Corporate Governance Report

Last Update: August 7, 2026

Sapporo Breweries Ltd.

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Securities Code: 2501

https://www.sapporobreweries.com

The corporate governance of Sapporo Holdings Limited (the "Company") is described below.

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

1. Basic Views(Update)

The Company has set forth as follows Sapporo Group's "Management Philosophy", "Fundamental Management Policy", and "Fundamental Operational Principles", and in order to realize the foregoing and strive for the sustained enhancement of the Group's overall corporate value, will value the strengthening and enhancement of the Group's corporate governance as a vital managerial goal, will clearly specify supervisory, executive and audit functions within the Group under a holding company structure, and will endeavor to strengthen managerial oversight with a view to greater transparency in management and the attainment of the Group's business objectives.

(1)Management Philosophy
Pioneering the legacy of tomorrow

(2)Fundamental Management Policy
The Sapporo Group strives to maintain integrity in corporate conduct that strengthens relationships with stakeholder trust and aims to achieve continuous growth in corporate value.

(3)Fundamental Operational Principles
Under a business holding company structure, the Company establishes the following basic principles for Group management and, while maintaining and respecting the autonomy of each Sapporo group company, seeks to maximize corporate value through integrated management of the Group.

1) Principle of Strategic Partnership
The Company will optimally allocate the management resources of the Group as a whole, and the Sapporo Group companies will pursue strategic cooperation by leveraging their respective strengths in order to fulfill their missions in accordance with the management policy of the Company.
The Company and the Sapporo Group companies, while taking economic rationality into consideration, will cooperate with each other in the procurement of materials, products, and services, as well as in other business activities and will strive to realize Group-wide synergies.
2) Principle of Autonomous Growth
While respecting the autonomy of Group companies, the Company will delegate to the presidents of Sapporo Group companies the executive authority they require to manage their businesses, and the presidents of Sapporo Group companies will bear responsibility for the management of the companies. In addition, the Company provides the support and advice necessary for the growth of the Sapporo Group companies.
The Company, with respect to its basic approach and operation policy, etc., to Corporate Governance, has put in place the "Basic Policy on Corporate Governance", which is disclosed on the Company website. Please refer to the following URL to view said policy:
https://www.sapporobreweries.com/en/who-we-are/governance/basic_policy/

[Reasons for Non-compliance with the Principles of the Corporate Governance Code]
The Company has implemented all of the principles of the Corporate Governance Code.

[Disclosure Based on the Principles of the Corporate Governance Code]
[Basic Policy 1-4. Strategically-Held Shares]

The Company may strategically hold the shares of other companies if the Company finds that doing so will help

raise corporate value over the medium-to-long term from the standpoint of facilitating business continuity and increasing profits by strengthening commercial relationships. The Board of Directors will, pursuant to the Company's rules, annually verify whether the Company's holding of the individual Strategically-Held Shares is appropriate. With regard to the benefits and risks associated with Strategically-Held Shares, the Company will comprehensively judge the business feasibility that evaluates qualitative aspects such as the scale of the transactions and future development potential and investment feasibility that evaluates quantitative aspects such as comparison with the cost of capital, and then reduce its holdings of those listed company stocks it has decided to sell.
The Company steadily implements initiatives to reduce Strategically-Held Shares based on the policy of the Medium-Term Management Plan. The Company has set the following quantitative targets in order to accelerate these initiatives and clarify its immediate policy for further reduction.

We had been targeting a reduction in the ratio of the book value of shares held to the total equity attributable to the owners of the Parent Company to less than 10% by the end of the fiscal year ending December 2026. However, due to the expected increase in the total equity attributable to owners of the Parent Company as a result of the injection of external capital into the real estate business during the said fiscal year, we decided to revise the target ratio to less than 5% in consideration of the overall impact.

* With respect to the shares held that have quoted market prices, the Company records the book value of such shares based on their market value.

[Details of Verification pertaining to Strategically-Held Shares]

In FY2024, the Board of Directors verified whether the Company's Strategically Held Shares were being appropriately retained and managed in accordance with its strategic holdings policy from the viewpoints of objectives, risks, returns and capital efficiencies, etc. As a result of the verification, the Company decided to sell a portion of Strategically-Held Shares. In FY2025, the total amount sold was 9,056 million yen; the Company held 152 issues of Strategically Held Shares; the total value of Strategically Held Shares recorded on the balance sheet was 31,402 million yen; and the percentage of Strategically Held Shares to the total equity attributable to the owners of the Parent Company was 14%. We intend to work on further reduction in order to achieve the target for the fiscal year ending December 2026.

[Exercise of Voting Rights pertaining to Strategically-Held Shares]

In exercising voting rights pertaining to Strategically-Held Shares, the Company shall comprehensively judge whether or not to approve, from a medium-to-long term perspective, in light of the Company's holdings policy and the common interests of the shareholders of the investee. Details of the agenda will be discussed with the investee as necessary.

On this point, please refer to "5. Basic Policy on Strategic Holding of Shares and on the Exercise of Voting Rights Pertaining to Strategically-Held Shares" in the abovementioned "Basic Policy on Corporate Governance", which sets forth the policy detailed in the previous paragraph.

[Basic Policy 1-7. Transactions between Related Parties]

In cases where, pursuant to the Board of Directors Rules, it is necessary for the Company to carry out a competitive transaction, a self-dealing transaction, or a conflict-of-interest transaction with a Director, the Company shall obtain approval from the Audit & Supervisory Committee in addition to a resolution of the Board of Directors.
For transactions with major shareholders, etc., internal rules are set forth elsewhere, and all officers and employees are thoroughly notified of such rules.
On this point, please refer to "7. Transactions Between Related Parties" in the abovementioned "Basic Policy on Corporate Governance", which sets forth the policies detailed in the previous paragraph.

[Supplemental Principle 2-4①Ensuring Diversity in the Appointment and Promotion of Core Talent]
<Approach to ensuring diversity>
The Sapporo Group's Management Philosophy is "Pioneering the legacy of tomorrow." In order to achieve this goal, the Company has defined the basic philosophy of its personnel strategy as "Go beyond boundaries." "Going beyond boundaries" means transcending one's personal limits, going beyond organizational divides, and going beyond business and national borders. It is only when the Company's employees nurture each other and acknowledge their differences to create strengths that the Company can go beyond boundaries—and the Company believes that this will lead to the realization of our Management Philosophy. To this end, the Group respects diversity* of all types to recognize and incorporate human assets with diverse ideas and thoughts, and reinforce

environments that enable each employee to fulfill his or her maximum potential in a fair and equitable environment.

*Diversity means any individuality in the state where different people exist, in addition to gender, age, disability, nationality, education and work experience, employment type, values, sexual orientation and gender identity.

The Company's approach and current status regarding the promotion of women's participation, employment of diverse human resources, human resources development policy and policy on maintaining internal environment are as follows:

The Sapporo Group aims for an environment in which "women can proactively chart their own careers without being constrained by their gender and participate with a sense of satisfaction in all fields" as the gateway toward respect and application of all diversities. In addition, the Company is working on building a pipeline for managerial positions and officers by actively developing female employees who can attain positions that enable them to exercise their influence on corporate management, such as decision-making and the creation of new value, and expanding the scope of their active participation.
The status and goals for promoting female employees to managerial positions are disclosed on the Company website; please refer to the following URL.
https://www.sapporobreweries.com/en/who-we-are/strategy/human/diversity/

(1) Employment of diverse human resources
The Sapporo Group is founded on its "Open and Fair" philosophy. The hiring policies of each Group company are based on this philosophy, along with individual company characteristics and environments, to hire diverse human resources without distinction of nationality, gender or education and work experience.

Aiming to "accelerate diversity and flexibility" as one of the major pillars of its human assets strategy, the Company is promoting the appointment of external human resources to key positions, such as Group Managing Officers. We have also been active in mid-career hiring since the 1990s, and working to create an environment that helps us to retain human assets and enable them to fulfill their maximum potential, and to expand their fields of active participation. As a result, the percentage of mid-career hires at the Group companies in Japan at the end of 2025 is approximately 48.1%, and that of mid-career hires in management positions is 42.8%.

In addition, the Sapporo Group aims to "realize growth of overseas business" and promotes business activities at its overseas Group companies based in North America, Europe, and Asia by integrating diverse human assets, including expatriates from Japan and diverse management staff and employees who are locally hired and account for more than 90% of the workforce. The percentage of foreign nationals in managerial positions across the Company's group companies, including overseas, stood at 28.8% at the end of 2025.

We promote the employment of diverse human assets and work on initiatives aimed at improving various numerical values.

(2)Human resources development policy and policy on maintaining internal environment. The Sapporo Group believes that human assets are the source of all value creation and seeks to drive the enhancement of corporate value through the growth of its human assets.Across the Group, we promote diversity, cultivate management human assets, and invest in human capital for rapid growth in areas such as DX and globalization, as well as encourage individuals to demonstrate his/her strengths to the fullest for independent career development.
We are committed to enhancing our internal environment to enable the diverse employees of the Sapporo Group to remain mentally and physically healthy, energized, and positive, and to challenge new domains and transcend boundaries in order to continuously generate new value.
The current status regarding these policies is disclosed on the Company's website; please refer to the following URL.
https://www.sapporobreweries.com/en/who-we-are/strategy/human/

[Basic Policy 2-6. Performance of Function as Asset Owner of Corporate Pension]

The method of management of corporate pension fund established by the Company is set forth in "11. Management of Corporate Pension Fund" in the aforementioned "Basic Policy on Corporate Governance"; please refer to that document.

[Basic Policy 2-6. Performance of Function as Asset Owner of Corporate Pension]

The method of management of corporate pension fund established by the Company is set forth in “11. Management of Corporate Pension Fund” in the aforementioned “Basic Policy on Corporate Governance”; please refer to that document.

[Basic Principles 3-1. Ensuring Appropriate Disclosure of Information]

(i) The Company’s “Management Philosophy” and “Fundamental Management Policy” are as follows.

1) Management Philosophy

Pioneering the legacy of tomorrow

2) Fundamental Management Policy
The Sapporo Group strives to maintain integrity in corporate conduct that reinforces stakeholder trust and aims to achieve continuous growth in corporate value.
With regard to the details of the “Medium-Term Management Plan (2023-2026),” four-year plan starting from 2023, please refer to the following URL:
https://www.sapporobreweries.com/en/who-we-are/strategy/

(ii) The basic approach to corporate governance is also set forth in “I. 1. Basic Views” in this report and in “1. Basic Thinking on Corporate Governance” in the abovementioned “Basic Policy on Corporate Governance”; please refer to those documents.

(iii) The Company has established a “Compensation Committee” as an advisory body of the Board of Directors. The policies and procedures for decision-making regarding Directors’ compensation are set forth in “II. 1.
[Director Remuneration] Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods” in this report and “13(5)②. Compensation Committee” in the abovementioned “Basic Policy on Corporate Governance”; please refer to that document.

(iv) The Company has established a “Nominations Committee” as an advisory body of the Board of Directors. The policies and procedures for appointment and dismissal of senior management and appointment of Directors are set forth in “13(5) ① Nominations Committee” in the abovementioned “Basic Policy on Corporate Governance”; please refer to that document.

[Supplemental Principle 3-1③ Sustainability Initiatives]

<Sustainability Initiatives>

The Company integrates its fundamental approach to and values concerning sustainability into its management philosophy, engages in sincere corporate activities that strengthen stakeholder trust, and strives for the sustainable enhancement of corporate value, the Company identified, in developing the Medium-Term Management Plan, nine material issues covering the themes of “Harmony with the environment,” “Co-prosperity with society” and “Success of
human resources” and the Company is now working on these material issues while monitoring the progress thereof to ensure that the targets of each are achieved.
Please refer to “Implementation of Environmental Activities, CSR Activities, etc.” in “3. Measures to Ensure Due Respect for Stakeholders” in “III. Implementation of Measures for Shareholders and Other Stakeholders” for the sustainability initiatives of the Company.
In addition, the Company conducts scenario analyses and discloses information in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), which encourages companies to assess, manage and disclose information regarding climate-related risks and opportunities..
The details are disclosed on the Company website; please refer to the following URL:
https://www.sapporobreweries.com/sustainability/materiality/

<Investment in Human Resources>

In order to realize the Medium-Term Management Plan (2023-2026), the Company and the Sapporo Group have positioned the human assets strategy as a pillar of their management platform, under the slogan “Leveraging diversity to create a go beyond boundaries group that embraces positive change.” The human assets strategy

defines “Aggressive investing for speedy growth,” “Development of management talent,” “Promoting diversity,” “Agile utilization of human resources internally and externally,” and “Increasing engagement and promoting health” as important measures, and it will help the execution of management strategies through more specific action plans and KPIs.
The details are disclosed on the Company website; please refer to the following URL:
https://www.sapporobreweries.com/who-we-are/strategy/human/

<Investment in Brands>
In realizing the provision of value, “Through the Time and Space where all our businesses provide, we contribute to the Well-being of people and local communities,” the Company, while taking advantage of its portfolio of distinctive brands, has positioned the provision of a unique brand experience as a pillar of the value creation process. Accordingly, the Company focuses on activities to improve its brand value, including the emotional value and functional value of the Group company and its products, and aims to further improve such value through business activities in and outside Japan.
The Group has been involved in various facets of customers’ lives, focusing on its alcoholic beverage business originated from beer. This year the Group will celebrate the 150th anniversary of its foundation, and aims to resolve social issues, achieve a sustainable society, and provide unique brand experiences by improving its assets such as its connection to customers and regional communities backed by its corporate history, ability to create new value, and diverse human assets.
The measures to create value are stated in the Integrated Report of the Company.
https://www.sapporobreweries.com/ir/library/factbook/

<Investment in Intellectual Property>

Of the five themes of the Group Medium- to Long-Term Growth Strategy being developed, the Company is working on research and development themes with high contributions in the domains of Bonds with Community (providing exciting experiences and new ways of enjoying ourselves) and Healthier Choice (providing healthier choices).
Specifically, this contributes to our business strategies through research on brewing technology, research on enhancing the experiential value of alcohol, development of non-alcoholic and slightly alcoholic beverages, and research focusing on the health functions of lemons.
The Company positions intellectual property as a source of competitiveness and aims to build future intangible assets by utilizing the IP landscape (*), formulating business and research strategies as well as intellectual property strategies linked to those strategies, and investing aggressively in the acquisition of appropriate industrial property rights and know-how and in the enhancement of the brand value.
Research and development initiatives are stated in the Integrated Report of the Company.
https://www.sapporobreweries.com/ir/library/factbook/

*When formulating management strategies or business strategies, to (1) conduct an analysis incorporating intellectual property information into management and business information, and (2) share results thereof (such as a bird’s eye view of the current situation and future outlook) with the management and business managers.
(Regarding “Research on Analysis and Utilization of Intellectual Property Information Contributing to Management Strategies” on the Japan Patent Office website:
(from https://www.jpo.go.jp/support/general/chizai-jobobunseki-report.html)

[Supplemental Principle 4-1①. Scope of Matters Delegated to Management]

In addition to the matters set forth in laws and regulations and the Company’s Articles of Incorporation, the Company has set forth, in the “Board of Directors Rules”, the matters that are to be determined and decided by the Board of Directors, including the Group’s management policy and business plans, and other material matters relating to the conduct of corporate operations in the Company and the Sapporo Group companies. In combination with other internal regulations, these Rules clarify the scope of matters delegated to management, allowing management to engage in swift decision-making within the scope of its authority via the Management Council and other advisory bodies.

[Principle 4-9. Standards and Qualifications for Judging Independence of Independent Outside Directors]

The independence standards for Outside Officers of the Company are set forth in “II.1 [Independent Officers] Matters relating to Independent Officers” of this report and in “Appendix 1. Standards for Independence of Outside Directors” in the abovementioned “Basic Policy on Corporate Governance”; please refer to these documents.

[Supplemental Principle 4-10① Policies, Authority and Roles regarding the Independence of the Composition of the Nominations Committee and Compensation Committee]

In order to increase the transparency of operations related to the selection and treatment of Directors and to maintain healthy management functions, the Company has established a Nominations Committee and a Compensation Committee as advisory bodies to the Board of Directors.
The policies, authority and roles regarding the independence of each Committee are set forth in "Supplementary Explanation" of "Voluntary Establishment of Nomination/Remuneration Committee" in "1. Organizational Composition and Operation" in "II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management" of this report, as well as "13(5) ① Nominations Committee" and "13(5)② Compensation Committee" in the abovementioned "Basic Policy on Corporate Governance", please refer to that document.

[Supplemental Principle 4-11 ①. Approach to Balancing the Knowledge/Experience/Abilities, and to the Diversity and Scale, of the Board of Directors as a Whole]

The overall structure of the Company's Board of Directors is set forth in "13(5)① Nominations Committee" in the abovementioned "Basic Policy on Corporate Governance"; please refer to that document. Please refer to "2. Other Matters Concerning Corporate Governance System" in "V. Other" of this report for the skill matrix of Directors.

[Supplemental Principle 4-11②. Status of Director Concurrent Appointments as Officers of Other Listed Companies]

The Company discloses the material concurrent appointments of its Directors in the business reports and general shareholders' reference materials indicated in Notices of Convocation of Ordinary General Meetings of Shareholders. For the details, please refer to the Company website. We have judged that all such concurrent appointments are limited to a reasonable scope, in consideration of the time and effort required for appropriate performance of the duties and responsibilities of a Company Director.
https://www.sapporobreweries.com/ir/pdf/event/meeting/mtg102_01.pdf

[Supplemental Principle 4-11③. Assessment of the Effectiveness of the Board of Directors]

As set forth in "13(6) Assessment of the Board of Directors" in the abovementioned "Basic Policy on Corporate Governance", each year, the Company, on the basis of self-evaluations by each Director, analyzes and assesses the effectiveness of the Board of Directors and discloses a summary of the results.

(1) Initiatives in FY2025 in Response to the Results of Board of Directors Effectiveness Assessments for FY2024 In the assessments for FY2024, highly evaluated were the multifaceted discussions that take advantage of knowledge, experience and abilities possessed by Outside Directors, including those at off-site strategy sessions
(2) called
"intensive discussions" that complement the Board of Directors' meetings and the establishment of theme-specific working groups on medium- to long-term strategies.
At the same time, we recognized and shared the need for more thorough management of the progress of the management plan, analysis of causes and reflection in the next plan, as well as longer-term vision and preparation in the succession plan.
In light of the results of the survey and interviews as well as discussions at the Board of Directors' meetings, we will select important agenda items for the Board of Directors and committee meetings and formulate an annual plan. We held "intensive discussions" where we had active discussions on medium- to long-term strategies. Furthermore, the Compensation Committee thoroughly reviewed the compensation system for 2026 and beyond with an external advisor, which was part of our efforts to enhance the effectiveness of the voluntary advisory committee.
Through this process, we will develop growth strategies that flexibly respond to changing environments and enhance corporate value. In addition, we aim to establish a system through which we promptly initiate discussions and translate the results into concrete actions when an issue arises.

(3) Results of Board of Directors Effectiveness Assessments for FY2025
With respect to the Board of Directors' effectiveness assessments for FY2025, a third-party advisor conducted an anonymous survey based on the method of self-evaluation for all Directors and individual interviews with them.

The results of the survey and interviews were compiled and analyzed by an external organization, and then provided to the Board of Directors. Having secured enough time, discussions with a view toward ascertaining the current state of affairs and recognizing issues and challenges were conducted at the Board of Directors meetings held in October 2025 and January 2026.
Highly evaluated was the fact that the Board of Directors has been making improvements in the consideration of the issues shared in the effectiveness assessments for the previous fiscal year and that the use of prior briefings, "intensive discussions" and off-site meetings contributed to further enhancement of discussions at the Board of Directors meetings.
On the other hand, it was recognized and shared that there are issues in the quality of discussions and the composition of the Board of Directors, as well as the operational system of the committees.
By way of solving the identified issues and implementing continuous assessments that make use of appropriate methods, the Company is making an effort to further improve the effectiveness of its Board of Directors.

[Supplemental Principle 4-14②. Training Policy for Directors]

The Company is implementing the following training to enable Directors to acquire a deeper understanding of their roles and duties and fully discharge their responsibilities.

(1) Persons newly appointed as Directors will undergo training in regard to the necessary laws and regulations including the Companies Act, and in regard to corporate governance.
(2) After the appointment of any Director, the Company provides a diverse program of training activities, to be conducted internally and externally, in regard to legal amendments and business issues, challenges, etc.
(3) Persons newly appointed as Independent Outside Directors will receive explanations necessary in regard to the corporate profile of the Sapporo Group, the Group's management strategy, financial condition, and other important matters
, and will also be provided with opportunities to observe Group company production facilities and research sites, etc., for the purpose of acquiring a deeper understanding of the Sapporo Group.
With respect to this paragraph, please also refer to "13(8) Training Policy for Directors" and "14(5) Training Policy for Audit & Supervisory Board Members" in the abovementioned "Basic Policy on Corporate Governance."

[Principle 5-1. Policy on Constructive Dialogue with Shareholders]

The policy on constructive dialogue with shareholders is set forth in "16. Dialogue with Shareholders" in the abovementioned "Basic Policy on Corporate Governance"; please refer to that document.

[Status, etc., of Dialogue with Shareholders]

For the purpose of achieving sustained growth and the improvement of corporate value over the medium to long term, the Company is having dialogues with shareholders by responding to requests for interviews from shareholders or investors and by the Company proactively requesting shareholders to attend interviews, and through the holding of briefings or information sessions. For the details, please refer to the Company website.
https://www.sapporobreweries.com/en/who-we-are/governance/basic_policy/

[Action to Implement Management That Is Conscious of Cost of Capital and Stock Price]

Content of Disclosure	Disclosure of Initiatives
Availability of English Disclosure	Available
Date of Disclosure Update	February 13, 2026

Explanation of Actions (Update)

In pursuit of sustainable enhancement of our corporate value over the medium to long term, we are promoting initiatives not only to improve capital profitability but also to reduce our cost of capital.
Regarding ROE, a key indicator of capital efficiency, we set a target of 8% for 2026 in our Medium-Term Management Plan announced in November 2022, and aim to achieve 10% or more over the longer term. The ROE result for FY2025 was 9.4%, achieving the target for 2026 one year ahead of schedule, due to improved profitability of respective businesses led by alcoholic beverages in Japan, and exceeded the cost of equity of approximately 6 to 7% as recognized by the Company. In addition, our PBR, an indicator of market valuation, stood at approximately 3 times at the end of FY2025.
Going forward, we will aim to achieve an ROE of 10% or more over the long term by making use of funds acquired through the injection of external capital into the real estate business, and strengthening cash generation capabilities and improving asset efficiency, in order to enhance corporate value.
For details on our initiatives related to “Actions to Implement Management that is Conscious of Cost of Capital and Stock Price,” please refer to the following URL:
https://www.sapporobreweries.com/en/ir/library/management_response/

2. Capital Structure

Foreign Shareholding Ratio (Update)	30% or more

[Status of Major Shareholders] (Update)

Name / Company Name	Number of Shares Owned	Percentage (%)
The Master Trust Bank of Japan, Ltd. (on trust)	7,951,700	10.19
GOLDMAN, SACHS & CO.REG	3,394,975	4.35
STATE STREET BANK AND TRUST COMPANY 505018	3,355,082	4.30
NOMURA PB NOMINEES LIMITED OMNIBUS-MARGIN CASHPB)	2,927,200	3.75
Custody Bank of Japan, Ltd. (on trust)	2,860,400	3.67
GOLDMAN SACHS INTERNATIONAL	2,556,854	3.28
Mizuho Trust & Banking of the employee pension trust of Custody Bank of Japan, Ltd.	2,442,400	3.13
3D OPPORTUNITY MASTER FUND	2,400,000	3.08
Nippon Life Insurance Company	2,237,364	2.87
Meiji Yasuda Life Insurance Company	2,236,800	2.87

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

Supplementary Explanation (Update)

Supplementary Explanation

Notes on the abovementioned status of major shareholders* The abovementioned status of major shareholders is the status as of December 31, 2025. Treasury shares owned by the Company are excluded from the percentage above.

1. 2,442 thousand shares held by Mizuho Trust & Banking of the employee pension trust of Custody Bank of Japan, Ltd. are the trust property of the employee pension trust entrusted to Custody Bank of Japan, Ltd. by Mizuho Trust & Banking Co., Ltd., in regard to which trust Mizuho Trust & Banking Co., Ltd. retains voting rights. Mizuho Trust & Banking Co., Ltd. holds 832 thousand shares in addition to the foregoing.

2. In a Large Shareholding Report (Change in Shareholding) which was made available for public inspection as of January 23, 2025, it is stated that 3D Investment Partners Pte. Ltd. holds the following shares as of January 16, 2025; however, since the Company could not confirm the actual number of shares owned as of the voting record date, such shares are not included in Status of Major Shareholders described above.
The content of the Large Shareholding Report (Change in Shareholding) is as follows.
【Name or Company Name/Address/Number of Shares Owned (thousand shares)/Percentage of Number of Shares Owned by Total Number of Issued Shares (%)】
3D Investment Partners Pte. Ltd./1 Temasek Avenue, #20-02A Millennia Tower, Singapore 039192/15,317/19.44

3. In a Large Shareholding Report (Change in Shareholding), which was made available for public inspection as of December 31, 2024, it is stated that Nomura Securities Co., Ltd. holds the following shares as of December 31, 2025; however, since the Company could not confirm the actual number of shares owned as of the voting record date, such shares are not included in Status of Major Shareholders described above.
The content of the Large Shareholding Report (Change in Shareholding) is as follows.

【Name or Company Name/Address/Number of Shares Owned (thousand shares)/Percentage of Number of Shares Owned by Total Number of Issued Shares (%)】
Nomura Securities Co., Ltd. and 1 other person/1-13-1 Nihombashi, Chuo-ku, Tokyo/25,157/6.39

3. Corporate Attributes

Listed Stock Market and Market Section	Tokyo Prime Market; Sapporo existing market
Fiscal Year-End	December

Type of Business	Foods
Number of Employees (consolidated) as of the End of the Previous Fiscal Year	More than 1,000
Sales (consolidated) as of the End of the Previous Fiscal Year	From ¥100 billion to less than ¥1 trillion
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	From 50 to less than 100

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

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

None

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

1. Organizational Composition and Operation

Organization Form	Company with Audit & Supervisory Committee

[Directors]

Maximum Number of Directors Stipulated in Articles of Incorporation	12
Term of Office Stipulated in Articles of Incorporation	One year
Chairperson of the Board	President
Number of Directors	11
Status of Appointment of Outside Directors	Appointed
Number of Outside Directors	7
Number of Independent Directors	7

Outside Directors' Relationship with the Company (1) (Update)

Name	Attribute	Outside Directors' Relationship with the Company (*)										
		A	b	c	d	e	F	g	h	i	J	k
Makio Tanehashi	From another company								○			
Ryotaro Fujii	From another company								△			
Naoko Tanouchi	From another company											
Akihiro Watanabe	From another company								○			
Koichi Mizutome	From another company											
Hisae Kitayama	Certified public accountant											
Seiko Noda	Lawyer											

* Categories for "Relationship with the Company"

* "○" when the director currently falls or has recently fallen under the category; "△" when the director fell under the category in the past

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

a Executive of the Company or its subsidiaries

b Non-executive director or executive of a parent company of the Company

c Executive of a fellow subsidiary company of the Company

d A party whose major client or supplier is the Company or an executive thereof

e Major client or supplier of the Company or an executive thereof

f Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as a director/auditor

g Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a legal entity)

h Executive of a client or supplier company of the Company (which does not correspond to any of d, e, or f) (the director himself/herself only)

i Executive of a company, between which and the Company Outside Directors/auditors are mutually appointed

(the director himself/herself only)
j Executive of a company or organization that receives a donation from the Company (the director himself/herself only)
k Others

Outside Directors’ Relationship with the Company (2)

Name	Membership of Audit and Supervisory Committee	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons of Appointment
Makio Tanehashi		○	Mr. Makio Tanehashi was involved in business execution at Tokyo Tatemono Co., Ltd. until March 2019. Although there are currently transactions between the said company and the subsidiaries of the Company, the amount of such transactions in the most recent business term has been less than 0.1% of either the consolidated revenue of the Company or the consolidated operating revenue of the said company. The Company has therefore determined that there is no conflict of interest between him and the Company's shareholders in light of the "Independence Standards for Outside Directors," stipulated by the Company.	Mr. Makio Tanehashi has a wealth of experience and a rich track record as a corporate manager as well as extensive insight into asset planning and compliance. For the realization of the Group Medium- to Long-Term Growth Strategy and the achievement of the Medium-Term Management Plan (2023 to 2026), Mr. Tanehashi is expected to offer pertinent opinions and advice regarding the injection of external capital into the real estate business based on his abundant management experience in finance and real estate, and from his objective and professional standpoint. The Company has determined that he will be an appropriate person to supervise the management of the Group that is aiming to achieve continuous growth in corporate value. In addition, the Company has registered him as an independent officer with the Tokyo Stock Exchange and the Sapporo Stock Exchange, as he is deemed not to violate the applicable criteria of independence as stipulated by financial instruments exchanges.
Ryotaro Fujii		○	Mr. Ryotaro Fujii works as Senior Adviser of Permira Advisers LLP, but there is no business relationship with the Company. Mr. Fujii was contracted by the Company to provide his services as an external expert member of the Company’s “Sapporo Group Strategy Review Committee” from September	Mr. Ryotaro Fujii has a wealth of experience and a rich track record at private equity funds, in addition to extensive insight in the areas of financial accounting and M&A. For the realization of the Group Medium- to Long-Term Growth Strategy and the achievement of the Medium-Term Management Plan (2023 to 2026), Mr. Fujii is expected to

			2023 to January 2024. At the committee, he provided his views and suggestions from a professional standpoint, as well as new neutral and objective perspectives, fulfilling the role that was different from that of internal committee members. The annual amount of remuneration paid to Mr. Fujii as a member of the aforementioned committee was not more than five million yen. The Company has therefore determined that there is no conflict of interest between him and the Company's shareholders in light of the "Independence Standards for Outside Directors," stipulated by the Company.	offer pertinent opinions and advice regarding improvement of asset efficiency and M&A from his objective and professional standpoint. The Company has determined that he will be an appropriate person to supervise the management of the Group that is aiming to achieve continuous growth in corporate value. In addition, the Company has registered him as an independent officer with the Tokyo Stock Exchange and the Sapporo Stock Exchange, as he is deemed not to violate the applicable criteria of independence as stipulated by financial instruments exchanges.
Naoko Tanouchi		○	Not applicable	Ms. Naoko Tanouchi has a wealth of experience, abundant track records and insight, including her involvement in M&A at a leading food manufacturer, corporate planning, internal auditing, and her work as a company auditor. She has extensive insight into marketing, M&A and compliance. For the realization of the Group Medium- to Long-Term Growth Strategy and the achievement of the Medium-Term Management Plan (2023 to 2026), Ms. Tanouchi is expected to offer pertinent opinions and advice regarding marketing and M&A from her objective and professional standpoint. The Company has determined that she will be an appropriate person to supervise the management of the Group that is aiming to achieve continuous growth in corporate value. In addition, the Company has registered her as an independent officer with the Tokyo Stock Exchange and the Sapporo Stock Exchange, as she is deemed not to violate the applicable criteria of independence as stipulated by financial instruments exchanges.

Akihiro Watanabe		○	Mr. Akihiro Watanabe serves as chairman of Houlihan Lokey. Although there are currently transactions between the said company and the subsidiaries of the Company, the amount of such transactions in the most recent business term has been less than 0.1% of either the consolidated revenue of the Company or the consolidated operating revenue of the said company. The Company has therefore determined that there is no conflict of interest between him and the Company's shareholders in light of the "Independence Standards for Outside Directors," stipulated by the Company.	Mr. Akihiro Watanabe has a wealth of experience and a rich track record as a corporate founder and manager and a certified public accountant. He has extensive insight into M&A, global management and financial accounting. For the realization of the Group Medium- to Long-Term Growth Strategy and the achievement of the Medium-Term Management Plan (2023 to 2026), Mr. Watanabe is expected to offer pertinent opinions and advice regarding M&A and global management from his objective and professional standpoint. The Company has determined that he will be an appropriate person to supervise the management of the Group that is aiming to achieve continuous growth in corporate value. In addition, the Company has registered him as an independent officer with the Tokyo Stock Exchange and the Sapporo Stock Exchange, as he is deemed not to violate the applicable criteria of independence as stipulated by financial instruments exchanges.
Koichi Mizutome		○	Not applicable	Mr. Koichi Mizutome has a wealth of experience and a rich track record as a corporate manager as well as at global consulting firms. He has extensive insight into global management, M&A and marketing. For the realization of the Group Medium- to Long-Term Growth Strategy and the achievement of the Medium-Term Management Plan (2023 to 2026), Mr. Mizutome is expected to offer pertinent opinions and advice regarding global management, M&A and marketing from his objective and professional standpoint. The Company has determined that he will be an appropriate person to supervise the management of the Group that is aiming to achieve continuous growth in corporate value. In addition, the Company has

				registered him as an independent officer with the Tokyo Stock Exchange and the Sapporo Stock Exchange, as he is deemed not to violate the applicable criteria of independence as stipulated by financial instruments exchanges.
Hisae Kitayama	○	○	Not applicable	Although Ms. Hisae Kitayama has no experience in directly managing a company, she is expected to audit and supervise the performance of duties by Directors of the Company from an objective, fair and neutral perspective, based on her wealth of experience and knowledge as well as a rich track record as a certified public accountant at a audit firm, in addition to her experience in having served as a partner at a large audit firm, an officer at the Japanese Institute of Certified Public Accountants and the chairperson of an audit committee. She has thus been appointed as an Outside Director who is an Audit & Supervisory Committee Member. In addition, the Company has registered her as an independent officer with the Tokyo Stock Exchange and the Sapporo Stock Exchange, as she is deemed not to violate the applicable criteria of independence as stipulated by financial instruments exchanges.
Seiko Noda	○	○	Not applicable	Although Ms. Seiko Noda has no experience in directly managing a company, she is expected to audit and supervise the performance of duties by Directors of the Company from an objective, fair and neutral perspective, based on her wealth of experience and knowledge as well as a rich track record as a lawyer, in addition to her experience in having served as an outside corporate auditor and an outside director who is audit and supervisory committee member at listed companies. She has thus been appointed as an Outside Director who is an Audit & Supervisory Committee Member. In addition, the Company has registered her as an independent

				officer with the Tokyo Stock Exchange and the Sapporo Stock Exchange, as she is deemed not to violate the applicable criteria of independence as stipulated by financial instruments exchanges.

[Audit & Supervisory Committee]

Committee's Composition and Attributes of Chairperson

	All Committee Members	Full-time Members	Inside Directors	Outside Directors	Chairperson
Audit & Supervisory Committee	3	1	1	2	Outside Director

Appointment of Directors and/or Staff to Support the Audit & Supervisory Committee (Update)	Appointed

Matters Related to the Independence of Such Directors and/or Staff from Executive Directors

The Company established the "Audit & Supervisory Committee Office" as an office to assist the Audit & Supervisory Committee in performing its duties, and has assigned three full-time staff members who have extensive work experience and knowledge or abilities at the Group and are independent from management. The Company has ensured the independence of such staff members from the management by, among other things, obtaining the prior consent of the Audit & Supervisory Committee in relation to the assignment and evaluation of such staff members.

Cooperation among Audit & Supervisory Committee, Accounting Auditors and Internal Auditing Departments

1.Cooperation for Tripartite Audits
At the beginning of the current business year, the Audit & Supervisory Committee held a "tripartite audits meeting" to mutually share their audit plans and confirm the measures and the systems, etc. to improve the effectiveness of the tripartite audits.

2.Cooperation between Audit & Supervisory Committee and Accounting Auditors
The Audit & Supervisory Committee receives periodic reports on the results of quarterly reviews and during-the-period reviews based on the audit plan formulated by the Accounting Auditor, audit progress, progress and results of on-site audits overseas, and the results of the year-end audit, as well as the results of internal control audits based on the Financial Instruments and Exchange Act. With respect to the Key Audit Matters (KAM), the Audit & Supervisory Committee receives reports on the review status of identifying the KAM from priority audit items from the auditing firm, and requests explanations thereon as necessary. Additionally, prior to them, the Audit & Supervisory Committee Members serving as selected Audit & Supervisory Committee Members communicate with the Accounting Auditor, whereby they exchange views on priority audit items, whether the accounting issues have an impact on management, and the scale of such impact. In addition, the Audit & Supervisory Committee holds discussions as needed in daily audit activities and accounting audit activities.

3.Cooperation between Audit & Supervisory Committee and Auditing Department
In connection with the transition to a Company with Audit & Supervisory Committee in 2020, the Auditing Department, which is an internal auditing organization independent from business execution lines, became the "Dual Report Line," which conducts internal audits of the entire business of the Company and its subsidiaries, under the direction of the Representative Director or the Audit & Supervisory Committee. In addition, the Company has established a system where, if an employee of the Auditing Department assists in the duties of the Audit & Supervisory Committee under the direction of the Audit & Supervisory Committee, the employee is solely subject to the directions and orders of the Audit & Supervisory Committee.
The Audit & Supervisory Committee meets regularly with the Auditing Department to receive reports on the results of internal audits, the development and operational status of internal control related to financial reporting and the evaluation results thereof. Prior to them, the Standing Audit & Supervisory Committee Member and the Auditing Department hold discussions to select the departments subject to auditing in the internal audit plan for the next fiscal year, confirm the effectiveness of the schedule, and exchange views on priority audit items of the internal audit. In

addition, they hold discussions as needed in daily audit activities.

4.Cooperation between Accounting Auditor and Auditing Departmen

The Accounting Auditor shares the results of the internal audit by the Auditing Department and exchanges views as necessary.

[Voluntary Establishment of Nomination/Remuneration Committee]

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

Committee's Name, Composition, and Attributes of Chairperson

	Committee's Name	All Committee Members	Full-time Members	Inside Directors	Outside Directors	Outside Experts	Other	Chairperson
Committee Corresponding to Nomination Committee	Nominations Committee	5	0	1	4	0	0	Outside Director
Committee Corresponding to Remuneration Committee	Compensation Committee	5	0	1	4	0	0	Outside Director

Supplementary Explanation

In order to increase the transparency of operations related to the selection and treatment of Directors and to maintain healthy management functions, the Company has established a Nominations Committee and a Compensation Committee as advisory bodies to the Board of Directors. The Nominations Committee shall consist of Directors selected by resolution of the Board of Directors, the majority of whom shall be Independent Outside Directors., and the chair person of this committee shall be selected by resolution of the Board of Directors and shall be an Independent Outside Director. The
Compensation Committee shall consist of Directors selected by resolution of the Board of Directors, the majority of whom shall be independent Outside Directors , and the chair person of this committee shall be selected by resolution of the Board of Directors and shall be an Independent Outside Director.
The chairperson of the Audit & Supervisory Committee is Ms. Hisae Kitayama, by resolution of the Audit & Supervisory Committee meeting held after the conclusion of the 102nd Ordinary General Meeting of Shareholders held on March 27, 2026, in accordance with the Regulations of the Audit & Supervisory Committee of the Company.

[Independent Directors]

Number of Independent Directors	7

Matters relating to Independent Directors

The Company has appointed all seven Outside Directors (five Outside Directors and two Outside Directors who are Audit & Supervisory Committee Members) who meet the qualifications for independent officers.
Our standards for independence of Outside Directors are as set forth below.

[Standards for Independence of Outside Directors]
1. In order for the Outside Directors of the Company to be Outside Directors who are independent ("Independent Officers") , any such Outside Directors shall satisfy the applicable standards of independence specified by the financial instruments exchanges and, no such Outside Directors may fall under any of the following Items (1) through (3).

(1) A person who currently is or during the past ten years was an executive officer (gyomu shikkou sha) of the

Company or its consolidated subsidiaries (collectively, “Group”) (*1).

(2) A person who currently falls under or during the past three years has fallen under any of the following sub-items (i) through (viii).

(i) A person having the Group as a major business partner, or its executive officer (gyomu shikkou sha) (*2);

(ii) A major business partner of the Group or its executive officer (gyomu shikkou sha) (*3);

(iii) A consultant, accounting professional, or legal professional who has obtained from the Group large sums of money or other property other than officer remuneration, etc. (if a person who has obtained such properties is a corporation, association, or other group, this means a person who belongs to such group) (*4);

(iv) A major shareholder of the Group (if such major shareholder is a corporation, an executive officer (gyomu shikkou sha) of such corporation) (*5);

(v) In the case where the executive officer (gyomu shikkou sha) of the Company holds the office of Outside Directors or Outside Audit & Supervisory Board Members of another company, an executive officer (gyomu shikkou sha) of such other company;

(vi) A person who has received large donations from the Group or a Director or other executive officer (gyomu shikkou sha) of a group that received such donations (*6);

(vii) A member, partner, or employee of the audit corporation that is the accounting auditor for the Group; and

(viii) A major lender of the Group or its executive officer (gyomu shikkou sha) (*7)

(3) A spouse or a relative in the second degree or closer of any person listed in Item (1) or Item (2) above (excluding any unimportant person).

2. An Independent Officer of the Company must be an Outside Director with respect to whom there is no likelihood of a constant and substantial conflict of interests arising with the entire general shareholders of the Company for any reason other than the reasons considered in Items (1) through (3) of Paragraph 1. above.

3. An Outside Director who falls under any of Items (1) through (3) of Paragraph 1. above may nonetheless be appointed as an Independent Officer of the Company, if the Company considers such Outside Director to be appropriate as an Independent Officer in light of such Outside Director’s personality and insight, etc., on the condition that such Outside Director satisfy the applicable standards of independence specified by the financial instruments exchanges and that a public explanation be given of the reasons why we consider such Outside Director to be appropriate as an Independent Officer of the Company.

Notes:

*1 For any person who was a non-executive Director, an Accounting Advisor (if the Accounting Advisor is a juridical person; a member who is to execute its duties) or an Audit & Supervisory Board Member of the Group at any time over the last ten years, the ten-year period prior to assumption of such office. “Executive officer (gyomu shikkou sha)” means a person stipulated in Article 2, Paragraph 3, Item (6) of the Ordinance for Enforcement of the Companies Act.

*2 ”Person having the Group as a major business partner” means a person who has received from the Group payment of an amount equivalent to 2% or more of its annual consolidated sales (annual consolidated revenue) in the most recent fiscal year.

*3 ”Major business partner of the Group” means a person who in the most recent fiscal year made payment to the Group in an amount equivalent to 2% or more of the Company’s annual consolidated revenue.

*4 ”Consultant, accounting professional, or legal professional who has obtained from the Group large sums of money or other property other than officer remuneration, etc.” means a person who in the most recent fiscal year obtained money or property, other than officer remuneration, etc., the amount or value of which is not less than the higher of (i) 2% of annual consolidated sales (annual consolidated revenue) of such person or (ii) ten million yen, or a member, partner, associate or employee of any law firm, auditing corporation, tax accountant corporation, consulting firm, or other professional advisory firm that received from the Group payment of an amount equivalent to 2% or more of that firm’s annual total sales in the most recent fiscal year.

*5 ”Major shareholder of the Group” means a person or a corporation who directly or indirectly holds 10% or more of the total voting rights of a company within the Group.

*6 ”Large donation” means a donation that is made in the most recent fiscal year, the amount of which is not less than the higher of (i) ten million yen or (ii) 30% of the average annual expenses for the relevant group.

*7 ”Major lender of the Group” means any financial institution or other major creditor that is essential for the Company’s fund-raising, upon which the Company relies to such extent that such lender is not replaceable.

[Incentives]

Incentive Policies for Directors	Performance-linked Remuneration

Supplementary Explanation

We have adopted, from 2016, a "Board Benefit Trust (BBT)" stock compensation plan for Exevutive Directors (excluding Directors who are Audit & Supervisory Committee Members), Group Managing Officers and some Directors of the Sapporo group companies (excluding Outside Directors; "Group Applicable Officers") for the purpose of reinforcing attention on contributing to an increase in business results over the medium-to-long term and to raising the Company's corporate value.

This plan is a stock compensation plan under which Company stock is acquired through the trust using funds that the Company contributed, and Company stock or the monies equivalent to the amount obtained by converting such Company stock at a market price, as of the resignation date, are provided to the Group Applicable Officers on the basis of their position and performance in accordance with the Officer Stock Benefit Rules stipulated by the Company.

Other policies on performance-linked remuneration are set forth in "II.1. [Director Remuneration] Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods" in this report. Please refer thereto.

Recipients of Stock Options	

Supplementary Explanation

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[Director Remuneration]

Disclosure of Individual Directors' Remuneration (Update)	Individual Disclosure for Certain Officers

Supplementary Explanation (Update)

- The total amount of remuneration for all Directors and Outside Directors is disclosed in the business report in accordance with the Ordinance for Enforcement of the Companies Act.
- In addition to that, individual disclosure is provided for Directors whose total remuneration is more than one hundred million yen in the annual securities report.
- The business report and annual securities report are available on the Company's website.

Business Report (Notice of Convocation of the Ordinary General Meeting of Shareholders) https://www.sapporobreweries.com/ir/event/meeting/

Securities Report:
https://www.sapporobreweries.com/ir/library/securities_report/

The details of the disclosure of Directors' remuneration for FY2025 are as follows.
- The annual securities report provides disclosure of remuneration, etc., for Directors (excluding Directors who are Audit & Supervisory Committee Members) of 299 million yen (including stock-based remuneration) and for Directors who are Audit and Supervisory Committee Members of 58 million yen as remuneration, etc., paid to Directors (including bonuses for the 102nd fiscal year).
- In addition, the total amount of consolidated remuneration, etc., for President and Representative Director, Hiroshi Tokimatsu, for the 102nd fiscal year is 107 million yen (basic remuneration of 54 million yen, performance-linked remuneration of 43 million yen, and performance-linked stock-based remuneration of 11

Policy on Determining Remuneration Amounts and Calculation Methods (Update)	Provided

Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods

To determine remuneration in an objective and transparent manner, the Company has established, as an advisory body to the Board of Directors, a Compensation Committee composed of Independent Outside Directors for the majority and chaired by an Independent Outside Director, and the amount of individual remuneration for each Director (excluding a Director who is an Audit & Supervisory Committee Member) is determined by such committee on the basis of a resolution of the Board of Directors.
Other policies for determination of the amount of remuneration of Directors or the calculation methods thereof are as follows.

1 Basic Policy
To contribute to the sustainable growth of the Company, the remuneration of the Company's Directors (excluding Directors who are Audit & Supervisory Committee Members, the same applies hereinafter) shall be a combination of monetary remuneration and stock-based remuneration, and is linked to performance and medium-to-long-term corporate value. When determining the amount of individual remuneration for each Director, the basic policy is to set an appropriate level based on such Director's work responsibilities. Specifically, the remuneration of the executive directors shall be monetary remuneration and stock-based remuneration. Of these, monetary remuneration consists of ① basic remuneration as fixed remuneration and ② performance-linked remuneration within the maximum ceiling for remuneration payment decided at a General Meeting of Shareholders, and stock-based remuneration has performance-linked remuneration as its basis. Outside Directors will only be paid basic remuneration.

2 Policy on decision of the amount of individual of basic remuneration (including policy on decision of the time or terms for granting such remuneration, etc.)
The basic remuneration of the Company's Directors shall be a fixed monthly monetary remuneration. The amount of the basic remuneration shall be determined by comprehensively taking into account the ranking, public standards, and the Company's performance, among other matters.

3 Policy on decision of performance indicators pertaining to performance-linked remuneration and the calculation methods of the amount of performance-linked remuneration (including the policy on decision of the time or terms for granting remuneration, etc.)
Performance-linked remuneration shall be paid in money in accordance with the performance for the preceding year (provided, however, that the remuneration shall be within the maximum ceiling for remuneration payment decided at a General Meeting of Shareholders in conjunction with 2 above). In the calculation thereof, the amount is computed according to the degree of attainment of the target ROE, ROIC and EBITDA for each fiscal year and based on the results of individual evaluation, and is to be paid in a lump sum in April of each year.

4 Policy on decision of the content and amount of, or number in respect of stock-based remuneration or the calculation methods thereof (including policy on decision of the time or terms for the granting of remuneration, etc.)
Stock-based remuneration shall be granted as performance-linked remuneration. In the calculation thereof, points are calculated according to the degree of attainment of evaluation indicators which lead to medium-to-long-term growth in corporate value, such as EPS, ESG indicators and employee engagement and awarded. After the retirement of the particular Director, stock in a number corresponding to the points awarded is provided.
Other details in respect of monetary payment of a certain percentage in respect of performance-linked remuneration shall be set forth in the Officer Stock Benefit Rules to be separately stipulated.

5 Policy on decision of the ratio of the amount of basic remuneration, of performance-linked remuneration, or of stock-based remuneration to the amount of individual Director's remuneration, etc.
The remuneration ratio with respect to each remuneration category of the executive directors shall be determined, in accordance with the ranking, by the Compensation Committee, an advisory body of the Board of Directors, based on compensation levels and the ratios of performance-linked remuneration pertaining to companies of the same business scale as the Company as indicated by data from external research organizations.
The guideline for the ratio in respect of basic remuneration, performance-linked remuneration, and stock-based remuneration, where the performance targets are met, is set at 100:45:45 for the President and Representative Director and 100:35:35 for Directors other than President and Representative Director.

6 Method for determining the contents of individual Director's remuneration, etc.
(i) Person to be delegated in cases where delegation is to be made to a third party
Delegate to the Compensation Committee.
The Compensation Committee is accounted for by Independent Outside Directors for the majority, and chaired by an Independent Outside Director, in order to ensure transparency and objectivity in its resolutions.

(ii) Delegation Authority
The Compensation Committee determines the amount of basic remuneration and performance-linked remuneration for individual Directors, as well as the number of points granted for performance-linked stock remuneration, based on delegation by the Board of Directors.

(iii) Content of measures for the proper exercise of authority
The Compensation Committee shall consist of Independent Outside Directors (excluding Directors who are Audit & Supervisory Committee Members) and Directors who are Audit & Supervisory Committee Members and the President. One chairperson of the Compensation Committee shall be appointed from among the Independent Outside Directors (excluding Directors who are Audit & Supervisory Committee Members).

Supplementary provisions (in accordance with revisions to these guidelines on February 13, 2026)

1 This policy, as revised on February 13, 2026 (the "Revisions" hereinafter), will become effective on April 1, 2026. The application of performance-based remuneration in this policy as a result of the Revisions shall be subject to the following paragraphs.

2 Performance-linked remuneration for FY2026 (from April 1, 2025, to March 31, 2026) shall be paid in a lump sum in April 2026 in an amount as calculated based on the performance for FY2025 (from January 1, 2025, to December 31, 2025) in accordance with the policy before the Revisions. For subsequent years, an amount as calculated based on the performance for the preceding fiscal year in accordance with the policy after the Revisions shall be paid in a lump sum in April of each year.

[Supporting System for Outside Directors]

The Company does not assign full-time staff for Outside Directors. However, the Company has appointed staff in charge of the Board of Directors in the General Affairs Department to serve as the Board of Directors Office, which provide support to Outside Directors. Neither does the Company assign full-time staff for Outside Directors who are Audit & Supervisory Committee Members. However, to address this, the Company has assigned staff to the Audit & Supervisory Committee as employees who are to support the Audit & Supervisory Committee Members in performing their duties. The Board of Directors Office distributes materials and provides explanations of the agenda to Outside Directors who are Audit & Supervisory Committee Members prior to Board of Directors meetings.

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

(1) Overview of corporate governance system for corporate operations
The Company has a system in which the Board of Directors adopts resolution with respect to matters that are stipulated in laws and regulations or Articles of Incorporation, or material operational matters in accordance with the Board of Directors Rules.
For other corporate operations, based on the "table for decision-making authority of the Regulations for the Conduct of Business (Appendix)," the Company has clarified the scope of corporate operations delegated to the management, and the management engages in swift decision-making within the scope of its authority through advisory bodies such as the Management Council.
Managing Officers of the Company, who at the same time serve as President and representative director of key Sapporo group companies of the Group shall, to the President of the Company, make commitment to the managerial goals of their division and give a monthly report regarding the business conditions of their division, clarifying

(2) Overview of corporate governance system for supervision and auditing
(Supervisory function)
In order to reinforce the management monitoring functions for the purpose of improving the transparency of the management and achieving management goals under the business holding company system, the Company has the Board of Directors made up of eleven Directors, and more than half of whom, seven Directors, have been appointed as Independent Outside Directors.
Three of the eleven Directors are Directors who are Audit & Supervisory Committee Members, and they constitute the Audit & Supervisory Committee.
The Board of Directors shall, in addition to making decisions on statutory matters and material corporate operation matters stipulated in the Board of Directors Rules, appoint the President who controls the overall business execution of the Group and the Group Managing Officers who control the corporate operations of each major business division, etc., and shall monitor their business execution. From an objective and independent position, the seven Independent Outside Directors provide valuable advice and appropriate oversight regarding the deliberation of agenda items for the Board of Directors to the management engaged in the conduct of the Company's corporate operations as Directors.

(Auditing function)
The Company has an Audit & Supervisory Committee that consists of three Directors who are Audit & Supervisory Committee Members (two Outside Directors and one Inside Director), and audits the status of Directors' (excluding Directors who are Audit & Supervisory Committee Members) performance of duties and other performance of duties relating to Group management in general.
The Company's Audit & Supervisory Committee has appointed one Internal Director as a Standing Audit & Supervisory Committee Member in order to ensure the effectiveness of the audit and supervisory function. Through this setup, the Committee collects and shares information by attending the meetings of the Board of Directors, the Management Council and other important meetings, and establishes close cooperation with the Auditing Department. Mainly through the appointed Standing Audit &
Supervisory Committee Member, it periodically exchanges opinions with the Representative Director and seeks to communicate with the Auditing Department and Internal Control Department, as well as with the Accounting Auditors; and in this way the Audit & Supervisory Committee is working to collect information and develop an audit environment. In addition, the Company established the Audit & Supervisory Committee Office as an office to assist the Audit & Supervisory Committee in performing its duties, and has assigned three full-time staff members who have extensive work experience and knowledge or abilities at the Group and are independent from management.
Directors who are Audit & Supervisory Committee Members, in accordance with audit plans including audit policy, priority items for audits, assignments of duties and other matters stipulated by the Audit & Supervisory Committee; and in cooperation with the Auditing Department and internal control departments as well as the Accounting Auditors; attend meetings of the Board of Directors, the Nominations Committee, the Compensation Committee, the Management Council, and other important meetings; receive reports from Directors and employees regarding the status of performance of their duties; request explanations as needed; review requests for approval (ringisho) and other important documents with respect to decisions relating to the execution of operations; and audit the business and assets at main offices of the Company and the Sapporo group companies, etc. With respect to the Sapporo group companies, the Company seeks to communicate and exchange information with, and receives reports on the business as necessary from, directors, corporate auditors and others of the Sapporo group companies, and the Company has implemented a system where it can thoroughly audit and supervise the status of the directors' performance of their duties.
Two Independent Outside Directors who are Audit & Supervisory Committee Members audit the Company Directors' performance of their duties from their objective, fair and neutral position.
The Company executes limitation of liability agreements that limit liabilities under the provisions of Article 423, Paragraph 1 of the Companies Act with all Outside Directors who are not Audit & Supervisory Committee Members and Directors who are Audit & Supervisory Committee Members in accordance with the provisions of Article 427, Paragraph 1 of the Companies Act. The maximum amount of their liability under such agreements is the amount set forth in laws and regulations.
The Auditing Department (consisting of 16 members) implements internal audits for the Company and the Sapporo group companies, and the Group as a whole. The Auditing Department and the Audit & Supervisory Committee periodically hold meetings and exchange opinions regarding the results of the internal audits and the status of internal controls.

Mr. Masayuki Kaida and Mr. Yuichiro Tamaki, two certified accountants from Ernst & Young ShinNihon LLC, perform the accounting audits. In addition, assistants concerning the accounting audits of the Company consist of 15 certified accountants and 29 others.

(3) Overview of corporate governance system related to nomination and remuneration decisions

In order to increase the transparency of operations related to the selection and treatment of Directors and to maintain healthy management functions, the Company has established a Nominations Committee and a Compensation Committee as advisory bodies to the Board of Directors.

Please refer to “II.1 [Directors] Voluntary Establishment of Committee(s) Corresponding to Nomination Committee or Remuneration Committee” of this report and “13(5) ① Nomination Committee” and “13(5) ② Compensation Committee” of the “Basic Policy on Corporate Governance” for details regarding each committee.

3. Reasons for Adoption of Current Corporate Governance System

The Company considers the strengthening and reinforcement of Group governance as an important management issue, and, as described in 2. above, is working to clarify the supervisory, operating, and audit functions throughout the Group and to strengthen management monitoring functions in order to increase transparency in management and achieve management goals.

To achieve further growth in corporate value through efforts to further enhance corporate governance and enable the Company to make decisions in a more flexible manner with enhanced management transparency and efficiency, the Company made a transition from a Company with an Audit & Supervisory Board to a Company with an Audit & Supervisory Committee, upon obtaining approval at the 96th Ordinary General Meeting of Shareholders held on March 27, 2020.

III. Implementation of Measures for Shareholders and Other Stakeholders

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

	Supplementary Explanation
Early Notification of General Shareholder Meeting	On the occasion of the 102nd Ordinary General Meeting of Shareholders to be held on March 27, 2026, the Company sent out the convocation notice on March 6, 2026 (21 days prior to the date of the meeting).
Allowing Electronic Exercise of Voting Rights	The exercise of voting rights via the internet (i.e., using a website for the exercise of voting rights operated by securities agents designated by the Company) has been adopted.
Participation in Electronic Voting Platform and Other Measures for Improving the Environment for Exercising Voting Rights by Institutional Investors	The Company has participated in a platform for exercise of voting rights that is operated by ICJ, Inc.
Providing Convocation Notice (Summary) in English	The Company prepares an English version (abridged translation) of convocation notices and posts the same on the English websites of the Company and the Tokyo Stock Exchange.
Others	Together with the delivery of the (written) convocation notice, pursuant to the laws and regulations, and the provisions of Article 15 of the Articles of Incorporation, the Company takes measures to electronically provide information that forms the content of general shareholders’ reference materials (matters to be provided electronically). The convocation notice appears as the “Notice of Convocation of the 102nd Ordinary General Meeting of Shareholders” on the Company website and the Tokyo Stock Exchange website.

2. IR Activities

	Supplementary Explanation	Explanation by Representative
Preparation and Publication of Disclosure Policy	Posted on the Company's website.	
Regular Investor Briefings for Individual Investors	The Company holds investor briefings online for individual investors several times a year.	None
Regular Investor Briefings for Analysts and Institutional Investors	The Company holds investor briefings, by the President and officers in charge of IR, for analysts and institutional investors when making important announcements such as announcements of financial (quarterly) results and medium-term management plans. The Company also distributes videos of the investor briefings on the Company's website to investors who cannot attend the briefings.	Provided
Regular Investor Briefings for Overseas Investors	The Company holds individual face-to-face briefings in major cities in Europe, the U.S., and Asia by the President and officers in charge of IR for overseas investors three times per year. The Company also participates in investor conferences for overseas investors hosted by securities companies in Japan several times a year.	Provided
Posting of IR Materials on Website	The Company endeavors to enhance the contents of IR website and posts Financial Results, Presentation Materials, Integrated Reports, Annual Reports and Quarterly Reports, Materials of Timely Disclosure, Notices of Convocation of General Meetings of Shareholders, etc. In addition, the Company strives for fullness in disclosure of information in English.	
Establishment of Department and/or Manager in Charge of IR	A section responsible for Investor Relations (IR) is positioned within the Accounting Department.	
Others	In principle, financial results and supplementary information are translated into English and posted on the Company's website at the same time as the Japanese version. https://www.sapporobreweries.com/en/	

3. Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanation
Stipulation of Internal Rules for Respecting the Position of Stakeholders	The Company has stipulated its fundamental management policy as "striving to maintain integrity in corporate conduct that reinforces the trust of stakeholders and aiming to achieve continuous growth in corporate value" and is endeavoring to achieve continuous growth in the Group activities and earnings to increase corporate value for the entire Group and to respond to stakeholders' expectations into the future.
Implementation of Environmental Activities, CSR Activities, etc.	In order to vigorously promote initiatives through its business to address social issues such as climate change, biodiversity conservation, and regional revitalization as the Sustainability Management pursuant,the Company is working to realize a sustainable society by aiming at both solving social issues and attaining sustainable growth of the Company. In addition, the Company has set targets for each of the nine material issues covering "harmony with the environment," "co-prosperity with society," and "active participation of human resources," which the Company identified in formulating the present medium-term management plan; and to achieve said targets, the Board of Directors is monitoring progress and promoting engagement. With respect to environmental issues, the Company declared its support for the recommendations of the Task Force on Climate-related Financial

	Disclosures (TCFD) in May 2019, and in December 2019, formulated its "Sapporo Group Environmental Vision 2050" aiming at "1. Establishment of a decarbonized society," "2. Realization of a recycling society," and "3. Creation of a society in harmony with nature." In 2023, the Company updated "1. Establishment of a decarbonized society" by adding the target "Achieve net-zero greenhouse gas emissions under Scopes 1, 2, and 3." Furthermore, in 2024, the Company endorsed the Taskforce on Nature-related Financial Disclosure (TNFD) and disclosed information in a manner integrated with that for climate change. The Company has set medium- and long-term goals for each target, and each employee of the Company is promoting initiatives aimed at realization of a sustainable society. With respect to the sustainability information, please see the Company's websites below. https://www.sapporobreweries.com/sustainability/general Integrated Report https://www.sapporobreweries.com/ir/library/factbook/ Sustainability Book https://www.sapporobreweries.com/sustainability/library/
Development of Policies on Information Provision to Stakeholders	The Company has provided the item "Proper Disclosure and Management of Corporate Information" in the Sapporo Group Code of Corporate Conduct and has stipulated that information needed by the public is to be disclosed in a timely and proper manner, and that investor relations activities for shareholders and investors are to be enhanced. The Company manages the use of insider information properly, in accordance with the Rules for Preventing Insider Trading.

IV. Matters Related to the Internal Control System

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

As set forth below, the Board of Directors of the Company has stipulated "Guidelines on the Construction of an Internal Control System" relating to "A Development of Systems Necessary to Ensure the Properness of Operations of a Stock Company and Operations of Group of Enterprises Consisting of said Stock Company and its Subsidiaries" under Article 399-13, Paragraph 1, Item 1, Sub-Item (b) and (c) of the Companies Act and Article 110-4, Paragraphs 1 and 2 of the Ordinance for Enforcement of the Companies Act, and the Board of Directors of the Company has also stipulated a "Basic Policy on Framework toward Eliminating Anti-Social Forces" and a "Basic Policy on Ensuring Credibility of Financial Reports." Necessary resolutions have been passed at Board of Directors meetings of each business company.
In order to strive to enforce the basic policies passed at the Company's Board of Directors meetings and to continuously develop and reinforce the system for the Group as a whole, based on the "Guidelines on the Construction of an Internal Control Systems at Sapporo Group" which specifically stipulates the construction of the Group's internal control system, the Company provides management of and guidance to its subsidiaries and confirms their operational status.

Guidelines on the Construction of an Internal Control System

(1) The system for ensuring the execution of duties by Directors and employees complies with laws and regulations and the Articles of Incorporation

1) The Board of Directors shall prevent actions which violate laws and regulations and the Articles of Incorporation (i) by making decisions or giving approval for statutory matters, management policies and other material matters relating to corporate operations, in accordance with laws and regulations, the Articles of Incorporation and the Board of Directors Rules, and (ii) by monitoring each other's performance of duties as Directors.
2) The Company has stipulated the "Sapporo Group Code of Corporate Conduct" as a code for encouraging all of the Group's officers and employees to take actions based on concrete ethical views, and has constructed a compliance system for the entire Group in cooperation with its subsidiaries, with the General Affairs Department

as a point of contact. The Company has also established a corporate ethics hotline for the prevention and early discovery of wrongdoing.
3) Under the instruction of the Representative Director or Audit & Supervisory Committee, the Internal Audit Division, which is an internal audit body independent from the corporate operations line, shall audit, in the whole operations of the Company and its subsidiaries, the status of compliance with laws and regulations, the Articles of Incorporation and internal company rules.

(2) System regarding retention and management of information relating to Directors' execution of operation

1) With respect to the retention and management of information relating to Directors' execution of operation, the Company shall properly retain and manage the following documents (including electromagnetic records) in accordance with applicable laws and regulations and internal company rules, and shall make such documents available as needed.
  a. Minutes of General Shareholders Meetings, minutes of Board of Directors and related materials
  b. Minutes of the Management Council and related materials
  c. Requests for Approval (ringisho), accompanying documents and other material documents relating to Directors' job performance
2) The department in charge shall stipulate the method for the retention and maintenance of other material documents, in accordance with applicable laws and regulations.

(3) Rules and other systems for the management of risk of loss

1) The risk inherent in material decision-making in corporate operations or the conduct of business shall be managed at the Management Council, and each management division, such as Management Strategy, Accounting and Legal Affairs, shall analyze the possible risk and makes necessary reports with respect to matters to be discussed at or reported to the Council.
2) As a risk management in the event of an emergency or when a fact that could lead to a state of emergency comes to light, the Group Risk Management Committee shall discuss solutions including information disclosure in cooperation with subsidiaries' risk management body, etc. and handle such cases promptly and appropriately.

(4) System for ensuring efficient performance of duties by Directors

1) The Board of Directors shall appoint a Representative Director, President and Executive officers with titles, as well as the Group Managing Officers assigned to control key business divisions of the Group or handle key management
goals for the entire Group of the Company, and shall ensure that these individuals execute the business for which they are responsible.
2) The President oversees the execution of Group corporate operations as a whole. The Management Council is established as advisory bodies for the President, and the President shall gain an understanding of status of business execution in each business unit, discuss material matters and make
expeditious decisions.
3) The President shall formulate a management plan for the entire Group and obtain approval therefor from the Board of Directors. Reports on the state of execution of these plans by the entire Group shall be made to the Board of Directors quarterly.
4) Directors or Executive officers with titles responsible for overseeing the Domestic Business Unit or Overseas Business Unit shall be accountable to the President for achieving the management objectives of their respective divisions and shall provide monthly reports on the business performance and management status of such divisions. These reports shall include material risks relating to the divisions under their supervision and the status of actions taken to mitigate such risks. Furthermore, they shall attend meetings of the Board of Directors on a quarterly basis and present reports on the execution of business operations within their respective divisions.
5) In order to establish responsibility in business execution and to ensure smooth and efficient operation, the Company stipulates standards for administration, organization, and division of duties and authorities, etc. in the Regulations for the Conduct of Business, and as supplemental provisions, the Company stipulates standards for division of duties in the Division of Duties Regulations, and standards for authority in the Table for Decision-Making Authority.

(5) System for ensuring appropriate execution of duties in the corporate group consisting of the Company and its subsidiaries

1) The Board of Directors shall secure systems of receiving periodic reports from Directors and employees of subsidiaries with respect to matters relating to the performance of their duties.
2) The Board of Directors shall stipulate policies under Paragraph 1, 3 and 4 of the Guidelines on the Construction of an Internal Control System as a system to ensure the appropriateness of operations in the Group as a whole, and ensure that subsidiaries establish a required system for their Board of Directors in accordance with these basic policies.
3) General Affairs Department shall be in charge of controlling subsidiaries and shall control the corporate operations of subsidiaries in accordance with the Sapporo Group Company Management Operation Rules. Material matters relating to the entire Group shall be discussed at Board of Directors meetings, the Management Council and committee meetings ancillary thereto.

(6) Matters relating to employees to assist with the duties of the Audit & Supervisory Committee in the case where the Audit & Supervisory Committee request the assignment of such employees; matters relating to the independence of such employees from Directors (excluding Directors who are Audit & Supervisory Committee Members); and matters relating to ensuring the effectiveness of instructions given by the Audit & Supervisory Committee to such employees

1) If Audit & Supervisory Committee requests the assignment of employees to support its duties, Audit & Supervisory Committee assistant staff shall be assigned.
2) In cases where Audit & Supervisory Committee assistant staff is put in place for Audit & Supervisory Committee, the Company shall ensure the independence of such staff from Directors by respecting the opinions of Audit & Supervisory Committee in relation to the assignment and evaluation of such staff, etc., and the Company shall also ensure the effectiveness of instructions given by the Audit & Supervisory Committee to such staff.

(7) Structure for reporting from Directors and employees to Audit & Supervisory Committee and other structures regarding reports to Audit & Supervisory Committee
1) Audit & Supervisory Committee shall be provided with reports from Directors or employees regarding the following matters.
a. Matters to be reported regularly
- Management, business and financial status, risk management and compliance status

b. Matters to be reported in special circumstances
- Matters which may cause serious damage to the Company and other material facts related to management
- Fraud in relation to Directors' performance of their duties and material breaches of laws and regulations or the Articles of Incorporation

2) In order that the Audit & Supervisory Committee gain an understanding of the status of Directors' performance of their duties in addition to the report of 1) above, the Company shall maintain a system in which Directors who are Audit & Supervisory Committee Members attend Board of Directors, Management Council, and other important meetings, review important documents relating to business execution of operation such as requests for approval (ringisho), and in which Directors and employees otherwise make reports to Audit & Supervisory Committee.
3) Employees who belong to the Internal Auditing Department shall exclusively follow the instructions and orders of the Audit & Supervisory Committee if such employees assist Audit & Supervisory Committee in performing their duties upon receiving instructions from Audit & Supervisory Committee.
4) A system shall be in place such that Directors, Audit & Supervisory Board Members or employees of the Company's subsidiaries or persons who are reported by these persons report to the Audit & Supervisory Committee.
5) A system shall be in place such that whistleblowers who report to Audit & Supervisory Committee are not treated unfavorably.

(8) Other systems ensuring efficient audits by Audit & Supervisory Committee

1) The Board of Directors shall attempt to have Directors and employees better understand the auditing by the Audit & Supervisory Committee, and to create an environment for auditing by the Audit & Supervisory Committee.

2) The Board of Directors shall put a system in place such that the Audit & Supervisory Committee can collect necessary information, including by holding periodical meetings with Representative Directors, obtaining reports from the Internal Audit Division, and periodically exchanging opinions with Accounting Auditors.
3) The Company shall bear fees and liabilities arising from the job performance by Audit & Supervisory Committee, unless such fees or liabilities are not needed for the job performance of the Audit & Supervisory Committee.

2. Basic Views on Eliminating Anti-Social Forces

(1) The Group, as a code of conduct, is not and will not be engaged in any relationship with anti-social forces and organizations which could pose a threat to the order or the safety of civil society, and shall implement such code of conduct thoroughly.
(2) Under this Basic Policy, the Company shall create an administrative division which handles matters relating to anti-social forces and organizations, and shall appoint a person in charge of preventing undue claims, collect and manage relevant information within the Group, and cooperate with police, organized crime group elimination organizations, lawyers, and other outside specialized organizations. By so doing, the Company aims to develop and enhance a system for eliminating such anti-social forces and organizations.

V. Others

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	N/A

Supplementary Explanation

The Company resolved on February 15, 2023, at its Board of Directors the “Basic Policy Regarding What and How a Person Controlling Decisions on a Stock Company’s Financial and Business Policies Should Be” provided for in the Ordinance for Enforcement of the Companies Act. The content is as set forth below.

I Basic Policy on Company Control

Sapporo Holdings Limited (the “Company”) will not reject proposals for large-scale purchases of the Company’s share certificates if they contribute to the corporate value and common interests of the shareholders of the Company. In addition, the Company’s Board of Directors believes that in the event of a proposal for a large-scale purchase by a large-scale purchaser, whether or not to sell share certificates, etc. of the Company should ultimately be left to the judgment of the shareholders of the Company who hold the Company’s share certificates, etc.
However, the possibility cannot be denied that a large-scale purchase by a large-scale purchaser may impair the corporate value and ultimately the common interests of the shareholders of the Company because judging from the purposes, etc. thereof, there are more than a few proposals for large-scale purchases in which the purchaser does not understand the sources of the Company’s specific corporate value and the purchase does not contribute to the corporate value and ultimately the common interests of the shareholders, including those which do not provide adequate information and time for the shareholders of the Company and the Board of Directors to examine the details of the purchase and make a decision, and those in which the purchase conditions, etc. are extremely inadequate or inappropriate in light of the corporate value of the target company and ultimately the common interests of the shareholders. For example, we cannot rule out the possibility that a large-scale acquirer will implement short-term policies, such as the gradual sale of the brands that underpin the corporate value of the Company, unilateral reduction of human resources and realization of unrealized gains from the sale of core properties. Such policies may result in the impairment of the brand value, and create financial risks that could weaken the company base in the future, as well as risks that could impair confidence in the business.
In light of the above, the Company formerly adopted the “Policy toward the Large-Scale Purchase of Share Certificates, etc., of the Company” (the “Policy”) for the share certificates of the Company as a response policy in the event of a proposal for a large-scale purchase.
At present, there are still risks of a large-scale purchase that could impair the corporate value of the Company and ultimately the common interests of the shareholders, and the Board of Directors recognizes that it is its important responsibility to make adequate preparations for such risks.

However, in light of the recent trends in anti-takeover measures and the state of engagement with the shareholders, including domestic and overseas institutional investors, the Company decided to discontinue the Policy for general purposes at the stage where no specific purchasers appear, and abolish the Policy at the closing of the 99th Ordinary General Meeting of Shareholders which was then to be held in March 2023 (the "General Meeting") , which is the expiration date thereof.
The Company will further strengthen its corporate governance system after the abolition of the Policy and make efforts to maximize the corporate value of the Company and ultimately the common interests of the shareholders by establishing a monitoring system to steadily promote the Sapporo Group Medium-Term Management Plan (2023 to 2026) (the "Medium-Term Management Plan (2023 to 2026)") as well as implementing the measures set forth in the Medium-Term Management Plan (2023 to 2026) and achieving the target thereof.
In addition, in the event of a proposal for a large-scale purchase of share certificates of the Company that could impair the corporate value or common interests of the shareholders, the Company will require the purchaser to provide adequate time and information for the shareholders to decide whether or not to accept such large-scale purchase, and take appropriate measures from time to time to the extent permissible under the Financial Instruments and Exchange Act, the Companies Act, and other related laws and regulations, while respecting the opinions of independent outside directors.

II Effective Utilization of the Company's Assets, Formation of an Appropriate Corporate Group, and Other Special Efforts to Realize the Basic Policy on Company Control

In addition to the efforts set forth in III below, we will make every special effort to realize the Basic Policy on Company Control as follows.

1. Efforts based on the Medium-Term Management Plan (2023 to 2026)
In 2026, the Company, which has constantly innovated and delivered products and services that have enriched customers' lives since its foundation in 1876, will mark its 150th anniversary. To keep demonstrating our exclusive value to society beyond 150 years, we have developed a new management plan for the four-year period from 2023 to 2026. The key points of this plan are the revision of our business portfolio, the realization of group management aligned with the positioning of each of our businesses, and the increase of our corporate value through higher capital efficiency. We look to reliably meet the expectations of stakeholders during these four years.

2. Efforts toward the Strengthening and Reinforcing of Corporate Governance
We shifted to a business holding company system in July 2026, establishing the management philosophy and basic management policy of the Group as well as the basic principles of the operation of the Group, and formulated the corporate governance system based on the Basic Policy on Corporate Governance (the "Basic Policy") as follows:

(1) Management Philosophy of the Group and Basic Policy on Our Management
Sapporo Group states "Pioneering the legacy of tomorrow" as its management philosophy and "strive to maintain integrity in corporate conduct that reinforces stakeholder trust and aim to achieve continuous growth in corporate value" as its basic management policy. The Group is focused on improving the corporate value of the whole Group by achieving continuous growth and revenue and to contribute to the stakeholders in the future.

(2) Basic Principles of the Operation of the Group
Under the business holding company system, Sapporo Group has established the basic principles of group operation (the total optimization of the Group, the maintenance of autonomy of each Group company and the mutual cooperation among Group companies) and aims to maximize corporate value by achieving total optimization of Sapporo Group and creating synergies, while retaining the autonomy of each business segment.

(3) Basic Policy on the Constitution of the System of Corporate Governance
In order to realize the management philosophy and the basic policy of management and to promote the continuous improvement of the corporate value of the whole Group, we established the Basic Policy in December 2015. In accordance with the Basic Policy, the Company has positioned the enhancement of corporate governance as one of the important management issues. Under the business holding company system, we are clarifying the supervisory
function, operating function and audit function of our Group, and are endeavoring to improve the transparency of the management and to reinforce the management monitoring function toward the achievement of management goals.

(4) Efforts toward Strengthening the Corporate Governance System
We have made positive efforts toward strengthening the corporate governance system as follows:
In November 1998, we have voluntarily established a Nominating Committee and a Compensation Committee (each of such committees consists of the Independent Outside Directors and the Director and President, and one chairman is elected from the Independent Outside Directors) to enhance the transparency of the operations concerning personnel and the treatment of Directors and made efforts to maintain and improve the soundness of management organizations.
In March 1999, the Managing Officer System was adopted.
In March 2002, the term of office of the Directors was reduced to one year.
In July 2003, we shifted to a pure holding company system, and since then we have gradually increased the number of Independent Outside Directors, and we have elected three Independent Outside Directors since 2009.
In December 2015, we set up an Independent Outside Directors Committee (which consists of the Independent Outside Directors) to encourage the Independent Outside Directors to exchange information and share their thoughts with regard to the Company and the Group's management strategy and matters relating to corporate governance, etc.
In March 2020, to increase management efficiency and transparency, we transitioned to a Company with an Audit & Supervisory Committee, and enhanced corporate governance by increasing the percentage of the Independent Outside Directors to 50% of the Board of Directors.
In July 2026, the Company adopted a business holding company structure with the objective of improving management efficiency, expediting decision-making, and reinforcing governance through the integrated management and operation of the Group.

In addition, we will further improve our corporate value by further enhancing our corporate governance by way of increasing the percentage of the Independent Outside Directors to constitute more than 50% of the Board of Directors upon obtaining the approval of the General Meeting, and by enabling flexible decision-making through management transparency and efficiency.

We properly establish and operate the corporate governance system of the Company, and further endeavor to strengthen and reinforce corporate governance in order to realize continuous growth and improve corporate value in the medium-to-long term.

III Efforts to Prevent the Company's Financial and Business Policies from Being Controlled by Inappropriate Persons

The Company has resolved, at the Board of Directors meeting held on February 15, 2023, to discontinue the Policy, and abolish the Policy at the closing of the General Meeting, on which the Policy will expire. However, in the event of a proposal for a large-scale purchase of share certificates of the Company that could impair the corporate value or common interests of the shareholders, to maximize the corporate value of the Company and ultimately the common interests of shareholders of the Company, the Company will require the purchaser to provide adequate time and information for the shareholders to decide whether to accept such large-scale purchase, and take other appropriate measures from time to time to the extent permissible under the Financial Instruments and Exchange Act, the Companies Act, and other related laws and regulations, including the timely and appropriate disclosure to be made by the Company of such information provided by the purchaser.

IV Efforts set forth in II. And III. Will Comply with the Basic Policy on Company Control, Will Not Impair the Common Interests of the Shareholders and Will Not Pursue the Maintenance of the Status of Directors, as well as the Reasons Therefor

The efforts set forth in II above aim to enhance the corporate value and ultimately the value of the share certificates pursuant to the Medium-Term Management Plan (2023 to 2026) and the Basic Policy, and therefore, they comply with the Basic Policy on Company Control.
In addition, the efforts set forth in III above aim for requests to provide information regarding large-scale purchases and implementation of appropriate measures to the extent permissible under the related laws and regulations for the purpose of maximizing the corporate value of the Company and ultimately the common interests of the shareholders in the event of a proposal for a large-scale purchase of share certificates of the Company that could impair the corporate value of the Company and common interests of the shareholders. Therefore, the efforts comply with the concept of the Basic Policy on Company Control.
Accordingly, the efforts set forth in II and III above do not impair the common interests of the shareholders and do not pursue the maintenance of the status of Directors.

2. Other Matters Concerning Corporate Governance System

(Outline of Timely Disclosure System)

1. Basic Stance Regarding Timely Disclosure by the Company

The Company proclaims "striving to maintain integrity in corporate conduct that reinforces stakeholder trust and aiming to achieve continuous growth in corporate value" as a fundamental management policy in corporate operations. The Company recognizes that the timely and appropriate disclosure of information requested by the public, including its stakeholders, is an essential responsibility for a corporation, and endeavors to disclose such information in a timely manner.

The Company stipulates as follows regarding the "proper disclosure and management of corporate information" in the Sapporo Group Code of Corporate Conduct, for the Company, each Group and employees, and strives to act in compliance with such code.

Proper Disclosure and Management of Corporate Information, from Sapporo Group Code of Corporate Conduct

- The Company must properly disclose, in a timely manner, management information, such as financial condition and business activities, and must take measures to help shareholders and investors understand Sapporo Group more deeply through investor relations activities.
- The Company must properly manage the use of insider information in accordance with the Sapporo Group Rules for Preventing Insider Trading.

2. The Company's Internal System for Timely Disclosure

The Director of General Affairs Department is the person responsible for handling information, and the actual practices related to information disclosure such as timely disclosure are handled by the General Affairs Department as set forth below.

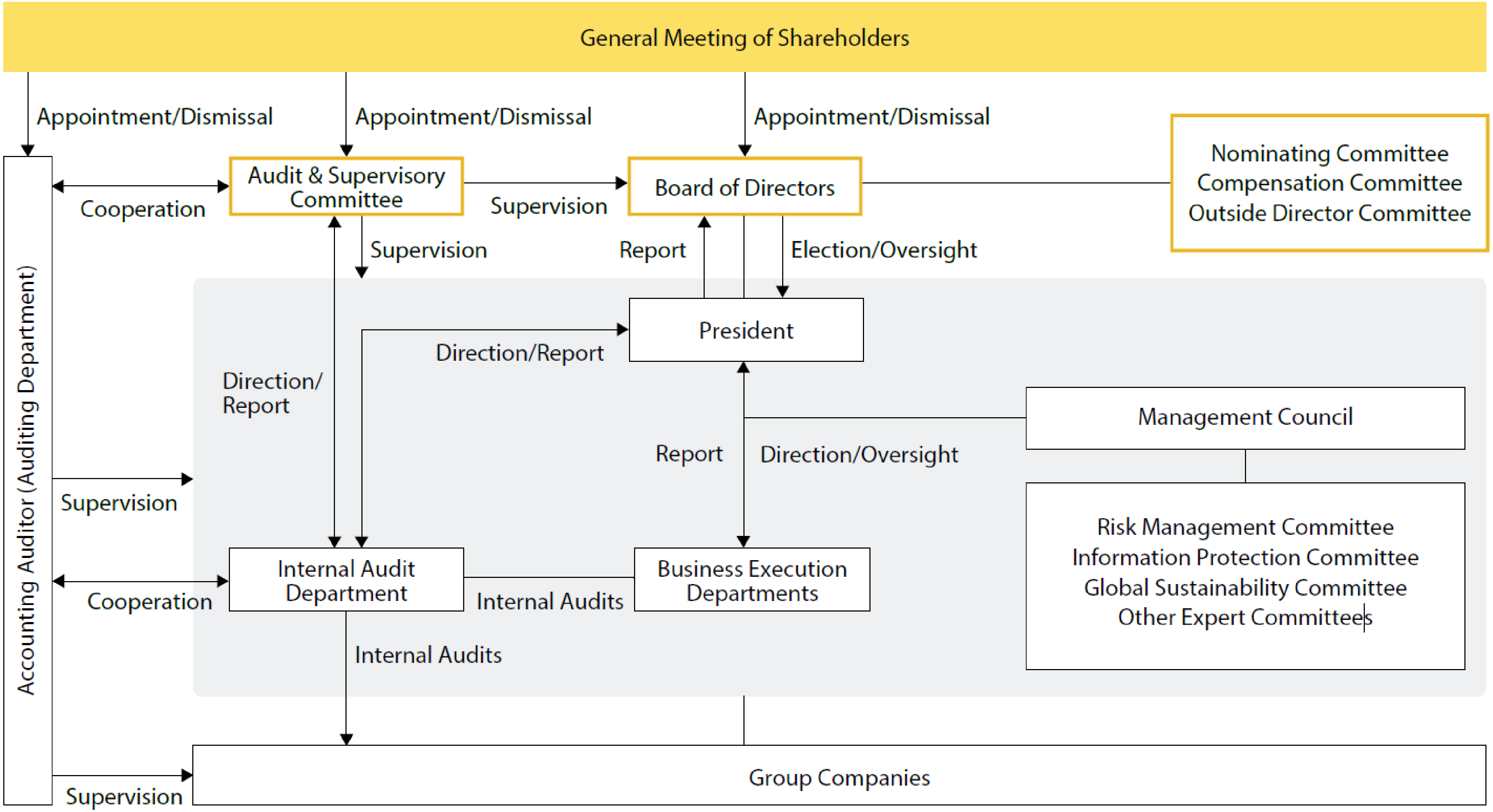
(1) Information collection and timely disclosure determinations

- Information collection from each division and each Group company is handled by Accounting Department (1. Financial statement information); and General Affairs Department (2. Decisions, 3-1. Facts that have arisen other than risk matters and 3-2. Risk matters).
- With respect to 1. Financial statement information, 2. Decisions, and 3-1. Facts that have arisen other than risk matters, General Affairs Department passes information on to the Timely Disclosure Consideration Meeting (handling office: General Affairs Department), which analyzes such information, and in light of the Timely Disclosure Rules, etc., prior consideration is made regarding whether to disclose and the content and method of disclosure.
- With respect to 3-2. Risk matters, the Group Risk Management Committee (administration office: General Affairs Department) analyzes the relevant risk information, considers whether to disclose in a timely manner, and refers the matter to the Timely Disclosure Consideration Meeting, if it is deemed necessary.

(2) Public announcement

- With respect to 1. Financial statement information, 2. Decisions, 3-1. and 3-2. Facts that have arisen including risk matters, matters are discussed at or reported to the Management Council (chair: President; administrative office: Director of General Affairs Department) after prior consideration at the Timely Disclosure Consideration Meeting as set forth in (1) above, and in addition to decision-making and approval regarding such matter, the content and method, etc., of timely disclosure are determined.
- For 1. Financial statement information, and 3-1 and 3-2. Facts that have arisen including risk matters, disclosure will be made promptly after the report to the Management Councill is made. For 2. Decisions, disclosure will be made promptly after decision-making at the Management Council (resolution by the Board of Directors for important matters).

Sapporo Group Corporate Governance Structure



(Reference) Skills Matrix for the Candidates for Director

With the aim to further strengthen the Board of Directors' diverse and highly objective supervisory function and to establish a Board of Directors' structure that enables prompt and high-quality management decisions in executing the Medium- to Long-Term Growth Strategy of the Group, we have developed a new skills matrix. Skills are classified into a total of 10 items in two categories, with newly identified "Strategically required skills" to deal with growth strategies in the Group's business domains, in addition to required universal "Foundational skills."

Regarding the skills of each candidate for Director, for clearer disclosure of the efficacy of the Board of Directors, we show those particularly expected by the Company among those possessed by each candidate.

Foundational skills	Corporate management	For the realization of the Group's management philosophy, we need Directors who have sufficient experience and track records as managers in order to supervise profitability improvement through business structure transformation, such as the revision of our business portfolio based on our medium- to long-term management policy.
	Financial accounting	For financial policy planning for sustainable growth in corporate value supported by the establishment of a strong financial foundation base, investment for growth with capital control, and the provision of appropriate shareholder returns, we need Directors who have knowledge and experience in accounting and finance.
	Legal compliance Risk management	For the sustainable growth of the Group, we need Directors who have knowledge and experience in laws and corporate governance in order to improve the effectiveness of business execution based on laws, compliance, corporate governance, and risk management.
	Sustainability	For balancing the Group's sustainable growth with CSR responsibility, we need Directors who have knowledge and experience in sustainability in order to address Sustainability priority issues in our business activities.
	Human resources Human assets*	For the maximization of the value of human assets, which constitutes an important part of the management base, we need Directors who have experience and track records in the management of diverse human assets in order to achieve our human asset strategy that accelerates the promotion of strategies and build an organization to which each employee can contribute while demonstrating their individuality.
Strategically required skills	Global management	For the development of overseas business, which is positioned as an important driver for the medium- to long-term business growth of the Group, we need Directors who have experience and track records in the operation of overseas business and business reforms in order to make business decisions based on an understanding of foreign cultures, market trends, country risks, etc.
	Dialogue with capital markets	In order to strengthen our efforts aimed at improving corporate value over the medium to long term by nurturing trust through ongoing dialogue with capital markets, including investors, and by disclosing information effectively and providing feedback on the views of capital markets to management, we need Directors who have knowledge and experience in capital markets.
	M&A Business revitalization	In order to promote the review of our business portfolio and reinforcement of our businesses based on our medium- to long-term management policy, which requires us to acquire and strengthen organizational capabilities necessary for M&A, PMI, business structure reforms and others, we need Directors who have experience and track records in large-scale M&A, business revitalization and other initiatives.
	Marketing	As we aim to be "a company that can create rich beer and consumer experiences on a global scale," we need Directors who have expertise in the expansion of customer touchpoints where the Company's strength lies, branding that leads to the establishment of an edge in growth markets, sales, research and development, production engineering and others, as well as experience and track records in planning and promoting marketing strategies in the consumer goods businesses.

	Asset planning	In order to complete the injection of external capital into the real estate business steadily and make effective use of real estate held by the Group as a management resource for strengthening brand power in the liquor business based on our medium- to long-term management policy, we need Directors who have experience and track records in creating value in the real estate business.

* The Group uses the term “human assets” (using the Chinese characters “人財,” which mean “human” and “assets”) to represent human resources and disseminates our belief that all employees are a company’s treasure.

Name	Indepen-dence	Knowledge and experience of each director									
		Foundational skills					Strategically required skills				
		Corporate management	Financial accounting	Legal compliance Risk management	Sustainability	Human resources Human assets	Global management	Dialogue with capital markets	M&A Business revitalization	Marketing	Asset planning
Hiroshi Tokimatsu		○		○						○	○
Yoshitada Matsude			○			○		○			○
Rieko Shofu					○	○	○		○		
Makio Tanehashi (Outside)	○	○		○							○
Ryotaro Fujii (Outside)	○		○					○	○		
Naoko Tanouchi (Outside)	○			○					○	○	
Akihiro Watanabe (Outside)	○	○	○				○	○	○		
Koichi Mizutome (Outside)	○	○					○		○	○	
Hisae Kitayama (Outside)	○		○	○		○					
Seiko Noda (Outside)	○			○	○				○		
Yoichi Kitamura			○	○				○			

(Notes)
1. The above information is applicable to the case where all the candidates are elected at this General Meeting of Shareholders.
2. The matrix focuses on the skills particularly expected by the Company among those possessed by each candidate for Director. It does not represent all the skills (knowledge, experience, and capabilities) possessed by each candidate.
3. Ms. Hisae Kitayama, Ms. Seiko Noda and Mr. Yoichi Kitamura are Audit & Supervisory Committee Members.

Variable Compensation System and Evaluation Indicators and Results, etc. for FY2025

Classification	Indicators (Note 1)		Results, etc. (Note 2)
Performance-linked Compensation	ROE (vs. plan)	Degree of achievement of actual results relative to the targets for the fiscal year	Results: 9.4% Plan: 5.5%
	EBITDA (vs. plan)	Degree of achievement of actual results relative to the targets for the fiscal year	Results: 53.9 billion yen/Plan: 46.7 billion yen
Performance-linked Stock Compensation	Medium to long-term financial targets	ROE Establish and evaluate annual evaluation criteria against the target of the Medium-term Management Plan (8%)	Results in 2025: 9.4%
	ESG indicators	1. FTSE Russell ESG Score (Note 3) 2. MSCI ESG Rating (Note 3) 3. Amount of reduction in greenhouse gas emissions (Scopes 1 and 2) Establish annual evaluation criteria for the scores and ratings in each indicator above	Results in 2025: 1. 3.4 2. AA 3. Evaluate based on March 2026 preliminary figures
	Employee engagement	Work Engagement (Note 4) Establish annual evaluation criteria with the results of external institutional surveys	Results in 2025: A
	Individual evaluation	Performance of each officer	Determined by the Compensation Committee based on the evaluation indicators for each individual

Notes:

1 The Company selected these indicators because the Company aims to make the system contribute to the Company’s sustainable growth by basing performance-linked compensation on the results of the execution of duties in each fiscal year and by linking performance-linked stock compensation to the Company's medium to long-term corporate value.

2 Planning and results of the real estate business before the classification as a discontinued operation.

3 Scores and ratings by an international external evaluation institution that collects, analyzes and evaluates ESG-related information on companies.

4 A state in which employees feel positive about their work and feel fulfilled.