieve speedy and seamless data integration. We completed the construction of our supply chain platform in 2023 and our procurement platform in 2025 and have seen a dramatic improvement in productivity now that we are able to leverage the scale and organizational capabilities of the entire Group. With our sustainability data platform, we finished automating the global data aggregation of environmental impact values in 2022, expanded the scope to cover all non-financial information in 2024, and are working to build a data collection and analysis platform.

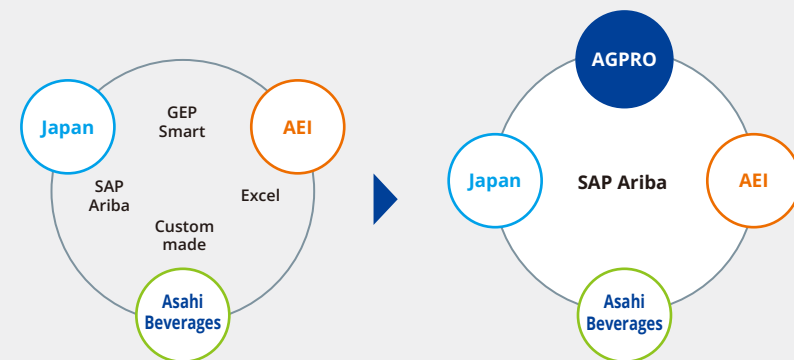


Note: Transitioned to a three-RHQ structure as of April 2025

Development of Modern Legacy Systems

There are still many legacy IT systems at our RHQs that were installed a long time ago and are not compatible with the latest technology or standards. We are working to modernize these systems at the same time as digitally integrating them on a global basis, which we plan to complete by 2030. In addition to making the transition to new environments such as the cloud, we will reduce costs by upgrading the methods and processes we use to introduce IT through means such as continuous integration, continuous delivery, and DevOps.* We are prioritizing large-scale legacy systems at the regional level before focusing on ERP systems, because we expect the benefits of modernization to be greater in larger systems that have been in use for a long time. The technical verification of the large-scale legacy system for modernization has already been completed in Japan, and we are currently working on the system design and collaboration with partners to expand it to other regions. Our IT organizations will promote process innovation while minimizing costs and risks by supporting the deployment of best practices and cutting-edge technologies within the company.

* Integrating development and operation to automate and improve the entire the software life cycle.



* AGJ: Asahi Group Japan

* AEI: Asahi Europe and International Ltd.

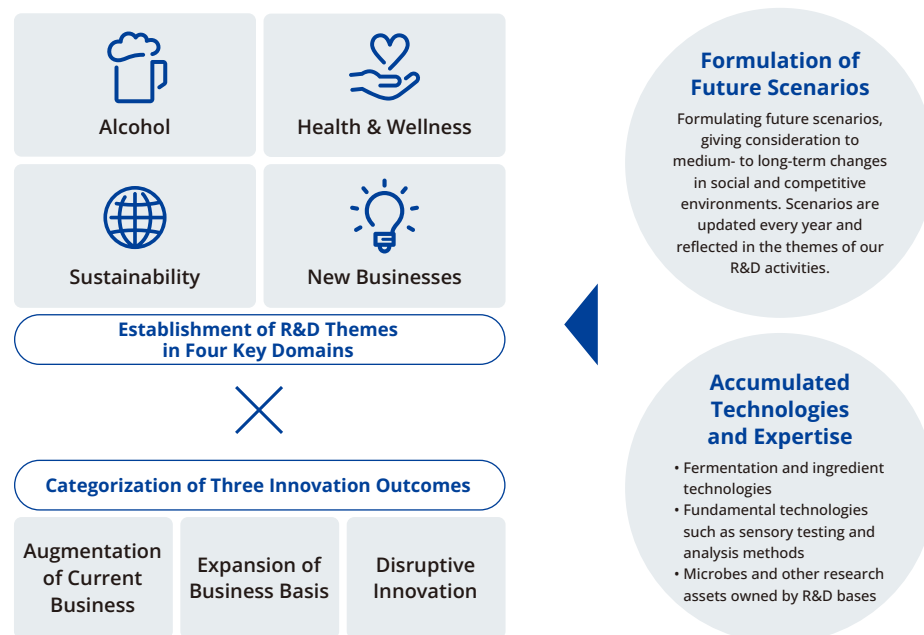
* AHSEA: Asahi Holdings Southeast Asia Sdn. Bhd.

R&D Strategy

R&D Strategy Underpinning Medium- to Long-Term Growth

To deal with changes around the world and continue to grow, the Asahi Group has set “alcohol,” “health & wellness,” “sustainability,” and “new businesses” as the key domains of its R&D activities. We also select R&D themes by creating a scenario for 10 years in the future based on environmental analysis both inside and outside the Group and backcasting from the ideal state of the Group at that time.

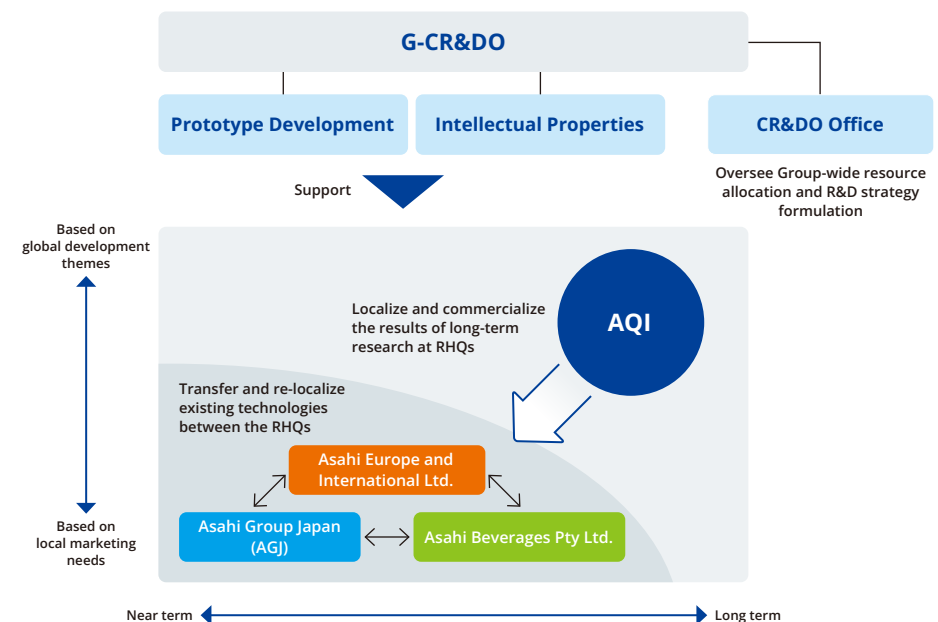
In 2024, we redefined the three types of innovation outcomes in order to clarify the time frame and scope within which we pursue innovation in these four key domains. Focusing on these four domains and three outcomes, regional headquarters (RHQs) and business units (BUSs) will develop products that meet market needs, while Asahi Quality & Innovations, Ltd. (AQI) will develop technologies that we can expect to utilize over the medium to long term and on a Group-wide basis.



Construction of Global Structure for R&D

To turn the seeds of our R&D activities into products over the medium to long term and to roll out technologies across countries and regions, we must thoroughly ascertain the characteristics of each market and product and overcome challenges in terms of the differences in laws and regulations in each area. Under our previous R&D structure, we faced issues with sharing technologies and know-how between the RHQs and with pursuing collaborations toward commercialization between AQI and the RHQs.

To construct a structure for promoting our R&D strategy on a global basis, we created the position of Group chief R&D officer (G-CR&DO), under which we established three new organizations. The new Prototype Development Department will support the process of turning research results into prototypes and the process of commercialization; the new Intellectual Properties Department will establish an intellectual property strategy geared toward global rollouts; and the new CR&DO Office will oversee the allocation of R&D expenses and overall organizational design. Through these new departments and the leadership of the G-CR&DO, we are strengthening our global structure for R&D by allocating resources to optimize the R&D capabilities of each RHQ and improving our ability to swiftly discover risks and opportunities.



Road Map for R&D Strategy

	Initiatives to Date (~2024)	Plans (2025~2027)	2027 Targets and Metrics	2030 Targets and Metrics
Promotion of R&D Four key domains Alcohol Health & Wellness Sustainability New Businesses × Three outcomes Augmentation of current business Expansion of business basis Disruptive innovation + Sowing seeds for the future	▶ Alcohol • Development of yeast strain for non-alcohol adult beverages (beer-taste) ▶ Health & Wellness • Development of functional lactic acid bacteria ingredients ▶ Sustainability • Development of strong carbonated drinks server ▶ New Businesses • Development of lactic acid bacteria and yeast ingredients	▶ Achieve results to strengthen existing businesses • Promote global rollout of functional ingredients • Promote plastic 3R and the practical application of raw material procurement technologies ▶ Contribute to global brands, new businesses, collaborations, etc. • Promote the global rollout of local brands ▶ Promote disruptive innovation • Pursue practical application of new value-added ingredients • Create additional functions for strong carbonated drinks server and promote their practical application ▶ Engage in new technological development in anticipation of the next five to 10 years • Develop Health & Wellness ingredients • Promote technological development for Asahi Carbon Zero utilizing unused biomass materials and energy • Develop new technologies and propose new value using data science	▶ Augmentation of current business • Export functional ingredients overseas • Pursue the practical application of environmental technologies ▶ Global brands, etc. • Produce results with each brand ▶ Disruptive innovation • Produce results with strong carbonated drinks server ▶ New technologies focused on 5~10 years in the future • Establish pipeline for the next generation of functional materials • Develop next-generation environmental technologies • Promote the utilization of data science	▶ Technological contributions to Group-wide growth, centered on beer adjacent categories ▶ Technological contributions to global brand enhancement ▶ Technological contributions to the growth strategies of the RHQs and Group Chief officers ▶ Technological contributions to achieving Group-wide environmental targets ▶ New value creation through disruptive innovation and DX
Management of capabilities and resources that underpin global R&D activities	▶ Cultivation of high-class human resources ▶ Expansion of collaboration with overseas RHQs ▶ Expansion of R&D investments ▶ Transition to a system where authority is delegated to the Group CR&DO	▶ Transition to global R&D structure • Systematically increase R&D investments • Increase resource allocation in R&D themes geared toward overseas RHQs • Increase and enhance prototyping personnel and personnel for medium- to long-term R&D activities • Strengthen global IP structure and execute strategies • Bolster and improve collaboration between businesses and R&D departments • Improve ability to anticipate and apply technological innovation to realize commercialization	▶ Transition to global R&D structure	▶ Construct global structure for R&D ▶ Contribute the realization of growth strategies of the RHQs and Group Chief officers ▶ Spur innovation with added value on a routine basis

TOPIC

Promoting the Practical Application of Dealcoholizing Technologies with Low Environmental Burden

In 2023, Asahi Europe and International Ltd. (AEI) launched the non-alcohol adult beverage (beer-taste) *Kozel 0,0%*. This product makes use of dealcoholizing technologies that remove alcohol from fermented beer. At the same time, this product offers new value as it is developed using a method that further reduces environmental burden.

AQI successfully created beer-like beverages with low environmental burden that maintain the great taste of beer by combining dealcoholization technologies, which are becoming mainstream in the development of non-alcohol adult beverages (beer-taste), with technology that controls yeast fermentation levels. These technologies were utilized in the development of *Kozel 0,0%*. Moving forward, we will continue to leverage our independently cultivated technologies across the globe as we strive to offer high-value-added products in each region.

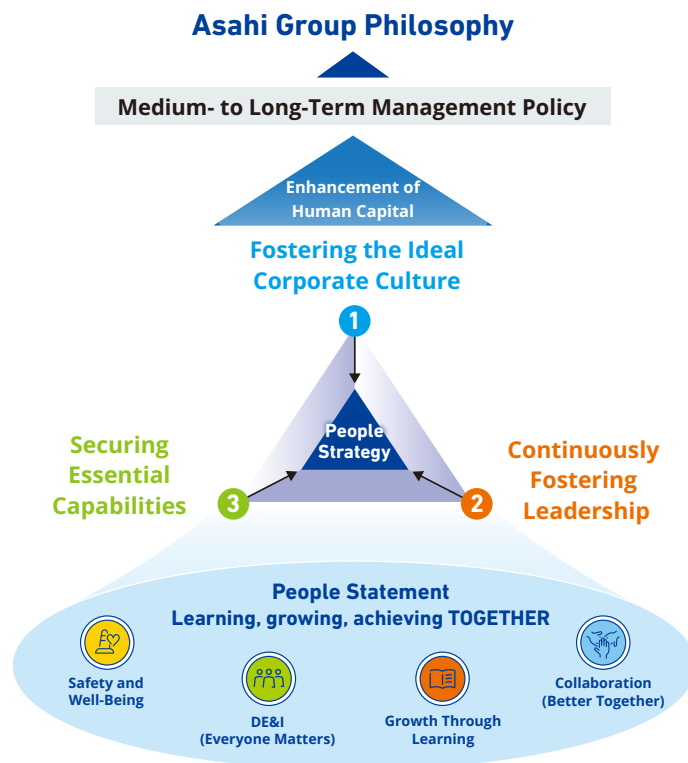


Enhancement of Human Capital

People Strategy

As part of its Medium- to Long-Term Management Policy, the Asahi Group has highlighted the enhancement of human capital as a means to strengthen its strategic foundation, aiming to bolster the effectiveness of its business portfolio and core strategies. Enhancing human capital is essential for the sustainable growth and improved competitiveness of any company, and doing so will underpin the long-term success of the Group.

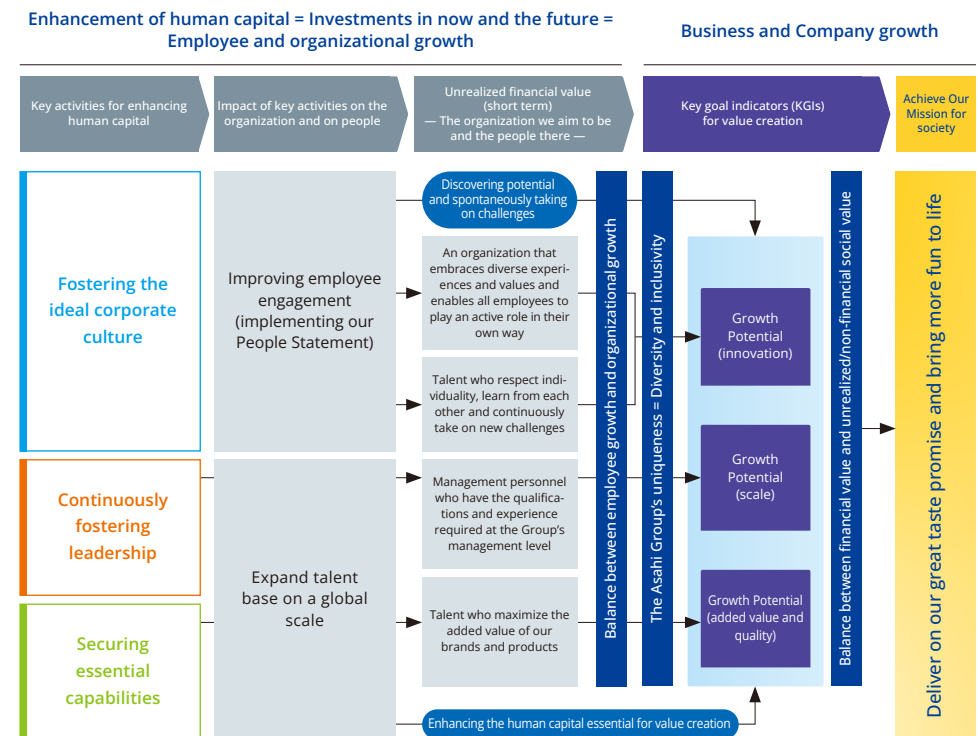
Our people strategy is based upon three approaches—"fostering the ideal corporate culture," "continuously fostering leadership," and "securing essential capabilities." Initiatives under each approach are updated every year.



In 2024, we published *People & Culture Report 2024*,*¹ which described our various efforts to enhance human capital. For the aforementioned report, we developed a value chain (pictured below) that shows how the three approaches of our people strategy impact our business and society itself, which ultimately results in greater corporate value for the Group.

This linkage diagram will serve as a visual aid for overall management of human capital, while also helping verify the results of our people strategy and make our priorities clear. Altogether, this will help us make decisions that maximize the creation of value.

[Web](#) *People & Culture Report 2025* (June 30, 2025)



Initiatives for 2024 and Our Future Vision

1 Fostering the Ideal Corporate Culture

It is essential to recruit and retain outstanding human resources to fulfill our “Medium- to Long-Term Management Policy.” Accordingly, we must foster a corporate culture with a high level of engagement. To foster a corporate culture that promotes individual and Company growth, as laid out in the Asahi Group Philosophy (AGP), we created the “People Statement,” which advocates for an ideal corporate culture. We are working to foster a culture of “learning, growing, and achieving together” through initiatives based on the four pillars of this statement, which advocates for “safety & well-being,” “diversity, equity, & inclusion (DE&I),” “growth through learning,” and becoming “better together.”

Continuous Enhancement of Employee Engagement

We believe that employee engagement is an extremely important indicator in our effort to foster the ideal corporate culture. Therefore, we periodically conduct engagement surveys to get an objective grasp of the state of the organization and clarify any specific issues, and constantly implement measures that will bring us closer to the ideal. Our KPI for engagement is our employee engagement score, and our target is a score on par with global high-performing companies in 2030.*¹ In 2024, the sustainable engagement score for global high-performing companies was 88, while the score for the Asahi Group was 80. We will continue to implement a variety of measures aimed at reaching our target.

As a specific measure, Asahi Group Holdings, Ltd. has been holding a monthly Leadership Roundtable Chat, starting from 2025. This initiative was launched after an engagement survey revealed concerns about upcoming changes at the Company. The roundtable is a platform for dialogue with employees, giving each Chief Officer the opportunity to share the thoughts and ideas of the leadership team, and elicit discussions and improvements that can then be applied in the execution of duties.

*1 In 2023, we set a target score of 89, on par with global high-performing companies, to be achieved by 2029, but have since updated this target to a more fundamental goal instead of a specific benchmark score that can change each year depending on the survey providers benchmark set.



Safety and Well-Being

In the Asahi Group’s “People Statement”, we make it a top priority to create a work environment that promotes safety and well-being, to the benefit of both employees and the Company. In 2024, we formulated a global S&W vision to this effect: Everyone Safe and Well to Enjoy Life, Everywhere, Every Day. Following the vision launch, each region held a Stop for Safety and Well-Being Workshop to prompt discussions among employees about why a commitment to safety and well-being is important.

We then provided each employee the chance to think about how the vision connects to them personally to ensure the vision is well-ingrained among them.

Note: For more details, please refer to the Asahi Group Sustainability Report, scheduled for publication in June 2025, which summarizes safety and well-being initiatives.



Everyone Safe and Well to Enjoy Life.
Everywhere, every day.



Stop for Safety and Well-Being Workshop



Diversity, Equity, and Inclusion (DE&I)

The Asahi Group has established a DE&I statement to outline our overarching commitment to DE&I. In that same vein, the Asahi Group has set “Shine AS YOU ARE” as a core message to communicate and instill this idea in employees around the world.

In 2024, the Asahi Group refreshed its Global DE&I strategy. The Global DE&I Strategy for 2025–2027 is built on two strategic pillars. The first is to strengthen One Asahi culture and capability by enabling our people and leaders to actively drive DE&I outcomes. To support this, we will develop a consistent approach to inclusive leadership by establishing global standards and playbooks, embedding inclusive leadership into all development programs, and holding leaders accountable for DE&I progress. We will also promote Employee Resource Groups (ERGs), and establish clear communication principles to ensure a unified DE&I narrative internally and externally.

The second pillar is to align systems and processes in a way that enables DE&I outcomes through our day-to-day operations. This includes defining and embedding policies, processes and practices at critical employee experience touch-

shine
AS YOU ARE
— asahi —

At Asahi we celebrate and respect difference, and support everyone's freedom to be their true selves at work, at home, in public. Be courageous in your individuality, knowing that you have the same opportunity of happiness, fun and success, whoever you are and whatever your circumstances. You can belong without having to conform, so have the freedom to just be you and shine as you are.

Shine: Conceptual meaning - Shine also represents a Metaphor for the rising sun (Asahi), which acts as a symbol of hope for a better future, every day. The fact that everyone lives under the same sun regardless of location, circumstances or differences is a global truth and leveller for all people.

points—such as pay equity, inclusive recruitment, and other key areas—ensuring that DE&I is consistently integrated across the organization.

Going forward, we will implement future initiatives on a global scale, in keeping with these two pillars. During meetings of the Global DE&I Council, which are held every quarter, members share best practices and challenges at each Regional Headquarters (RHQ), which are then reflected in initiatives in each region. The first in-person meeting of the council took place in Singapore in 2024. We will continue to cross regional boundaries and share best practices to foster the ideal corporate culture.

The Asahi Group has set a global DE&I target of increasing the percentage of women in management to over 40% by 2030, having reached 24% in 2024. We have set a milestone of 34% for 2027 and will continue ramping up efforts to increase the number of women in management from 2025 onward in order to improve gender diversity.

In 2024, as a new initiative to further demonstrate our commitment to an inclusive work environment, we joined the Tokyo Rainbow Pride parade, a major LGBTQ+-related event, for the first time, both as a Silver Sponsor and a participant. By sponsoring this event and promoting ongoing awareness-raising activities both inside and outside the Company, we hope to encourage everyone to express their true self freely—at work, at home, and in public places.



Global DE&I Council



Participation in the 2024 Tokyo Rainbow Pride parade



Growth Through Learning



Better Together

The Asahi Group Philosophy (AGP) includes Our Principles, one of which is to “foster a corporate culture that promotes individual and Company growth.” To become a learning-focused organization in which both individuals and the organization never stop learning, it is important to provide employees with diverse growth opportunities linked to management policies, and for employees to embrace challenges and build rich careers of their own volition.

The Group CPO Learning Community, launched in 2023, continues to run its three community initiatives: storytelling, workshops, and mentoring.

As an example, in August 2024, Etika Holdings CEO Santharuban Sundaram gave a presentation on his career and approach to leadership. This initiative and others like it enable employees from all over the world to learn about each other, share knowledge and experiences, and build a community that transcends countries and regions.

In addition, the Group offers AGP, Kando*¹ and Supply Chain awards on the regional and global level. Each RHQ submits their particular initiatives as candidates for these awards. This creates a space for sharing best practices globally, learning from each other, and for growth.

*1 Activities that impress customers by providing products or services that exceed their expectations



Storytelling session



Awards ceremony

2 Continuously Fostering Leadership

To achieve sustainable growth amid a business environment that continues to change at a growing pace, the Group is focused on enhancing its systems for developing and producing a steady stream of globally-minded leaders who can drive Group business.

Global Leadership Competency Model (GLCM)

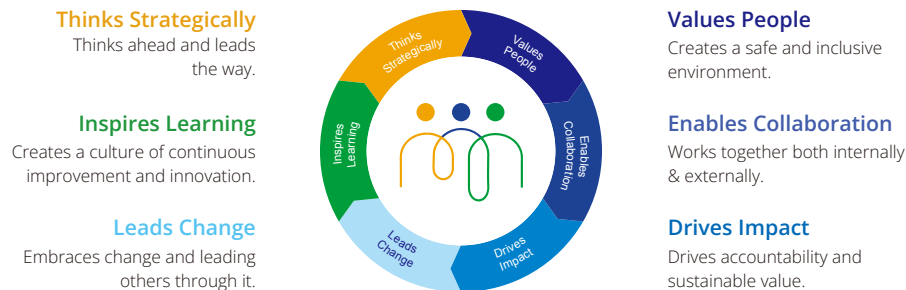
In 2022, we developed the Asahi GLCM, which defines the qualities and experience we require of all members of Group management. In 2023, we followed this up by launching a global and cross regional project team, which, in 2024, led to the creation of a common set of leadership expectations.

The GLCM at Asahi outlines leadership expectations across all levels, from self-leadership to executive roles, using simple and globally understood language. It describes what great leadership looks like at Asahi.

The GLCM extends the Asahi Group Philosophy (AGP), which emphasizes leadership in driving the Company's vision and values. It reinforces the People Statement's focus on creating a safe, inclusive, and empowering environment by emphasizing values like well-being, safety and inclusion.

By having all employees act based on consistent leadership standards, we aim to generate top-tier results in terms of both business and culture. We are currently expanding these standards to each region to ensure proper adoption and penetration throughout the Group.

"We Expect Our Leaders to Connect, Inspire & Perform."



Development of Global Leaders

To date, we have implemented the Global Leadership Development Program (GLDP), which is separated into the three levels, consisting of business manager, department manager, and supervisor, with the goal of developing global leaders for the future. We treated 2024 as a preparatory period, focused on redesigning the GLDP based on the newly revised GLCM. We will implement this new program in fiscal 2025 for the development of even more global leaders in the future.

3 Securing Essential Capabilities

To enhance its human capital, the Asahi Group is working to secure essential capabilities from the three perspectives embedded in its Medium- to Long-Term Management Policy—its ideal business portfolio, its core strategies, and strategic foundation strengthening.

In 2024, we launched a global project to identify and develop the capabilities needed for continued growth. This initiative shines a light on capabilities that can support our medium- to long-term business strategies. We will then use this knowledge to ramp up investment in our human capital and develop a more advanced workforce.

Development of a Personnel System That Supports Transfers Across Regions

The Asahi Group is taking steps to optimize its personnel systems worldwide to secure talent to lead global strategies, to fully attain the capabilities required for each region, and to provide growth opportunities around the world. In 2024, we established a global mobility policy, laying the groundwork for personnel transfers across regional boundaries. This policy allows employees to gain experience in different regions and broaden their personal career paths. We also introduced a job evaluation system similar to those used around the world to the RHQ in Japan, after previously introducing it at our Group headquarters and overseas RHQs. This system allows jobs to be defined on a global scale using a common framework, so when we recruit globally, the job evaluation becomes, one of the criteria that applicants can use to make decisions. In 2024, 15 people were transferred to AGH from other regions to be appointed to global roles.

Securement of External Personnel

The Group actively recruits talent from the outside market who have a global perspective, diverse backgrounds, and a high level of specialized knowledge. Asahi Group Holdings, Ltd. transitioned to a new Group executive management structure in 2024. Under this structure, we have been actively recruiting global talent who can lead this transition, hiring 43 people with the right capabilities, a 54% increase from the previous year. Going forward, we will continue to look for talent both inside and outside the Group in order to increase its corporate value beyond the sum of its individual businesses.

Key Medium-Term Strategies for Regional Headquarters

Japan



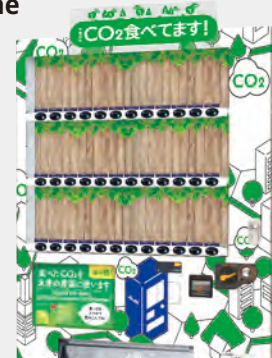
Key Medium-Term Strategies

- ▶ Expand the potential of the businesses by creating synergies and optimizing our product portfolio to anticipate change
- ▶ Promote “smart drinking” and other initiatives to meet diversifying needs; create high-value services
- ▶ Solve social issues such as achieving carbon neutrality through our business activities; optimize the supply chain across Japan

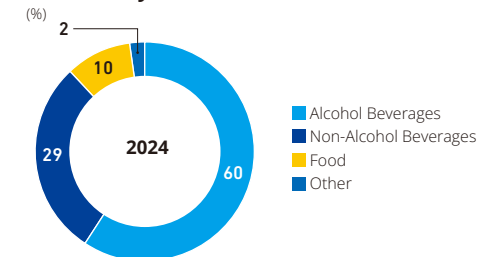
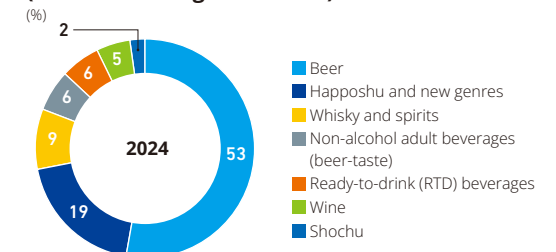
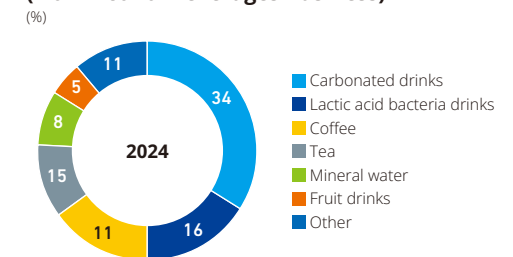
TOPICS

Commercializing a Recycling Model Through a CO₂-Absorbing Vending Machine

Asahi Soft Drinks Co., Ltd. has developed a vending machine that absorbs CO₂ from the atmosphere. The company began field tests of a CO₂ resource recycling vending machine model in 2023 and is gradually rolling out the model nationwide. The inside of the vending machine features a special material that absorbs CO₂ from the atmosphere. This material is derived from by-products generated during the manufacturing process at a partner company's factory. Through this design, each vending machine unit is estimated to absorb up to 60 kg of CO₂ emissions per year. In collaboration with local governments and businesses, plans are underway to utilize the absorbed CO₂ in various applications, from its incorporation into concrete, asphalt, and tile materials to its use in the conservation of coral reefs and the creation of seaweed beds (blue carbon) in the ocean.



Revenue by Business

Revenue by Category
(Alcohol Beverages Business)Sales Volume by Category
(Non-Alcohol Beverages Business)

Japan

Business Environment

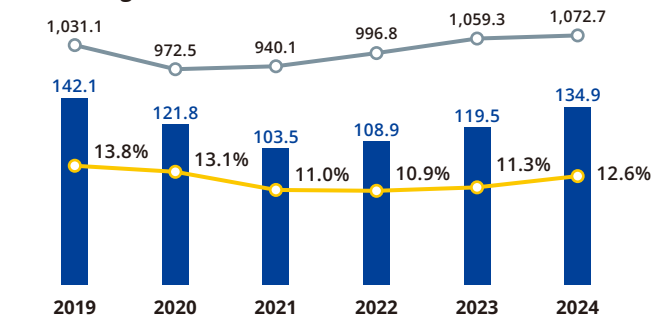
Opportunities

- Growing beer market due to liquor tax revisions
- Emergence of new markets due to diversifying consumer preferences and lifestyles
- Growth in categories related to the rise in health consciousness
- Changing social structure, including an increase in double-income households and the shift toward a super-aging society
- Heightened interest in sustainability

2019–2024 Overview

- ▶ While the impact of the post-COVID-19 reduction in on-premises business lingers, revenue surpassed 2019 levels in 2023 driven by significant price revisions and improved beer composition ratio
- ▶ Core Operating Profit was affected by significant cost increases from 2022 but shifted onto an upward trend thanks to higher unit sales prices and stronger cost management. Profit margins have also been gradually recovering

Net Sales (Excl. Liquor Tax), Profit and Core Operating Profit Margins



◊ Net sales (excl. liquor tax) (JPY billion) ■ Core Operating Profit (JPY billion)
 ◯ Core Operating Profit Margin

Notes: 1. The 2019 figure is an approximate value now absorbed into the current total for the Japan business.
 2. The 2020 figure is a simple total of the Alcohol Beverages, Non-Alcohol Beverages, and Food Businesses.

Risks

- Declining population
- Increases in various costs, including a rise in raw material prices due to market fluctuations
- Weak consumption demand due to rising prices
- Climate change and the occurrence of large-scale disasters

Future Direction

- ▶ Aim to generate sustainable growth by focusing on the expanding growth areas (beer and BACs in the Alcohol Beverages Business, healthier offerings and high-value products in all segments)
- ▶ Aim to swiftly return Core Operating Profit to 2019 levels in both absolute value and margin by improving unit sales prices through expansion of growth areas and reforming earnings structures

Outcome (2024 compared with 2019)

Alcohol beverage increase in unit sales price*1

+17%

Alcohol beverage beer can component ratio*2

+12pts (2019: 47% to 2024: 59%)

Non-alcohol adult beverages (beer-taste)*3 volume growth

+43%

*1 Excluding liquor tax. Beer-type beverages + non-alcohol adult beverages (beer-taste) (including minimal-alcohol beverages)

*2 The ratio of beer can volume to beer-type beverages cans

*3 Including minimal-alcohol beverages

TOPICS

Asahi The BITTER-IST: The First New Standard Beer Brand in Seven Years

Demand for beer is seeing a recovery due to the reduction in beer tax accompanying the revision of the liquor tax. Against this backdrop, we continue to strengthen our mainstay brand *Asahi Super Dry*. On April 15, 2025, we launched *Asahi The BITTER-IST*, a beer with a refreshing bitterness and a clean aftertaste. By using hops with a refreshing aroma and bitterness, such as Talus and Hersbrucker, as well as Yeast No. 318, which we use in *Asahi Super Dry* to create a sharp taste, we have achieved a flavor profile that is appreciated by beer lovers. The product name *BITTER-IST* encapsulates a sense of admiration for “adults who appreciate bitterness.”

Among regular beer drinkers, around 60% of them seek “bitterness” in the taste of beer. To date, however, we have released a limited number of products that have actively highlighted the appeal of bitterness. With *Asahi the BITTER-IST*, we will pursue a new flavor profile that combines bitterness and sharpness, aiming to create a new beer market and drive the sustainable growth of the Asahi Group.



Europe



Key Medium-Term Strategies

- ▶ Advance our premium beer strategy by expanding sales of our five global brands and by focusing on selective leading local brands
- ▶ Accelerate premium growth beyond core lager, such as non-alcohol adult beverages (beer-taste), RTD beverages, and craft beer
- ▶ Promote initiatives to reduce environmental impact, which entail the active use of renewable energy and the adoption of recyclable containers and packages

TOPICS

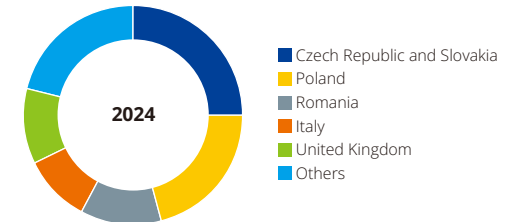
Establishing a Circular Energy Network in Collaboration with Local Companies and Communities

Dutch Company Koninklijke Grolsch N.V. is making efforts to realize a carbon-neutral brewery, the first of its kind for both the Asahi Group and the Netherlands. The planning phase for the carbon-neutral brewery began in 2020, with the cooperation of Twence Holding B.V., a local company that provides electricity, heat, and steam via biomass power generation. Since then, Koninklijke Grolsch and Twence Holding have been promoting a shift toward renewable energy for the brewery in such ways as building a closed-loop thermal energy supply system, while deepening collaboration with the local community.



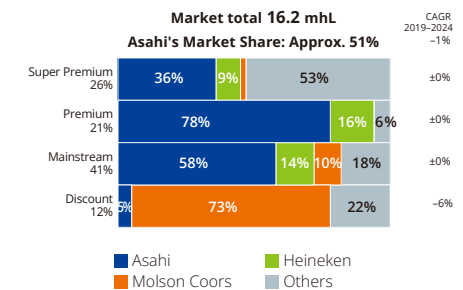
Revenue Composition by Country

(%)

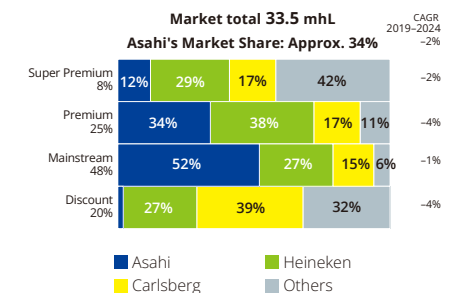


Market Share by Price Segment (2024) (Volume Basis)

Czech Republic



Poland



Note: The price of the leading brand in the most popular pack type = 100
Super premium >151, 150 > Premium >115, 114 > Mainstream > 91, 90 > Discount

Europe

Business Environment

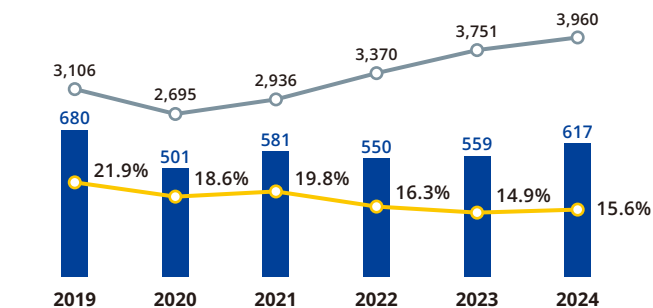
Opportunities

- Global trend toward premiumization
- Rising consumer needs for high-quality local brands
- Growth in non-alcohol adult beverages (beer-taste) and RTD sales as a result of diversifying tastes
- Advancement in digital technologies that help realize diverse value propositions
- Growing support for businesses that help resolve social issues

2019-2024 Overview

- ▶ Since the COVID-19-induced sales decline in 2020, revenue has increased to approximately 1.3 times the 2019 level on significant price revisions and premiumization
- ▶ Core Operating Profit continued to increase as we improved unit sales prices and boosted efficiency while continuing brand investments to help counteract unprecedented cost increases since 2022
- ▶ The considerable impact of cost-push-induced price revisions was an issue for profit margins

Net Sales (Excl. Liquor Tax), Profit and Core Operating Profit Margins



◆ Net sales (excl. liquor tax) (EUR million) ■ Core Operating Profit (EUR million)
● Core Operating Profit margin

Note: Figures for 2019 and 2020 are estimates before the integration of the two European businesses.

Risks

- Lower consumer sentiment due to rapid price increases
- Tightening competitive environment following the stagnant demand for lager consumption
- Tightening of various regulations such as liquor tax revisions
- Increases in various costs, including the rise in raw material prices due to market fluctuations
- Rising geopolitical risks, climate change, and the occurrence of large-scale disasters

Future Direction

- ▶ Aim to promote growth by expanding premium categories in each market while also expanding global brands, non-alcohol adult beverages (beer-taste), etc.
- ▶ Aim to swiftly return Core Operating Profit to 2019 levels and ensure sustainable improvement in profit margins by improving unit sales prices through premiumization and persisting with reforms of earnings structures

Outcome (2024 compared with 2019)

Increase in unit sales price*

+36%

Ratio of premium products*

+6pt (2019: 35% to 2024: 41%)

Non-alcohol adult beverages (beer-taste) growth rate

+60%

* Business total

TOPIC

Innovating Our Brand Strategy in Each Country to Respond to the Trend of Premiumization

In 2024, the European market saw continued demand in the premium category. Against this backdrop, we stepped up initiatives aimed at enhancing our brand portfolio.

The Italian beer *Raffo* was first brewed in Taranto, a city located in Italy's southern region of Apulia, in 1919 and has remained a beloved local symbol ever since. In 2024, we launched the premium craft beer *Raffo Lavorazione Grezza* as a new addition to the *Raffo* brand's existing lineup, which includes the classic *Raffo Ricetta Originale*. This new product is an unfiltered lager crafted using unrefined grains from the Apulia region and features a new bottle design inspired by ocean waves. With this new product, we have added modern appeal to the *Raffo* brand while respecting its local identity. By doing so, we have enhanced the value of the brand and strengthened its presence across Italy. The *Raffo* brand helped drive the growth of our business in Italy, and we will aim to accelerate the growth of the brand in 2025.

Furthermore, in the Czech Republic, we have innovated with *Proud*, a new lager beer with a lighter taste, reduced bitterness, and lower alcohol content in anticipation of changing preferences among younger consumers.

Looking ahead, we will continue to innovate so that we can spur new demand and further promote premiumization by actively expanding high-value-added brands in each country and region.



Oceania



Key Medium-Term Strategies

- ▶ Promote our multi-beverage strategy, which highlights the strengths of our Alcohol Beverages and Non-Alcohol Beverages businesses; create integration synergies
- ▶ Promote innovation in growth domains, such as BACs; strengthen products in the health and well-being category
- ▶ Propose new sustainability-focused value through the introduction of new containers, packaging, etc.; advance supply chain management reforms

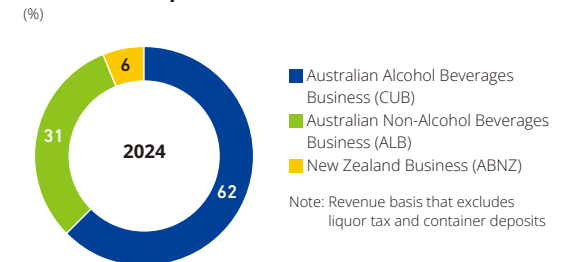
TOPICS

Promoting Circular Plastic Recycling Together with External Partners

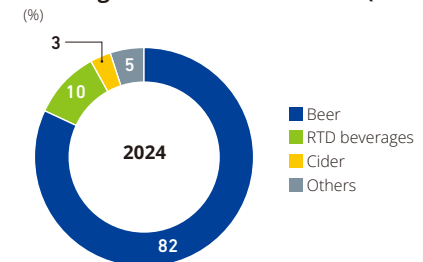
In Australia, Asahi Beverages Pty Ltd. established Circular Plastics Australia as a joint venture with Pact Group Holdings Ltd., a packaging manufacturer, Cleanaway Waste Management Ltd., a waste disposal company, and beverage competitor Coca-Cola Europacific Partners Plc. This joint venture has built and is operating two PET bottle recycling plants in the region. produce up to around 20,000 tons of recycled PET bottles and food packaging annually. Through Circular Plastics Australia, Asahi Beverages has established a series of internal processes in Australia that enable bottle-to-bottle resource recycling.



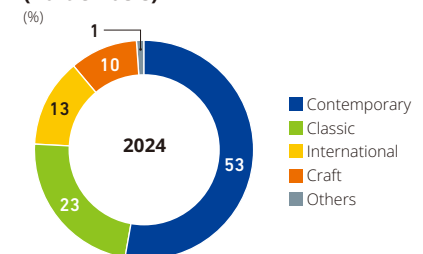
Revenue Composition in Oceania



Composition Ratio by Category in the Alcohol Beverages Business in Australia (Monetary Basis)



Australian Alcohol Sales Composition (Value Basis)



Oceania

Business Environment

Opportunities

- Global trend toward premiumization
- Well positioned to grow via premiumization
- Growing beer-adjacent categories (BACs) as a result of diversifying tastes
- Growth in sales of sugar-free and low-sugar beverages due to rising health consciousness
- Heightened interest in sustainable business activities

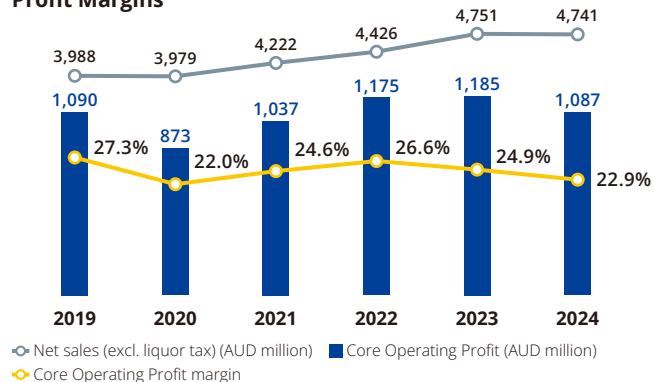
Risks

- Increases in various costs due to market fluctuations and high inflation
- Moderating beer consumption driven by diversifying tastes
- Supply chain challenges driven by external macro factors
- Ongoing twice-yearly increases in government excise continue to make the tax on beer in Australia very high
- Adverse change in consumption due to unforeseen macro events (e.g. pandemic, natural disasters, etc.)

2019-2024 Overview

- ▶ Revenue on a rising trend due to the expansion of contemporary beers and RTD beverages as well as portfolio-wide price revisions
- ▶ Core Operating Profit maintained a high level over the period, despite the decline in 2024, thanks to efforts to offset substantial costs increases with improved unit sales prices and reforms of earnings structures
- ▶ Core Operating Profit margin has been trending downwards since 2023 on an inflation-induced deterioration in the market environment

Net Sales (Excl. Liquor Tax), Profit and Core Operating Profit Margins



Notes: 1. Pro forma base for 2019 and 2020 data that includes data for CUB prior to its acquisition.
2. Revenue base excludes container deposits.

Future Direction

- ▶ Aim to achieve growth centered around our multi-beverages strategy, which includes stimulating a recovery for core beer products, expanding premium beers, and continuing to grow RTD beverages
- ▶ Recover profit levels and margins by improving unit sales prices for both alcohol and non-alcohol beverages and reforming earnings structures

Outcome (2024 compared with 2019)

Increase in unit sales price*

+10%

Great Northern growth rate

+34%

Improved premium product growth rate

+23%

* Total alcohol beverages for Australia

TOPIC

Promoting a Contemporary Beer Strategy to Capture Consumer Trends

In 2024, our beer sales volume in the Australian market decreased year on year due to a decline in consumption following a challenging macro environment driven by high inflation and cost-of-living pressures. Meanwhile, the trend of beer consumers preferring an easy-drinking beer with reduced bitterness continues, and we will therefore remain focused on contemporary beer and continue to offer consumers more choice in this segment.

Our *Carlton Dry 3.5%*, released in 2024, claimed the title of the No. 1 selling new beer in Australia.* This product features a refreshingly crisp taste and is crafted with fewer carbohydrates than regular beer. With less than 100 calories per serving, it meets the evolving preferences of beer lovers seeking to moderate their alcohol consumption while still enjoying a great-tasting beer.

Furthermore, under the *Great Northern* brand, our best-selling contemporary beer in Australia, we launched *Great Northern Long Run* as released in 2024. It has performed strongly and we look forward to watching its continued growth through 2025 and beyond.

At the moment, roughly 30% of our total beer sales volume in Australia consists of products with an alcohol content of 3.5% or less. Going forward, we will continue to offer a broad range of drinking options to consumers and strengthen our products in growth categories. At the same time, we will move forward with our multi-beverage strategy, utilizing our extensive portfolio of alcohol and non-alcohol beverages. By doing so, we will continue to offer new value.

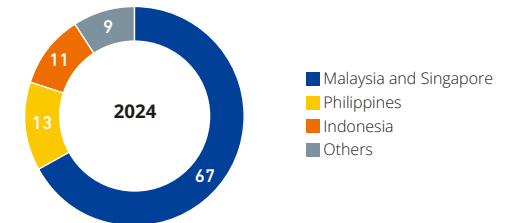
* Source: Circana, Australia Liquor Unweighted, Volume Sales, YTD 27/10/2024 & Endeavour Group.



Southeast Asia

Revenue Composition by Country

(%)



Key Medium-Term Strategies

- ▶ Expand into growing markets of more than 600 million people in the region in such ways as enhancing our own brands and realizing sustainable growth in Malaysia
- ▶ Build an optimized premium portfolio by expanding the plant-based product business and other new businesses
- ▶ Deliver sustainability agenda, including rolling out packaging with a lower environmental impact, and build value in partnership with local communities in raw material procurement

TOPIC

Implementing a Campaign to Promote Unity Across Malaysia

In multicultural Malaysia, Asahi Holdings Southeast Asia launched a campaign using the Group's coffee product *Wonda Kopi Tarik* to celebrate the country's cultural and linguistic diversity. The campaign was held on Malaysia's Independence Day. As part of its campaign, Asahi Holdings Southeast Asia Sdn. Bhd. launched WONDA OR1 FM, an FM radio station that, for the first time in radio history, broadcast the same content simultaneously across 17 radio stations in four different languages. By doing so, the campaign delivered a message to many Malaysians, raising awareness of their human connections and contributing to a sense of national unity.

In Malay, *Kopi* means "coffee" and *Tarik* means "to pull." *Kopi Tarik* is a coffee product known for its unique brewing method, making for a rich and creamy flavor.



Business Environment

Opportunities

- High growth potential of the overall Southeast Asian market
- Growing need for high-value-added products
- Further expansion into the Southeast Asian region through exploration of new markets and countries
- Room for further reach and expansion of our products in the halal market

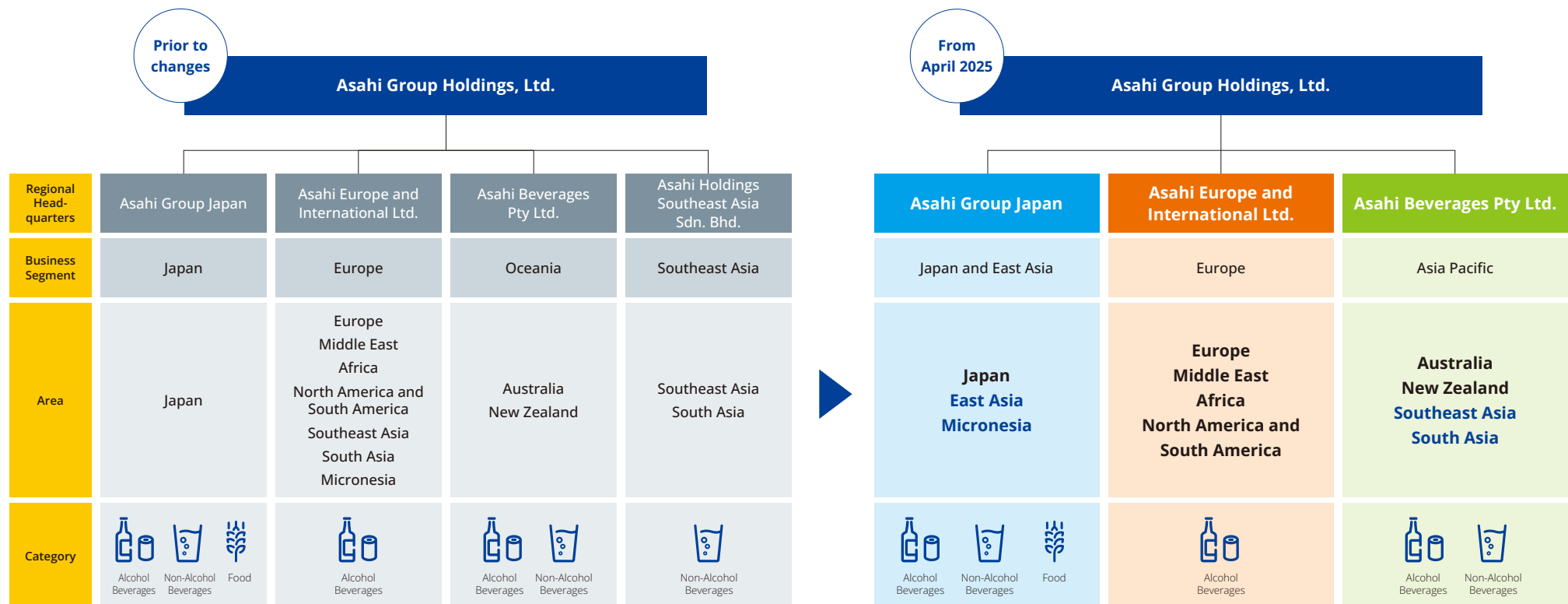
Risks

- Increases in various costs, especially the significant rise in raw material and freight prices due to market fluctuations, and logistics disruptions from shipment rollovers and delays
- Country risks such as geopolitical issues and delays in infrastructure establishment, including power and sanitation
- Dampened consumer sentiment with rising inflationary pressures

Changing the Structure of Our Regional Headquarters to Sharpen Our Competitive Edge

On April 1, 2025, we integrated our regional headquarters (RHQs) in Southeast Asia and Oceania, and shifted to a three-RHQ structure comprising Japan, Europe, and Oceania. Asahi Holdings Southeast Asia Sdn. Bhd., which oversees the soft drinks business in East Asia, and Asahi Europe and International Ltd. (AEI), which oversees the alcohol beverage business in Southeast Asia and South Asia, will be moved under the umbrella of Asahi Beverages Pty Ltd. in Oceania. In addition, the alcohol beverage business in Southeast Asia overseen by AEI has been transferred to Asahi Group Japan, Ltd., the Company's Japanese RHQ.

We will strengthen our multi-beverage strategy by integrating our Alcohol and Non-Alcohol Beverages businesses in Southeast Asia, South Asia, and Oceania, where we expect to see market growth. In addition, through AGJ's centralized management of the alcohol beverage businesses in Japan and East Asia, we will strive to sharpen our competitive edge by leveraging AGJ's strong brands, development capabilities, and supply chain.



04

Material Issues

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Environment

Asahi Group Environmental Vision 2050

The Asahi Group has established a road map based on Asahi Group Environmental Vision 2050, a Group-wide policy. This road map summarizes the strategies, targets, and initiatives for achieving our desired state in terms of climate change, packaging, agricultural raw materials, and water resources. Building on Asahi Group Environmental Vision 2050 as a Group-level policy and vision, our 2040 sustainability ambition sets clear targets, including net-zero emissions by 2040 moved from 2050. This 2040 ambition helps us ensure that our progress is tracked.

In formulating the road map, we placed emphasis on adopting a science-based approach, obtaining SBT Net Zero certification from the Science Based Targets initiative (SBTi). Furthermore, to identify areas of water priority, we used a combination of assessment tools (e.g., Aqueduct, a global standard for assessing water risk) and the results of local assessments conducted by third parties to identify manufacturing sites that need to address their water situations. We also carried out an analysis using the TCFD and TNFD frameworks to reveal climate change and nature deterioration issues and incorporated applicable measures into strategies for the four pillars of climate change, packaging, agricultural raw materials, and water resources, integrating them with the targets for each pillar and the road map.

In addition, there is a need to innovate our business model by accelerating technological innovation and integrating sustainability into management.

Although we do not currently have all the solutions needed to achieve our road map milestones, we are committed to working with many stakeholders, and especially our customers, to learn and share best practices while continuing to work toward achieving our ambitious goals.

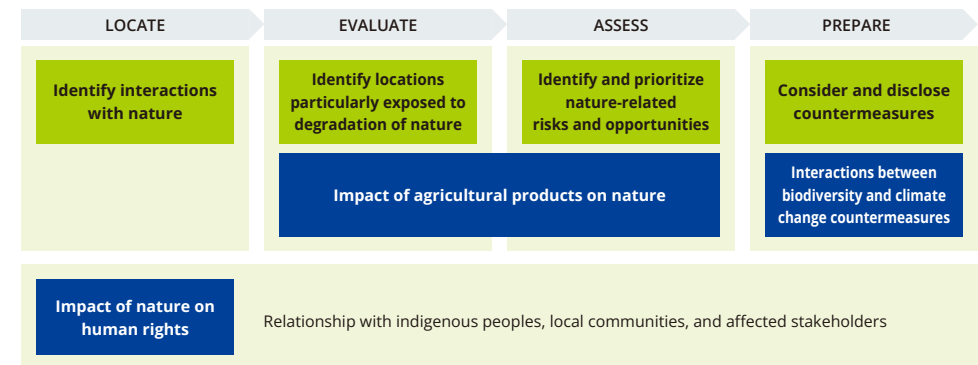
TCFD/TNFD-Based Analysis

We used the TCFD and TNFD frameworks to formulate strategies and a road map and the four environmental pillars. Guided by the strategies and this road map, we have been identifying and evaluating important risks and opportunities and examining comprehensive response measures. The response measures that have been made clear through the evaluation of risks and opportunities have been strategically incorporated into the four pillars of climate change, packaging, agricultural raw materials, and water resources.

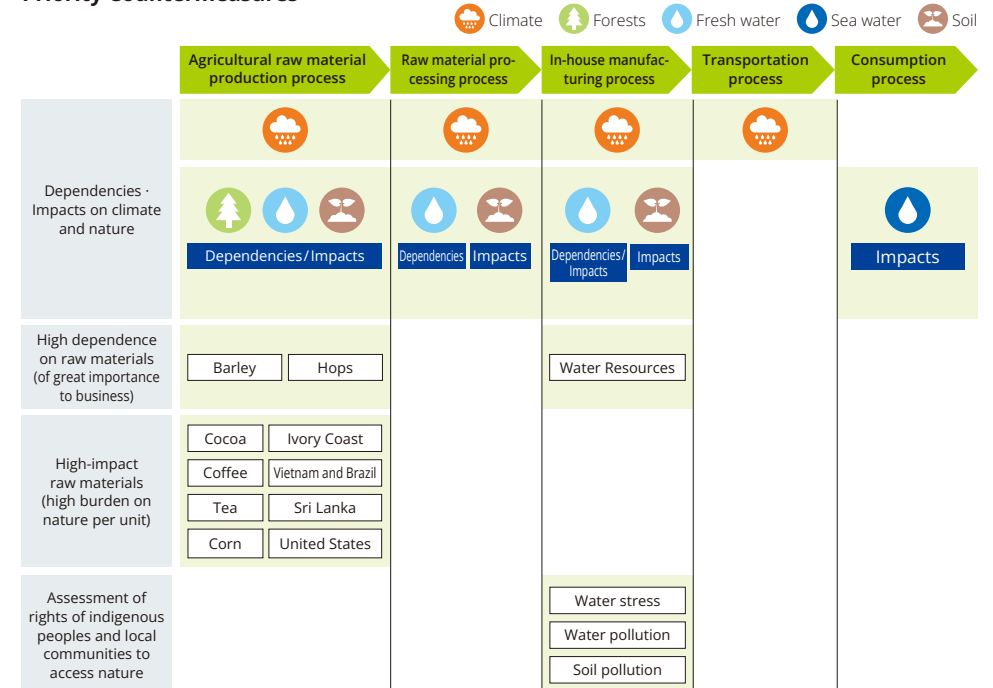
For 2024, as part of our attempt to incorporate a human rights perspective into our analysis, we newly analyzed the rights of indigenous peoples and local communities to access nature. We also conducted a trade-off analysis on the interconnection between efforts to address climate change and conserve nature. Finally, agricultural raw materials that have a higher impact on nature in their production were evaluated.

Analysis Items for 2024

2024 updates



Priority Countermeasures





Climate Change

Targets for Reducing GHG Emissions

We have set Asahi Carbon Zero as a medium- to long-term target to achieve net zero GHG emissions by 2040. Although our original goal aimed for 2050, we brought the net zero target forward by 10 years. In addition, we have obtained certification from the SBTi to ensure that the target is scientifically consistent with the 1.5°C target set out in the Paris Agreement.

Under this target, we aim to reduce GHG emissions by 70% for Scope 1 and 2 and by 30% for Scope 3 (compared with 2019) by 2030. Additionally, we strive to achieve net zero GHG emissions across Scope 1, 2, and 3 by 2040. Looking ahead, we will continue to actively promote various initiatives to achieve Asahi Carbon Zero and Beyond Carbon Neutral, which will contribute to reducing carbon emissions across society at large.



Sustainability Innovation Program

Asahi Group Holdings, Ltd. launched the Sustainability Innovation Program in 2024. This program aims to pursue groundbreaking, innovative technologies that will help us on our sustainability and decarbonization journey. As part of this program, we are exploring opportunities for collaboration on a global scale with start-ups and other emerging companies and organizations that are focused on promoting sustainability.

Packaging

Within the field of packaging, the Asahi Group strives to realize a society free of packaging waste and a world in which marine biodiversity is preserved by minimizing the use of resources to make packaging and to help build a recycling-oriented society by reusing old packaging as what we would like the world to be. To achieve this, we will work with our packaging suppliers and consumers on initiatives to make a switchover to packaging with low environmental burden and consumption based on recycling and reuse.

Furthermore, by 2030, we aim for a 100% conversion to recycled materials and bio-based materials, etc. for PET bottles. As part of our efforts to achieve this target, Australia-based Asahi Beverages Pty Ltd. established Circular Plastics Australia as a joint venture with Pact Group Holdings Ltd., a packaging manufacturer, Cleanaway Waste Management Ltd., a waste disposal company, and beverage company Coca-Cola Europacific Partners Plc. This joint venture has built and is operating two PET recycling plants in the region. The two recycling plants have the capacity to recycle up to the equivalent of one billion 600ml PET bottles per annum, to each produce up to 20,000 tons of recycled PET bottles and food packaging annually. Furthermore, responding to local needs, we have developed aluminum can collection schemes through co-creation with a number of companies in the European market, such as in Slovakia. Through such business activities and co-creation, we will also contribute to the protection of ecosystems. We will continue our efforts by implementing initiatives that respond to local needs.



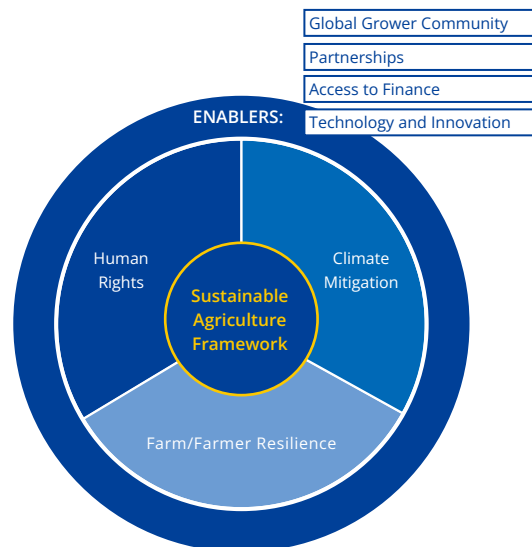
Plant to recycle PET bottles in Australia



Agricultural Raw Materials

The Asahi Group has refined its strategic direction and priorities to advance sustainable agriculture. To this end, we developed the Sustainable Agriculture Framework, providing a clear focus for execution in collaboration with our partners and grower community. The Sustainable Agriculture Framework is designed to reduce the environmental and human rights impacts of our agricultural raw material value chains, enhancing procurement resilience while safeguarding our business and the planet for future generations. The framework is built on three key pillars—human rights, climate change mitigation, and Farm/Farmer Resilience—and involves four enablers:

1. Global Grower Community: Building a global grower community focused on sharing knowledge about sustainable practices and energy efficiency while nurturing a sense of shared responsibility
2. Partnerships: Fostering partnerships with universities, research institutes, local policy makers, and NGOs to enable mutual knowledge sharing among research bodies and growers
3. Access to Finance: Supporting the economic stability and prosperity of our global grower community and ensuring that growers are in the financial position to access the tools and implement practices to transition toward sustainable agriculture
4. Technology and Innovation: Leveraging technologies and innovations to enhance farming practices, improve efficiency, and ensure data-informed decision-making



Water Resources

The Asahi Group aims to have a positive impact on the planet through its activities related to water issues in each region. We aim to have this positive impact exceed any negative impact from the total amount of water used in the supply chain of the Group, which has a large water risk (especially in the production of agricultural raw materials).

In addition to our target for water intensity, we have adopted the target of having the manufacturing sites identified to be located in water risk areas implement initiatives at basins to address identified risks by 2030 and are pursuing initiatives therein.

As part of these initiatives, Dutch company Koninklijke Grolsch is actively working to protect its water sources, use water efficiently in brewery processes, and investigate opportunities for re-use of treated wastewater. In particular, the company is working with the municipal water supplier, the region's waterboard, and other organizations to find solutions to the water shortage in the Twente region through a project called "De Twentse Golf."





Communities

Realize Sustainable Communities Through the Creation of People-to-People Connections

The Asahi Group's Efforts

The Asahi Group has formulated a community strategy that defines “sustainable agricultural industry” as the key activity and “community support activities with employee participation” as the basic activity. By converting the number of employees participating in community support activities and their total hours of engagement into monetary value, we donated a total of JPY28.7 million to organizations engaged in community support activities in 2024.

Implementing the FOR HOPS Project That Supports Hop Farmers

Plzeňský Prazdroj, a.s., launched the FOR HOPS project in 2021 to support hop farmers. In the Czech Republic, climate change has led to a decline in harvest volumes and quality in recent years. To help address this challenge, experts from various industries, including software industry giant Microsoft Corporation, hops research institutions that apply innovative technologies in the agricultural field, and hop growers' associations, have joined forces to help producers irrigate efficiently and improve hop productivity.

In 2023, a pilot test was carried out to change irrigation patterns, and it was confirmed that the yield increased by as much as 40% at one of the participating pilot farms. Furthermore, we are working to build a robust network of like-minded partners in such ways as organizing workshops and conferences for nearly 120 hop farmers across the Czech Republic, sharing various insight gained from data analysis.



Resolving the Labor Shortage Issue in the Apple Industry

In 2023, Asahi Breweries, Ltd. and THE NIKKA WHISKY DISTILLING CO., LTD. donated a total of JPY10 million to Hirosaki City in Aomori Prefecture, the center of the apple industry in Japan, to launch the HIROSAKI AGRI SUPPORT project in order to help resolve the labor shortage issue in the industry. With the aims of increasing recognition of cider from Hirosaki City and alleviating labor shortages during busy periods in the apple industry, we collaborated with Hirosaki City to organize apple-harvesting volunteer activities in which a total of 165 people participated, including Group employees. In 2024, these activities were awarded with the 11th Discover Countryside Treasures in Japan Awards, which was held by the Ministry of Agriculture, Forestry and Fisheries. Moving forward, we will continue to engage in activities aimed at invigorating the cider market while forging connections with local communities and resolving the issues they face.



Carrying out Global Community Support Activities

The Asahi Group collaborates with various community support organizations to help address issues facing local communities, with Group employees participating in a wide range of volunteer activities.

As part of these efforts, we have been working with Foodbank Victoria—an Australian organization that collects surplus food that would otherwise go to waste and redistributes it to people in need—to tackle Australia's food waste problem.

In addition, we engage in efforts that help bolster connections between Group employees and local community members, including holding volunteer activities based on the theme of regional environmental conservation in conjunction with World Environment Day.



Environmental conservation activity in Southeast Asia



Activity to reduce food waste in Australia



Responsible Drinking

Initiatives to Reduce Inappropriate Drinking

The Asahi Group's Efforts to Reduce Inappropriate Drinking

The Asahi Group is strengthening Group-wide initiatives to contribute to achieving the globally shared target of reducing the harmful use of alcohol, which was adopted by the World Health Organization (WHO).

While continuing our current initiatives to eliminate inappropriate drinking and promote educational activities on appropriate alcohol consumption, we have been continuing to review the content of the activities we have engaged in thus far. In doing so, we will strengthen initiatives that contribute to reducing pure alcohol consumption per capita and heavy episodic drinking, which are indices for the adopted targets under the WHO's Global Alcohol Action Plan 2022–2030 (GAAP).

Reducing Inappropriate Drinking Through Responsible Marketing Activities

The Asahi Group is a member of the International Alliance for Responsible Drinking (IARD). As a corporate group that produces alcohol beverages, the Group endorses and takes action toward the various commitments promoted by IARD.

For example, in an effort to reduce underage drinking, IARD has established the Digital Guiding Principles (DGP), which work to prevent underage people from viewing marketing related to alcohol beverages. The Group set a target for achieving 100% compliance* with the DGP by the end of 2024, and it reached that goal as planned.

Furthermore, we adopted a target of displaying age-restriction symbols or equivalent wording on all of our alcohol brand products (including alcohol-free extensions of alcohol brands) by 2024, and this target has been achieved as well.

Looking ahead, we will continue to collaborate with alcohol manufacturers and related organizations around the world as we aim to create a framework that ensures that no individual is affected by social issues caused by alcohol.

* According to a survey of 14 countries conducted by IARD

Promoting Awareness-Raising Activities to Reduce Inappropriate Drinking

Carrying Out Initiatives to Prevent Drinking During Pregnancy in Europe

Kompania Piwowarska S.A. in Poland has been working with the "Dom w Łodzi" Foundation to communicate the importance of refraining from alcohol during pregnancy. The latest campaign video launched in 2024 shows a pregnant woman and her family raising a toast wishing that the baby to be born will be healthy while pointing out that consuming alcohol during pregnancy is actually wishing your baby to be born to be unhealthy. Through this initiative, Kompania Piwowarska is encouraging both pregnant women and their families to refrain from alcohol consumption during pregnancy.



Promoting Awareness-Raising Activities Concerning Appropriate Drinking in Australia

Asahi Beverages Pty Ltd., through its subsidiary Carlton & United Breweries Pty. Ltd., is proud to be a founding member of and the largest contributor to DrinkWise, an Australian social change organization, supporting their work to promote generational change in the way Australians approach and consume alcohol. Through DrinkWise, various initiatives and campaigns have been undertaken to raise awareness of the harmful use of alcohol.

One such initiative conducted in 2024 was the AFL/NRL finals "Always respect, always DrinkWise" campaign in response to the finding that approximately 20% of AFL and NRL fans said, based on survey results, in the past they have missed a great moment of a sporting event because they have had too much to drink. The DrinkWise campaign ran during the September finals series and featured football stars reminding fans of the importance of moderating their alcohol consumption and always being respectful toward others.



Creation of New Drinking Opportunities

Initiatives to Offer a Broad Range of Drinking Options

The Asahi Group believes that one way to help resolve alcohol-related issues is to increase the drinking options for consumers, allowing them to choose from a wide lineup of products with different alcohol content catering to their individual preferences and circumstances.

To that end, we have adopted a Group-wide target of achieving a 20% sales composition ratio of non- and low-alcohol adult beverages*¹ to major alcohol beverage products*² by 2030 and have been working across the Group to strengthen initiatives to offer a broad range of drinking options to consumers.

Expansion of Non- and Low-Alcohol Adult Beverages

The Asahi Group is focusing its efforts on developing and enhancing sales promotions for non- and low-alcohol adult beverages for its global brands, such as *Asahi Super Dry*, and major local brands. In Australia, Asahi Beverages Pty Ltd. launched *Carlton Dry 3.5%* in 2024, which claimed the title of the No. 1 best-selling new beer in the nation.

Furthermore, through the sale of unique products such as *Asahi Zero* in Japan, Asahi Breweries, Ltd. is promoting the expansion of non- and low-alcohol adult beverages. Asahi Breweries, has been marketing *Asahi Zero* as the 0.00% alcohol beverage choice for beer lovers with the aim of shifting the perception of non-alcohol adult beverages (beer-taste) as a substitute for times when one cannot drink to a preferred option.



*¹ Non-alcohol adult beverages are defined in accordance with the laws and regulations in each country. Low-alcohol beverages have an alcohol content of no more than 3.5%.

*² Beer-type beverages, RTDs, non-alcohol adult beverages

Promotion of Awareness-Raising Activities for Non- and Low-Alcohol Adult Beverages

Promoting Smart Drinking Activities

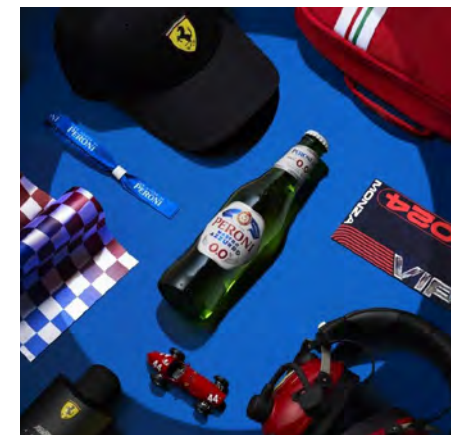
Since 2020, Asahi Breweries has been promoting “smart drinking” as an awareness-raising activity in Japan. This activity aims to foster an environment and culture where people can freely choose from a wide selection of non- and low-alcohol adult beverages in accordance with their physical condition, preferences, and circumstances. As part of this activity, in 2022 SUMADORI-BAR SHIBUYA opened in Shibuya, a central area of Tokyo popular with young people, where customers can choose drinks with an alcohol content of 0%, 0.5%, or 3%. In 2023, THE 5th by SUMADORI-BAR was launched, which offers adult beverages that can be enjoyed without becoming intoxicated with the aim of realizing a society in which people who do and do not drink alcohol respect each other's style of drinking.



Global Partnership Between Peroni Nastro Azzurro 0.0% and Scuderia Ferrari

Peroni Nastro Azzurro 0.0%, the Italian superpremium non-alcohol adult beverages (beer-taste) brand from Asahi Europe and International, entered into a multi-year global partnership with Scuderia Ferrari in 2024 in an effort to step up the Group's response to rising consumer demand for non-alcohol adult beverages.

Furthermore, in July 2024 *Peroni Nastro Azzurro 0.0%* announced a multi-year partnership with Charles Leclerc, a race car driver and lifestyle icon. This partnership focuses on proposing ways to enjoy each moment of life safely and stylishly while reducing alcohol consumption by choosing non-alcohol adult beverages.





Health

Initiatives for Creating Health Value

To respond to the growing health consciousness among consumers and recent social issues, the Asahi Group is promoting its business activities under a two-pronged approach involving efforts to reduce the impacts of its products on consumer health issues and efforts to create health value that utilizes the various products and proprietary materials of the Group.

The WHO and governments around the world have begun to introduce taxes and market regulations on products that use sugar. In such an environment, we are promoting product development and marketing activities aimed at responding to the risks and opportunities arising from this trend. In addition, we are striving to provide new health value by developing products that leverage the health benefits of our proprietary ingredients.

Initiatives to Reduce Sugar Content

It is estimated that approximately 74% of the global population dies from non-communicable diseases (NCDs) every year,* and unhealthy diets due to the excessive consumption of specific ingredients have become a major social issue. Among such ingredients, the excessive intake of sugar is a major contributing factor to NCDs. In response to this, the WHO and governments around the world are promoting awareness-raising activities to encourage healthier lifestyles, with certain governments even introducing or considering a tax on products that contain sugar.

Malaysia has one of the highest sugar consumption levels per capita of any country in the world. To address this issue, the Malaysian government decided to introduce a sugar tax in July 2019. For this reason, in Southeast Asia, we are promoting the development of soft drink products containing added sugar of five grams or less per 100 ml and expanding product options. Therefore, we will continue to contribute to the resolution of health issues through efforts to reduce sugar intake by our customers.

* A collective term for chronic diseases such as cancer, diabetes, cardiovascular diseases, respiratory diseases, and mental health disorders, which are contributed to by factors such as unhealthy diets, lack of exercise, smoking, excessive alcohol consumption, and air pollution.



Australia's sugar intake per capita is also high. Although sugar consumption is now currently on a downward trend, reducing it further remains a pressing health issue in terms of public policy. Asahi Beverages participates in the Australian Beverages Council. In 2018, this council adopted the Sugar Reduction Pledge as an industry-wide commitment to a 20% reduction in the sugar content of non-alcohol beverages by 2025, compared with 2015. Moving ahead, we will continue to further strengthen our industry-leading sugar reduction efforts to help the entire beverage industry meet this commitment.

Project to Improve Maternal and Child Health in Vietnam

Asahi Group Foods, Ltd. launched a project for improving maternal and child health in Vietnam with the goal of leveraging its expertise to help create health value for infants, young children, and their families in the country. In Vietnam, there are no guides for weaning food practices, and this has given rise to social issues related to infant nutrition and the burden of childcare on women. This newly launched project aims to create and popularize guides on weaning practices based on a similar guide in Japan. Furthermore, this project was selected as an SME and SDGs business support project by the Japan International Cooperation Agency (JICA) and is being carried out through the cooperation of many stakeholders.

In April 2024, Asahi Group Foods began test marketing for Japanese baby food products in Hanoi and Ho Chi Minh City. The company is also carrying out a survey to assess the acceptance level and effectiveness of Japanese baby food in the Vietnamese market and to identify any areas for improvement. Through the project to improve child health in Vietnam, we aim to also strengthen support systems for diet and nutrition tailored to each stage of child development. Moving forward, we will continue to make concerted efforts to support the health of women and children in Vietnam.



Signing ceremony for the agreement to support the creation of guides on weaning practices in Vietnam



Awareness-raising activity at a nutrition counseling center in Vietnam

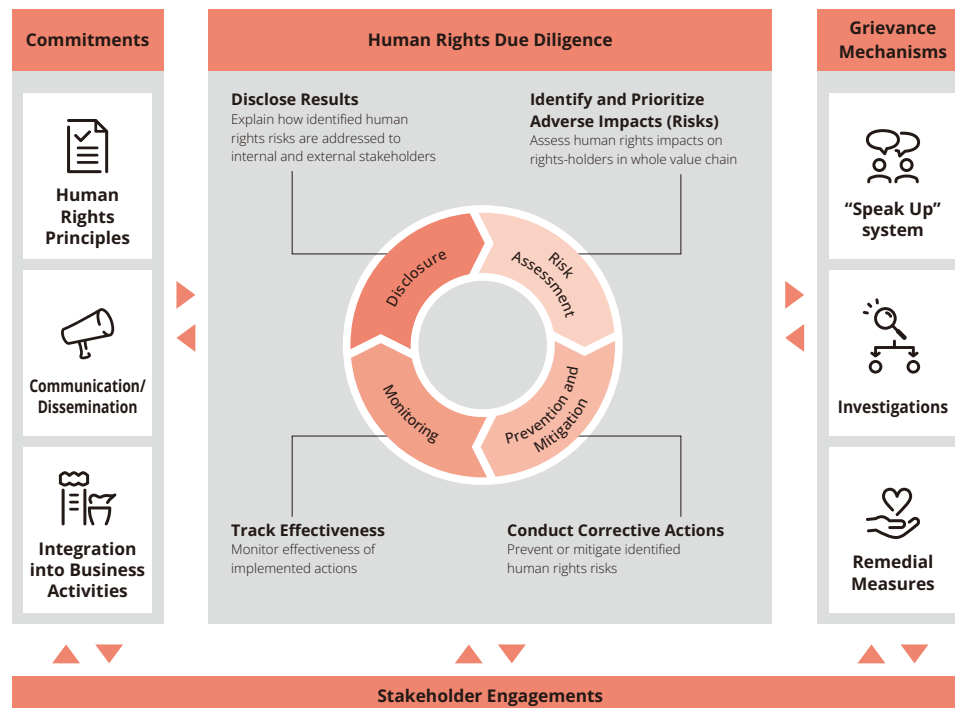


Human Rights

Respect for Human Rights

As a global corporate group, the Asahi Group views respecting the human rights of all people involved in its operations as the foundation of its business activities. If the Group does not appropriately address human rights risks associated with its business activities, it may not only lead to legal violations and increased economic losses but also become a factor that hinders medium- to long-term business growth. As such, human rights risks are managed under our Group-wide enterprise risk management (ERM) system.

Overview of the Asahi Group's Approach Based on the UN Guiding Principles



The Asahi Group Human Rights Principles serve as the Group's most significant policy on human rights as well as being the foundation of all Group business activities. In 2024, we communicated and promoted this policy both inside and outside the Group. We also conducted human rights due diligence in accordance with the UN Guiding Principles on Business and Human Rights and made efforts to strengthen the development and implementation of grievance mechanisms. These efforts are treated as important issues for the Group and the strategies, progress, and challenges of each related initiative are reported quarterly to the Corporate Management Board, under the supervision of the Group's chief sustainability officer.

We also recognize the importance of strengthening collaboration with stakeholders, such as outside experts and other companies, and we joined the Business for Social Responsibility network in January 2025.

As well as strengthening our existing initiatives, we will continue to promote effective measures aimed at achieving the Group's commitments, such as striking a balance between protecting the environment and ensuring respect for human rights.

Human Rights Due Diligence

The Asahi Group is promoting human rights due diligence in accordance with the UN Guiding Principles as it works to address social issues such as climate change, biodiversity, discrimination, and poverty. Through this ongoing process, we aim to realize sustainable business practices based on respect for human rights.

Regarding human rights due diligence in the supply chain, in 2023 we set a target of conducting risk assessments on 100% of our primary raw material suppliers (existing Tier 1 direct suppliers of raw materials and packaging materials over \$100,000 USD spend) by 2030. Also, in August 2024 we formulated the Asahi Group Responsible Procurement Program and are gradually advancing risk assessments of these primary raw material suppliers.

For human rights due diligence concerning our employees, we aim to implement initiatives aligned with the UN Guiding Principles in all countries of operation (excluding export businesses through distributors) by 2030, ensuring continuous monitoring through the PDCA cycle. In 2024, we implemented risk assessments for all production sites in previously assessed high-risk countries (Japan, Indonesia, and Malaysia) through Self-Assessment Questionnaires and third-party on-site audits (nine sites). Findings against international standards were immediately reviewed and corrective actions are being implemented.



Communication and Promotion of Human Rights Policy

Education and Training for Employees

To embed our strong commitment to human rights across the organization, we implement diverse training programs, including the provision of training videos via our global intranet.

Further demonstrating this commitment, in December 2024 we also conducted a human rights workshop with our Indonesian team to acknowledge and celebrate Human Rights Day. More than 150 employees from various functions, including the human resources and factory management teams, attended the training to enhance their understanding of our human rights principles and share insight effective human rights training. This valuable input was subsequently integrated into our global human rights training and improvement plan.



Dialogue with Stakeholders

From 2019 to 2023, we held a series of dialogues between our upper management and external experts to build a foundation for human rights due diligence.

In 2024, recognizing our responsibility to raise awareness of human rights among future leaders, we held a dialogue session with students from Hosei University and exchanged opinions on human rights initiatives from a corporate perspective. By gaining new insight from the students, we gleaned valuable advice to make our human rights initiatives more effective.

Our goal is to foster awareness of human rights issues across society by communicating the importance of our efforts to a wide range of stakeholders.

Moving forward, we will continue to engage in dialogues with stakeholders from various fields, including the educational field. We aim to not only incorporate the feedback received into our own initiatives but also build efforts that enable stakeholders to view human rights as personal concerns.



Implementation of Grievance Mechanisms

The Asahi Group has begun operating "Speak Up" in May 2024, a reporting system that functions as a grievance mechanism. With this system, we are aiming to create an environment that makes it easy for all stakeholders, globally to submit reports to realize early recognition of and response to compliance issues, including harassment and human rights violations, so that the Asahi Group can identify and respond to them as quickly as possible. Reports that require actions to remedy problems or implement improvements are also reported to and discussed by Audit Committee Member and the Compliance Committee of the Asahi Group, and necessary measures are taken to improve internal operations and prevent recurrence.

In addition, the Asahi Group manages reports received through "Speak Up" at Asahi Group Holdings, Ltd. in a centralized manner and operates appropriately to ensure early detection and resolution of issues. Also, by utilizing "Speak Up" analysis tools that have been consolidated through centralized management, the data aggregated for each item is published on the Asahi Group's website for Compliance Promotion every year.

How "Speak Up" Works



"Speak Up" system allows reporters to provide additional information and check the status or the outcome of the investigation.

05

Corporate Governance

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Corporate Governance Policy

To realize sustainable growth and enhanced corporate value over the medium to long term, the Company has established even-more substantial corporate governance.

Basic Policy

The Company is committed to achieving sustainable growth and increasing corporate value over the medium to long term by putting the Asahi Group Philosophy (AGP) into practice. Accordingly, the Company has been proactive in its efforts to strengthen Group management in response to globalization; build solid relationships of trust with society, including the promotion of sustainability management; and enhance its social responsibility and transparency by promoting engagement with stakeholders. At the same time, the Company has also positioned the reinforcement of the Group's corporate governance as a top priority for management.

Web Corporate Governance Concept and System (Asahi Group Holdings corporate website)

Transition to a Company with a Nominating Committee, etc.

In March 2025, Asahi Group Holdings, Ltd. transitioned to a Company with Nominating Committee, etc. This change was made to further clarify the roles of management supervision and execution, strengthen both of these functions, and establish an organizational audit system. By adopting this highly transparent organizational design with a statutory Nominating Committee, Audit Committee, and Compensation Committee, the Company aims to further strengthen corporate governance and enhance corporate value sustainably through the balanced integration of supervision and execution.

The Company's Corporate Governance System

To gain the trust of its stakeholders, realize sustainable growth, and enhance corporate value over the medium to long term, the Company is working to enhance the effectiveness of the Board

of Directors in a sustainable manner. To that end, the Company has established a framework in which the Board of Directors (including the Nominating Committee, Audit Committee, and Compensation Committee) exercises highly effective supervision of the Group CEO, Director and Representative Executive Officer and other management personnel in a highly effective manner.

In line with the aforementioned transition, the chairperson of the Board of Directors is selected from among the independent outside directors, in order to further clarify the separation of supervision and execution and ensure the effectiveness of supervision.

With their highly transparent and independent composition, the Nominating Committee and the Compensation Committee possess key supervisory functions that underpin the effectiveness of corporate governance in terms of director appointments and compensation. Meanwhile, the Audit Committee plays a key role in establishing an efficient, comprehensive, and highly effective organizational audit system.

Composition 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 requirements of the Company's Directors based on the AGP and management strategies. Based on this matrix, the Board consists of individuals with a wealth of experience, excellent insight, and expertise required by the Company.

Currently, the Board of Directors consists of 13 members with a diverse composition, including eight Outside Directors and five Internal Directors, six women and seven men, with individuals of two nationalities, and a majority of independent Outside Directors.

Substantive Discussions by the Board of Directors

Topics of discussions at meetings of the Board of Directors are selected in a systematic and appropriate manner, and substantive exchanges are held based on these topics.

Evaluations of the Board of Directors' Effectiveness

To enhance corporate governance, the Company is committed to the ongoing improvement of the effectiveness of the Board of Directors (including the Nominating Committee, the Audit Committee, formerly the Audit & Supervisory Board until March 2025, and the Compensation Committee). To this end, the Company conducts annual evaluations of the effectiveness of the Board of Directors with the help of a third party. Through such evaluations, issues to be addressed are identified in order to further increase the Board's effectiveness and incorporate efforts into do so in the Board's activity plans for the following year, thereby working to enhance its effectiveness.

Web Evaluation Results of the Effectiveness of the Board of Directors (March 26, 2025)

Evaluation Results of the Effectiveness of the Audit & Supervisory Board (March 26, 2025)

Group Executive Officer Structure

Under the leadership of the Group CEO, Director and Representative Executive Director, the Group's management, including the CxOs, Corporate Secretary, and Senior Vice Presidents, will work in tandem with the supervisory side as Executive Officers to enhance the Company's corporate value over the medium to long term, together with the Regional CEOs.

Note: CEO is an abbreviation for Chief Executive Officer, and CxO is a generic term for those in charge of overseeing specific management execution functions (x).

Relationship Between Corporate Governance and Corporate Value Enhancement

The Company has put in place a structure in which robust business execution and effective supervision serve as two pillars that enable sustainable growth and medium- to long-term corporate value enhancement.

Corporate Governance and Corporate Value Enhancement

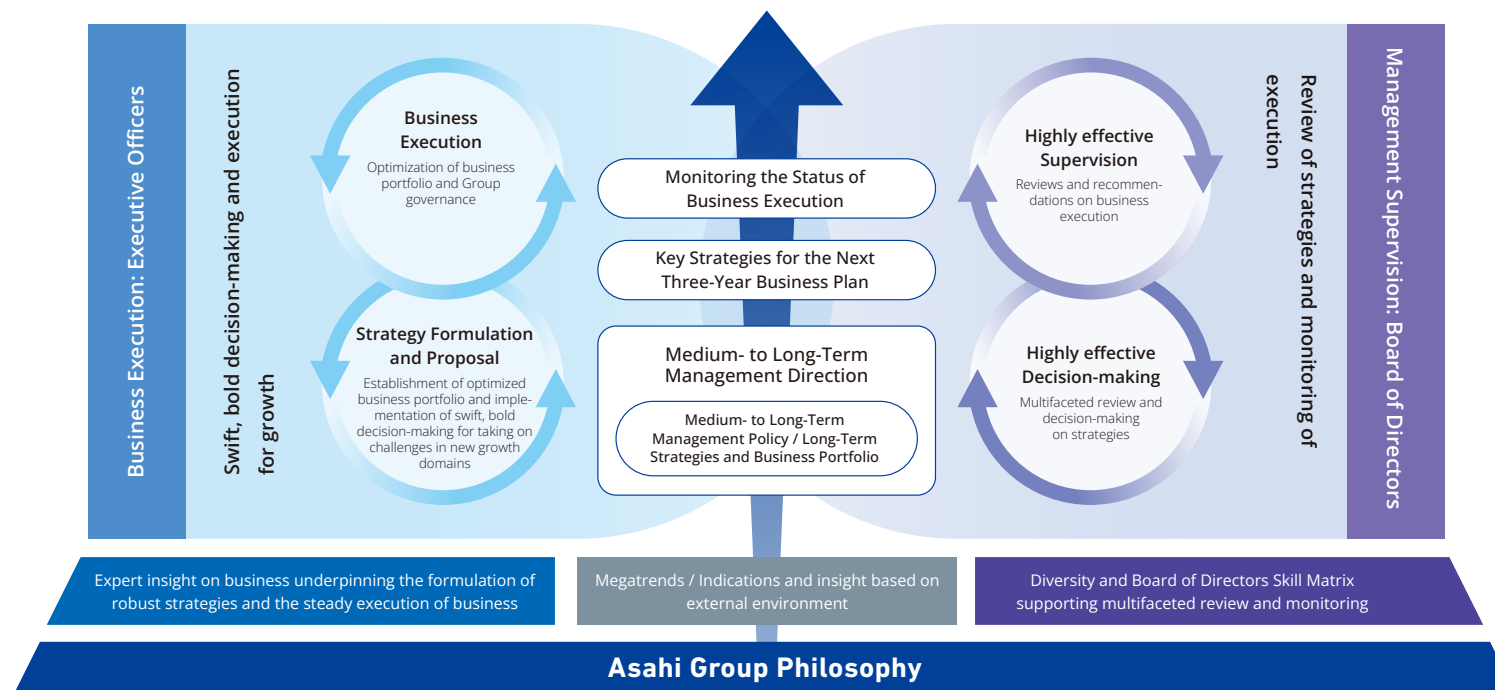
To realize sustainable growth and medium- to long-term corporate value enhancement, the Company believes that a robust structure for business execution, which directly contributes to corporate value enhancement, and a highly effective governance structure, which ensures effective oversight of business execution, must function as two pillars working in tandem.

For this reason, the Company has put in place an executive structure that seeks to maximize corporate value in a manner that goes beyond the combined value of individual businesses. Under this structure, the Company's robust management team, led by the President and Group CEO, Director and Representative Executive Officer, engages in swift and firm decision-making to drive growth, in line with the Medium- to Long-Term Management Policy. At the same time, a highly effective Board of Directors reviews the strategies developed by management in a timely and

appropriate manner and supervises their implementation. In this way, the Company's governance framework ensures that execution and supervision work in tandem to drive medium- to long-term corporate value enhancement.

[Web](#) Corporate Governance Report 2025 (June 30, 2025)

Realize Medium- to Long-Term Increases in Corporate Value



Corporate Governance Structure

Characteristics of the Company's Corporate Governance System

The Company has adopted a Company with a Nominating Committee, etc., organizational structure to clarify the roles of management, supervision, and execution and strengthen all these functions with the aim of meeting the trust of its stakeholders while achieving sustainable global growth and increasing corporate value over the medium to long term.

The Board of Directors is composed of diverse members, the majority of whom are independent Outside Directors, and is chaired by an Outside Director. This structure enables the Board to appropriately discuss matters that contribute to enhancing corporate value, such as matters that pertain to medium- to long- term management policies, and engage in the effective supervision of business execution.

The business execution system, which is responsible for enhancing corporate value, is headed by the President and Group CEO, Director and Representative Executive Officer, who is responsible to the Board of Directors for the overall management of the Group. The Group's Chief Financial Officer, Chief People Officer, Chief Growth Officer, Chief Sustainability Officer, and Chief R&D Officer support the Group CEO in leading Group-wide corporate governance efforts in their respective capacities. The Group's CxOs and the CEOs of each regional headquarters (RHQ) form the Executive Committee, an advisory body to the Group CEO, which deliberates on topics related to the Group's overall strategy and the direction of Group-wide measures and provides expert advice to the Group CEO.

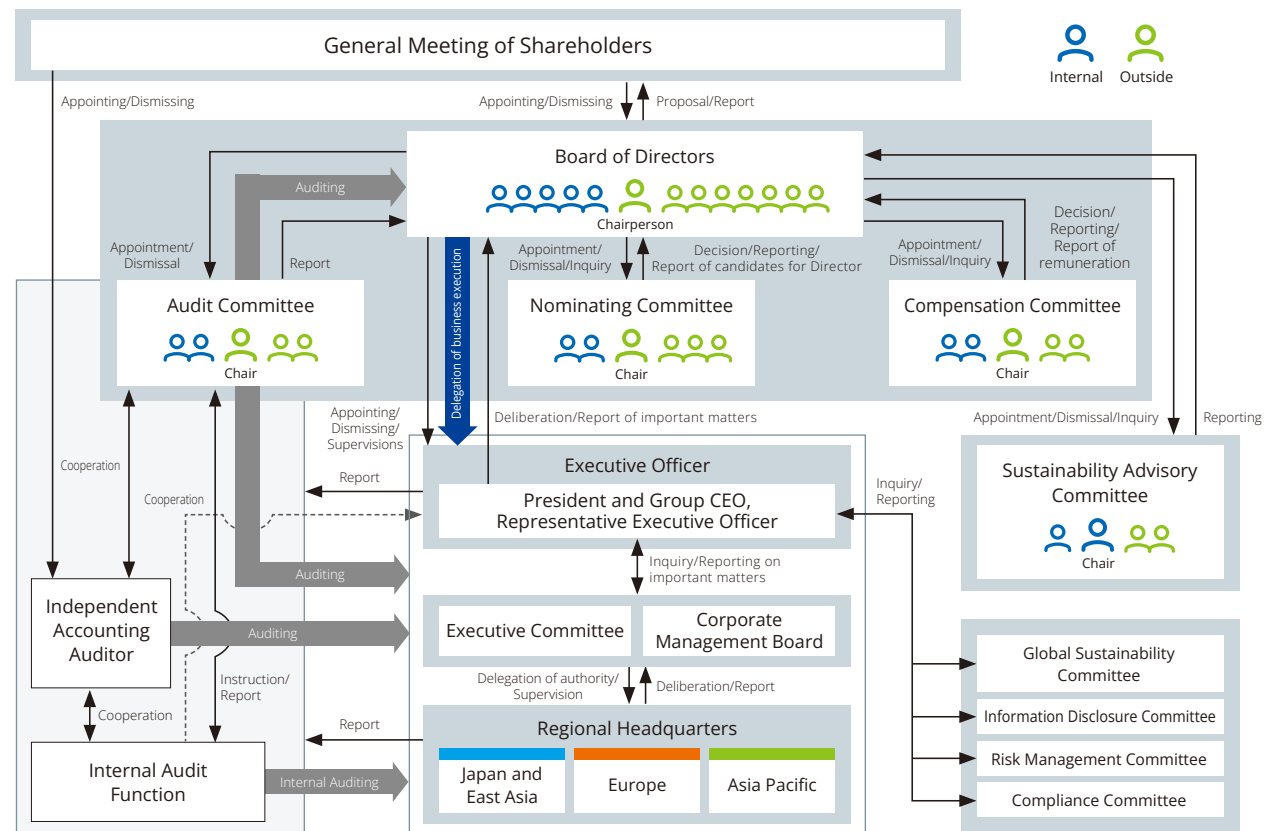
Further, the Company established the Corporate Secretary, who supports the Chairperson of the Board", in an effort to enhance the efficiency of the Board of Directors. The Corporate Secretary oversees the secretariat of the Board of Directors and the Nominating Committee and Compensation Committee while providing support to the Chairperson of the Board".

In this way, the Company has established a highly transparent corporate governance system in which the Board of Directors, Nominating Committee, Audit Committee, and Compensation Committee, which are entrusted by shareholders to oversee execution, and the executive team, including the Group CEO, Director

and Representative Executive Officer, Group CxOs, and the Executive Committee, which is responsible for driving corporate value enhancement, fulfill their respective duties, thereby enhancing the Company's corporate value over the medium to long term.

[Web](#) Corporate Governance Report 2025 (June 30, 2025)

Corporate Governance System (As of April 1, 2025)



Dialogue Between the Chairperson of the Board and Outside Directors

1. Evaluation of the Transition to a Company with Nominating Committee, etc.

In March 2025, the Asahi Group transitioned to a Company with a Nominating Committee, etc. What discussions took place at meetings of the Board of Directors during the transition process?

Ohyagi Since 2016, the Asahi Group has been actively pursuing M&As, starting in Europe. At the moment, the majority of the Group's revenue comes from regions other than Japan. After completing an acquisition, the Group has continued to engage in business management deeply rooted in the culture of each region in which we operate. However, to realize sustainable growth moving forward, the Group must further advance organizational integration and generate synergies on a global scale. In 2024, the Group's executive team swiftly established a Group CxO structure and introduced the Executive Committee, thereby putting into place a framework for pursuing global synergies. With the recent transition, the Group has now revised its corporate governance structure from the supervisory side, evolving it into a structure that is capable of appropriately overseeing global management.

For example, we reviewed our governance structures, such as the risk management committees at our RHQs in Europe and Oceania and the Audit & Supervisory Board structure that we operated under in Japan, aiming to strengthen management supervision by integrating our supervisory structure on a global basis. Through the transition to a Company with a nominating Committee, etc., design we have become better attuned with our overseas risk management committees, thus establishing a highly effective structure for the supervision of global management.

Sato To attain sustainable growth, the Group needs to strengthen both its supervisory and execution functions in a well-balanced manner. As Mr. Ohyagi stated, the Group has made

Melanie Brock

Outside Director
(Independent)

Shigeo Ohyagi

Outside Director (Independent),
Chairperson of the Board

Chika Sato

Outside Director
(Independent)

Our Dialogue

Discussing Issues That Should Be Addressed
Under the New Governance Structure



steady progress in strengthening its global management structure on the executive end, and now the next step is to further enhance the supervisory side.

Discussions on transitioning to a new organizational design started to pick up during fiscal 2024. Although it was only a short period of time, I believe we were able to hold very substantive discussions. What particularly stood out to me in these discussions was that they started from the perspective of whether the decision to transition was thoroughly deliberated on by the executive side, amid the growing trend of corporations choosing to adopt the company with Nominating Committee etc., organizationed design. Rather than simply following the examples of other companies, the Group emphasized operational effectiveness in its decision, holding detailed discussions on what frameworks and structures would be needed and what kind of personnel would be appropriate for serving as directors.

Brock I would like to add that one of the major reasons we were able to hold such substantive discussions in a short period of time was that the Board has in place an environment in which we can freely exchange opinions. While the executive side carried out careful examinations regarding the transition, the Board of Directors provided instruction and engaged in discussions from a broad range of perspectives. All Board members, including the outside directors, have always been able to voice their opinions

on even trivial concerns or points without hesitation, and this kind of open atmosphere is what enabled us to complete our examinations in such a short period of time.

Sato In addition, the close collaboration between the Board of Directors and the Audit & Supervisory Board Members contributed to swift decision-making. Even when having to transition to a Company with a Nominating Committee, etc. and change the Audit & Supervisory Board to the Audit Committee in a limited amount of time, we were able to engage in effective collaboration. For example, the Audit & Supervisory Board held discussions on matters that needed to be examined further and promptly communicated the results of those discussions to the Board of Directors. I believe that this kind of collaboration between the executive side, the Board of Directors, and the Audit & Supervisory Board helped enable our effective decision-making.

What kind of issues should be addressed under this new organizational design in order to further enhance the effectiveness of the Group's governance?

Ohyagi I feel that, now more than ever, it is imperative that the executive and supervisory sides share information and engage in close communication. Unlike before, the Board of Directors is chaired by an outside director, rather than an internal director with experience on the executive side. Both sides must have a shared awareness of management issues so that agendas facilitating effective discussions based on this awareness can be set. To that end, the Group must establish systems under which the necessary information can be shared smoothly. We are therefore currently examining the establishment of an organization responsible for overseeing the Board of Directors and collecting such information to further enhance collaboration.

Brock In line with what Mr. Ohyagi is saying, information sharing is essential for maximizing the Group's supervisory function. Furthermore, care must be taken with regard to the content of information being shared. For example, rather than

simply sharing the progress being made with a particular business, it is important to share information from a management perspective, such as the potential for medium- to long-term risks and opportunities and the future outlook of the competitive environment.

Sato With the current uncertainty regarding the future, it is absolutely necessary to carry out a meticulous analysis of the business environment. The longer the time frame we use for analysis, the greater the scope of potential competition and risks. For this reason, it is important for all directors to be well-versed in the Group's businesses and market environment. Equally, they must engage in repeated discussions on how to discover factors that could lead to potential changes or risks and incorporate those factors into the Group's business strategies.

Ohyagi The Board of Directors needs to facilitate appropriate risk-taking by the executive side based on accurate information. In each respective business environment, it is necessary to accurately assess risks and make decisions to actively pursue risks that could lead to growth opportunities.

I view the supervisory role of the Board of Directors from two perspectives: a "critical eye" and a "supportive eye." By "critical eye," I mean fulfilling the role of appropriately assessing and safeguarding against risks that could impair the Group's corporate value. Meanwhile, "supportive eye" refers to the role of providing assistance to the executive side and facilitating risk-taking in order to achieve sustainable growth. Looking ahead, we will strengthen the supervisory function of the Board from both these perspectives.

2. Issues for Medium- to Long-Term Growth

In February 2025, the Group updated its guidelines for KPIs and financial policy with a view toward medium- to long-term corporate value enhancement. What are your evaluations of the new guidelines?

Sato In evaluating the new guidelines, I would first like to

reflect on the previous guidelines. Although the compound average growth rate (CAGR) for Core Operating Profit and earnings per share (EPS) fell short of the targets set in the previous guidelines, the Group was able to steadily achieve its initial goal for reducing interest-bearing debt. However, from the standpoint of stock price, we fully understand that we have not been able to meet the expectations of our investors. There are several issues that have contributed to this result. In addition to the decline in capital efficiency, we were unable to clearly communicate to capital markets our policy on capital allocation—specifically, what kind of areas we will invest in over the medium- to long-term and where we will focus our efforts.

With regard to the new guidelines, we held discussions taking these issues into account and set targets for improving capital efficiency. I believe that, as a result, we were able to formulate a policy that can meet the expectations of our investors. With that said, it is extremely important to not just establish numerical targets but also clearly communicate the process and time frame for achieving them. Specifically, working in close collaboration with the executive side, starting with the Executive Committee, and each business division, we must convey a concrete path showing how we will fulfill these new guidelines.

Brock Capital markets are placing high expectations on the Asahi Group. To meet these expectations, the Group must lead the way in BACs and other growth categories. Also, as Ms. Sato mentioned, we have to do more than just set numerical targets. It is also important that we clearly define the significance and background of our targets and illustrate a specific and effective story regarding the process through which we will achieve them.

We need to pay particular attention to communicating the ways we will leverage the strengths of each RHQ on a Group-wide basis. For example, we should provide more concrete explanations on how the new three-RHQ structure will function in the achievement of our targets and how we will utilize the respective strengths of each RHQ.

Ohyagi To garner the support of capital markets over the medium to long term, it is crucial that we convey our story for achieving our guidelines while engaging in dialogues. To date, the Group has focused on establishing a foundation for the stable growth of the RHQs. Moving forward, however, we will bring together the management resources of each business in an effort to maximize synergies and create value that surpasses the sum total of individual Group businesses.

Achieving the new guidelines on the basis of organic growth will require a considerable amount of effort from management. In terms of costs, we have a certain level of specific expectations due to the promotion of global procurement and enhancement of RHQ efficiency. However, we still need to have deeper discussions on how we will achieve top-line growth in an organic manner. To that end, I want to deepen our discussions on acquiring new earnings foundations in both existing and new domains, including the formulation of global brand expansion strategies and the strengthening of BACs. Through collaboration between the executive and supervisory sides, we will deepen discussions based on medium- to long-term perspectives, including the scale to which we ought to evolve our business portfolio and the time frame for doing so. While we cannot incorporate inorganic growth into our business plans in advance, we do intend to include this matter in our discussions.

Sato To hold such discussions, I feel it would be best to lay out and establish goals at the Group-wide level. Indicators for these goals need to be set in ways that enable ongoing monitoring of not only current numbers but also changes in their trends and directions. At the Board of Directors, we will make use of these indicators to monitor the efforts of the executive side in an appropriate manner and actively provide constructive advice as necessary.

How does the Asahi Group need to evolve if it is to grow over the medium to long term?

Sato The greatest issue we face in promoting global management is how to fully draw out and leverage the capabilities of



our roughly 30,000 employees. Although we have begun efforts to discover, develop, and promote outstanding talent across the world, it is important that we further accelerate these efforts moving forward.

Even more importantly is that we ensure all employees share an awareness of aligning our direction under One Asahi. To that extent, we need to have a clear and compelling definition and purpose that resonates with our employees on a personal level so that we can bring together our global talent with diverse backgrounds. We have established the Asahi Group Philosophy (AGP) and the Corporate Statement and are working to entrench them across the Group. Looking ahead, we need to continue to communicate the essence of the AGP and other Group policies, especially for new employees joining the Group.

Brock One characteristic of Group employees is that they have a strong sense of unity as One Asahi, thanks in part to our efforts to entrench the AGP. With that said, in terms of future challenges, I feel that our personnel, with this shared Group awareness, must transform their mindsets and broaden their perspectives as members of a truly global company.

Ohyagi For this reason, guided by the One Asahi Policy, I believe it is of the utmost importance to foster an environment where each employee can get a personal sense of the Group's global presence and help us grow this presence further. One

effective way of doing this is to create many opportunities to gain frontline experience, such as through the active exchange of personnel between RHQs and tours of overseas locations provided by local sales personnel. Through these kinds of efforts, we can exchange know-how within the Group in an organic manner.

Brock That is exactly right. At the moment, the impact of exchange rates and the shift to online formats have led to a decline in direct exchanges with overseas personnel and inspection tours of overseas locations by employees. As a global company, we absolutely must avoid adopting an inward-looking attitude under such an environment. Despite these circumstances, I feel the Group has been proactive in assigning personnel and providing training between the RHQs, and there are a large number of employees who are enthusiastic about opportunities to broaden their horizons. To secure and retain such highly enthusiastic personnel, we ought to further enhance our human resource development programs so that we can maximize employee motivation. We therefore will focus on building frameworks where employees can learn from and encourage each other and environments where people of diverse backgrounds can gain a sense of personal growth.

Ohyagi We should also place importance on global perspectives and experience in the cultivation of management personnel. Accordingly, we need to develop educational programs for cultivating skills by creating opportunities for our talent to gain extensive on-the-ground experience and exposure to practical challenges. I believe that frontline experience in generating profits is particularly necessary. Of course, financial and administrative skills are important, but I firmly believe that building experience in generating profits on the front lines is a must for future management personnel. In this sense, I commend the Group for formulating a competency model that defines a shared vision for its global leaders, revising its educational programs based on this model, and promoting feedback systems that take cultural backgrounds into account. From a supervisory standpoint, the Board of Directors will appropriately monitor these initiatives moving

forward to ensure their effectiveness so that the Group can advance the development of global management personnel.

3. Vision for the Board of Directors

Please tell us about your role as an outside director under the new organizational design?

Ohyagi As Chairperson of the Board, the issue I focus the most on—as I mentioned earlier—is establishing a transparent framework that ensures internal information from the front lines is reliably communicated to the Board, as this framework is essential in fostering a common understanding of management issues among both the executive and supervisory sides. Having an outside director serve as Chairperson means there is a possibility that essential information for discussions may not be fully available, depending on the situation. While I will of course fulfill my duty to ensure the smooth operation of the Board, I more importantly aim to build a route for information sharing so that feedback from the front lines can reach the Board directly.

I assess the Group's growth from both a long-term and near-term perspective. A long-term perspective is particularly important and, to that extent, our top priorities should be to step up investment in R&D and enhance our human resources. These efforts require a considerable amount of time and energy, and I therefore will monitor them closely. While there are tremendous opportunities for innovation in the alcohol market, including the expansion of beer adjacent categories, there are also concerns of potential downside risks. This is precisely why I want to deepen our shared understanding of our ideal business portfolio over the long term. Additionally, I will thoroughly confirm the reports on business execution provided to the Board by the management team and carefully monitor whether a PDCA cycle is effectively in motion. I will also keep a close eye on the status of business expansion in each region and provide support in a timely and appropriate manner to help drive growth across the Group.



Sato As a member of the Board of Directors, as well as the Nominating Committee and Compensation Committee, I understand that I play an important role in helping the Group achieve sustainable growth. With regard to cultivating management talent, in particular, we must strengthen collaboration between the Board of Directors and these two committees. As part of a board comprising diverse members, I aim to continue to provide constructive opinions, including ones that offer different points of view or, at times, may be unfamiliar to other members.

Brock Under the new structure, I have high expectations that the Board will further enhance its effectiveness through the improved sharing of information. As an outside director, I will give thorough consideration to the vision for the Group in the future, while playing a particularly active role in the fields of sustainability and ESG. Recently, there has been a shift in the way ESG is viewed, with growing emphasis being placed on its true contributions to corporate value and integration into management. While maintaining an awareness of the Group's dual identity as both a Japanese and global company, I will play an active role as a member of the Sustainability Advisory Committee, protecting areas that ought to be protected and changing those that need to change. By promoting constructive dialogue on these matters, I will help the Group enhance its corporate value over the medium to long term.

The Asahi Group's Management Team

As of April 1, 2025

Board of Directors



Shigeo Ohyagi

**Outside Director
(Independent) and
Chairperson of the Board**

Tenure: 1 year
(Outside Audit & Supervisory
Board Member, March 2022 to
March 2025)

Nominating
Committee Member

Audit Committee
Member

Significant concurrent positions

- Outside Director of Tokyo Electric Power Company Holdings, Incorporated



Kenichiro Sasae

**Outside Director
(Independent)**

Tenure: 4 years

Nominating Committee
Member (Chair)

Compensation
Committee Member

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



Sanae Tanaka

**Outside Director
(Independent)**

Tenure: 1 year

(Outside Audit & Supervisory
Board Member, March 2023 to
March 2025)

Audit Committee
Member (Chair)

Significant concurrent positions

- Representative of Sanae Tanaka Law Office
- Outside Director of TV Asahi Holdings Corporation



Tetsuji Ohashi

**Outside Director
(Independent)**

Tenure: 4 years

Compensation Committee
Member (Chair)

Nominating
Committee Member

Significant concurrent positions

- Director of Komatsu Ltd.
- Outside Director of Yamaha Motor Co., Ltd.
- Outside Director of Nomura Research Institute, Ltd.



Atsushi Katsuki

**President and Group CEO,
Director and
Representative Executive
Officer**

Tenure: 9 years

Global Sustainability
Committee Member (Chair)

Nominating
Committee Member



Keizo Tanimura

**Group CPO, Director and
Executive Officer**

Tenure: 7 years
CPO: Chief People Officer

Nominating
Committee Member

Compensation
Committee Member

Global Sustainability
Committee Member



Kaoru Sakita

**Group CFO, Director and
Executive Officer**

Tenure: 4 years
CFO: Chief Financial Officer

Compensation
Committee Member



Yuditaka Fukuda

Director

Tenure: 1 year
(Standing Audit & Supervisory
Board Member, March 2023 to
March 2025)

Audit Committee
Member

Board of Directors

**Akiko Oshima****Director**

Tenure: 1 year
(Standing Audit & Supervisory Board Member, March 2024 to March 2025)

Audit Committee Member

**Mari Matsunaga****Outside Director (Independent)**

Tenure: 3 years

Global Sustainability Committee Member

Significant concurrent positions

- Representative of Mari Matsunaga Office

**Chika Sato****Outside Director (Independent)**

Tenure: 2 years

Nominating Committee Member

Compensation Committee Member

Significant concurrent positions

- Outside Director of Hanwa Co., Ltd.

**Melanie Brock****Outside Director (Independent)**

Tenure: 2 years

Global Sustainability Committee Member

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.

**Akiko Miyakawa****Outside Director (Independent)**

Tenure: 1 year

Audit Committee Member

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

Executive Officers



Atsushi Katsuki

President and Group CEO,
Director and
Representative Executive
Officer



Keizo Tanimura

Group CPO, Director and
Executive Officer



Kaoru Sakita

Group CFO, Director and
Executive Officer



**Naoko
Nishinaka**

Corporate Secretary,
Executive Officer



Taemin Park

Group CGO,
Executive Officer
CGO: Chief Growth Officer



Manabu Sami

Group CR&DO,
Executive Officer
CR&DO: Chief R&D Officer



**Drahomira
Mandikova**

Group CSO,
Executive Officer
CSO: Chief Sustainability Officer



Ryoichi Kitagawa

SVP, Executive Officer
SVP: Senior Vice President

Skill Sets and Succession Plans for the President and Group CEO, Director and Representative Executive Officer and Directors to Enhance Management Continuity

In order to enhance the ongoing effectiveness of the Board of Directors, the Company has established a Board Skill Matrix, which clarifies the competencies required of its Directors, and has developed succession plans for the President and Group CEO, Director and Representative Executive Officer and is implementing various initiatives in accordance with these frameworks. Moreover, the Company is building a framework to attract and develop human resources who can contribute to global management.

Succession Plans and Training

The Company regards the succession plans for its Group CEO and Directors as a matter of utmost priority and accordingly formulates succession plans in accordance with the roles and responsibilities of the Group CEO and Directors. These succession plans are monitored appropriately by the Board of Directors. Moreover, the Company is working to establish a structure that enables it to secure and nurture human resources who can

contribute to global management. Based on the succession plans, the Company makes appointments and assignments, engages in coaching successor candidates, and carries out training and other activities for successors of the next and subsequent generations. Meanwhile, the Company arranges professional assessments by external organizations and makes use of in-house 360-degree feedback. The Nominating Committee regularly monitors and reviews such plans as necessary.

The Company provides the Directors with regular training required for their roles and responsibilities. The Company provides Outside Directors with information relating to the overview of the Asahi Group, including its management, businesses, financial performance, and organizations. The Group implements measures, such as office visits and exchanges of opinions with employees, to facilitate their understanding of the Group and its human resources as needed.

Board of Directors Skill Matrix

Directors	Long-Term Strategy	Global Affairs	Sustainability	Discontinuous Growth	Senior Leadership	Finance and Accounting	Legal Affairs and Compliance	Risk Governance and Internal Control	Human Resources and Culture	Operational Processes
Shigeo Ohyagi	○	○			○			○	○	○
Kenichiro Sasae	○	○			○			○	○	
Sanae Tanaka			○				○	○	○	
Tetsuji Ohashi	○	○		○	○					○
Atsushi Katsuki	○	○	○	○	○	○			○	○
Keizo Tanimura		○	○				○	○	○	○
Kaoru Sakita	○	○		○		○		○		○
Yukitaka Fukuda					○	○		○		○
Akiko Oshima		○					○	○		○
Mari Matsunaga			○	○	○				○	
Chika Sato		○		○	○				○	
Melanie Brock		○	○		○				○	
Akiko Miyakawa		○				○		○		○

Note: 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.

Skill Definitions

Long-Term Strategy	<ul style="list-style-type: none"> Ability to assess social changes over the long term and the ultra-long term Ability to guide according to a 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 business Ability to provide direction to 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 and 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 and 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 and Internal Controls	<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 and 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

■ Skill Set for the President and Group CEO, Director and Representative Executive Officer

The Company has established a skill set for the President and Group CEO, Director and Representative Executive Officer with the aim of enhancing management sustainability and effectively implementing the succession plan for the President and Group CEO, Director and Representative Executive Officer through a fair and transparent process.

The skill set comprises competencies unique to the role of the Company's Group CEO, alongside the core skills expected of leadership personnel, and outlines the abilities required of the President and Group CEO, Director and Representative Executive Officer in assuming ultimate responsibility for business execution.

The accompanying chart has been developed based on the Company's current and anticipated business environment over the next five years and, accordingly, is subject to revision in response to environmental changes or other factors.

The appointment, reappointment, and succession planning of the President and Group CEO, Director and Representative Executive Officer is evaluated based on the Skill Set.

■ Election and Dismissal of the President and Group CEO, Director and Representative Executive Officer

In order to achieve effective corporate governance, the Board of Directors appoints individuals as President and Group CEO, Director and Representative Executive Officer who will contribute to the Company's sustainable growth and enhance its corporate value over the medium to long term. The appointments and dismissals of the President and Group CEO, Director and Representative Executive Officer is based on the following guidelines. Such decisions are reviewed by the Nominating Committee and approved by the Board of Directors.

- A person is nominated as President and Group CEO, Director and Representative Executive Officer if they, based on the Skill Set for

those positions, possess extensive experience, deep insight, and advanced expertise and capabilities.

- A Candidate is appointed as President and Group CEO, Director and Representative Executive Officer only after being reviewed in advance by the Nominating Committee and deemed appropriate.
- If there is reason to believe that the dismissal criteria established by the Board of Directors apply to the President and Group CEO, Director and Representative Executive Officer, the Nominating Committee will review the matter. If, upon verification by the Board of Directors, it is determined that the criteria have been met, the individual will not be nominated for reappointment and will be removed from their position. Additionally, the Nominating Committee will not recommend he/she for a Director role.

■ Evaluations of the President and Group CEO, Director and Representative Executive Officer and Executive Officers

The President and Group CEO, Director and Representative Executive Officer, together with the Executive Officers, are evaluated through the following framework to promote sustainable growth and enhance corporate value over the medium to long term.

- Each fiscal year, Executive Officers draft annual activity plans in line with the Medium- to Long-Term Management Policy and the annual management plan, which are then finalized in consultation with the President and Group CEO, Director and Representative Executive Officer.
- At the end of each fiscal year, Executive Officers submit self-evaluations of their performance to the President and Group CEO, Director and Representative Executive Officer and discuss the results. Based on these discussions, the President and Group CEO, Director and Representative Executive Officer drafts evaluation recommendations for each Officer.
- The President and Group CEO, Director and Representative Executive Officer then submits these recommendations for all Executive Officers to the Nominating Committee.
- The Nominating Committee, upon receiving the recommendations, reviews them for fairness and appropriateness, and then finalizes the evaluations for the President and Group CEO, Director and Representative Executive Officer and the other Executive Officers.



Necessary Skills of the Group CEO

Personal Image

Ideal perceptions from inside and outside the Company, and ideal presence

- A leader who, as a representative of the Asahi Group, thinks the most deeply about the 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 unshakable 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

- Sincerity and humility
- Mental toughness
- Open-mindedness

Capabilities

"Insight, ability, expertise" required to accomplish duties

- Foresight, decisiveness, competency
- Organizational leadership
- Learning skills

Performance Record

Necessary "experience and successes"

- Experience as a top management of operating company or RHQ
- Experience in international operations
- Experience in addressing discontinuous growth

Director and Executive Officer Compensation as an Incentive to Enhance Corporate Value

The Company has implemented a compensation program linked to shareholder interests to serve as a sufficient incentive for corporate officers to achieve the Asahi Group Philosophy (AGP) and integrate sustainability into management. The Director and Executive Officer remuneration system is based on a transparent and fair process and is positioned as a key governance strategy that promotes sustainable growth and enhances corporate value over the medium to long term.

■ Compensation for Directors and Executive Officers

Director and Executive Officer Compensation

Basic Policy

The basic policy on Director and Executive Officer compensation has been established in accordance with the following principles and based on a transparent and fair process:

- To reinforce the incentive to strive for sustainable growth and the enhancement of corporate value over the medium to long term
- To offer compensation of a nature and level that is effective in continuing to secure outstanding human resources with diverse skills
- To base compensation on the role and magnitude of responsibilities of Directors and their contribution to performance
- To offer compensation that varies greatly in accordance with performance related to management strategies
- To offer compensation in which benefits and risks are shared with shareholders and that provides incentive to management from the viewpoint of sustainability

Pay Mix

Compensation for Directors and Executive Officers of the Company comprises base salary, annual bonus, and stock compensation. Compensation for Outside Directors consists solely of Base Salary. In fiscal 2025, the Company introduced new performance-linked share units as Stock Compensation to ensure that the Company's executives share the benefits and risks of stock price fluctuations with shareholders and to further boost their incentive to enhance medium- to long-term corporate value. The annual bonus for the Group CEO, Director, and Representative Executive Officer is set at 100% of the basic compensation, while stock compensation is set at 70% of the basic compensation, ensuring a highly performance-linked compensation structure. The compensation for other Executive Officers is determined in accordance with their position and role.

Compensation Level

The compensation for Directors and Executive Officers is set at a level that Compensation Level.

The compensation for Directors and Executive Officers is set at a level that aims to achieve performance targets while ensuring it is effective in continuing to secure outstanding human resources with diverse skills. This is done by referencing global companies and Japanese benchmarks that are similar in business operations, scale, and complexity of business regions to those of the Company. Additionally, the compensation level is determined in accordance with the principles of the compensation structure.

Basic Salary (Fixed Compensation)

Base Salary for Directors and Executive Officers is a fixed annual amount determined in accordance with the position and role of the individual, and paid monthly accordance with the principles of the compensation structure.

Variable Compensation

A basic policy of the Company is to increase the proportion of variable compensation as a percentage of annual compensation to incentivize sustainable growth and enhance corporate value over the medium to long term. Based on this policy, the Company designs systems that consider the commitment to performance on a single fiscal year basis, as well as measures to incentivize contributions to the Company's sustainable growth and the enhancement of corporate value in terms of both financial and social value over the medium to long term.

Process of Determining Compensation

Compensation for Directors and Executive Officers is determined by a resolution of the Compensation Committee. A majority of the members of the Compensation Committee are Independent

Outside Directors, and the chair is an Independent Outside Director, ensuring a high level of transparency and fairness. The Compensation Committee sets policies relating to the compensation of Directors and Executive Officers in accordance with the basic policy established by the Board of Directors, and determines the details of individual compensation. To ensure fairness when such decisions are made, compensation benchmarks from third-party organizations and other objective data are used as required.

Introduction of New Global Share-Based Compensation Plan

In 2025, the Company introduced a new performance-linked share unit system as stock compensation. This system aims to balance economic and social value, ensuring that executives fulfill their management and social responsibilities over the medium to long term. It also aims to share the benefits and risks of stock price fluctuations with shareholders, thereby boosting the incentive to achieve stock price increases and enhance corporate value.

Eligible individuals will be granted units based on specific conditions, which will vest upon achieving performance targets and meeting the granting conditions, resulting in the delivery of common shares. The system will be introduced gradually, starting in fiscal 2025 with members of the Executive Committee as the initial recipients. In fiscal 2026, the scope will expand to include the management teams of the Company and Group companies. The evaluation period will be three fiscal years, and the number of units granted will be determined based on basic compensation, role, and position. Additionally, a malus and clawback policy will be implemented to revoke the right to receive an allotment of shares or reclaim them in the event of any material fraudulent or illegal acts.

Summary of Variable Compensation for Directors

	Annual Bonus	Stock Compensation
Objective	Provide strong motivation to achieve steady and sustainable business growth, enhance financial value, and accomplish short term performance targets.	Encourage sustained efforts to increase corporate value over the long term and promote alignment of interests and risks with shareholders.
Period	Single fiscal year	Three years
Payment method	Cash	Stock
Payment period	Every March	Second quarter of the following year after the final year of the evaluation period
Evaluation method	As stated in (i) below	As stated in (ii) below

Introduction of malus and clawback clause: In the event that any corporate officer who is eligible to receive a bonus is found to have committed any of the following acts that are detrimental to the enhancement of corporate value, the bonus amount or all or part of the determined share granting points will be reduced or returned to the Company.

- Persons whom the Board of Directors deems appropriate to forfeit the bonus amount or share granting points due to misconduct or other reasons
- Persons whom the Board of Directors deems appropriate to forfeit the bonus amount or share granting points due to falling under any of the grounds for disqualification for Directors as stipulated in the Companies Act
- Other persons whose actions are deemed by the Board of Directors to be equivalent to those outlined in 1. or 2. above.

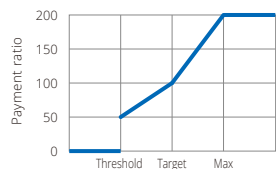
(i) Calculation Method for Annual Bonus

Performance Coefficient and KPI for Annual Bonus and Individual Evaluation Coefficient

Individual payment amount = Role-specific base salary × Performance coefficient (Payment ratio for Core Operating Profit × 50% + Payment ratio for profit attributable to owners of parent × 50%) × Individual evaluation coefficient*

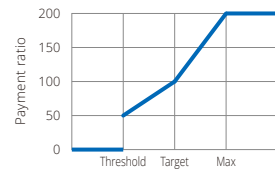
* The individual evaluation coefficient reflects each employee's overall contribution, taking into account their position and role. It is set at 100% when performance targets are met, and may vary between 70% and 130% depending on individual performance.

Payment Ratio for Core Operating Profit (%)



Consolidated Core Operating Profit

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



Profit attributable to owners of parent

- Notes:
- Set as a KPI that is linked to KPIs in annual business plans and which aims for steady and continuous improvement in financial value
 - Set at 100% when targets are met, fluctuates within a range from 0% to 200%
 - 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.

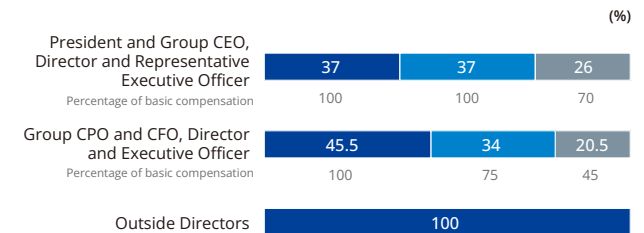
Reference: Amount of Remuneration for Directors and Audit & Supervisory Board Members (2024)

(JPY in millions)

	Fixed Compensation		Variable Compensation						Total
	Base Salary		Annual Bonus		Medium-Term Bonus		Stock Compensation		
	No. of people	Total	No. of people	Total	No. of people	Total	No. of people	Total	
Directors (of whom, Outside Directors)	11 (6)	465 (132)	5 (—)	340 (—)	5 (—)	196 (—)	5 (—)	174 (—)	1,176 (132)
Audit & Supervisory Board Members (of whom, Outside Audit & Supervisory Board Members)	6 (3)	169 (66)	— (—)	— (—)	— (—)	— (—)	— (—)	— (—)	169 (66)

- Notes:
- The above includes Director Naoko Nishinaka, who assumed the position of director (at that time) after stepping down as Audit & Supervisory Board member at the 100th General Meeting of Shareholders held on March 26, 2024.
 - Figures are presented after rounding down to the nearest million yen.

Pay Mix for Fiscal 2025 Performance Targets



■ Base Salary ■ Annual bonus ■ Stock compensation

Note: The percentages are based on the planned targets for fiscal 2025.

(ii) Calculation Method for Stock Compensation

Performance Coefficient and KPI for Stock Compensation

Timing of Unit Grant (Start Month of the Applicable Period in Fiscal Year N):

Planned number of units to be granted per individual (a) = Individual compensation amount based on position ÷ Company stock price*

Timing of Vesting (End of the Performance Evaluation Period in Fiscal Year N+2):

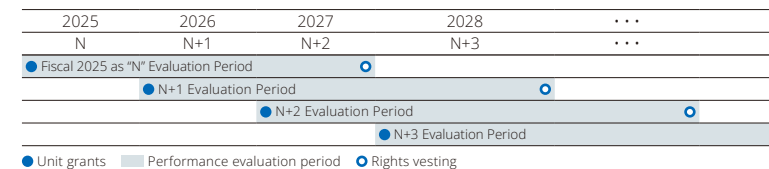
Confirmed number of units to be granted per individual (b) = Planned number of units (a) × Performance evaluation coefficient
(80% × Payout ratio for financial value indicators + 20% × Payout ratio for social value indicators)

Share Delivery:

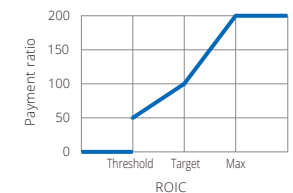
A number of common shares equivalent to the confirmed number of units (b) will be delivered on a 1:1 basis in the second quarter of the fiscal year following the final year of the performance evaluation period.

* The stock price is calculated as the average closing price of the Company's shares on the Tokyo Stock Exchange over the one-month period ending on the day before the Compensation Committee meeting held in the month prior to the start of the applicable period.

Share Unit Life cycle: From Grant to Vesting

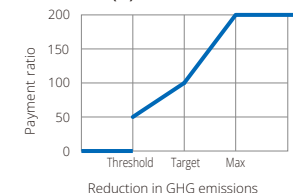


Payment Ratio of Financial Value Indicators (%)



- Notes:
- The payment ratio fluctuates within a range of 50% to 200% when targets are met.
 - ROIC calculation formula: Net operating profit after tax ÷ Invested capital

Payment Ratio for Social Value Indicators (%)



Reduction in GHG emissions

- Notes:
- The payment ratio fluctuates within a range of 50% to 200% when targets are met.
 - Evaluation will be made based on Scope 1, 2 CO₂ reduction rate (compared to 2019)

Enhancing the Effectiveness of the Board of Directors to Increase Corporate Value over the Medium to Long Term

To enhance corporate value over the medium to long term, the Company will analyze and evaluate the effectiveness of the Board of Directors each year, identify issues to be addressed, and actively engage in corporate governance activities with an awareness of such issues to continue to enhance the effectiveness of the Board of Directors going forward.

Evaluation of the Effectiveness of the Board of Directors

The Company's evaluation of the effectiveness of the Board of Directors, including the Nominating Committee, Audit Committee (formerly the Audit & Supervisory Board until March, 2025), and Compensation Committee, is conducted annually. This evaluation is based on a substantive assessment by all Directors, a formal assessment by the secretariat, and objective opinions from an external third party. Following deliberation at Board meetings, the evaluation results are determined, and key issues for further improvement are identified.

In the fiscal 2024 evaluations, the Board of Directors, the Nominating Committee, and the Compensation Committee functioned effectively and fulfilled their responsibilities for the enhancement of corporate value over the medium to long term. In transitioning to a Company with Nominating Committee, etc., we deem our responses to the challenges of further improving effectiveness and corporate value will be crucial.

To that end, the Company identified the following issues to be addressed to improve corporate value in the future. These issues have been incorporated into the annual action plans of the Board of Directors, Nominating Committee, and Compensation Committee and will be addressed accordingly.

Board of Directors: Further reduce asymmetry pertaining to information useful for substantive discussion that contributes to corporate value enhancement and further cultivate a shared understanding of such information

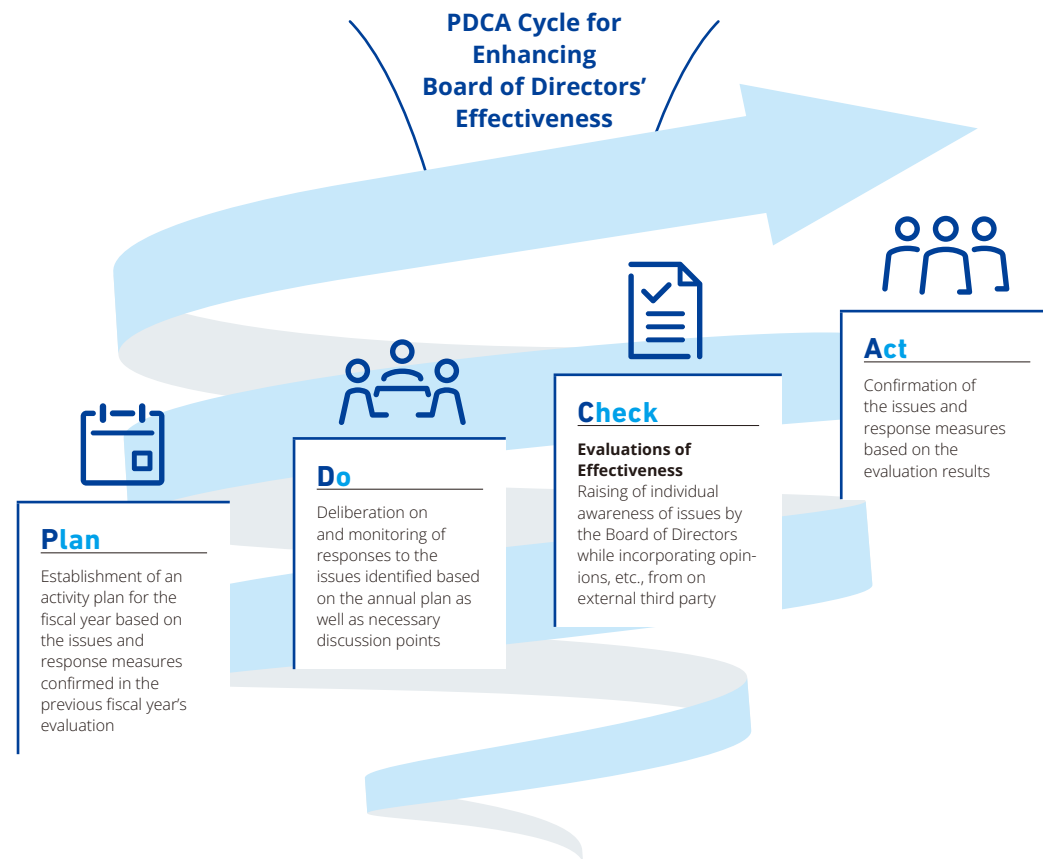
Nominating Committee and Compensation Committee: Further enhance effectiveness following transition to statutory committee structure

Web Overview of the Results of the Evaluation of the Board of Directors (March 26, 2025)

Web Overview of the Results of the Evaluation of the Audit & Supervisory Board's Effectiveness (March 26, 2025)

Efforts to Maintain an Ongoing Cycle of Board Effectiveness Enhancement

By setting in motion a PDCA cycle through annual activities to enhance the Board of Directors' effectiveness, we will strive for continuous improvements.



Risk Management That Promotes Appropriate Risk-Taking

Asahi Group Risk Management

We have introduced enterprise risk management (ERM) across the entire Group. This initiative efficiently and effectively controls total risk by identifying and evaluating the most significant risks from all angles that hinder the realization of the AGP and achievement of the Medium- to Long-Term Management Policy, formulating response plans, and continuously implementing and monitoring initiatives.

Furthermore, at the same time as promoting ERM, we have established the Asahi Group Risk Appetite (risk management policy), which clarifies risks that should be taken and risks that should be avoided to achieve our Medium-Term Management Policy. This is a guideline for applying ERM and for taking risks during decision-making that comprises the Risk Appetite Statement, which lays out the standard approach to risks, and the Risk Appetite per Area, which lays out the approach to key risk areas that have a significant impact on business execution. Based

on Group strategies, risk culture and status, and stakeholder expectations, the Board of Directors reviews and makes decisions, which are applied Group-wide. The Risk Management Committee monitors the implementation status of these decisions and reports to the Board of Directors.

While reassessing the relevance of serious risks to the Medium- to Long-Term Management Policy, we are also strengthening the monitoring of the status of risks due to factors such as changes to the business environment to avoid and reduce serious risks by creating and managing heat maps based on the level of impact and likelihood of risks occurring.

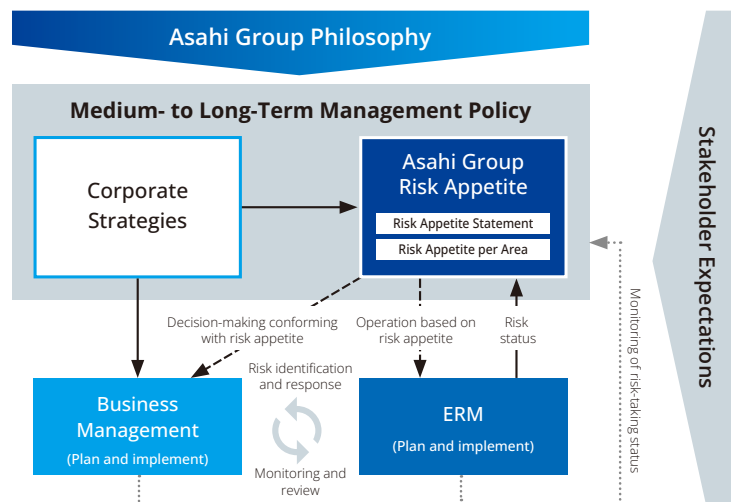
Through such initiatives, we are promoting appropriate risk-taking across the entire Group.

Crisis Management Structure

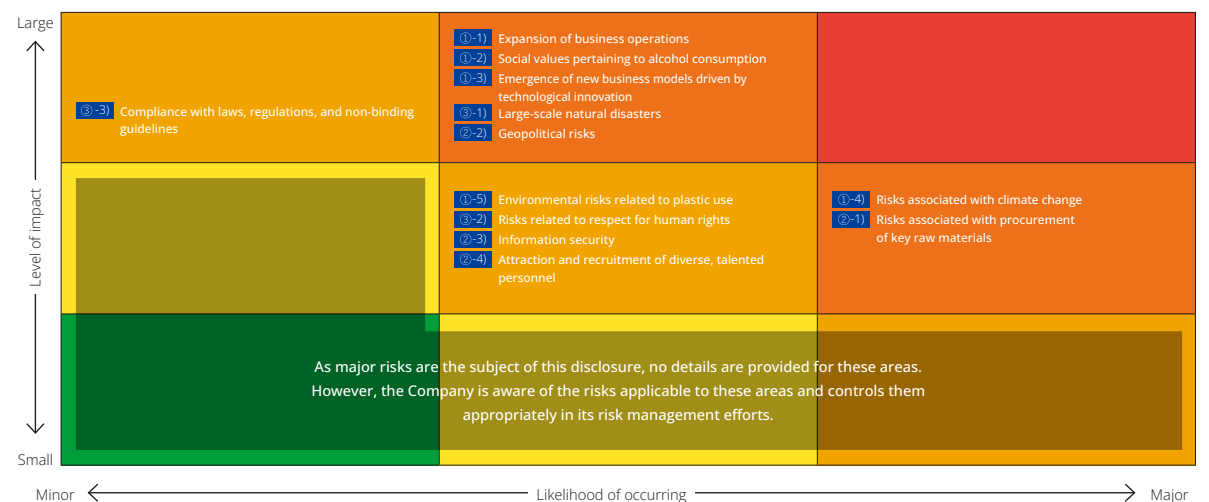
Of the material risks for the Asahi Group identified through ERM, crisis management covers areas where there is a risk of

disruption of management resources, such as people, goods, money, information, and so on, and an immediate response is required. To enhance the effectiveness of crisis management in an era of unpredictability, as evidenced by the spread of COVID-19 and the situation in Ukraine, we have established an emergency response system through which we make predictions during ordinary times to enable a quick response without confusion in times of crisis.

Preparation of risk scenarios that assume a risk of disruption of management resources and responses to such situations 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 the assessment of its seriousness will be promptly and accurately implemented when initial actions are taken in the event of a crisis.



Heat Map of Risks by Strategy



Main Risks

The Asahi Group's Risk Management Committee is aware of the following material risks that could prevent it from executing business activities and achieving targets under the Medium- to Long-Term Management Policy. We have classified these risks as those that could become apparent in the medium to long term, those that could become apparent in the short to medium term, and those that could become apparent on an ongoing basis.

However, the following list of risks does not include all risks to the Asahi Group. Any of these risk factors could impact the decisions of investors.

Risk Type	Details	Projected Impact on the Asahi Group	The Asahi Group's Response
1. Risks That Could Become Apparent in the Medium to Long Term			
1) Expansion of Business Operations	<ul style="list-style-type: none"> Development of global management platform centered on the three core regions of operation—Japan, Europe, and Oceania—through the acquisition of external management resources Goodwill and intangible assets accounting for 40.8% and 21.3%, respectively, of consolidated total assets following acquisitions, as of December 31, 2024 	<ul style="list-style-type: none"> Impacts of changes in business environment and competitive landscape Sharp rise in interest rates due to the materialization of country risks Impairment loss resulting from market contraction 	<ul style="list-style-type: none"> Promotion of management with value creation based on the AGP and Medium- to Long-Term Management Policy Achievements of sustainable growth of existing businesses centered on the beer category while expanding into new areas Promotion of core strategies aimed at achieving sustainable growth Reinforcement of the management foundation underpinning our long-term strategies
2) Social Values Pertaining to Alcohol Consumption	<ul style="list-style-type: none"> Examination of alcohol sales restrictions on a global scale, including the World Health Organization's target of a 20% reduction in the harmful use of alcohol Decline in worldwide consumer demand, stemming from an increased focus on health and available alternatives to alcohol 	<ul style="list-style-type: none"> Impact on performance due to decline in alcohol consumption Damage to corporate reputation and brand value 	<ul style="list-style-type: none"> Collaboration with alcohol industry and industry groups such as the International Alliance for Responsible Drinking Promotion of awareness campaigns on responsible drinking and health-conscious products Establishment of sales and marketing-related voluntary standards Strengthening of employee training programs on responsible drinking
3) Emergence of New Business Models Driven by Technological Innovation	<ul style="list-style-type: none"> Provision of new value through use of the latest digital technology Streamlining of supply chain through utilization of AI Emergence of products available as an alternative to alcohol Rapid growth in adoption of remote workstyles and use of e-commerce and other online channels 	<ul style="list-style-type: none"> Reduction of industry presence and competitiveness Establishment of market dominance and creation of new markets through the Asahi Group's leadership in innovation 	<ul style="list-style-type: none"> In the digital transformation domain, establishment of a <i>global</i> foundation that improves productivity, promotes the transformation into a digital native organization, strengthens incubation functions, and incorporates agile workstyles In R&D activities, creation of new value, provision of support to help consumers realize good mental and physical health, reduction of environmental and climate change-related risks, and reinforcement of investment in the development of promising "seeds" that lead to new businesses Establishment of operating company in San Francisco that makes minority investments in American start-up companies possessing technology linked to new sales techniques and manufacturing methods
4) Risks Associated with Climate Change	<ul style="list-style-type: none"> Rise in average temperatures, shift in precipitation patterns, and intensification of abnormal weather Tightening of regulations associated with greenhouse gas emissions Tightening of water resource-related regulations Change in customer behavior 	<ul style="list-style-type: none"> Incurrence of losses from product waste, opportunity loss, and damaged equipment and facilities due to the intensification of abnormal weather Higher operating costs reflecting the rising cost of key raw materials Higher operating costs associated with tightening supply and demand for water alongside increased water-related costs caused by droughts Higher product prices reflecting implementation of carbon taxes Impact of water use regulations on business continuity Impact of higher ethical standards on sales 	<ul style="list-style-type: none"> Initiatives, such as for renewable energy, aimed at achieving Asahi Carbon Zero, our medium-to long-term target for realizing zero CO₂ emissions by 2040 Initiatives aimed at reducing water use Response to and disclosure of risks and opportunities in accordance with TCFD recommendations
5) Environmental Risks Related to Plastic use	<ul style="list-style-type: none"> Strengthening of regulations on plastic waste Strict social views on products made from large amounts of plastic in light of plastic waste's contribution to marine pollution 	<ul style="list-style-type: none"> Marked decline in demand for products that make use of a large amount of plastic containers and packaging Impairment of Asahi's reputation due to inadequate response Higher recycling expenses and sharp increase in production costs through use of alternative materials 	<ul style="list-style-type: none"> Initiatives aimed at realizing the Group-wide target of 3R + Innovation, including the switch to recycled and biomass-derived materials in PET bottles, by 2030 Japan: expansion of label-free products; promotion of "bottle-to-bottle," or horizontal, recycling, aimed at expanding the use of recyclable materials; and joint investment in companies that are recycling used plastics Australia: establishment of joint venture between major recycling company and container manufacturer and foundation and operation of plant to further produce and supply recycled PET resin

Risk Type	Details	Projected Impact on the Asahi Group	The Asahi Group's Response
2. Risks That Could Become Apparent in the Short to Medium Term			
1) Risks Associated with Procurement of Key Raw Materials	<ul style="list-style-type: none"> Steep rise in prices due to worsening market conditions Delayed deliveries and interruption to supply due to climate change, natural disasters, pandemics, and other global issues 	<ul style="list-style-type: none"> Rise in manufacturing costs Worsened performance due to a less-than-planned production quantity 	<ul style="list-style-type: none"> Pursue commodity management initiatives based on Group global standards Reduction of costs by utilizing economies of scale through Asahi Global Procurement Pte. Ltd., the Group's global procurement organization Utilization of adjustment capabilities by sharing inventory information throughout the Group
2) Geopolitical Risks	<ul style="list-style-type: none"> The situation in Ukraine and in the Middle East, increasing tensions around Taiwan, the antagonistic relationship between the United States and China, rise of nationalist policies, etc. 	<ul style="list-style-type: none"> Possibility of impact on Medium- to Long-Term Management Policy, performance, and financial position in numerous countries and regions where we are developing businesses due to restrictions on imports and exports, discriminatory actions, boycott campaigns of products, loss of access to certain technologies, and restrictions on data 	<ul style="list-style-type: none"> Gathering and analysis of information on trends related to geopolitical risks, formulation of risk scenarios, and examination of appropriate measures to reduce impact by understanding potential risks Research, information gathering, and assessment of country risks in countries and regions where we operate, early detection of risks, and implementation of appropriate measures before risks materialize
3) Information Security	<ul style="list-style-type: none"> Disruption to business activities as a result of power outages, disasters, defective software or devices, and cyberattacks; loss of confidential information; leakage of personal information fraud; and violation of the European Union's General Data Protection Regulation (GDPR) and other regulations in various countries 	<ul style="list-style-type: none"> Interruption of business Cash outflow due to compensation and claims for damages and increased cost of security measures, etc. Imposition of fines due to GDPR violations Decline in operating results, financial condition, and corporate brand value due to the above 	<ul style="list-style-type: none"> Formulation and implementation of cybersecurity standards document to be complied with Group-wide Evaluation of status of cyberattack countermeasures and maintenance and enhancement of security system Aggregation of Group-wide incident information and development of system that aims to reinforce risk response Formulation and operation of guidelines to make use of generative AI in a safe and responsible manner
4) Securement of Diverse, Talented Personnel	<ul style="list-style-type: none"> Greater demand for personnel and changes in and enhancement of necessary skill set stemming from expansion of global business 	<ul style="list-style-type: none"> Lack of capability to execute strategies and achieve the targets of the Medium- to Long-Term Management Policy in light of insufficiencies in acquiring, cultivating, and retaining human resources 	<ul style="list-style-type: none"> Promotion of diversity, equity, and inclusion and fostering of high-engagement corporate culture Expansion and strengthening of personnel pipeline through cultivation of candidates for future management positions Global promotion of optimal placement of personnel and recruitment of external human resources
3. Risks That Could Become Apparent on an Ongoing Basis			
1) Large-Scale Natural Disasters	<ul style="list-style-type: none"> Rising number of risks related to large-scale earthquakes, tsunamis, typhoons, floods, and other natural disasters 	<ul style="list-style-type: none"> Halt to product manufacturing and deliveries Inability to procure raw materials and resources Interruption and halt to business activities Decline in consumer sentiment 	<ul style="list-style-type: none"> Implementation of safety confirmation system and strengthening of emergency communications system Prevention of secondary disasters by reinforcing production plants with earthquake-resistant construction, ensuring safety of equipment, etc. Formulation of business continuity plan by reflecting on past performance and experience in large-scale disasters Establishment of backup facility at data center Establishment of emergency response headquarters during an emergency and creation of crisis management structure to respond
2) Risks Related to Respect for Human Rights	<ul style="list-style-type: none"> Increasing momentum to mandate activities to respect human rights by corporations Growing expectations from stakeholders regarding corporate human rights due diligence activities 	<ul style="list-style-type: none"> Worsened performance following loss of stakeholder trust Damage to corporate reputation and brand value Hindrances to the execution of the Medium- to Long-Term Management Policy and achievement of its targets due to increased risks such as legal violations and economic losses 	<ul style="list-style-type: none"> Human rights due diligence for suppliers and Asahi employees Human rights training for each employee in compliance with our Human Rights Principles Creation of access to remedies to appropriately respond to voices both inside and outside the Company
3) Compliance with Laws, Regulations, and Non-Binding Guidelines	<ul style="list-style-type: none"> Changes to Food Sanitation Act, Product Liability Act, labor regulations, Anti-Bribery Act, Unfair Competition Prevention Act, regulations related to protecting personal information (such as the GDPR), environmental laws, and various other legal restrictions, as well as unexpected implementation of new laws 	<ul style="list-style-type: none"> Disciplinary measures and filing of legal action due to violation of laws and regulations; social sanctions Impairment of Asahi's reputation and brand value and resulting decline in sales stemming from loss of stakeholder trust 	<ul style="list-style-type: none"> Promotion and supervision of Group-wide corporate ethics and compliance by the Compliance Committee Implementation of training programs to ensure strict adherence to and raise awareness of the Asahi Group Code of Conduct among employees
Other Risks			
1) Quality	<ul style="list-style-type: none"> Potential threats to customers' health posed by quality-related accidents arising from contingencies 	<ul style="list-style-type: none"> Incurrence of costs due to product recalls and suspension of manufacturing activities Impairment of business results triggered by loss of customer confidence Decline in Company reputation and brand value 	<ul style="list-style-type: none"> Development of PDCA (plan-do-check-act) cycle for improvement by identifying operations that affect quality and require attention in all processes throughout the supply chain, and inspection and correction of said operations as a globally shared structure Development of latest analytical technologies for ensuring food safety Adoption of international approaches to quality and food safety management systems and acquisition of external certifications
2) Other Risks	<ul style="list-style-type: none"> Financial risks (including exchange rate, interest rate, rating, and asset price fluctuation risks) Tax risks Litigation risks 	<ul style="list-style-type: none"> Increased costs, increasingly severe competition, restrictions to business activities, and impact on operating results and financial condition 	<ul style="list-style-type: none"> Utilization of various risk-hedging strategies

06

Results and Forecasts

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The Asahi Group's History

Overview of the Asahi Group's Executional Capabilities throughout Its History

The Asahi Group has achieved growth throughout the years by cherishing three values: "challenge and innovation" that creates new value, such as the release of *Asahi Super Dry*, which at the time completely changed the way people thought about beer, and the cultivation of brands loved by all generations; "excellence in quality" that the Group delivers to its customers; and "shared inspiration" that the Group enjoys with its stakeholders. Drawing on these values as its foundation, the Group will leverage strengths such as its long-cultivated brands and human resources in each country and region of operation to deliver premium value to an even greater number of customers around the world.

1889–

The starting point for "excellence in quality" and "challenge and innovation"

The Company was founded in 1889 with the aim of producing authentic Japanese beer that is made by Japanese people. Winning awards at expos and exhibitions both domestically and abroad, we are constantly striving for "excellence in quality," which has been a part of our corporate culture since our founding.



- 1884 • Hiranosui (now MITSUYA CIDER) is launched.
- 1889 • Osaka Beer Brewing Company is established.
- 1892 • Asahi Beer is launched.
- 1900 • Japan's first bottled draft beer is launched.
- Asahi Beer wins a gold medal at the 1900 Paris Expo.
- 1930 • EBIOS is launched.

1949–

A second start and further innovation

In 1949, Asahi Breweries, Ltd. was established, a product of a corporate breakup brought on by post-war economic decentralization in Japan. Thereafter, Asahi continued to expand its business foundation, centered on its whisky and spirits and soft drinks businesses, and worked to create new drinking opportunities, including the introduction of canned beer in Japan.



- 1949 • Asahi Breweries, Ltd. is established.
- 1958 • Asahi launches Japan's first canned beer.
- 1965 • Asahi develops the world's first outdoor fermented liquor tank.
- 1969 • Asahi pioneers the practice of putting expiry dates on product labels.
- 1971 • Asahi launches Japan's first aluminum canned beer.
- 1982 • Mitsuya Foods Co., Ltd. (now Asahi Soft Drinks Co., Ltd.) is established.
- 1986 • Asahi introduces a corporate identity and changes the corporate logo to "Asahi."
- Asahi launches new *Asahi Nama Beer*, the first product designed with the new corporate logo.

1987–

Expansion of business portfolio through years of innovations

After launching Japan's first dry draft beer "*Asahi Super Dry*" in 1987, Asahi would eventually go on to capture the top share of Japan's beer market in 1998. Afterward, in 2001, Asahi entered the happoshu market and captured the top share in Japan's beer and happoshu markets. After this time, Asahi proactively pursued M&A activities in the Alcohol Beverages (excluding beer- type), Non-Alcohol Beverages, and Food businesses, thereby expanding its industry-leading brands and product categories.



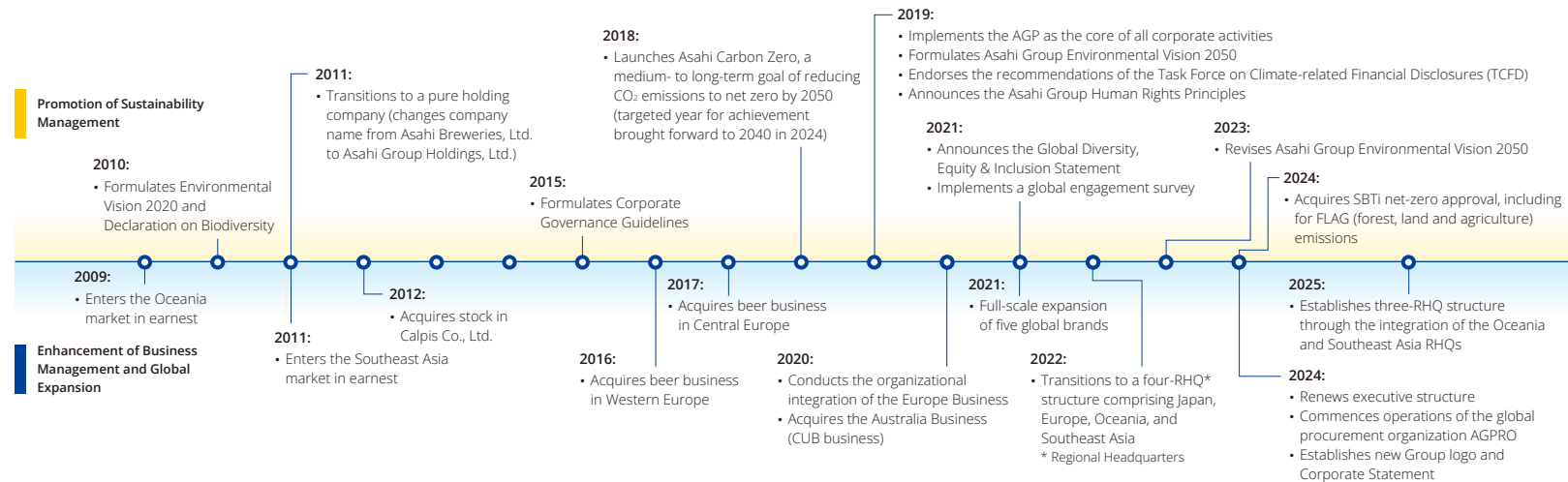
- 1987 • *Asahi Super Dry* is launched.
- 1992 • Asahi Beer Foods Co., Ltd. (now Asahi Group Foods, Ltd.) is established.
- 1994 • Asahi enters the Chinese market.
- 1998 • Asahi claims top share of Japan's beer market.*
- 2001 • Asahi captures top share of the Japanese beer and happoshu markets.
- Asahi makes The THE NIKKA WHISKY DISTILLING CO., LTD. a wholly owned subsidiary.
- 2002 • Asahi acquires MINTIA.
- 2006 • Asahi acquires stock in Wakodo Co., Ltd., Japan's largest baby food company.
- 2008 • Asahi acquires stock in Amano Jitsugyo Co., Ltd., Japan's largest freeze-dried food company.

* Based on taxable shipment volume of five major Japanese breweries

2009–

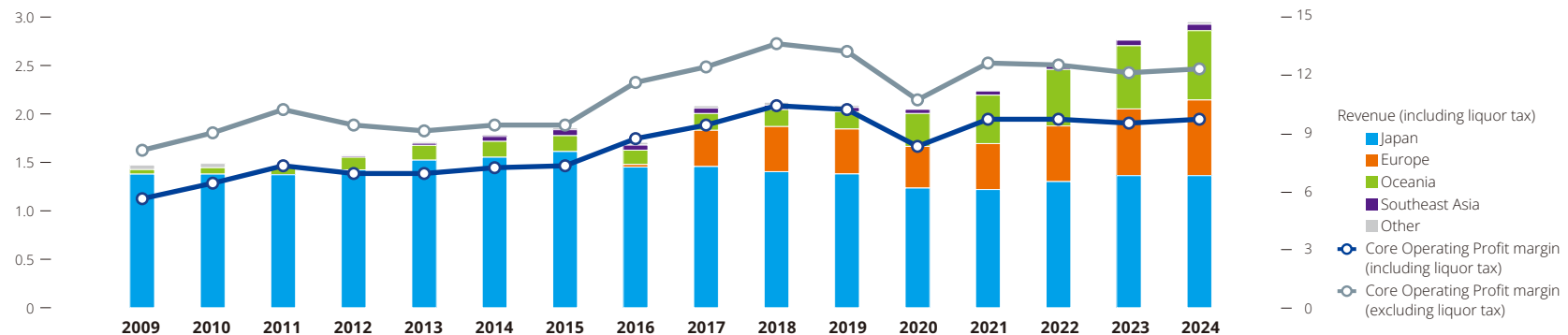
Fortification of global business foundation in the pursuit of further growth

To establish drivers for the further growth of its management foundation, which now spans across the globe, the Group has been pursuing unique value guided by the Asahi Group Philosophy (AGP). To implement our Medium- to Long-Term Management Policy, we are pushing forward with efforts to enhance the sophistication of our management strategies by promoting sustainable management, enhancing our business management, and pursuing global expansion.



Revenue (Including Liquor Tax) / Core Operating Profit Margin (Including Liquor Tax / Excluding Liquor Tax)

(JPY trillion)



Source: Consolidated financial statements based on JGAAP until 2015 and on International Financial Reporting Standards (IFRS) from 2016 onward

Eleven-Year Financial and Non-Financial Summary

Asahi Group Holdings, Ltd. and Consolidated Subsidiaries
Years Ended December 31

Information about This Page

- The Company's consolidated financial statements have been prepared based on JGAAP for the years up to the fiscal year ended December 31, 2015 and based on International Financial Reporting Standards (IFRS) from the fiscal year ended December 31, 2016 onward. The line items have been prepared based on IFRS.
- The IFRS line item "revenue" corresponds to "net sales" under JGAAP, while "Core Operating Profit" corresponds to "operating income"; "profit attributable to owners of parent" corresponds to "net income"; and "equity attributable to owners of parent" corresponds to "shareholders' equity."

	JPY billion												JPY billion	%
	2014	2015	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	YoY Change (2024 / 2023)	
Operating Results (For the year):														
Revenue	¥ 1,785.5	¥ 1,857.4	¥ 1,689.5	¥ 1,706.9	¥ 2,084.9	¥ 2,120.3	¥ 2,089.0	¥ 2,027.8	¥ 2,236.1	¥ 2,511.1	¥ 2,769.1	¥ 2,939.4	6.2	
Cost of sales	1,073.4	1,100.5	1,102.8	1,098.2	1,295.4	1,303.2	1,297.3	1,283.2	1,383.2	1,589.3	1,770.2	1,841.7	4.0	
Selling, general and administrative expenses	583.7	621.8	446.0	460.2	593.1	595.7	578.8	576.8	634.9	678.0	735.3	812.6	10.5	
Core Operating Profit* ¹	128.3	135.1	140.7	148.5	196.4	221.4	213.0	167.8	217.9	243.8	263.7	285.1	8.1	
Profit attributable to owners of parent —pre-adjusted	69.1	76.4	75.8	89.2	141.0	151.1	142.2	92.8	153.5	151.6	164.1	192.1	17.1	
—adjusted* ²	—	—	—	—	120.1	150.7	142.2	92.8	153.5	165.4	165.6	183.0	10.5	
EBITDA* ³	192.3	198.0	197.3	205.8	285.4	318.5	304.8	269.4	328.5	362.4	389.4	419.0	7.6	
Capital investment	59.8	52.1	53.6	63.5	89.6	78.2	86.1	84.5	88.2	105.6	116.9	136.8	17.0	
Depreciation and amortization	44.5	46.6	50.9	51.1	69.8	75.1	70.7	76.1	79.5	85.0	88.8	94.4	6.3	
Research and development expenses	10.7	10.4	10.4	9.6	11.7	12.4	12.8	13.2	14.2	15.1	17.5	18.0	3.1	
Financial Position (At year-end):														
Total assets	¥ 1,936.6	¥ 1,901.6	¥ 1,804.7	¥ 2,094.3	¥ 3,346.8	¥ 3,079.3	¥ 3,140.8	¥ 4,439.4	¥ 4,547.7	¥ 4,830.3	¥ 5,285.9	¥ 5,403.4	2.2	
Interest-bearing debt	434.7	414.9	414.4	570.4	1,261.9	1,027.4	943.2	1,823.6	1,596.2	1,497.3	1,410.8	1,279.2	(9.3)	
Total equity	896.5	891.8	803.7	846.1	1,152.7	1,149.6	1,248.3	1,517.8	1,759.1	2,062.9	2,465.8	2,674.1	8.4	
Cash Flows:														
Cash flows from (used in) operating activities	¥ 146.8	¥ 112.8	¥ 116.5	¥ 154.5	¥ 231.7	¥ 252.4	¥ 253.5	¥ 275.9	¥ 337.8	¥ 266.0	¥ 347.5	¥ 403.7	16.2	
Cash flows from (used in) investing activities	(92.2)	(75.6)	(77.1)	(268.5)	(885.8)	22.5	(103.7)	(1,243.4)	(14.3)	(69.2)	(117.7)	(118.7)	—	
Cash flows from (used in) financing activities	(35.8)	(73.0)	(75.3)	119.6	661.9	(270.6)	(158.8)	956.8	(320.3)	(219.6)	(226.7)	(272.8)	—	
Cash and cash equivalents at end of period	62.2	43.3	43.3	48.5	58.1	57.3	48.5	48.5	52.7	37.4	59.9	84.0	(40.1)	
Free cash flow* ⁴	82.7	61.3	57.9	96.3	143.8	164.6	168.1	196.8	319.1	201.1	252.0	306.0	21.4	
Per-Share Data (In yen)* ⁵ :														
Profit attributable to owners of parent —pre-adjusted	¥ 49.64	¥ 55.42	¥ 54.94	¥ 64.92	¥ 102.59	¥ 109.93	¥ 103.48	¥ 65.51	¥ 100.97	¥ 99.70	¥ 107.94	¥ 126.66		
—adjusted* ²	—	—	—	—	87.41	109.65	103.48	65.51	100.97	108.83	108.97	120.65		
Dividends	15.00	16.67	16.67	18.00	25.00	33.00	33.33	35.33	36.33	37.67	40.33	49.00		
Equity attributable to owners of parent	634.88	638.90	574.66	608.52	833.21	834.22	906.92	997.35	1,155.82	1,355.71	1,618.74	1,775.82		
Financial Ratios:														
Core Operating Profit margin (%)	7.2	7.3	8.3	8.7	9.4	10.4	10.2	8.3	9.7	9.7	9.5	9.7		
ROE (Ratio of profit to equity attributable to owners of parent) (%) —pre-adjusted	8.1	8.8	9.7	11.0	14.2	13.2	11.9	6.7	9.4	7.9	7.3	7.5		
—adjusted* ⁶	—	—	—	—	13.7	15.2	13.0	7.5	11.0	11.1	10.3	10.7		
ROA (Ratio of profit before tax to total assets) (%)	7.1	7.6	6.5	7.7	7.2	6.5	6.3	3.3	4.4	4.4	4.8	5.0		
Equity attributable to owners of parent ratio (%)	45.5	46.2	43.7	39.9	34.2	37.2	39.7	34.2	38.6	42.7	46.5	49.4		
Net debt/EBITDA (Times)* ^{3,7}	1.92	1.85	1.86	2.52	4.22	3.05	2.93	6.03	4.24	3.61	3.08	2.49		
ESG:														
Number of employees at year-end	21,177	22,194	22,194	23,619	30,864	28,055	29,327	29,850	30,020	29,920	28,639	28,173		
Number of directors (Total) (At year-end)	9	9	9	10	10	10	9	9	8	8	8	11		
Number of directors (Outside) (At year-end)	3	3	3	3	3	3	3	3	3	3	4	6		
Water consumption (Thousand m ³)* ⁸	23,615	23,933	23,933	26,436	26,307	38,623	40,292	37,673	39,602	39,975	39,813	32,339		
GHG emissions (Kilotons)* ^{8,9}	613	621	621	623	619	881	921	830	800	686	660	633		
GHG emissions (Scope 3) (Kilotons)* ^{8,10}	—	2,960	2,960	3,169	2,912	2,899	8,740	8,318	8,988	9,237	8,594	8,315		

*1 Core Operating Profit is the reference indicator for normalized business performance. Core Operating Profit = Revenue – (Cost of goods sold + Selling, general and administrative expenses).

*2 Adjusted figures exclude one-time special factors such as the impacts of business portfolio restructuring and the recording of impairment losses in 2022.

*3 Under IFRS, EBITDA = Core Operating Profit + Amortization of intangible assets + Depreciation; under JGAAP, EBITDA = Operating income + Amortization of goodwill + Depreciation

*4 Free cash flow = Cash from operating activities – Cash used in investing activities (excluding M&As and other business restructuring)

For 2019 and prior years: Free cash flow = (Cash flows from operating activities + Proceeds from sales of property, plant and equipment) – Purchase of property, plant and equipment

*5 The effect of a 3-for-1 stock split carried out on October 1, 2024, has been reflected in results for previous fiscal years.

*6 Adjusted profit attributable to owners of parent / Equity attributable to special factors including business portfolio restructuring (after the deduction of translation difference on foreign operations and Changes in fair value of financial instruments measured at fair value through other comprehensive income)

*7 Calculated based on net debt after the deduction of 50% of amount for outstanding subordinated bonds (JPY300.0 billion)

*8 With regard to information on the scope of aggregation for data related to water consumption and GHG emissions, please refer to the "Scope of Reports" of the Asahi Group Sustainability Report.

*9 Figures up to 2013 cover Scope 1, 2, and 3 in Japan. Figures from 2014 onward cover Scope 1 and 2 in Japan and overseas.

*10 We have updated the Scope 3 GHG emissions calculation methodology, including continued collection of primary data from suppliers and the review, refinement, and standardization of detailed calculation methodologies across regions. This applies not only to data for the year 2024 but also to historical data (2019–2023), resulting in the updating of the historical Scope 3 emissions figures that had been previously reported

Analysis of 2024 Business Results

Analysis of Business Results

■ Overview of Business

Looking at the global economy in 2024, the U.S. economy remained firm amid solid personal consumption, while in Europe the economy showed signs of picking up as inflationary pressures eased. In Japan, despite the impact of rising prices, signs of a moderate economic recovery were seen due to an increase in personal consumption resulting from an improved employment and income environment.

Under these circumstances, the Asahi Group strengthened its business portfolio by advancing premium strategies in respective regions in accordance with its Medium- to Long-Term Management Policy. As well as further promoting such core strategies as the integration of sustainability into business management, the Group reinforced the management foundations of long-term strategies by implementing measures that are aimed at making the Group truly global through the enhancement of human capital and the strengthening of Group governance.

■ Revenue

Revenue rose 6.2%, or JPY170.3 billion, year on year, to JPY2,939.4 billion. This was due to an increase in sales prices per unit, which was centered on Europe and mainly resulted from such factors as premiumization and price revisions (increase of 2.1% year on year on a constant currency basis).

■ Core Operating Profit

Core Operating Profit increased 8.1%, or JPY21.4 billion, year on year, to JPY285.1 billion. Lower profit in Oceania, where the business environment continues to deteriorate, was outweighed by higher profit in Japan and Europe, which reflected product mix improvements that included price revisions and reflected efforts to increase the efficiency of various costs (increase of 3.7% year on year on a constant currency basis).

■ Operating Profit

Operating profit grew 9.8%, or JPY24.1 billion, year on year, to JPY269.1 billion. This was primarily due to increases in business integration-related expenses in Japan and Oceania being more than absorbed by higher Core Operating Profit and gain on sales of non-current assets, such as the disposal of distribution centers that accompanied supply chain management reorganization in Japan.

■ Profit Attributable to Owners of Parent

Profit attributable to owners of parent increased 17.1%, or JPY28.0 billion, year on year, to JPY192.1 billion. Excluding the effects of such one-time factors as supply chain management reorganization in Japan, profit attributable to owners of parent grew 10.5%, or JPY17.3 billion, year on year, to JPY183.0 billion.

Analysis of Financial Position

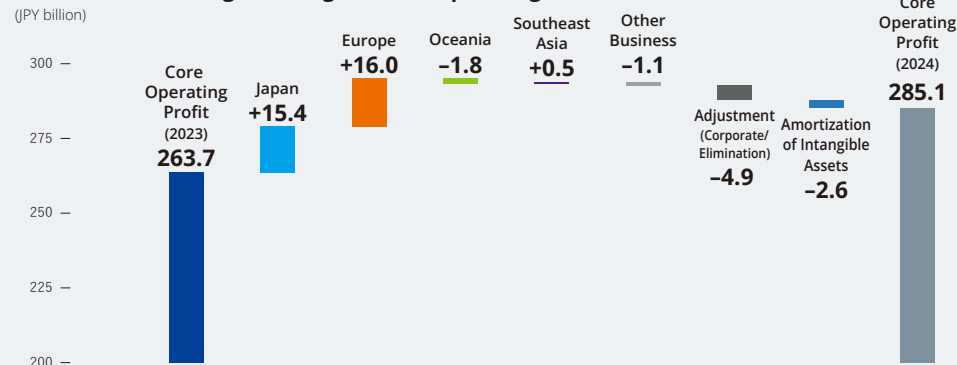
■ Total Assets

Total assets stood at JPY5,403.4 billion on December 31, 2024, an increase of JPY117.5 billion from a year earlier. This stemmed from such factors as a rise in foreign currency-denominated assets, including goodwill and intangible assets, due to foreign exchange rate fluctuations.

Major Trends in Business Performance

	2024	2023	Increase/ Decrease	YoY change	(JPY billion) (Constant currency basis)
Revenue	2,939.4	2,769.1	170.3	6.2%	2.1%
Japan	1,362.9	1,362.9	0	0.0%	0.0%
Europe	781.0	688.7	92.3	13.4%	4.6%
Oceania	715.4	652.2	63.2	9.7%	2.4%
Southeast Asia	66.1	57.8	8.3	14.4%	6.9%
Other	26.5	21.5	4.9	22.9%	19.0%
Adjustment (corporate/ elimination)	(12.5)	(14.0)	1.5	—	—
Core Operating Profit	285.1	263.7	21.4	8.1%	3.7%
Japan	134.9	119.5	15.4	12.9%	12.9%
Europe	101.1	85.1	16.0	18.9%	11.1%
Oceania	108.8	110.6	(1.8)	(1.7%)	(8.2%)
Southeast Asia	1.9	1.4	0.5	33.2%	23.9%
Other	4.2	5.3	(1.1)	(21.5%)	(22.4%)
Adjustment (corporate/ elimination)	(26.3)	(21.4)	(4.9)	—	—
Amortization of intangible assets	(39.4)	(36.9)	(2.6)	—	—
Operating profit	269.1	245.0	24.1	9.8%	
Profit attributable to owners of parent	192.1	164.1	28.0	17.1%	
Adjusted profit attributable to owners of parent	183.0	165.6	17.3	10.5%	

Factors Contributing to Change in Core Operating Profit



Total Liabilities

Total liabilities amounted to JPY2,729.4 billion on December 31, 2024, a decrease of JPY90.8 billion from a year earlier, which was attributable to lower bonds and borrowings and other factors.

Total Equity

Total equity was JPY2,674.1 billion on December 31, 2024, up JPY208.3 billion from a year earlier. Total equity rose because the negative effect on retained earnings of dividend payments was more than offset by a combination of the positive effect on retained earnings of profit attributable to owners of parent and the effect of a rise in translation difference on foreign operations, which stemmed from exchange rate fluctuations.

As a result, the equity attributable to owners of parent ratio was up 2.9 percentage points, to 49.4%.

Analysis of Cash Flows

Cash Flows from Operating Activities

Cash flows from operating activities amounted to JPY403.7 billion, up JPY56.2 billion year on year. This increase resulted from profit before tax of JPY267.0 billion, a rise in non-cash items such as depreciation and amortization, and a rise in working capital efficiency, which together counteracted a decrease due to income tax paid.

Cash Flows from Investing Activities

Cash flows from investing activities was an outflow of JPY118.7 billion, up JPY1.0 billion year on year. This increase was attributable to such factors as a rise in the purchase of property, plant and equipment.

Cash Flows from Financing Activities

Cash flows from financing activities was an outflow of JPY272.8 billion, an increase of JPY46.0 billion year on year. This rise was due to repayment of loans and redemption of bonds, which outweighed proceeds from issuance of bonds.

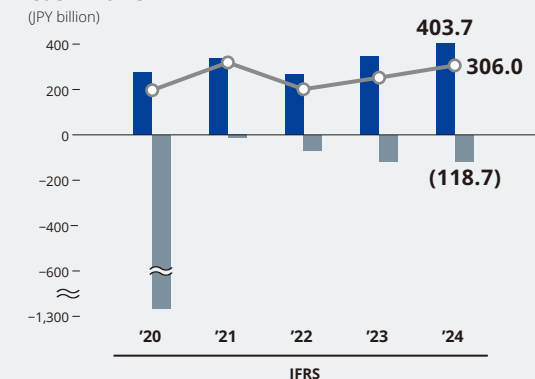
As a result of the above, cash and cash equivalents at the end of the period stood at JPY84.0 billion, up JPY24.0 billion from the end of the previous year.

Cash Flow-Related Indicators

	2024	2023	YoY change
Cash flow to interest bearing debt ratio (annual)	3.5	6.2	2.7 percentage point increase
Interest coverage ratio (times)	25.7	27.5	1.8 percentage point decrease

Notes: 1. Cash flow to interest-bearing debt ratio = Interest-bearing debt ÷ Cash flow
2. Interest coverage ratio = Cash flow ÷ Interest payment

Cash Flows



■ Cash flows from operating activities ■ Cash flows from investing activities
○ Free cash flow

Notes: 1. Free cash flow = Cash from operating activities – Cash used in investing activities (excluding M&As and other business restructuring)
2. For 2019 and prior years: Free cash flow = (Cash flows from operating activities + Proceeds from sales of property, plant and equipment) – Purchase of property, plant and equipment

Fund Procurement and Liquidity

The Company acquires its capital resources principally through cash flows generated by operating activities, loans from financial institutions, and the issuance of bonds. As a management policy, the Company regards the reduction of interest-bearing debt as a priority issue. However, the Company makes flexible use of borrowings according to the need for capital resources for capital investments. Potential investments include capital investment to strengthen and streamline the Company's business foundations and strategic investments such as M&As. Meanwhile, the Company meets working capital needs, in principle, through short-term loans and the issuance of commercial paper. In addition, the Company and its major consolidated subsidiaries have introduced a cash management system that channels the excess funds of Group companies to the Company so that it can centrally manage these funds. This system enables the Company to both improve capital efficiency and minimize financing costs.

Capital Investment

Capital investment* in 2024 increased JPY19.9 billion year on year, to JPY136.8 billion.

In Japan, the Company primarily implemented growth investments to increase sales and Core Operating Profit, investments to improve revenue, and investments in digital transformation-related systems, which is one of our core strategies. In Europe, we primarily conducted investments related to a changeover to returnable bottles and reorganization of storage facilities. In Oceania, the Company mainly invested in production capacity ramp-ups with a view to growing sales and in systems. In Southeast Asia, the Company primarily implemented business investments to maintain and enhance its foundational businesses, with a view to increasing sales.

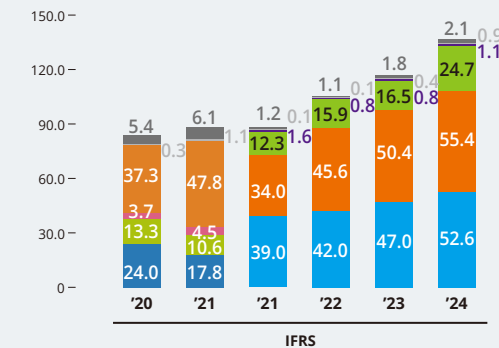
* Not including lease assets or trademarks at the time of acquisition of subsidiaries

Research and Development

Group-wide R&D expenses in 2024 increased JPY0.5 billion, to JPY18.0 billion. In Japan, Europe, Oceania, and Southeast Asia, the Company conducted R&D activities in accordance with the key medium-term strategies for respective regional headquarters (RHQs). Asahi Quality & Innovations, Ltd. is the Asahi Group's center for leading-edge R&D. In the Group's priority R&D fields, the company develops products and technologies with the aim of creating new value, reducing risks, and sustaining the Group's growth. The company conducts these efforts in light of the technologies, insight, and expertise that the Group's research has accumulated to date and in anticipation of medium- to long-term changes in social and competitive environments, which are forecast based on future scenarios derived by backcasting from megatrends. Further, to expedite the incorporation into products and services of innovative technologies obtained from R&D activities, in April 2024 the Company established the position of Group chief R&D officer, whose role is to lead the Asahi Group's future-focused R&D activities and promote innovation. In conjunction with these efforts, the Company will ensure the rapid realization of results across the Group by enhancing and effectively deploying prototyping and agile development capabilities while strengthening collaboration with RHQs even further.

Capital Investment

(JPY billion)

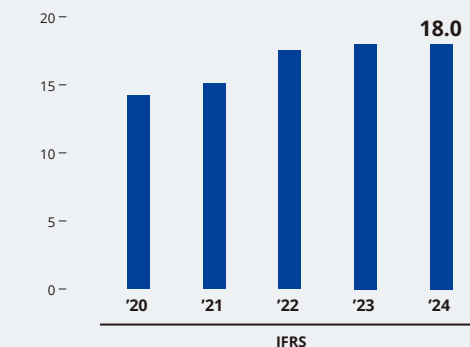


(2020–2021) ■ Alcohol beverages ■ Non-alcohol beverages ■ Food ■ Overseas
■ Other ■ Adjustment (corporate/elimination)

(2021–2024) ■ Japan ■ Europe ■ Oceania ■ Southeast Asia
■ Other ■ Adjustment (corporate/elimination)

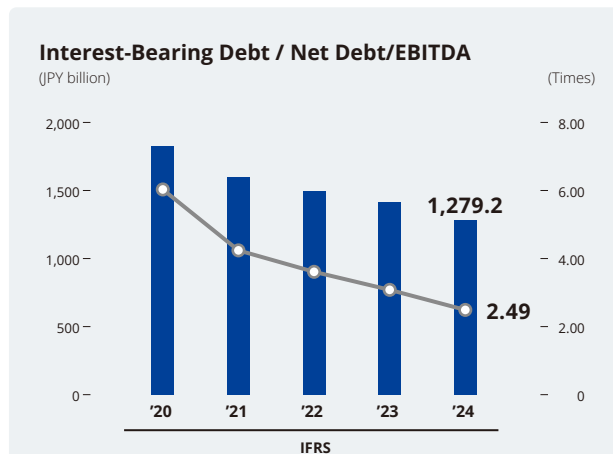
R&D Expenses

(JPY billion)



Profit Distribution Policy and Dividends

In accordance with the Medium- to Long-Term Management Policy, the Company has enhanced its capacity to implement future growth investments by giving priority to the utilization of free cash flow for the reduction of debt. In 2024, the Company lowered net debt/EBITDA to 2.49 times, thereby achieving the 2024 net debt/EBITDA target of around 3 times.



■ (Left) Interest-bearing debt ● (Right) Net debt/EBITDA

Notes: 1. EBITDA = Core Operating Profit + Amortization of intangible assets + Depreciation
2. Calculated based on net debt after the deduction of 50% of the amount for outstanding subordinated bonds (JPY300.0 billion)

Given this progress, the Company decided on a policy of using the free cash flow of 2024 to enhance shareholder returns by setting the dividend payout ratio at 40% for 2024, one year ahead of a guideline that called for a dividend payout ratio of 40% by 2025. While giving consideration to its consolidated financial position, the Company realized this policy by upwardly revising the year-end dividend that it forecast in August 2024 to pay a full-year ordinary dividend of JPY49 per share for 2024, up JPY8.7 from the previous year. The adjusted dividend payout ratio was 40.6%.

On October 1, 2024, the Company conducted a 3-for-1 stock split of its common stock. The dividend per share prior to the effective date of the stock split has been adjusted to reflect the stock split and presented accordingly.

Management Policy for 2025

In 2025, geopolitical risks are becoming increasingly complex, and there are concerns about the risk of economic slowdown due to inflation. Amid this environment, in accordance with its Medium- to Long-Term Management Policy, the Company will continue initiatives to strengthen its business portfolio through the advancement of premium strategies in various regions, to step up rollouts of global brands, and to increase investment in beer adjacent categories (BACs). The Company will synergistically realize corporate value that surpasses the sum value of its individual businesses by implementing core strategies, such as the integration of sustainability into business management; by evolving Group governance even further; and by upgrading global procurement capabilities.

Revenue

In respective regions, the Company aims to increase revenue by 1.0%, or JPY30.6 billion, year on year, to JPY2,970.0 billion, through continued advancement of such measures as premiumization and sales price increases (increase of 3.3% year on year on a constant currency basis).

Core Operating Profit

Although variable costs and other costs are expected to increase centered on Japan and Oceania, the Company aims to increase Core Operating Profit by 0.7%, or JPY1.9 billion, year on year, to JPY287.0 billion, through such measures as improvement of product mixes and various types of efficiency improvements (increase of 3.2% year on year on a constant currency basis).

Operating Profit

Although Core Operating Profit is likely to grow on a constant currency basis, the Company expects a decline in operating profit of 2.6%, or JPY7.1 billion, year on year, to JPY262.0 billion, due to such factors as the absence of the previous year's gain on sales of non-current assets.

Profit Attributable to Owners of Parent

The Company expects a decrease in profit attributable to owners of parent of 7.6%, or JPY14.6 billion, year on year, to JPY177.5 billion, due to such factors as appreciation of the yen in line with projections and a deterioration in the financial account balance.

Free Cash Flow, Profit Distribution Policy, and Dividends

Although free cash flow is likely to decrease due to an increase in capital investment and the absence of the previous year's one-time factors, the Company expects to generate JPY155.0 billion in free cash flow, mainly from Core Operating Profit. Based on a progressive dividend policy aimed at a dividend on equity (DOE) ratio of 4%, the Company plans to pay a full-year ordinary dividend of JPY52 per share, comprising an interim dividend of JPY26 per share and a year-end dividend of JPY26 per share, up JPY3 from 2024.

Financial Highlights

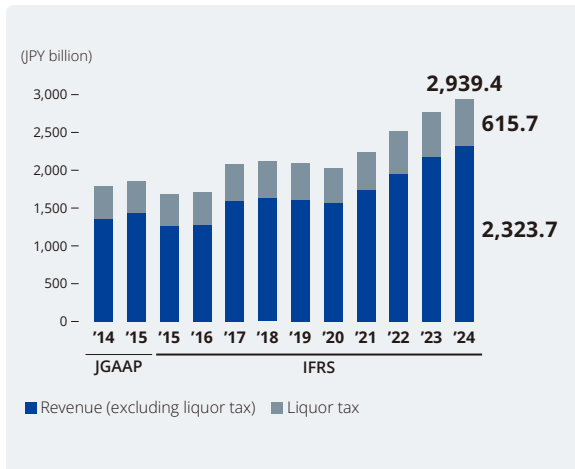
Asahi Group Holdings, Ltd. and Consolidated Subsidiaries
Years Ended December 31

Revenue / Liquor Tax

JPY 2,939.4 billion

Revenue

Revenue was up due to the progress made with premiumization in Japan and Europe and the increase in sales prices resulting from the impact of price revisions.

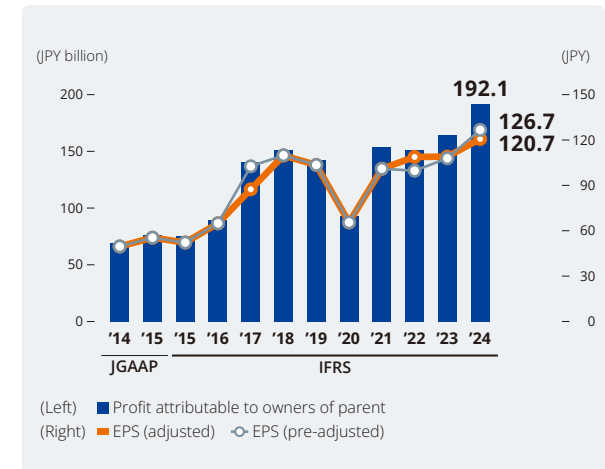


Adjusted EPS*2,3 / Profit Attributable to Owners of Parent

JPY 120.7

EPS (Adjusted)

Profit attributable to owners of parent was up, owing mainly to the increase in Core Operating Profit and gain on sale of fixed assets. Adjusted EPS also increased.

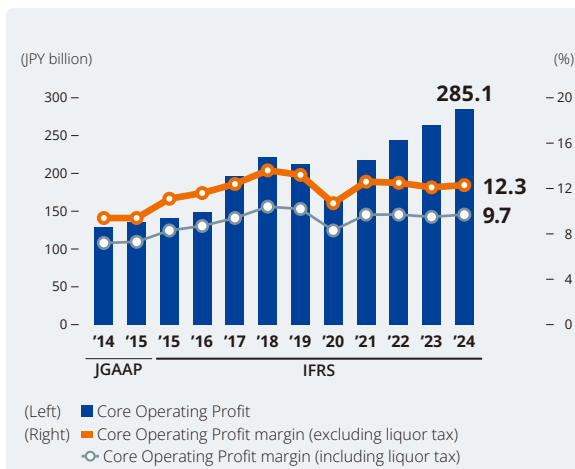


Core Operating Profit*1 / Core Operating Profit Margin

JPY 285.1 billion

Core Operating Profit

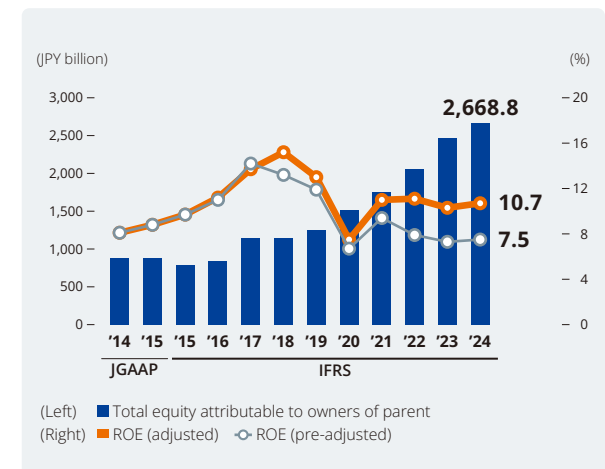
Despite a decline in profits in Oceania, brought about by a deteriorating operating environment, total profit increased due to an improved product mix in Japan and Europe and various cost efficiencies.



Adjusted ROE*3,4 / Total Equity Attributable to Owners of Parent

ROE (Adjusted)

Adjusted return on equity (ROE) increased on the back of higher adjusted profit attributable to owners of parent. Total equity attributable to owners of parent was up due to factors such as increased retained earnings and foreign currency translation adjustments.



*1 Core Operating Profit is the reference indicator for normalized business performance.

Core Operating Profit = Revenue - (Cost of goods sold + Selling, general and administrative expenses)

*2 The Company conducted a 3-for-1 common stock split on October 1, 2024. The figures prior to fiscal 2023 were calculated based on the assumption that this stock split was implemented at the beginning of fiscal 2014.

*3 Figures for EPS, ROE, and dividend payout ratio are presented both before and after adjustments. Adjusted figures exclude special temporary factors, such as business portfolio restructuring and impairment losses.

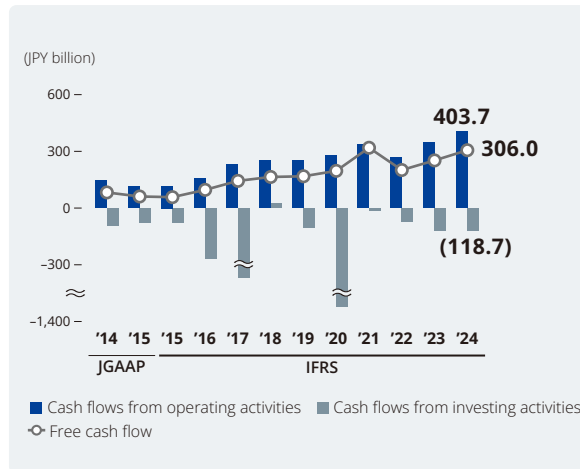
*4 Adjusted ROE = Adjusted profit attributable to owners of parent / Equity attributable to owners of parent (after the deduction of translation difference on foreign operations and Changes in fair value of financial instruments measured at fair value through other comprehensive income)

Cash Flows

JPY **306.0** billion

Free Cash Flow

Free cash flow*⁵ was up as a result of the increase in Core Operating Profit as well as the enhanced efficiency of working capital and gain on sale of fixed assets, among other factors.

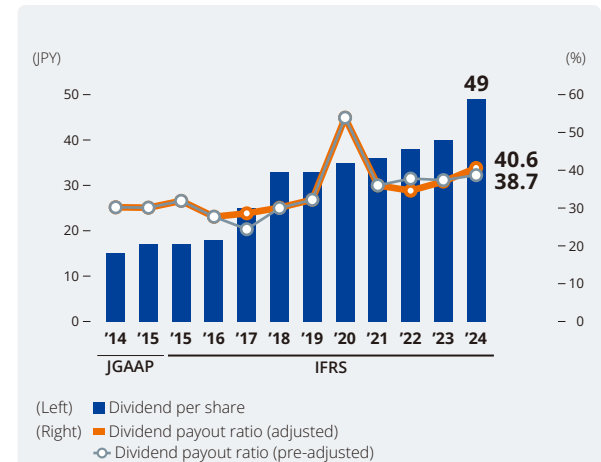


Dividend per Share*² / Dividend Payout Ratio*^{2,3}

40.6%

Dividend Payout Ratio (Adjusted)

The dividend per share was increased by JPY8.7 year on year. Also, the consolidated dividend payout ratio cleared the Medium- to Long-Term Management Policy guideline one year ahead of schedule.

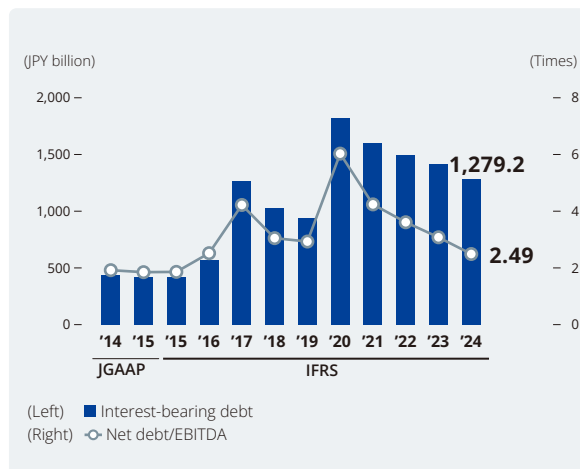


Interest-Bearing Debt / Net Debt/EBITDA*⁶

2.49 times

Net Debt/EBITDA

Interest-bearing debt decreased due to generated free cash flow allotted to reducing this debt. Net debt/EBITDA decreased due to the reduction of interest-bearing debt and an increase in EBITDA.

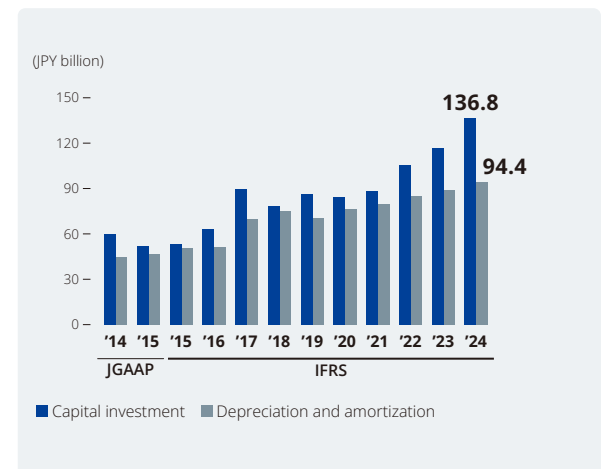


Capital Investment*⁷ / Depreciation and Amortization*⁷

JPY **136.8** billion

Capital Investment

Overall capital investment was up due to investments to bolster production capacity at manufacturing facilities in each segment, in addition to the strengthening of investments related to R&D and digital transformation, in line with our core strategies.



*⁵ Free cash flow = Cash from operating activities - Cash used in investing activities (excluding M&As and other business restructuring)
For 2019 and prior years: Free cash flow = (Cash flows from operating activities + Proceeds from sales of property, plant and equipment) - Purchase of property, plant and equipment

*⁶ Under IFRS, EBITDA = Core Operating Profit + Amortization of intangible assets + Depreciation; under JGAAP, EBITDA = Operating income + Amortization of goodwill + Depreciation
Figures have been calculated by excluding 50% of the amount of JPY300.0 billion for outstanding subordinated bonds from net debt.

*⁷ The above capital investment and depreciation and amortization amounts do not include lease assets or trademarks at the time of acquisition of subsidiaries.

Sustainability Highlights

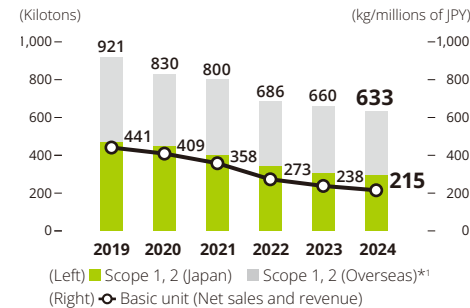
Asahi Group Holdings, Ltd. and Consolidated Subsidiaries
Years Ended December 31



GHG Emissions / Intensity

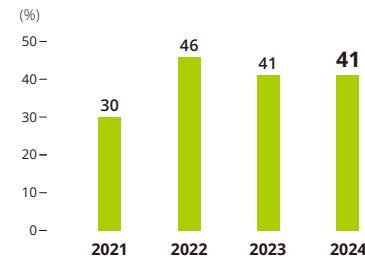
We adopted the goal of achieving net-zero GHG emissions across the entire value chain by 2040. Guided by this goal, we aim to achieve a 70% reduction in Scope 1 and 2 GHG emissions (compared with 2019) by 2030.

Note: Wording changed from "CO₂ emissions" to "GHG emissions" from 2025



Renewable Energy Electricity Usage Rate

We aim to have a renewable energy usage rate of 100% by 2040 and are promoting the introduction of renewable electricity at our breweries and other locations.



Total Asahi Group Employees Participating in Community Support Activities*2

Through community support activities, a basic activity of the material issue of "Communities," we contribute to resolving social issues in each region by creating opportunities for employees to connect with local communities.



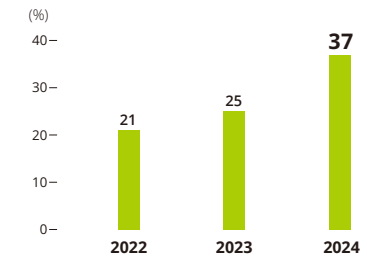
*1 The coverage of overseas Scope 1 and 2 GHG emissions and overseas water consumption is as follows:
2019–2022: Oceania, Europe, and Southeast Asia

*2 Total number of employees participating Group-wide



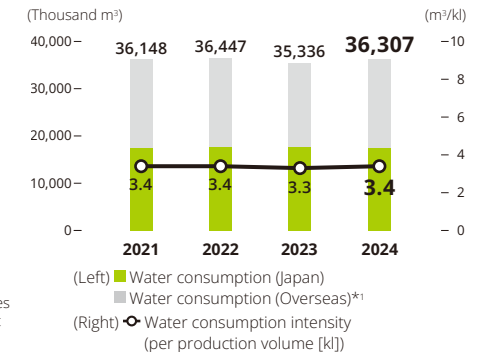
Usage Rate of Recycled Materials and Bio-based Materials, etc. for PET Bottles

Since 2021, under 3R + Innovation, our Group target to reduce the use of plastic, we have been aiming to achieve a 100% conversion to recycled materials and bio-based materials, etc. for PET bottles by 2030. We are promoting initiatives to achieve this goal.



Water Consumption / Water Consumption Intensity

We have established a target for water consumption intensity, and we are working to reduce water consumption by cutting back on water use at production sites and promoting the reuse of water to achieve these targets.

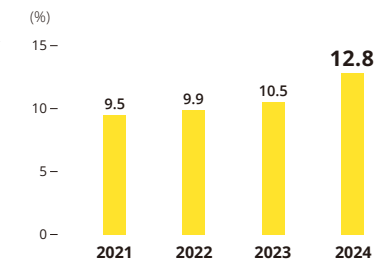


Note: 1. The scope of this target is limited to the Alcohol Beverages and Non-Alcohol Beverages businesses
2. Revisions were made to the results disclosed last year for 2023.



Non-Alcohol and Low-Alcohol Adult Beverages*3 Sales Composition Ratio of Main Alcohol Beverage Products*4

The Asahi Group aims to realize a sales composition ratio of Non- and Low-Alcohol Adult Beverages to major alcohol beverage products of 20% or more on a Group-wide basis by 2030, with a view to expanding choices for consumers.



*3 Non-alcohol adult beverages are defined in accordance with the laws and regulations in each country. Low-alcohol beverages have an alcohol content of no more than 3.5%.

*4 Beer-type beverages, RTDs, Non-alcohol adult beverages

External Recognition

Inclusion in ESG Indices

Interest in investment focusing on environmental, social, and governance (ESG) factors has been rising in recent years. This investment approach, seen primarily in the asset management activities of domestic and overseas institutional investors, entails using both financial data and non-financial initiatives in evaluation standards for investment decisions. ESG evaluations are conducted by numerous domestic and overseas institutions. Asahi Group companies are included in a number of ESG indices.



FTSE Russell confirms that Asahi Group Holdings, Ltd. has been independently assessed according to the FTSE4Good criteria, and has satisfied the requirements to become a constituent of the FTSE4Good Index Series. Created by the global index provider FTSE Russell, the FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. The FTSE4Good indices are used by a wide variety of market participants to create and assess responsible investment funds and other products.



FTSE Blossom Japan Index

FTSE Russell confirms that Asahi Group Holdings, Ltd. has been independently assessed according to the index criteria, and has satisfied the requirements to become a constituent of the FTSE Blossom Japan Index. Created by the global index and data provider FTSE Russell, the FTSE Blossom Japan Index is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. The FTSE Blossom Japan Index is used by a wide variety of market participants to create and assess responsible investment funds and other products.



FTSE Blossom Japan Sector Relative Index

FTSE Russell confirms that Asahi Group Holdings, Ltd. has been independently assessed according to the index criteria, and has satisfied the requirements to become a constituent of the FTSE Blossom Japan Sector Relative Index. The FTSE Blossom Japan Sector Relative Index is used by a wide variety of market participants to create and assess responsible investment funds and other products.

2025 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

2025 CONSTITUENT MSCI JAPAN ESG SELECT LEADERS INDEX

Note: The inclusion of Asahi Group Holdings, Ltd. in any MSCI Index, and the use of MSCI logos, trademarks, service marks, or index names herein, do not constitute a sponsorship, endorsement, or promotion of Asahi Group Holdings, Ltd. by MSCI or any of its affiliates. The MSCI indexes are the exclusive property of MSCI. MSCI and the MSCI index names and logos are trademarks or service marks of MSCI or its affiliates.

Evaluations of Environmental Initiatives

As a corporate entity that provides products and services owing to the gifts of nature, the Asahi Group has established the Environment as one of its material issues and is promoting initiatives to address this issue accordingly. A survey by international NPO CDP placed Asahi Group Holdings, Ltd. on the A List for climate change and water security, the highest ranking for each category. This inclusion marks the seventh consecutive year that the Company has been selected to the A List for climate change, having made the list since 2018.



Evaluations of Diversity and Employee Health Management Initiatives

Based on its People Statement, the Asahi Group respects all of its employees, giving the highest priority to ensuring their safety and physical and mental health. To that end, the Group is promoting efforts to establish safe and healthy workplaces, and these efforts have garnered praise from external institutions.



Evaluations of IR Activities

Amid growing interest in the disclosure policies of corporations, the Asahi Group has received numerous IR-related awards for its IR activities, being praised for timely and appropriate information disclosure and the easy-to-understand nature of its presentation materials.



Company Profile / Investor Information (As of December 31, 2024)

Promoting Engagement Through IR Activities

Major IR Activities in 2024

Activity	Details
Financial results briefings for analysts and institutional investors	Quarterly briefings (by the Group CEO, Group CFO, and relevant officers)
Business briefings for analysts and institutional investors	Strategic business briefings on the Japan, Europe, and Oceania businesses and briefings on sustainability and human capital strategies (by Region CEOs and relevant officers)
IR interviews for analysts and institutional investors	Interviews, teleconferences, and online meetings held by relevant officers and small meetings that include outside directors

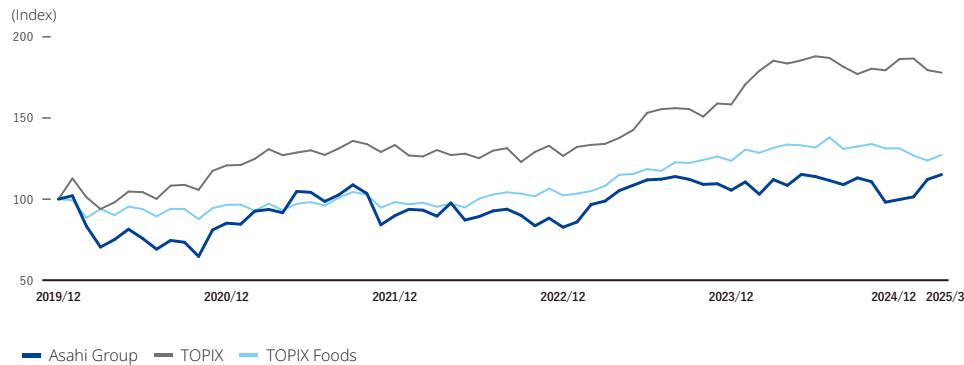
Stock Price

Total Shareholder Return (TSR)

	2020/12	2021/12	2022/12	2023/12	2024/12
Asahi Group	87.3	94.1	89.2	114.5	111.7
TOPIX (including dividends)	107.4	121.1	118.1	151.5	182.5

Stock Price

	2025/1	2025/2	2025/3
Asahi Group	1,684.0	1,863.0	1,912.0
TOPIX (including dividends)	2,788.7	2,682.1	2,658.7



Corporate Profile

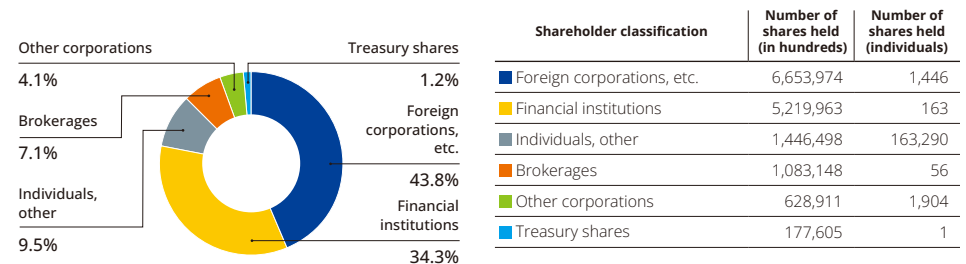
Date of founding	September 1, 1949
Issued capital	JPY220,216 million
Number of employees	265 (consolidated: 28,173)
Number of Group companies	Consolidated subsidiaries: 194 Equity-method affiliates: 33
Total number of issued shares	1,521,010,086
Trading unit	100 shares
Number of shareholders	166,860
Stock exchange listing	Tokyo Stock Exchange
Securities code	2502
Fiscal year-end date	December 31
Annual General Meeting of Shareholders	March
Administrator of shareholder registry	Sumitomo Mitsui Trust Bank, Limited
Independent accounting auditor	KPMG AZSA LLC

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.

Breakdown of Shareholdings by Investor Type





Asahi Group Holdings, Ltd.

<https://www.asahigroup-holdings.com/en/>

1-23-1 Azumabashi, Sumida-ku, Tokyo 130-8602, Japan

IR Section E-mail: ir@asahigroup-holdings.com