



Sapporo Breweries Ltd.
Integrated Report

2026



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Key Points of This Report



Establishment of a New Management Philosophy

The Sapporo Group adopted a new Management Philosophy following its transition to a mixed holding company structure in July 2026. Building on the pioneering spirit that has guided us from the beginning, the philosophy reflects our commitment to continually embracing new challenges as we pioneer a richer future.

► p. 06 Management Philosophy



Maximizing the Value Created with One SAPPORO Management

One SAPPORO Management integrates our core Alcoholic Beverages Business with our Restaurants and Food & Beverages Businesses to deliver products, services, and experiences that no single business could create on its own.

► p. 14 Value Creation Model

► p. 18 Employee Spotlight | Our Work to Become One SAPPORO



Preparation of Medium-Term Management Plan 2027–2030

We have designated fiscal 2026 as a transition period to reposition the Group for long-term growth. During the year, we will continue investing in growth and implementing structural reforms while formulating our next medium-term management plan for fiscal 2027 through 2030 in alignment with our Medium- to Long-Term Growth Strategy.

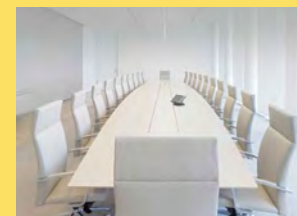
► p. 24 Preparing for Medium-Term Management Plan 2027–2030



Integrated Management Strategy and Sustainability

The Sapporo Group identifies material sustainability issues based on both impact on society and the environment and impact on internal financing, and incorporates these considerations into its initiatives to continuously enhance corporate value.

► p. 46 Material Sustainability Issues



Fortifying Corporate Governance

We reviewed the director skill matrix, revamped the Board and executive management framework, and refined operational processes to further strengthen the effectiveness of our future growth strategy.

► p. 57 Roundtable Discussion with Outside Directors

► p. 61 Board of Directors

► p. 17 Executive Officers

Editorial Policy

The Sapporo Group marks its 150th anniversary in 2026 with a transition from a pure holding company to a mixed holding company structure, becoming Sapporo Breweries Ltd. Under the One SAPPORO Management concept, the new management structure places the Alcoholic Beverages Business at its core while bringing together the diverse strengths of each Group company to create new value that cannot be achieved by individual businesses alone.

Integrated Report 2026 provides an overview of the Medium-Term Management Plan 2023–2026, with directors

from each division discussing their division's direction and strategic thinking as we prepare for the growth strategy that will begin in fiscal 2027. The report also outlines our internal efforts to strengthen the management foundation and enhance governance as part of our transformation into a new Sapporo Group.

We view our integrated report as an opportunity for dialogue with shareholders, investors, and other stakeholders, and as an important tool for communicating our ongoing efforts to enhance corporate value.

August 2026

Period Covered

This report covers fiscal 2025 (Jan. 1, 2025–Dec. 31, 2025). However, it may refer to events before or after this period as necessary.

Organizations Covered

Sapporo Breweries Ltd. and Group companies

Referenced Guidelines

- IFRS Foundation, International Integrated Reporting Framework
- Ministry of Economy, Trade and Industry, Guidance for Collaborative Value Creation 2.0
- GRI (Global Reporting Initiative), Sustainability Reporting Standards
- International Organization for Standardization, ISO 26000
- Ministry of the Environment, Environmental Reporting Guidelines 2018



Supported Initiatives

- UN Global Compact
- The SDGs (Sustainable Development Goals)
- The Task Force on Nature-related Financial Disclosures (TNFD)



Forward-Looking Statements

Statements in this integrated report with respect to the Company's forecasts, performance or otherwise, are based on the Company's judgments in light of the latest information available as of the publication of this report and contain potential risks and contingencies. For that reason, please be aware that, due to various changing factors, actual results may vary from the forecasts published in this report.

Information Framework

Main Financial Media

Investor Relations Website

<https://www.sapporobreweries.com/en/ir/>

Securities Report (Japanese only)

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

Fact Book

<https://www.sapporobreweries.com/en/ir/library/factbook/>

Financial Results Presentation Materials

<https://www.sapporobreweries.com/en/ir/library/description/>

Integrated Report



Main Non-Financial Media

Sustainability Website

<https://www.sapporobreweries.com/en/sustainability/>

Sustainability Book

<https://www.sapporobreweries.com/en/sustainability/library/>

Corporate Governance Report

https://www.sapporobreweries.com/en/who-we-are/pdf/governance/basic_policy/corporate_governance_report_202608_en.pdf

ESG Data

<https://www.sapporobreweries.com/en/sustainability/esg/>

Part 1

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History of the Sapporo Group

A Pioneer for 150 Years

Our journey began in 1876 with the launch of a beer brewing business in Hokkaido.

Over the past 150 years, we have introduced a steady stream of domestically produced beers, helped cultivate beer culture, expanded into global markets, and taken on the challenge of the New Genre category. Throughout our history, the Sapporo Group has continuously challenged itself to venture into uncharted territory. The pioneering spirit that guided our founding remains as strong today as it was on our first day.

**1876****Opened the Kaitakushi Brewery in Sapporo, Hokkaido**

The opening of the Kaitakushi Brewery established our base for full-fledged domestic beer production. The brewery adopted a comprehensive approach spanning the entire value chain from raw material to production, including cultivating barley and hops in Hokkaido.



Courtesy of Hokkaido University

1877**Introduced cold-brewed Sapporo Beer****1887****Established the Sapporo Beer Brewery
Established Nippon Beer Jozo Co., Ltd. in Ginza, Tokyo****1889****Completed Yebisu Beer Brewery****1890****Launched Yebisu Beer****1899****Opened Yebisu Beer Hall, Japan's first beer hall in Ginza, Tokyo**

Opened to promote Yebisu Beer, the Yebisu Beer Hall gained widespread acclaim for serving beer delivered fresh from the brewery and helped popularize beer culture across Japan.

**1909****Launched the soft drink business with production and sale of Citron****1949****Established Nippon Kyoei Ltd., later Sapporo Lion Co., Ltd.**

Great Taste for Moments to Savor

Beer is just the beginning of what we deliver. Sharing a meal with loved ones, relaxing after work, spending time talking and laughing with friends—these are the moments and experiences that define the value we provide. We believe that creating such moments of joy contributes to a more fulfilling society.

**1957**

Established Nikka Lemon Co., Ltd., and introduced bottled lemon juice, the precursor to Pokka Lemon

1964

Began exporting beer to the United States

1977

**Released Sapporo Bin-Nama
(would later become Sapporo Draft Beer Black Label)**

At a time when pasteurized beer was the industry standard, the Company challenged convention by launching Sapporo Bin-Nama. Its crisp, refreshing taste made it a major success and helped pave the way for the growth of Japan's draft beer market.

**1977**

Established Pokka Corporation (Singapore) Pte. Ltd.

1984

Established Sapporo U.S.A., Inc.

2004

Introduced Draft One, Japan's first beer made without barley or malt

2011

Constructed the Long An Brewery in Vietnam

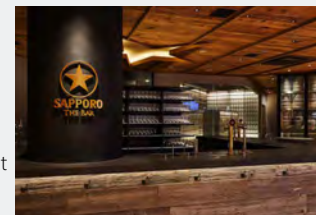
2013

Commenced operations as Pokka Sapporo Food & Beverage

2019

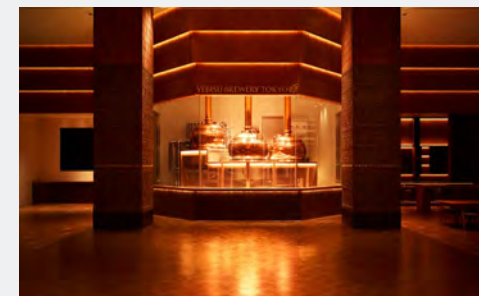
**Opened Sapporo Draft Beer
Black Label THE BAR**

THE BAR is a beer bar dedicated to the quality of every pour, serving the day's "perfect draft" from the very first glass. Guests can enjoy three distinct expressions of Sapporo Black Label, each served in a different style.

**2024**

Opened YEBISU BREWERY TOKYO

YEBISU BREWERY TOKYO serves as a hub for new Yebisu brand experiences and features an on-site brewery. Visitors can immerse themselves in the brand's unique character and story by observing the brewing process firsthand and enjoying freshly brewed beer in a multisensory setting that engages all five senses.



July 2026 Transitioned to the mixed holding company structure

The story of a New Sapporo begins now.

Management Philosophy

Pioneering The Legacy of Tomorrow.

Values

Embracing the spirit of discovery

We carry forward the pioneering mindset of our founder.

We pursue discovery in everything we do and honor the belief that excellence is born from exploration.

Celebrating Japan's premium quality

We uphold the mindset, discipline, and values that define the excellence rooted in Japan's culture.

We believe that true quality is born from intention, honoring craftsmanship, and taking pride in doing things the right way.

Connecting cultures

Born from the union of East and West, we believe the extraordinary happens where worlds connect.

By exploring intersections and embracing diversity,
we bring together ideas, people, and perspectives to inspire and enrich the world around us.

Making life fulfilling

We strive to enrich everyday life through our work, helping people live more fulfilling lives.

By acting responsibly and supporting people and communities sustainably,
we help shape a more meaningful way of living for today and the future.

Opening new horizons around the world.

**One SAPPORO will take us beyond
existing boundaries and
into new possibilities.**

New opportunities lie beyond the conventional boundaries of our businesses and industries.
One SAPPORO brings together the diverse strengths of our Group and channels them into a unified force capable of
competing on a global scale. This is the management capability we are striving to build.



Message from the CEO

Our 150th anniversary marks the starting point for a new era under the One SAPPORO Management concept, as we continue pioneering new value and helping “Pioneer the Legacy of Tomorrow.”

Hiroshi Tokimatsu

President, Representative Director, CEO, CJOO*
Sapporo Breweries Ltd.

* CJOO: Chief Japan Operating Officer (Head of Domestic Business Unit)

CEO MESSAGE

Message from the CEO

A new management philosophy for the next era of the Sapporo Group

The Sapporo Group is celebrating its 150th anniversary in 2026. Our history began in September 1876 with the launch of operations of Kaitakushi Brewery in Hokkaido. Over the following 150 years, we brought high-quality Japanese beer to market, advanced the domestic cultivation of barley and hops, helped spread beer culture across Japan, and created a beer market where none previously existed. From the beginning, our label has featured the North Star, the symbol of Kaitakushi. Shining brightly in the northern sky, the North Star has guided pioneers for generations and continues to embody the Group's tradition and pioneering spirit.

Over the past year, the Group has made a series of transformative management decisions, including the injection of external capital into the Real Estate Business and the transition to a mixed holding company structure. These decisions fundamentally reshape our management approach and mark a historic turning point that will define the Group's future. We are writing a new chapter in the Sapporo Group's history.

Our new management philosophy, "Pioneering The Legacy of Tomorrow," marks the first step in a new era for the new Sapporo Group. The pioneering spirit that has guided us since our founding is a legacy we must carry forward for the next 50 and 100 years. This philosophy calls on every executive and employee to return to our roots, unite as One SAPPORO, and create new value that contributes to a more prosperous society.

Alcoholic Beverages focus delivers Medium-Term Management Plan targets a year early

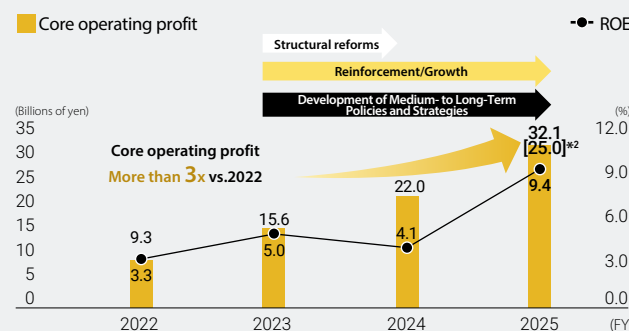
Under the Medium-Term Management Plan 2023–2026, we have taken steps to improve profitability and capital efficiency through business portfolio management driven by two complementary initiatives: structural reform and business strengthening and growth. One reason we struggled with low profitability and repeatedly fell short of the targets of previous medium-term management plans and was our reluctance to make the difficult structural reforms that would alter business portfolio. We must acknowledge that our strategy of diversifying across Alcoholic Beverages, Restaurants, Food & Beverages, and Real Estate Businesses to hedge against changes in the business environment spread management resources too thin and ultimately undermined profitability.

With this understanding, the current Medium-Term Management Plan focuses on strengthening the profitability of our core businesses. We have reshaped our business portfolio by withdrawing from selected unprofitable businesses and concentrating management resources on the Alcoholic Beverages Business. As a result, we achieved our key

financial target of 8% ROE under the current Medium-Term Management Plan one year ahead of schedule. Although challenges remain in our Alcoholic Beverages (Overseas) Business and certain other operations, the improvement in ROE has been well received by the capital markets. I believe it has also strengthened the confidence of Group members who were directly involved in the transformation as well as those in all our business divisions. The Alcoholic Beverages Business is our greatest strength. By concentrating management resources on this business and further sharpening our competitive advantage, we believe we can build a management structure that is even more resilient to changes in the business environment.

The current Medium-Term Management Plan will effectively conclude in fiscal 2025, as the injection of external capital into the Real Estate Business will significantly alter the assumptions on which the plan was based. During the course of the plan, we continued exploring ways to enhance corporate value over the medium to long term, culminating in the announcement of the Group Medium- to Long-Term Growth Strategy in February 2025. Fiscal 2026 will serve as a transition year, during which we will implement the growth

Financial Review (Core Operating Profit*1 and ROE)



*1 For comparability with prior years, core operating profit and EBITDA CAGR are presented before the classification of the Real Estate Business as a discontinued operation.

*2 Figures following classification of the Real Estate Business as a discontinued operation

Financial Target for the Medium-Term Management Plan (2023–2026)

	FY2026 Targets (Initial Plan)	FY2025 Results
ROE	8% or higher	9.4%
EBITDA CAGR*1	About 10%	21.7%
Overseas Revenue CAGR	About 10%	6.3%

Message from the CEO

investments and structural reforms needed to execute this strategy. We are currently developing the Medium-Term Management Plan 2027–2030 and plan to announce it later this fiscal year.

Dialogue with internal and external stakeholders to identify issues

Since becoming President of Sapporo Holdings a year ago, I have actively engaged in dialogue with shareholders, investors, and analysts. Through these discussions, I have come to appreciate the difference in perspectives on corporate value between our operating companies and the capital markets. When I was leading an operating company, success was measured primarily by whether sales and profits were growing. As the head of a holding company, however, I have been keenly reminded that the capital markets look beyond short-term performance. They evaluate not only current results, but also a company's ability to sustain growth in corporate value over the medium to long term.

The past year was a major turning point for our Group,

and we have received an exceptional volume of questions and feedback regarding our future corporate value, covering topics ranging from our approach to reshaping the business portfolio and our assessment of past M&A activities to our plans for deploying the funds generated through the injection of external capital into the Real Estate Business. We have worked diligently to fulfill our accountability to stakeholders. I believe our task now is to deepen our understanding of what the capital market truly want and expect from our Group, and to respond appropriately to those expectations.

As the new head of the holding company, I also spent considerable time during the past year speaking with people across our operating companies. One thing became particularly clear through those discussions: our current organizational structure makes it difficult for employees to develop ideas that span multiple Group companies. The holding company structure has enabled operating companies such as Sapporo Breweries, Pokka Sapporo Food & Beverage, and Sapporo Lion to maintain a strong sense of autonomy and independence. At the same time, however, each company has tended to be shaped by its own history and ways of working, making it difficult to move beyond established practices.

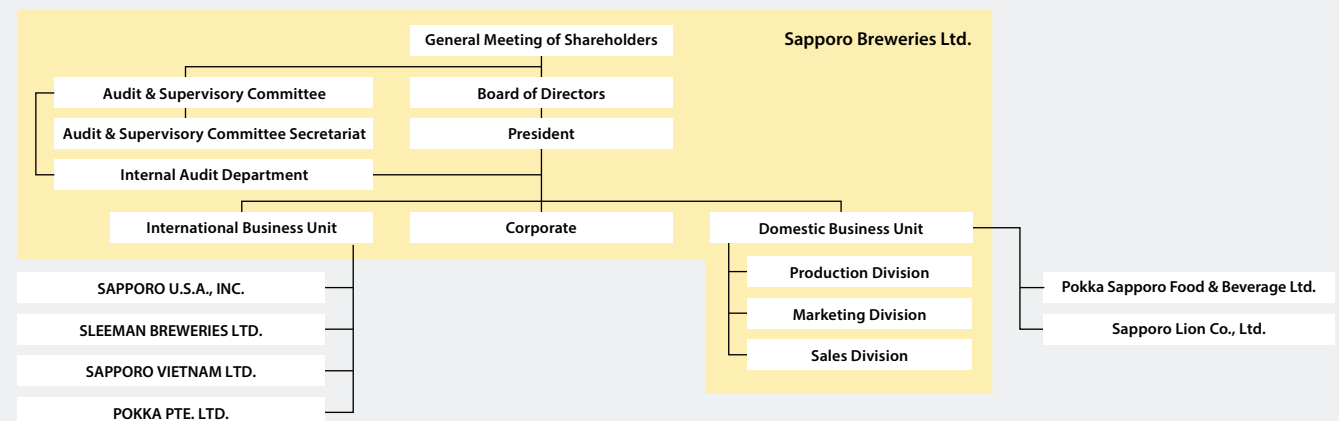
The transition to a mixed holding company structure is intended not only to concentrate management resources and improve management efficiency, but also to address these structural challenges, strengthen collaboration across the Group, and accelerate the creation of new value.

Embedding the new One SAPPORO Management concept

In July 2026, Sapporo Holdings took its first step forward as a mixed holding company Sapporo Breweries Ltd. through an absorption merger of wholly-owned subsidiary Sapporo Breweries Limited. The new structure combines the strengths of our Alcoholic Beverages Business with those of our Food & Beverages, Restaurants, and other businesses and allows us to unlock new opportunities for value creation. This new management direction is embodied by One SAPPORO Management. Rather than separate businesses, we will operate together as a fully united One SAPPORO to create new value by developing products, services, and experiences that no individual company could deliver on its own and further deepening engagement with customers and other stakeholders.



New Organizational Structure Chart (As of July 1, 2026)



Message from the CEO

In the alcoholic beverage market, rising health consciousness, declining alcohol consumption, and increasingly diverse dining preferences are blurring the boundaries between alcoholic and non-alcoholic beverages. One example is the growing popularity of “zebra drinking,” in which consumers alternate between alcoholic and non- or low-alcohol beverages. In this environment, businesses focused solely on alcohol or solely on food and beverages will be unable to fully meet customer needs. We need employees across all Group companies to think about new value the Sapporo Group can create and deliver to customers.

To ensure these new concepts are fully understood and put into practice, we held a Group-wide meeting in June 2026 to share our new Management Philosophy, the One SAPPORO Management approach, and the framework of the next medium-term management plan. The meeting marked the first time employees from across the Group gathered and interacted in one place. We will continue strengthening unity and cohesion across the Group by promoting communication among our businesses.

Growth strategy centered on Bonds with Community and Healthier Choice

The next medium-term management plan centers on integrating our business strategy and sustainability initiatives under the One SAPPORO Management framework as we address social issues and implement measures aimed at ongoing enhancement of corporate value over the medium to long term. While advancing initiatives across the five strategic pillars of the Group’s Medium- to Long-Term Growth Strategy, the plan places particular emphasis on Bonds with Community and Healthier Choice.

The Bonds with Community strategy aims to enhance Sapporo brand value and strengthen the Group’s core strength and competitive advantage in the alcoholic beverages sector by creating new ways to enjoy alcohol and

Sapporo Group Growth Strategy: Five Strategic Frameworks



delivering unique experiential value. The Healthier Choice strategy is designed to address market trends such as rising health consciousness and increasingly diverse dining preferences by expanding beverage options, including non-alcoholic beverages, for people seeking healthier lifestyles and greater well-being. While both strategies center on alcoholic beverages, Sapporo Lion, with its extensive customer touchpoints and service expertise, will play a key role in advancing the Bonds with Community strategy. Pokka Sapporo Food & Beverage, with its proven track record in developing health-conscious beverages, will play a central role in advancing the Healthier Choice strategy.

The domestic market in Japan is in a long-term contraction phase, making the growth of our overseas business essential to the Group’s sustainable growth. Achieving significant growth in the Overseas Alcoholic Beverages Business will require reestablishing our presence in the United States, our most important market, while also developing business in the Asia-Pacific (APAC) region, where future market growth is expected. Our immediate priority is to quickly reestablish the U.S. Business while continuing to

strengthen the Alcoholic Beverages and Beverages Businesses in APAC and other growth markets, with the goal of achieving an approximately 1:1 ratio of domestic to overseas revenue.

SAPPORO PREMIUM BEER (SPB) is positioned as the primary growth driver of our Overseas Alcoholic Beverages Business. Since its introduction to the United States in 1964, SPB has maintained the leading market share among Asian beer brands in North America since 1986. Distribution has expanded to APAC and Europe, and SPB sales grew by double digits year-on-year in fiscal 2025.

Appreciation for Japanese culinary culture has expanded rapidly worldwide since “Washoku, traditional dietary cultures of the Japanese” was inscribed on the UNESCO Intangible Cultural Heritage List in 2013. We will capitalize on that trend by increasing the presence of SPB in the global markets and establishing it as a leading Japanese beer brand. To achieve this, our overseas M&A and other strategies will focus not on acquiring new products or brands, but on expanding local production capabilities, increasing sales channels, and further developing the infrastructure needed to drive SPB growth.

Message from the CEO

Increasing Board diversity and strengthening management oversight

Since announcing our decision in 2025 to inject external capital into our Real Estate Business, we have received numerous questions from the capital markets regarding our ability to allocate the substantial cash proceeds of approximately 470 billion yen to investments that will generate meaningful value. We recognize our responsibility to address these concerns. To strengthen our accountability, we have overhauled our Board of Directors and established a governance structure designed to ensure fair and transparent decision-making. We refreshed the Board's composition by replacing four of our seven outside directors, enhancing its expertise and diversity. We also strengthened management oversight by having the Audit and Supervisory Committee select an outside director as its committee chair and by implementing measures to increase transparency in investment decision-making.

As part of this organizational restructuring, we revised the Board skills matrix based on issues identified through an external evaluation of Board effectiveness, as well as the capabilities needed to execute our Medium- to Long-Term Growth Strategy and provide appropriate oversight. We then identified and appointed directors with the required skills and experience, including four newly appointed outside directors.

In just the first few months following these changes, the Board's discussions have become markedly deeper and more diverse in perspective. As CEO and Chair of the Board, I recognize that my role is to ensure transparent and sound decision-making, appropriately reflect this diversity of opinions and values, and fulfill our accountability to stakeholders.

Driving results through the growth of every employee

To successfully execute our future growth strategy, we must strengthen not only our governance but also the management foundations that support sustainable growth, including human capital, digital transformation (DX), and R&D. Among these, enhancing human capital is my highest priority. We will identify the talent required to realize the Group's strategy, both in quality and quantity, and make strategic investments in talent development and deployment in growth areas.

The Sapporo Group has long been regarded, for better or worse, as a people-friendly company. I believe that supporting our employees means providing competitive compensation and a positive work environment. But above all I believe it is essential to provide an environment where employees can continue to grow throughout their careers. We will continue to foster a workplace where every employee can experience personal growth through their work. By enabling individual growth, we will accelerate product and service value creation across the Group and enhance our corporate value.

Advancing our DX and IT strategies and strengthening our R&D framework are essential to leveraging the full potential of our talent in our business operations. Our DX initiatives include a range of practical measures to improve operations, such as testing AI-powered marketing initiatives for Ginza Lion. Beyond marketing, we are also harnessing AI to accelerate our growth strategy execution in the areas of developing new products and services and creating new customer touchpoints. The organizational structure will be revised to better integrate marketing and R&D functions and to strengthen product development in new areas.



Message for our stakeholders

We expect the increase in equity capital from the injection of external capital into Real Estate Business to lower ROE in the short term. Following this initial transition period, we aim to raise ROE to at least 8% by fiscal 2030, which will be the final year of the next medium-term management plan, and to continue raising it above 10%. We will achieve these targets by using revenue generated by the expanded Real Estate Business to strengthen the Alcoholic Beverages Business and other key strategic areas. These investments will support the Group's sustainable growth and enhance corporate and shareholder value over the medium to long term.

One hundred and fifty years ago, our company pioneered Japan's beer market from the northern frontier. Today, that same pioneering spirit drives us to "Pioneer the Legacy of Tomorrow." We invite our stakeholders to join us as we take on this next great challenge.

Communicating Management Policy Through Dialogue with Employees

The Sapporo Group started reviewing its medium- to long-term growth strategy in February 2024 while continuing efforts to instill its management policies across the organization. Through ongoing dialogue, we are building a shared understanding of our management direction and strengthening commitment across the Group as we work together to realize One SAPPORO.

Past Efforts to Instill Management Policy

- February 2024 — Announced the Medium- to Long-Term Management Policies for Increasing Group-wide Corporate Value
- March 2024 — Held a **Dialogue Session with Sapporo Holdings executives and employees**
- July 2024 — Internally disclosed the status of the Medium- to Long-Term Strategic Project
- August 2024 — Held the **Second Dialogue Session with Sapporo Holdings executives and employees**
- February 2025 — Launched the Group Medium- to Long-Term Growth Strategy
- February– March 2025 — Held the **Third Dialogue Session with Sapporo Holdings executives and employees**
- June 2025 — Launched the Medium-Term Management Plan 2027–2030 development project
- October– December 2025 — Held a **Dialogue Session with Sapporo Breweries executives and employees**
- June 2026 — Held the **“One SAPPORO Assembly” Group-wide employee kick-off rally**
- July 2026 — Transitioned to the mixed holding company structure
- September 2026– — Employee briefing session for Medium-Term Management Plan 2027–2030

Action 1

Regular Meetings for Dialogue with Executives

After announcing the Medium- to Long-Term Management Policies for Increasing Group-wide Corporate Value in February 2024, we have been holding regular Dialogue Sessions that bring executives and employees together for direct discussions. In the sessions, executives explain the thinking behind management policies and strategies, and employees openly share their perspectives and challenges from the front lines. These two-way exchanges deepen mutual understanding and strengthen alignment across the Group. The dialogue also fosters a culture in which each employee thinks and acts proactively, helping unite the organization around the realization of One SAPPORO.



Action 2

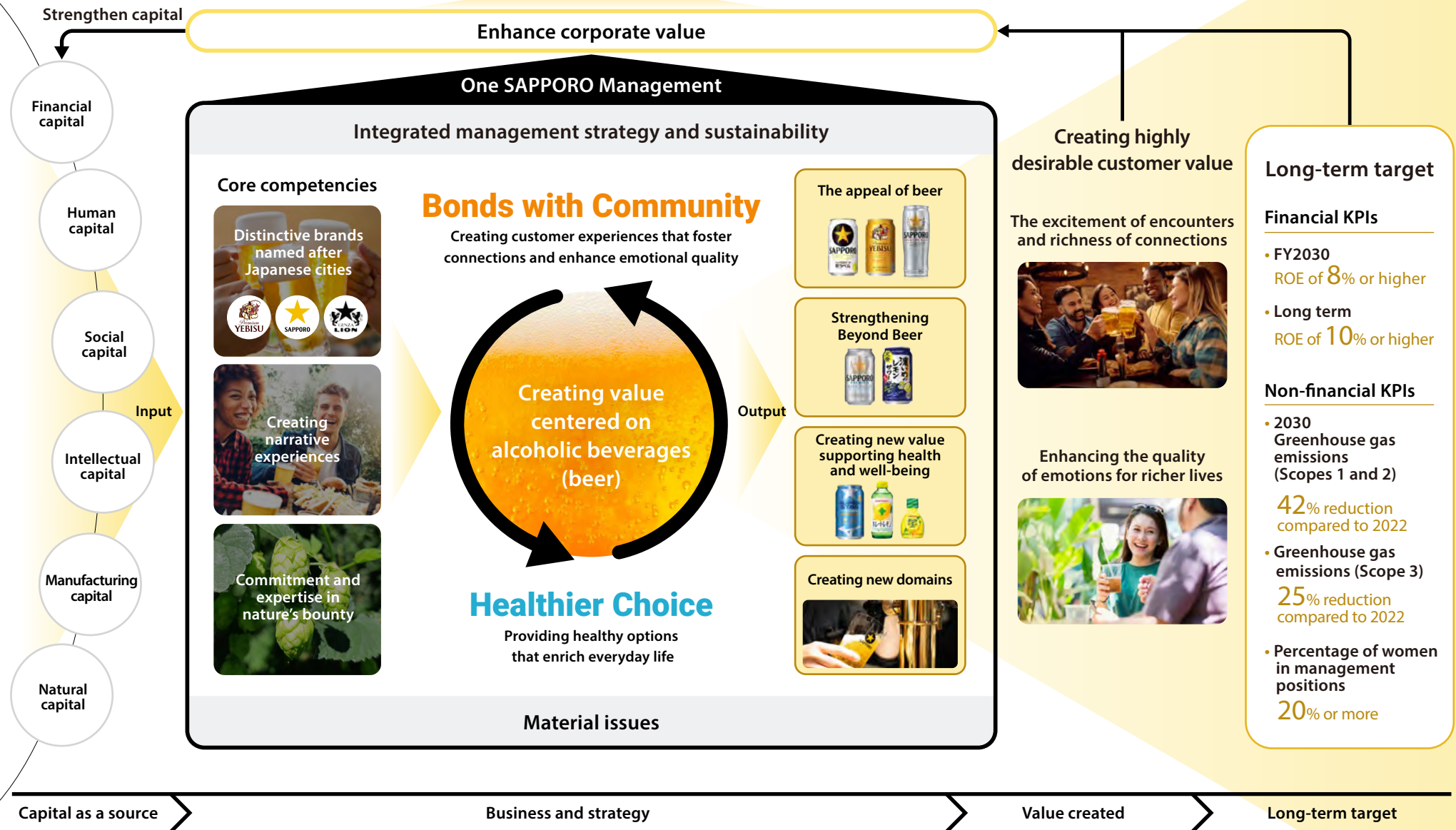
The One SAPPORO Assembly Group Employee Kickoff Rally

The One SAPPORO Assembly held in June 2026 brought employees from across the Group together in a landmark gathering that reflected the unification of group management. Employees learned about the new Management Philosophy, our value creation story, and the goals of the next medium-term management plan. The assembly was pivotal in strengthening alignment with our corporate vision, strengthening organizational cohesion, and boosting morale. Employees gained a clear understanding of their individual roles and responsibilities, which enhances the Group's collective execution capability for the next stage of growth and ability to drive sustainable value creation.



Value Creation Model

Management Philosophy: Pioneering The Legacy of Tomorrow.



Strengthening Management Capital



* Indicators (standardized scores) based on stress check and employee awareness survey results

Our Businesses

Domestic Business

Cultivating distinctive brands that deliver “emotional and quality value”^{*1}

Our portfolio of distinctive brands spans core alcoholic beverage brands such as Black Label and Yebisu, food and beverage brands centered on lemon products, including Pokka Lemon and Kireto Lemon, and restaurant brands such as Ginza Lion. Building on the brand equity cultivated by each of these brands over many years, we deliver emotional value while optimizing our business portfolio to strengthen our sustainable earnings base.

Main brands



Major subsidiaries

- Pokka Sapporo Food & Beverage Ltd.
- Sapporo Lion Co., Ltd.

Overseas Business

Expanding brand value worldwide from our bases in North America and Asia

We are expanding our alcoholic beverage brand portfolio, centered on SAPPORO PREMIUM BEER, across North America, the APAC region, and Europe. We also operate a beverage business centered on the Pokka brand in 74 countries and regions worldwide, including Asia. We are establishing business foundations tailored to the unique characteristics of each market and positioning our international business as a driver of growth across the Group.

Main brands



Major subsidiaries

- SAPPORO U.S.A., INC.
- SLEEMAN BREWERIES LTD.
- SAPPORO VIETNAM LTD.
- POKKA PTE. LTD.

K E Y F I G U R E S

(Figures are for fiscal 2025)

Canned Black Label
Sales volume
220%
(vs. 2014)

Yebisu Beer
136-year
history

YEBISU BREWERY TOKYO
Annual visitors
Over 300,000

Number of
restaurants
128

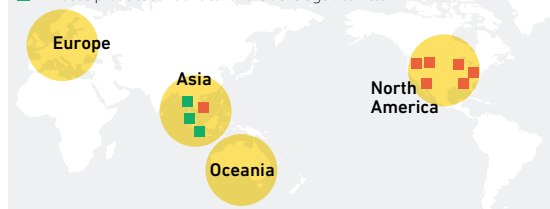
Ready-to-drink
category
Five straight
years of
increasing sales

Lemon juice
condiment
Domestic market
share^{*2}
78%

K E Y F I G U R E S

● Sales region ■ In-house production facilities for the Alcoholic Beverages Business
■ In-house production facilities for the Beverage Business

(Figures are for fiscal 2025)



Global expansion
74 countries
and regions

Share among Asian beer
brands in the U.S.
No.1 for
40 consecutive years

SAPPORO
PREMIUM BEER
Sales volume
154%
(vs. 2014)

Market share of
tea-based beverages
in Singapore^{*3}
No.1
66%

^{*1} Emotional and quality value means creating experiences that enrich people's lives and enhance their sense of fulfillment. ^{*2} Estimated sales value and market value share based on the Intage SRI+ lemon juice condiment market for the two years 2024–2025

^{*3} Source: Nielsen (fiscal 2025 data)

Executive Officers (as of July 1, 2026)

With our new executive structure, we will practice One SAPPORO Management.

Name	Positions	Responsibilities	Profile
Hiroshi Tokimatsu	President and Representative Director CEO, CJO ^{*1}	Responsible for Domestic Business Unit	After serving at Ezaki Glico Co., Ltd. from 1984, Hiroshi Tokimatsu joined the former Sapporo Breweries Limited in 1991. He built his career primarily in sales and brand strategy, serving successively as Director of the Sales Division and Managing Executive Officer. After serving as President and Representative Director of operating companies in the Real Estate and Food & Beverages Businesses, he was appointed President and Representative Director of Sapporo Holdings Limited and the former Sapporo Breweries Limited in 2025. Today, he drives the management of the Group's business portfolio.
Yoshitada Matsude	Executive Vice President CFO, CAO ^{*2}	Responsible for Accounting & Finance Department, Human Resources Department, and General Administration Department	Yoshitada Matsude joined the former Sapporo Breweries Limited in 1988. He built his career in the areas of accounting, finance, investor relations, human resources, and general affairs, including serving as General Manager of the Accounting Department. He was also involved in the management of Group companies and was appointed to the position of Director at Sapporo Holdings Limited in 2022. He is involved in strengthening the Group's overall financial foundation and governance.
Rieko Shofu	Executive Vice President CSO ^{*3} , CIOO ^{*4}	Responsible for International Business Unit Responsible for Corporate Planning Department, Business Development Department, and Corporate Development Department	In 1990, Rieko Shofu joined Hakuhold Inc., where she gained experience in corporate design and business strategy. Then, in 2016, she joined Pokka Sapporo Food & Beverage Ltd., where she was involved in the management of the Food & Beverages Business and the Overseas Beverages Business. In 2022, she was appointed to the position of Director of Sapporo Holdings Limited. She is currently responsible for driving global business operations.
Yasushi Sato	Executive Managing Officer Director of the Sales Division	In charge of Sales Division	Yasushi Sato joined the former Sapporo Breweries Limited in 1994, building his career primarily in sales and marketing, serving as Director of the Marketing Division and Director and Managing Officer. In the latter role, he is responsible for human resources, general affairs, and legal affairs, and engages in management of corporate domains. He is involved in formulating and implementing sales strategies for the domestic alcoholic beverages market.
Masashi Sato	Managing Executive Officer	President and Representative Director of Pokka Sapporo Food & Beverage Ltd.	Masashi Sato joined the former Sapporo Breweries Limited in 1989, where he built his career primarily in the production and engineering fields, serving successively as Director of Brewery, Director and Managing Officer, and then Director of Sapporo Holdings Limited. In 2025, he was appointed President and Representative Director of Pokka Sapporo Food & Beverage Ltd., where he is driving business restructuring.
Takayuki Sato	Managing Executive Officer	In charge of Accounting & Finance Department	Takayuki Sato joined the former Sapporo Breweries Limited in 1993. He built his career in the fields of accounting and taxation, serving as General Manager of the Accounting Department and CFO of an overseas subsidiary. He is involved in establishing Group-wide accounting infrastructure and management control systems.
Noboru Ohroi	Managing Executive Officer	EVP ^{*5} of International Business Unit and responsible for North America	Noboru Ohroi joined Mitsubishi Corporation in 1991, where he was involved in developing new markets in Europe and the United States, primarily in the information technology, healthcare, and business development sectors. After serving as a Corporate Officer at PHC Holdings Corporation and as an Advisor at Terumo, he joined Sapporo Holdings Limited in 2024. He is currently involved in promoting medium- to long-term growth strategies in the international business sector.

Name	Positions	Responsibilities	Profile
Akito Takeuchi	Managing Executive Officer	In charge of Corporate Planning Department, Public Relations Department, Business Development Department, and Strategic Planning Department	Akito Takeuchi joined the former Sapporo Breweries Limited in 1997. He built his career in the fields of brand strategy and marketing, serving successively as Director of the Marketing Division and Director and Managing Officer. He is involved in business strategy and business development.
Hiroyasu Kino	Managing Executive Officer Director of the Production Division CLO ^{*6}	In charge of Production Division	Hiroyasu Kino joined the former Sapporo Breweries Limited in 1998. He built his career primarily in the fields of manufacturing, product technology development, and quality assurance; after serving as Director of Winery, he was appointed Director of the Production Division. He has been involved in evolving production infrastructure and improving productivity and quality.
Hiroyuki Tazawa	Senior Executive Officer	President and Representative Director of Sapporo Lion Co., Ltd.	Hiroyuki Tazawa joined the former Sapporo Breweries Limited in 1994. He built his career primarily in the Sales Division and the management of the Restaurants Business, serving as President and CEO of a restaurants subsidiary. In 2025, he was appointed President and Representative Director of Sapporo Lion Co., Ltd. He is working to enhance brand value and expand the Restaurants Business.
Yuka Uchiyama	Senior Executive Officer	In charge of General Administration Department, DX Planning Department, IT Management Department, Legal Department	Yuka Uchiyama joined the former Sapporo Breweries Limited in 1989. She built her career in human resources and general affairs, serving as General Manager of the Human Resources Department and Director and Managing Officer. She is involved in promoting DX and IT strategies and strengthening Group governance.
Kunihiko Sanada	Senior Executive Officer	In charge of Marketing Division	Kunihiko Sanada joined the former Sapporo Breweries Limited in 1992. He built his career in sales and business strategy, serving successively as Director of the Sales Management Department, Director of the Management Strategy Department, and Director and Managing Officer. He is involved in business restructuring and marketing strategy.
Yasunobu Hosokawa	Senior Executive Officer CHRO ^{*7}	In charge of Human Resources Department, Quality Assurance Department, and CRE ^{*8}	After working at the Hokkaido Takushoku Bank, Ltd. from 1992, Yasunobu Hosokawa joined the former Sapporo Breweries Limited in 1998. He built his career primarily in sales and served as a Director and Managing Officer at our real estate operating company. He is involved in strengthening the organization and human resources infrastructure, as well as establishing a quality assurance system.
Ryoichi Nishizawa	Senior Executive Officer	In charge of Corporate Development Department	Ryoichi Nishizawa joined Mitsubishi Corporation in 1995, where he held positions in M&A, finance, and as CFO of an overseas subsidiary. He also worked in the urban development sector. He joined Sapporo Holdings Limited in 2026, and leads the development of M&A and alliance strategies.

*1 Chief Japan Operating Officer (Head of Domestic Business Unit) *2 Chief Administrative Officer *3 Chief Strategy Officer *4 Chief International Operating Officer (Head of International Business Unit)

*5 Executive Vice President *6 Chief Logistics Officer *7 Chief Human Resource Officer *8 Corporate Real Estate

To create new dining experiences by leveraging the Group's strengths

As I work to connect the various brands of Sapporo Breweries and Sapporo Lion and lead collaborative efforts on events and promotional campaigns, I've come to realize that intra-Group collaboration is deepening year by year. On the front lines of customer interaction, I've reaffirmed my commitment to enhancing experiential value for customers, and I'm eager to create exciting new dining experiences that only the Sapporo Group can provide.



Hiroto Funada
Sales Management Department
Sapporo Lion Co., Ltd.

To unlock the secret power of lemons for better health

Through my research into the health benefits of lemons, I have identified various benefits—including their effects on blood pressure—but I still feel that we have only scratched the surface of the power that lemons hide within. I am committed to scientifically unraveling the innate power of lemons and creating new value that contributes to better health for all people.



Masanori Hiramitsu
Fundamental Research
Institute, R&D Division
Pokka Sapporo
Food & Beverage Ltd.

To build greater brand value and make Sapporo truly world-class

In my responsibility for U.S. production site quality control and manufacturing operations, I work in a culture and language different to my upbringing. It has taught me that the desire to make delicious beer is something we all share, regardless of national origin. Together with my colleagues, I am committed to continuously refining our quality and enhancing the value of the Sapporo brand on a global scale.



Yoshihiko Misawa
SAPPORO U.S.A., INC.

Employee Spotlight

Our Work to Become One SAPPORO

Breaking down barriers within the Group to create new value as One SAPPORO, these employees have offered their comments as they continue to take on new challenges in their respective roles.

To bring products to the world that only Sapporo can create

As a leader in product development for beer, RTDs, and other products, I am pursuing new possibilities that cannot be seen from a purely alcoholic beverage perspective, by leveraging the assets of our Group companies and incorporating co-creation with external partners. Precisely because we live in an era of countless choices, I aim to create value that is uniquely Sapporo—value that will make customers choose us—by drawing on the Group's extensive expertise.



Hiroyuki Iwasa
Beer & RTD Brand
Marketing Department
Sapporo Breweries Ltd.

To build a robust organization that turns unique differences into strengths

Under our new mixed holding company structure, I aim to further evolve our personnel systems and organizational culture so that every single one of us can enhance our capabilities and bring our strengths to the forefront. By building an organization where we leverage diverse experiences and perspectives that drive us forward, I intend to staunchly support the Sapporo Group's sustainable growth and value creation.



Noriko Denda
Human Resources Department
Sapporo Breweries Ltd.

To make a non-alcoholic beer people love on its own merits

Sapporo expects significant growth ahead in the non-alcoholic beer market, which is expanding with greater health consciousness. In developing the flavor profiles of our non-alcoholic beers, I am continuously refining ingredient blends and brewing processes through trial and error. I aim to perfect flavors that exceed our customers' expectations and create products that will continue to be their top choice.



Toshihisa Watanabe
Product & Technology
Innovation Department
Sapporo Breweries Ltd.



Sayaka Kikuchi
DX Planning Department
Sapporo Breweries Ltd.

To create new work styles and customer experiences, with belief in the potential of people and AI

In my work to stimulate AI use and therefore maximize human potential, I have come to realize firsthand the importance of rapidly testing and iterating on a small scale. Each little step forward will, I believe, bring us toward a future where people and AI's respective strengths enrich the work lives of each and every one of my colleagues, while also creating new value through customer interactions.

Part 2

Medium- to Long-Term Strategy for a New Growth Phase

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Message from the CSO

Transition to a new stage with all Group members unified to maximize corporate value

Rieko Shofu

Executive Vice President, CSO, CIOO*
Sapporo Breweries Ltd.

* CIOO: Chief International Operating Officer (Head of International Business Unit)

Steady medium-term management plan execution achieved 8% ROE a year ahead of schedule

The Medium-Term Management Plan 2023–2026 identified “breaking away from low profitability” as our highest priority and set out strategies for structural reform and business strengthening and growth. In fiscal 2025, initiatives implemented under the plan generated core operating profit three times the level recorded in fiscal 2022, the year before the plan began, and we achieved our financial target of 8% ROE one year ahead of schedule. We believe these results reflect the healthy sense of urgency shared across the Group since the start of the plan and the tireless efforts of employees to address the challenges before us.

Structural reforms and efforts to strengthen our beer business in Japan drove business growth and improved profitability, led by the Alcoholic Beverages Business. In addition to significant growth and strong customer support for Black Label and other core brands, initiatives such as structural reforms in the Food & Beverages Business and the closure of unprofitable restaurants also progressed steadily.

The Alcoholic Beverages (Overseas) Business continued to record solid performance for Sapporo brand products and achieved its fiscal 2026 target of 10 million cases in 2025, one year ahead of schedule. However, sales and profits fell short of targets, primarily due to sluggish sales of the Sleeman brand in Canada and the Stone brand in the U.S. The beer market in North America is in a contraction phase, and the craft beer market performed below expectations amid weakening consumer sentiment caused by inflation. Profits in the U.S. were also weighed down by soaring raw material prices resulting from tariffs.

Given the Sapporo brand’s continued strong sales in the region, we have concluded that we can accelerate business growth by focusing more management resources directly on the brand. Accordingly, we decided to transfer the intellectual

property rights for the Stone brand and certain hospitality business assets to a third party. We have also begun restructuring the production system and will cease beer production at the Escondido plant in the western United States by the end of 2026. The Richmond plant in the eastern United States will serve as the core production base for the Sapporo brand, and we will optimize our production structure across North America through complementary use of the four plants operated by Sleeman in Canada. We will use these structural reforms to improve profits by at least 10 million U.S. dollars and return to profitability in fiscal 2027.

Fiscal 2026 is a transition period during which we will lay the groundwork for Medium-Term Management Plan 2027–2030 and long-term growth

Following the launch of the current Medium-Term Management Plan, we began examining management policies for the period beyond the plan and announced the Medium- to Long-Term Management Policies for Increasing Group-wide Corporate Value, including a transition to a business structure centered on expanding the Alcoholic Beverages Business. We also launched a strategic review project to implement these policies and formulated the Group Medium- to Long-Term Growth Strategy based on the five frameworks of Bonds with Community, Healthier Choice, Efficient Foundation, Strategic Alliance, and Inorganic Growth. Since then, as we executed Medium-Term Management Plan 2023–2026, we advanced reforms under the Group Medium- to Long-Term Growth Strategy, including restructuring business operations with a focus on profitability and synergies with the Alcoholic Beverages Business, as well as the decision to inject external capital into the Real Estate Business (→ p. 21).

We concluded Medium-Term Management Plan 2023–2026 one year early at the end of fiscal 2025 based on our decision to transition to management guided by the Medium- to Long-Term Management Policies and our

Management Strategy

Message from the CSO

achievement of the plan's financial targets ahead of schedule. We have designated fiscal 2026 as a transition period to prepare for the launch of Medium-Term Management Plan 2027–2030. During this period, we will implement structural reforms and other initiatives to strengthen our management foundation and lay the groundwork for our growth strategy.

A key step in this initiative was taken in July 2026 with our transition to a mixed holding company structure. Under the previous holding company structure, business operations tended to be delegated to individual operating companies, making it difficult to foster a shared strategic direction across the Group. We determined that a holding company structure that promotes closer collaboration among Group companies and enables more unified Group management would be the optimal approach for strengthening our focus on the Alcoholic Beverages Business and advancing the Bonds with Community, Healthier Choice, and other core elements of our

Medium- to Long-Term Management Policies. The new structure will better enable the One SAPPORO management philosophy for cohesive governance, concentration of management resources, greater management efficiency, and faster strategy execution.

As we formulate Medium-Term Management Plan 2027–2030, we are also reviewing our initiatives from a sustainability perspective. Progress toward the targets established for our current material sustainability issues is generally on track. The Group's fundamental reliance on the bounty of nature means that these issues are critical not only to the environment and society but are to the sustainability of our businesses. We will fully integrate these material issues into the management and sustainability strategies of the next Medium-Term Management Plan.

Boosting sales and profitability with a business portfolio centered on Bonds with Community and Healthier Choice

The next medium-term management plan we are currently putting together will be based on the five-framework core Medium- to Long-Term Growth Strategy and centered on the Bonds with Community and Healthier Choice strategies.

The Bonds with Community strategy will forge direct emotional connections with customers by building on our brand heritage and local cultures. We will create engaging experiences and new ways to enjoy our products to cultivate relationships that keep the Sapporo as a brand of choice throughout customer lifetimes. We will leverage the strengths of Black Label, Yebisu, and our other valuable brand assets as well as our customer touchpoints in the Restaurants and other businesses to deliver new forms of experiential value. Our aim is to go beyond providing alcoholic beverages as a product to offer services and initiatives that enrich customers' lives.

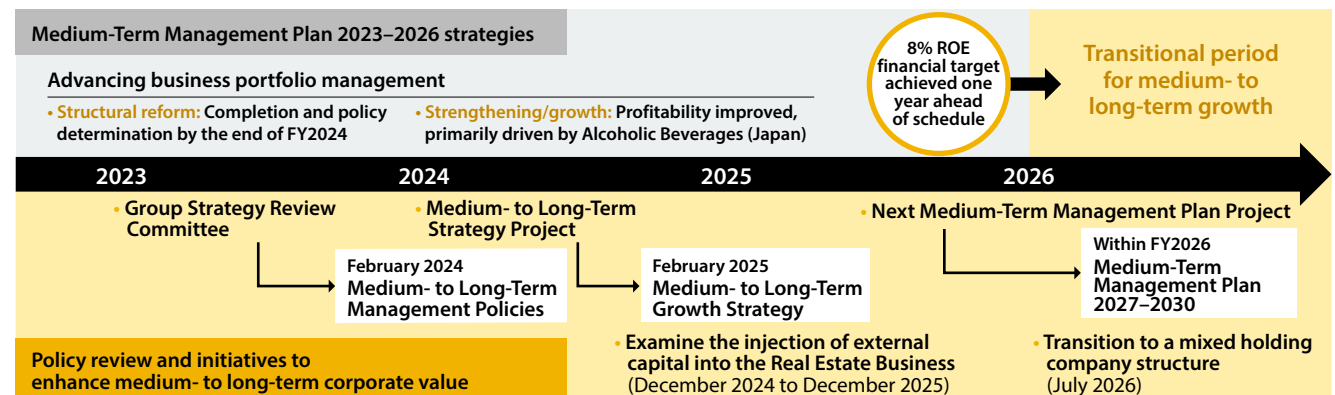
The Healthier Choice strategy is designed to address growing health consciousness by offering healthy, reliable, and appealing products and experiences that support longer, more fulfilling lives. The strategy extends beyond alcoholic beverages to include non-alcoholic beverages and services that will offer alternatives to the benefits associated with alcohol and expand consumer choice in support of healthy lifestyles and well-being. We will strengthen our presence in the low- and non-alcoholic beverage segments while also developing health-conscious beverages that leverage our research on the functional properties of lemons, one of our core areas of expertise.

Overview of the Transaction for the Injection of External Capital into the Real Estate Business

Objectives	By off-balancing the Real Estate Business to concentrate management resources, and investing the funds obtained into the growth of the Alcoholic Beverages Business, the Group aims to enhance its medium- to long-term corporate value
Value of the transactions (on an enterprise value basis)	¥477.0 billion
Assets subject to the transactions	70% of Yebisu Garden Place, Sapporo Factory, etc.
Counterparty to the transactions	SPARK LLC (Equity investors: PAG Investment Management Limited, Kohlberg Kravis Roberts & Co. L.P.)
Closing dates	June 1, 2026 (Scheduled) (51%), June 1, 2028 (Scheduled) (29%), June 1, 2029 (Scheduled) (20%)
Assets not involved the transactions	Certain assets held by Sapporo Real Estate (including 30% of Yebisu Garden Place / part of Sapporo Garden Park / Ginza Place) → The assets will be utilized to enhance the value of the Alcoholic Beverages Business through strengthened customer touchpoints and brand experiences.

For further details, please refer to the document linked below.
<https://pdf.irpocket.com/C2501/nX8G/vppq/wZ9R.pdf>

Previous Approach and Initiatives for Enhancing Medium- to Long-Term Corporate Value



Message from the CSO

Under the next plan, we will increase sales and profitability by restructuring our business portfolio around the Bonds with Community and Healthier Choice strategies and by effectively allocating limited resources. Investments will focus on the five priority areas of cultivating the next generation of beer consumers, strengthening the overseas beer business, reinforcing the ready-to-drink (RTD) segment, acquiring capabilities that drive innovation, and enhancing our non-alcoholic beverage and soft drink capabilities. For the Bonds with Community strategy, we will clarify the capabilities required to create experiences and communities that extend beyond the product itself. For the Healthier Choice strategy, we will consider investments that strengthen our product lineup and development capabilities.

We will also actively leverage external partnerships and M&A to complement our capabilities and strengthen both sustainable Group growth and competitiveness. To accelerate the implementation of these strategies, we established the Corporate Development Department as a dedicated organization responsible for M&A and business restructuring

in domestic and international markets. We also plan to complement the development of internal talent by recruiting and leveraging external talent to strengthen our expertise and drive inorganic growth that maximizes Group value.

Develop strategies matched to the domestic and overseas market environments

In January 2026, prior to adopting the mixed holding company structure, we reorganized our reporting segment classifications from Alcoholic Beverages Business and Food & Beverages Business to Domestic Business and Overseas Business. The business challenges and management capabilities differ between Japan and overseas markets in numerous aspects, including our market position, the market environment, legal and regulatory frameworks, strategies, and business models. These differences had affected both the quality and speed of decision-making, particularly for the overseas operations. We have implemented several measures over the past two years to improve both decision quality and decision speed, including establishing the International

Management Committee in January 2025. We will expand this framework across our overseas operations and implement management strategies tailored to the stage of development of each domestic and overseas business. At the same time, we will strengthen our ability to address business challenges by installing the management talent and organizational structures each business needs.

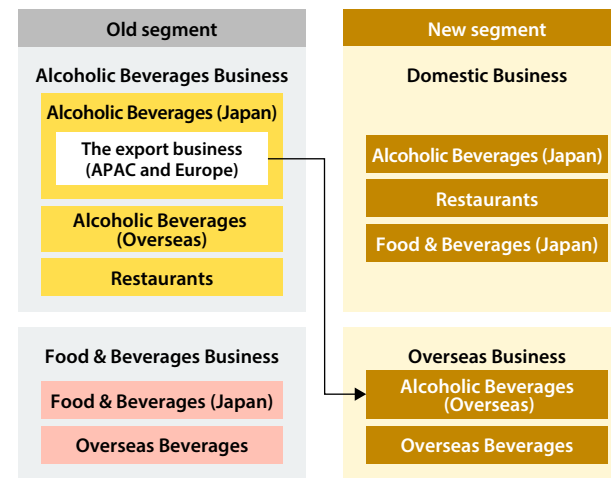
In the Domestic Business, amid a long-term decline in overall beer demand, we aim to expand our beer market share by enhancing the appeal of alcoholic beverages through experiential value creation and premiumization. Expanding our Healthier Choice lineup is an urgent priority, and we will establish and nurture flagship low- and non-alcoholic beverage brands while accelerating the launch of products that leverage our core strength in delivering the health benefits of lemons. We will also extend our reach beyond the boundaries of the Alcoholic Beverages and Food & Beverages Businesses to develop products that create new consumption occasions, such as non-alcoholic beverages catered to sporting event settings.

In the Overseas Business, the majority of our sales are generated in the North American market, which is currently facing risks from tariffs and declining consumer spending. While implementing structural reforms, we also recognize the need to reduce our reliance on the North American market. We will allocate resources to APAC, Europe, and other growth markets to strengthen the presence of the Sapporo brand, including in non-alcoholic beverages and RTDs, and build a new business foundation.

Our business environment is undergoing unprecedented and rapid change, driven by factors including domestic market contraction, growing global health consciousness, and turbulence in the international landscape. To respond effectively to these changes and achieve sustainable growth in Group value, everyone across the Group will reaffirm the Sapporo Group's raison d'être while steadily implementing the Group Medium- to Long-Term Growth Strategy and Medium-Term Management Plan 2027–2030.



Regarding the Segment Reorganization



Progress of the Medium-Term Management Plan 2023–2026

Review Through Fiscal Year 2025

Alcohol Beverages (Japan) Business Exceeds Projections, Achieving an 8% ROE One Year Ahead of Schedule

The top priorities of the Medium-Term Management Plan 2023–2026 were to advance structural reform and invest in growth to break away from low profitability and improve capital efficiency. In implementing the plan, we reduced cross-shareholdings, streamlined unprofitable businesses, concentrated management resources on our core businesses, and steadily improved the Group's overall profitability. Stronger cash generation enabled us to achieve our financial target of an 8% ROE ahead of schedule. In the Overseas Business, although we identified specific areas for growth, challenging market conditions and intensified competition limited progress. We are continuing to strengthen the business foundation to support sustainable growth.

Core Operating Profit Margin Progress and Targets for Each Business Segment

	FY2022 results	FY2025 results* ¹	FY2026 plan* ¹	FY2026 plan initial targets
Alcoholic Beverages (Japan)	3.5%	9.0%	8.8%	5.7%
Overseas Alcoholic Beverages (Overseas)	-0.4%	1.1%	2.1%	6.2%
Restaurants	-3.3%	9.5%	9.1%	5.0%
Food & Beverages (Japan)	0.9%	3.8%	4.1%	3.8%
Overseas Beverages	3.6%	4.6%	5.3%	5.0%

*¹ The fiscal 2026 plan is presented following segment reclassification (transfer of the Sapporo Breweries export business for APAC and Europe from the Alcoholic Beverages (Japan) Business to the Alcoholic Beverages (Overseas) Business). Results for fiscal 2025 have been restated for comparability with fiscal 2026.

Progress Toward Financial Targets

	FY2022 results	FY2025 results	FY2026 plan	FY2026 plan initial targets
ROE	3.3%	9.4%	83.4%	8% or higher
(Reference) Core operating profit	¥9.3 billion	¥32.1 billion (¥25.0 billion* ³)	¥22.0 billion	¥25.0 billion
EBITDA compound average growth rate (CAGR)	-4.5%* ²	21.7%		Around 10%
Overseas revenue compound average growth rate (CAGR)	9.6%* ²	6.3%		Around 10%

*² Fiscal 2022 average growth rate is based on fiscal 2019–2022 results

*³ Figures following classification of the Real Estate Business as a discontinued operation

Progress Toward Key Non-Financial Targets

	FY2025 results	FY2026 forecast	Target
Greenhouse gas emission reduction (Scope 1, 2)	145 kt-CO ₂	On track	42% reduction (2030)
Greenhouse gas emission reduction (Scope 3)	915 kt-CO ₂	On track	25% reduction (2030)
Percentage of female directors	17.2%	On track	12% minimum (2026)
Percentage of women in management positions	10.8%	On track	12% minimum (2026)

Positioning of Fiscal 2026

Transitioning to Medium- to Long-Term Growth Through Injection of External Capital into Real Estate Business

Fiscal 2026 will be a critical transition year in which we leverage the achievements of our current Medium-Term Management Plan to drive future growth. The early achievement of our financial targets has heightened capital market expectations for the Group's capital allocation and growth strategies. Guided by One SAPPORO Management, we will operate as a unified organization to accelerate value creation. To support this, we will continue restructuring the Overseas Business and optimizing our business portfolio, while leveraging our mixed holding company structure to concentrate management resources and accelerate decision-making. These initiatives will ensure a smooth start to the Medium-Term Management Plan 2027–2030 and lay the foundation for the sustainable enhancement of corporate value.

Management Plan for 2026

Transition period for investments and structural reform needed for medium- to long-term growth

- Core operating profit: Expected to decline due to investments to strengthen beer brands, costs associated with the mixed holding company structure, and investments to enhance the IT infrastructure
- Operating profit: Expected to decline due to one-time expenses related to the separation of the Real Estate Business and the restructuring of the Alcoholic Beverages (Overseas) Business and Food & Beverages (Japan) Business
- Profit attributable to owners of parent: Expected to increase significantly due to recognition of external capital injected to the Real Estate Business

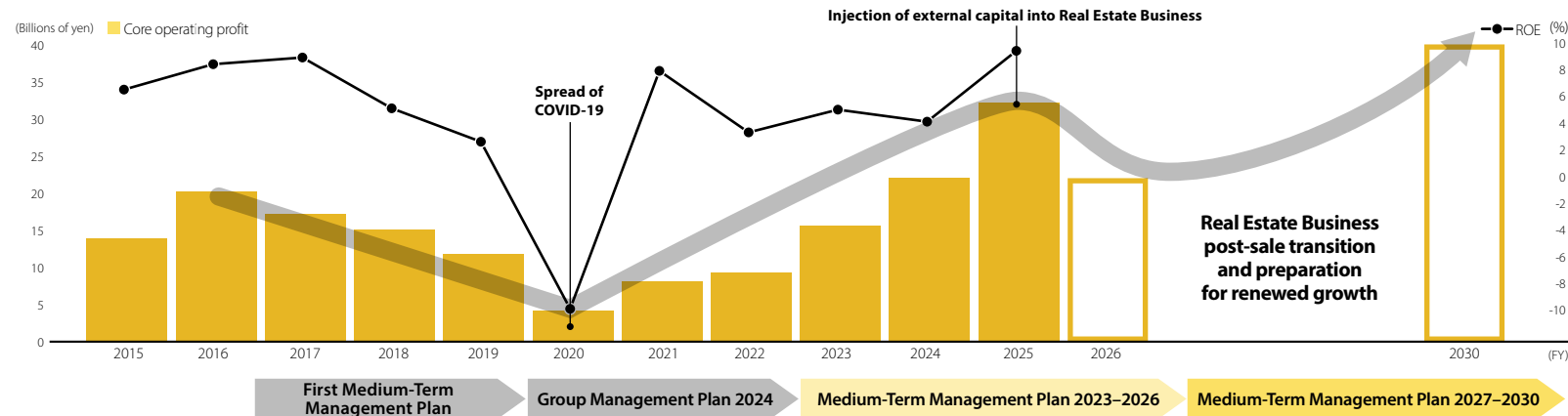
Transition to the new corporate structure

- Transition to a mixed holding company structure
- Revision of the business portfolio management framework to Domestic Business and Overseas Business (→ p. 22)

Preparing for Medium-Term Management Plan 2027–2030

Medium- to Long-Term Growth Strategy

The current Medium-Term Management Plan focused on recovering from the impact of the COVID-19 pandemic and restoring business performance through structural reforms and growth strategies. The next Medium-Term Management Plan 2027–2030 will focus on concentrating management resources in the Alcoholic Beverages Business to accelerate further growth.



Transform the business structure, prepare for new growth

Structural reforms

- Food & Beverages (Japan): Sell the plant-based yogurt business, sell Shinsyu-ichi Miso Co., Ltd., transfer the vending machine business
- Restaurants: Close unprofitable stores, restructure to vastly improve profitability
- Alcoholic Beverages (Overseas): Dissolve Anchor Brewing, sell Stone assets and revise production structure

Growth strategy

- Alcoholic Beverages (Japan): Strengthening beer business marketing, restructure RTD production sites
- Alcoholic Beverages (Overseas): Begin SAPPORO PREMIUM BEER production in North America, strengthen APAC and Europe initiatives, including capital and business alliance with Carlsberg in APAC

Injection of external capital into Real Estate Business

- Injected external capital into the Real Estate Business to center the business portfolio on the alcoholic beverages business

Focus management resources on the Alcoholic Beverages Business, become a global growth company

Strategic frameworks

- Bonds with Community (Creating customer experiences that foster connections and enhance emotional quality)
- Healthier Choice (Providing healthy options that enrich everyday life)

Initiative objectives

- Construct a strategic portfolio
Construct a portfolio of businesses centered on Bonds with Community and Healthier Choice
- Promote value creation throughout the Group
Enhance corporate value by applying One SAPPORO to make maximize use of management resources for value creation
- Strategically invest to accelerate profit growth
Use funds generated in the Real Estate Business after the injection of external capital to strategically invest in growth areas and accelerate profit growth

Preparing for Medium-Term Management Plan 2027–2030

Strategic Frameworks

Strategic Direction for Fiscal 2027 Forward

Beginning in fiscal 2027, the Group's strategy will focus on creating value and driving profitable growth through the Bonds with Community and Healthier Choice strategies. One SAPPORO Management will strengthen the earnings base by generating stable cash flow from existing businesses, led by the Alcoholic Beverages Business, while directing investment toward priority growth areas.

Strategic alliances and M&A will be pursued to expand growth opportunities. We will also leverage assets that create brand experiences and customer touchpoints to further enhance corporate value.

The medium- to long-term financial strategy is to achieve sustainable business growth and improve capital efficiency by allocating cash generated from operations in a balanced manner among growth investments, a stronger financial foundation, and shareholder returns.

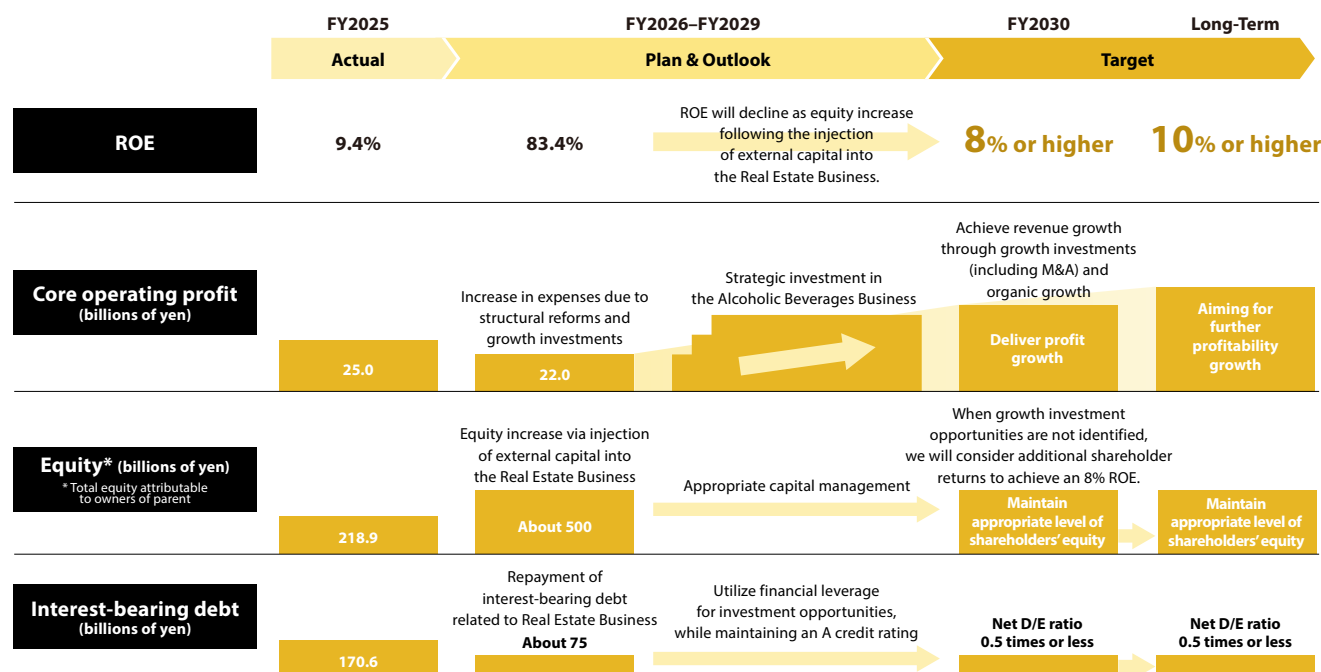
Business Portfolio Reorganization Objectives

We are reorganizing our business portfolio around the strategic pillars of Bonds with Community and Healthier Choice.

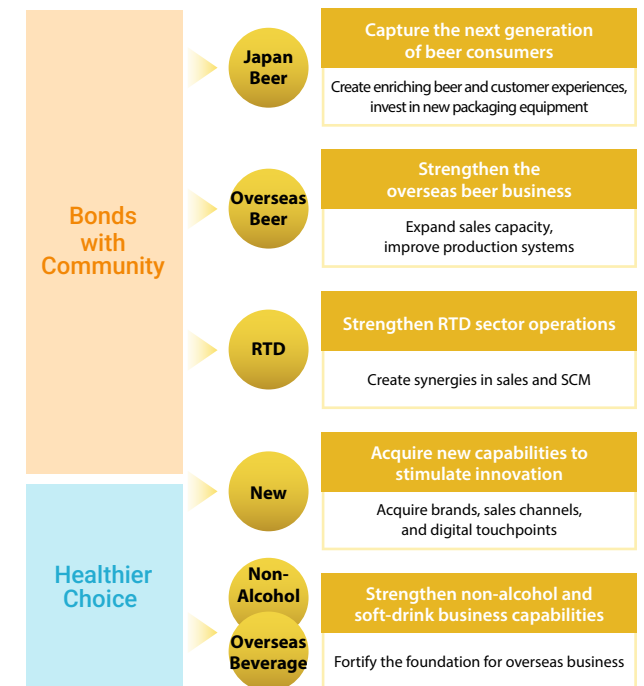
The Bonds with Community strategy aims to enhance profitability by building on the Group's strengths to deliver

greater value through experiences and communities while strengthening the competitiveness of our existing beer businesses. The Healthier Choice strategy targets a market segment with strong growth potential and focuses on creating new value that supports health and well-being. Together, these strategies will reshape our business portfolio by reinforcing the Alcoholic Beverages Business as our core while expanding into new growth areas.

Financial Scenario for Growth in Fiscal 2030 and Beyond



Investment Focus Areas in the Medium- to Long-Term Growth Strategy



Feature

Bonds with Community, in Practice

Creating customer experiences that foster connections and enhance emotional quality

We are building on the brand's history and local culture to forge direct, emotional connections with customers, and through exciting experiences and new ways to enjoy the brand, fostering a relationship in which Sapporo continues to be the preferred brand throughout customers' lives.



New beer experiences at the Ginza Lion Building

At the Ginza Lion Building, owned and operated by the Sapporo Group, we plan to open new brand experience centers for Black Label and Yebisu in October 2026. We will focus on the stories that unfold between our customers and the brands, with the aim of enhancing experiential value and growing our customer touchpoints.



Brand messaging in Ebisu, Ginza, and Sapporo

With a focus on Tokyo's Ebisu and Ginza areas and the city of Sapporo—all places with deep ties to our Group—we offer brand experiences that blend with local culture. In Ebisu, the birthplace of Yebisu Beer, we have opened a brand experience center adjacent to our brewing facility, and in Ginza, we operate our flagship beer bar, Sapporo Draft Beer Black Label THE BAR. Additionally, in Sapporo, we revamped and reopened the Sapporo Beer Museum in July 2026 to mark our 150th anniversary.



SPB experience events around the world

In Canada, in addition to promoting the experiential value of SAPPORO PREMIUM BEER through sponsorships of music festivals and other events, we are creating diverse customer touchpoints from a wide range of perspectives, including the concepts of viewing, playing, drinking, relaxing, and takeout, to provide spaces where people can experience the unique world of our brand. Meanwhile, in Asia, we host limited-time events. In South Korea specifically, we operate the SAPPORO PREMIUM BEER STAND, a permanent experiential installation which helps enhance the brand's global value and expand our fan base.

Feature

Generating health function value with lemon insights

Demand is growing for products that make it easy to enjoy the benefits of lemons in everyday life amid increasing health awareness and diversifying work styles, and we provide offerings that address their interest in self-care. We will continue to drive the brand's expansion while creating new health function value.

Creating new drinking scenarios through proposals for occasion-driven beverages

We position non-alcoholic beer not as a substitute for alcoholic beverages, but as a category that creates new drinking occasions, and are promoting product development with a focus on sports-related scenarios. We have launched Sapporo Super Star, a Kansai region exclusive developed in collaboration with sports giant Mizuno Corporation, with the aim of capturing new demand.

Stronger global initiatives for non-alcoholic and low-alcohol beverages

In Canada, we have installed our first non-alcoholic production facilities as we continue to expand our non-alcoholic market share, achieving steady growth. This has also been rolled out to the U.S. as of 2025, part of our work for stronger global initiatives in the non-alcoholic and low-alcohol sectors as we look to expand into other key markets, including Asia.

Healthier Choice, in Practice

Providing healthy options for richer, more consistently enjoyable lives

We offer health- and peace-of-mind-related options that allow people to enjoy the products and experiences they love for longer and more fully.



Message from the CFO (Financial Strategy)

Enhancing sustainable corporate value through disciplined growth investments

Yoshitada Matsude

Executive Vice President, CFO, CAO*¹
Sapporo Breweries Ltd.

*¹ Chief Administrative Officer



Medium-Term Management Plan 2023–2026 financial targets achieved in fiscal 2025, one year ahead of schedule

In implementing the Medium-Term Management Plan 2023–2026, we recognized that our efforts under the previous plan had been insufficient, and led to falling short of our targets and remaining mired in low profitability. Accordingly, the new plan launched in 2023 placed the highest priority on breaking away from low profitability and demonstrating a strong commitment to its successful execution. The extensive reforms to our financial and business structures, together with the concentration of management resources on our core businesses, were aimed directly at improving profitability.

These efforts raised ROE to 9.4% in fiscal 2025, allowing us to achieve our financial target of 8% for fiscal 2026 one year ahead of schedule. Core operating profit increased more than threefold from the fiscal 2022 level prior to the start of the plan. We also achieved our highest operating profit and profit

attributable to owners of parent since adopting IFRS in fiscal 2018.

The Domestic Business was the primary driver of the Group's overall earnings improvement. Alcoholic Beverages (Japan) Business profitability improved significantly through structural reforms and stepped up marketing, particularly for our beer brands. Structural reforms in the Restaurants and Food & Beverages (Japan) Businesses also delivered tangible results, helping to break away from low profitability.

The Overseas Business achieved its target of 10 million annual cases of the Sapporo brand one year ahead of schedule. However, sales of our local brands in North America remained sluggish, and we are currently actively implementing structural reforms across the Overseas Business.

Efforts to strengthen the balance sheet during the year included reviewing our asset portfolio and cross-shareholdings. Over the three years of the Medium-Term Management Plan, we divested approximately 34 billion yen in cross-shareholdings. As a result, the ratio of

cross-shareholdings to equity*² declined from 28% at the end of fiscal 2022 to 14% at the end of fiscal 2025. We plan to divest an additional 8 billion yen in cross-shareholdings in fiscal 2026 which, together with the injection of external capital into the Real Estate Business, is expected to reduce the ratio to less than 5%.

*² Equity = total equity attributable to owners of parent

Fiscal 2026 transition period to Medium-Term Management Plan 2027–2030

Taking into account the early achievement of key financial targets and the injection of external capital into the Real Estate Business, we concluded the Medium-Term Management Plan 2023–2026 one year ahead of schedule. We

Financial Strategy

Message from the CFO (Financial Strategy)

now view fiscal 2026 as a transition year in which we will lay the groundwork for the successful launch of the Medium-Term Management Plan 2027–2030 in fiscal 2027.

Fiscal 2026 will be marked by three major developments. The first will come in June with the initial capital injection adding approximately 300 billion yen to the profit ledger, which significantly change our financial structure. The second will come in July with the full transition to a mixed holding company structure. The third will come on October 1, when Japan completes its phased liquor tax reform setting a single rate for all beer-based beverages, a change we expect will significantly reshape the competitive landscape of the beer market.

In light of these changes, in fiscal 2026, we will focus our investments on strengthening the marketing of our core domestic beer business and building the foundation for the new company. At the same time, as previously announced, we will complete several important structural reforms, including divesting assets and revising the production structure in the United States, and selling the domestic beverage vending machine business.

We expect temporary increases in expenses associated with these initiatives to result in lower core operating profit and operating profit in fiscal 2026. However, we expect our growth investments and structural reform measures to begin generating tangible results, and we aim to achieve profit levels in fiscal 2027 that exceed those of fiscal 2025.

How we will allocate the external capital injected to the Real Estate Business

The success of our long-term financial scenario depends on generating tangible returns from growth investments funded by the injection of external capital into the Real Estate Business.

We have established a clear cash allocation policy for the approximately 470 billion yen in cash to be generated through this transaction. We plan to allocate approximately 300–400 billion yen to growth investments and approximately 100 billion yen to shareholder returns.

Prior to executing our growth investments, we will prioritize the repayment of financial liabilities, including those



related to the Real Estate Business. As we execute our growth investments, we will employ financial leverage in a disciplined manner while maintaining a net debt-to-equity ratio of 0.5 times or less and a net debt-to-EBITDA ratio of 3.0 times or less to sustain an “A” credit rating.

We are developing a cash allocation policy as part of the financial plan for the next medium-term management plan. The policy will cover both the cash generated by the capital injection to the Real Estate Business and cash flow from our ongoing business operations. We plan to announce the allocation policy together with the next medium-term management plan.

Policy for Allocation of Cash Raised Through Injection of External Capital into Real Estate Business

Growth investments (including M&A, etc.) Approx. ¥300–400 billion	Priority sectors for investment ✓ Capture the next generation of beer drinker ✓ Strengthen overseas beer business ✓ Strengthen RTD sector ✓ Acquire new capabilities with the aim of generating innovation ✓ Strengthen non-alcohol and soft-drink capabilities • When making major investments including M&A, the Company will set hurdle rates for each business and area (Japan: 7%; overseas*: 10%) and make comprehensive decisions before investing. • If attractive investment opportunities are unlikely before FY2030, the Company will consider additional shareholder returns.
Debt repayment (repayment of temporary debt) Approx. ¥100 billion	• The Company will increase capital efficiency by repaying the debt related to the Real Estate business, as well as considering additional repayment of debt during the period before making growth investments. • The Company will use financial leverage as required at each stage of growth investment, taking care to retain its “A” rating. (Financial security aims: Control at Net D/E ratio of 0.5 times or less and Net D/EBITDA ratio of 3.0 times or less)
Shareholder returns (total value of returns until FY2030) Approx. ¥100 billion	• The Company will aim for a DOE of 3% or higher, targeting 4% or higher by 2030. • The Company will consider timely share buybacks aimed at increasing ROE and EPS.

* North America 10%, etc.

Message from the CFO (Financial Strategy)

Managing the business portfolio with an emphasis on capital profitability

In the current Medium-Term Management Plan, we positioned ROE and ROIC as key indicators for improving capital efficiency, and they will continue to serve that role under the next plan.

ROE, which we consider our most important performance indicator, is expected to decline temporarily following the capital injection. However, we aim to restore ROE to 8% or higher by fiscal 2030, the final year of the next medium-term management plan, and to continue increasing it to above 10% over the long term.

We also recognize that our current cost of shareholders' equity of 6.0–7.0% could increase if interest rates rise. Accordingly, we have set an ROE target of 8% for fiscal 2030 as the minimum level we must achieve.

ROIC targets will be set and managed for each business unit based on the WACC established for each business and region, plus a 2.0% spread. Each business unit will use ROIC when formulating business strategies and action plans to keep management across the Group firmly focused on capital efficiency. These efforts will strengthen our foundation for consistently generating returns that exceed the cost of capital and achieving sustainable growth in corporate value.

A disciplined decision-making process for inorganic growth

To achieve an ROE of 8% in fiscal 2030, we have developed a scenario in which the cash generated through the injection of external capital into the Real Estate Business will be strategically allocated to growth investments in the Alcoholic Beverages Business to drive business growth and increase profits. We aim to achieve organic growth by strengthening the domestic beer business and implementing structural reforms centered on our North American operations, while pursuing inorganic growth through domestic and

international M&A and strategic alliances.

Growth investments will focus on advancing the Bonds with Community strategy by expanding our beer business in Japan and strengthening the Sapporo brand overseas, and the Healthier Choice strategy centered on non-alcoholic beverages and soft drinks in Japan and overseas. Strategic investments, including M&A, will play an important role in enhancing corporate value. We fully recognize that our M&A track record has led the capital markets to take a cautious view of our activities in this area, and we are strengthening our decision-making processes accordingly.

We have established a comprehensive governance framework to support this approach. First, we defined clear businesses and regions for investment and established minimum return thresholds for each, including 7% for the

Alcoholic Beverages (Japan) Business and 10% for the Alcoholic Beverages (Overseas) Business. We also established an investment review process overseen by the newly created Investment & Financing Committee, composed primarily of members from the Accounting & Finance and Legal departments. In addition, we recruited external talent highly experienced in M&A and create a dedicated organization for M&A and strategic alliances. We also refreshed the Board by appointing outside directors with extensive experience in M&A and overseas management and having the Audit and Supervisory Committee select an outside director with deep financial and accounting expertise as its committee chair. Together, these measures establish a multi-layered framework for disciplined growth investments supported by rigorous, objective assessments of investment returns and risk.

Strengthening of Management and Governance Systems (Changes from Fiscal 2026 Onward)

Background and Purpose

- Recognizing the challenges encountered in past overseas M&A and other initiatives, we will strengthen our organizational framework to ensure the effective execution of future growth investments and the achievement of results. We will also continue enhancing the Board of Directors' skills matrix while further improving its effectiveness by strengthening both our governance framework and operational practices.

Board of Directors

Further Strengthening of the Board of Directors' Structure and Operations

Structure	Enhancement of expertise	- Strengthening skills in global management, M&A and business turnaround, and BtoC marketing (with the appointment of new members). - A Board structure in which independent outside directors constitute a majority (7 of 11 members) will be maintained.
	Strengthen governance	An outside director with expertise in finance and accounting was appointed as Chair of the Audit and Supervisory Committee, a position previously held by an internal director. As a result, all three committee chairs—including those of the Nomination and Compensation.
Operations	Investment review process	In the Board of Directors' investment process, sufficient time for deliberation will be ensured in each phase—(1) pre-investment analysis and evaluation, (2) review and approval for execution, and (3) post-investment monitoring—both in terms of quality and quantity, thereby strengthening the effectiveness of investment decision-making and the Board's oversight function.

Oversight ↓ ↑ Reporting

Executive Structure

Structure and Operations	Strengthening the selection and execution functions for growth investments	Transition to a Business Holding Company Structure Through the transition to a business holding company structure, growth investment decision-making will be strengthened under the "Bonds with Community" and "Healthier Choice" strategies, supporting business growth, particularly in alcoholic beverages.	For investments such as M&A, we will continue to establish hurdle rates by business and by region, and make overall investment decisions before proceeding with execution.
		Strengthening M&A Capabilities - Establishment of a new specialized department for M&A and alliances under the direct supervision of the responsible executive officer. - Composed mainly of highly specialized external professionals, the organization will centrally manage domestic and overseas projects to accelerate and enhance decision-making.	

Message from the CFO (Financial Strategy)

Enhancing shareholder returns with increased dividend payments and share buybacks

Fiscal 2026 marks a major change in our capital structure, and we have adopted dividend on equity (DOE) as our primary dividend policy indicator. While maintaining our long-standing policy of stable dividends, we aim to achieve a DOE of 3% or higher, increasing it to 4% or higher by fiscal 2030. We will also take a flexible approach to share buybacks as a means of improving capital efficiency.

We set the fiscal 2025 dividend at 18 yen per share (DOE: 3.4%)*, marking the third consecutive annual increase. We plan to increase the dividend by 22 yen in fiscal 2026, bringing it to 40 yen per share (DOE: 4.4%). Based on the projected capital balance at the end of fiscal 2026, however, which reflects the injection of external capital into the Real Estate Business, DOE is expected to be 3.2%.

* Amount after the 5-for-1 stock split executed on January 1, 2026



Establishing sustainably growing corporate value

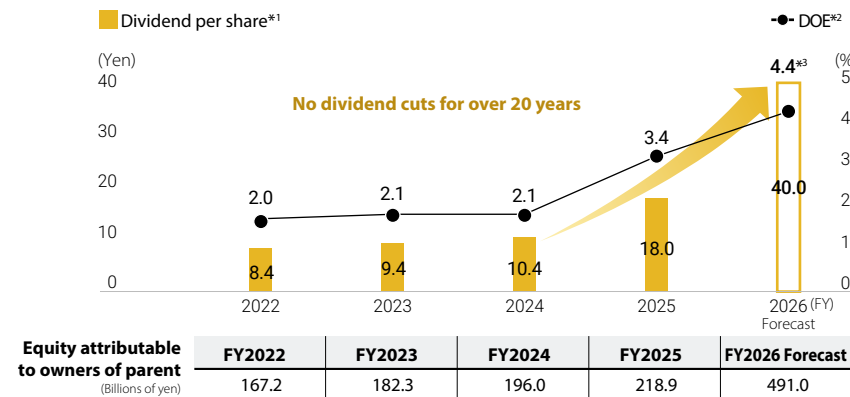
The Company's price-to-book ratio at the end of fiscal 2025 was just above 3.0 times. After reflecting gains from the sale of our Real Estate Business, we estimate that the ratio would be approximately 1.3 times, implying a market capitalization of approximately 600 billion yen to 700 billion yen. While assessments in the capital markets vary, we believe this valuation reflects recognition of the steady progress we have made in restructuring the business since announcing our Medium- to Long-Term Management Policies in February 2024, together with the solid results we have achieved recently, particularly in the Alcoholic Beverages (Japan) Business.

We also recognize that, at this stage, it remains difficult to fully assess the returns that our growth investments, funded by the capital injection into the Real Estate

Business, will generate. To address these concerns and earn the continued confidence of the capital markets, we will steadily execute our growth investments and deliver tangible results as quickly as possible.

Fiscal 2026, the 150th anniversary of the Sapporo Group's founding, will mark a critical turning point with the injection of external capital and the transition to a mixed holding company structure. At this pivotal stage in the Company's evolution, we will integrate our Domestic and Overseas Alcoholic Beverages, Restaurants, and Food & Beverages Businesses to create Group synergies. We will also translate approximately 300 billion yen to 400 billion yen in growth investments into a sustainable stream of earnings that supports long-term growth in corporate value and delivers value to our shareholders and investors.

Trends in Annual Dividend per Share and DOE



*¹ The stock split (5-for-1) effective January 1, 2026 has been reflected. Past dividends are stated as equivalent amounts per share after the split.

*² DOE = Dividend amount / Average total equity attributable to owners of parent (average of beginning and end of period)

*³ The DOE based on the average parent company equity at the beginning and end of the period is expected to be 4.4%, while the DOE based on the parent company equity at the end of fiscal 2026 is expected to be 3.2%.

Shareholder Returns

Dividend

Aiming for DOE 3% or higher as a guideline, targeting DOE 4% or higher by 2030.
(The dividend policy was changed in December 2025.)

Implementation of interim dividends starting from FY2026.
(Interim: 20 yen, Year-end: 20 yen)

Considering flexible share buybacks with the aim of improving ROE and EPS.

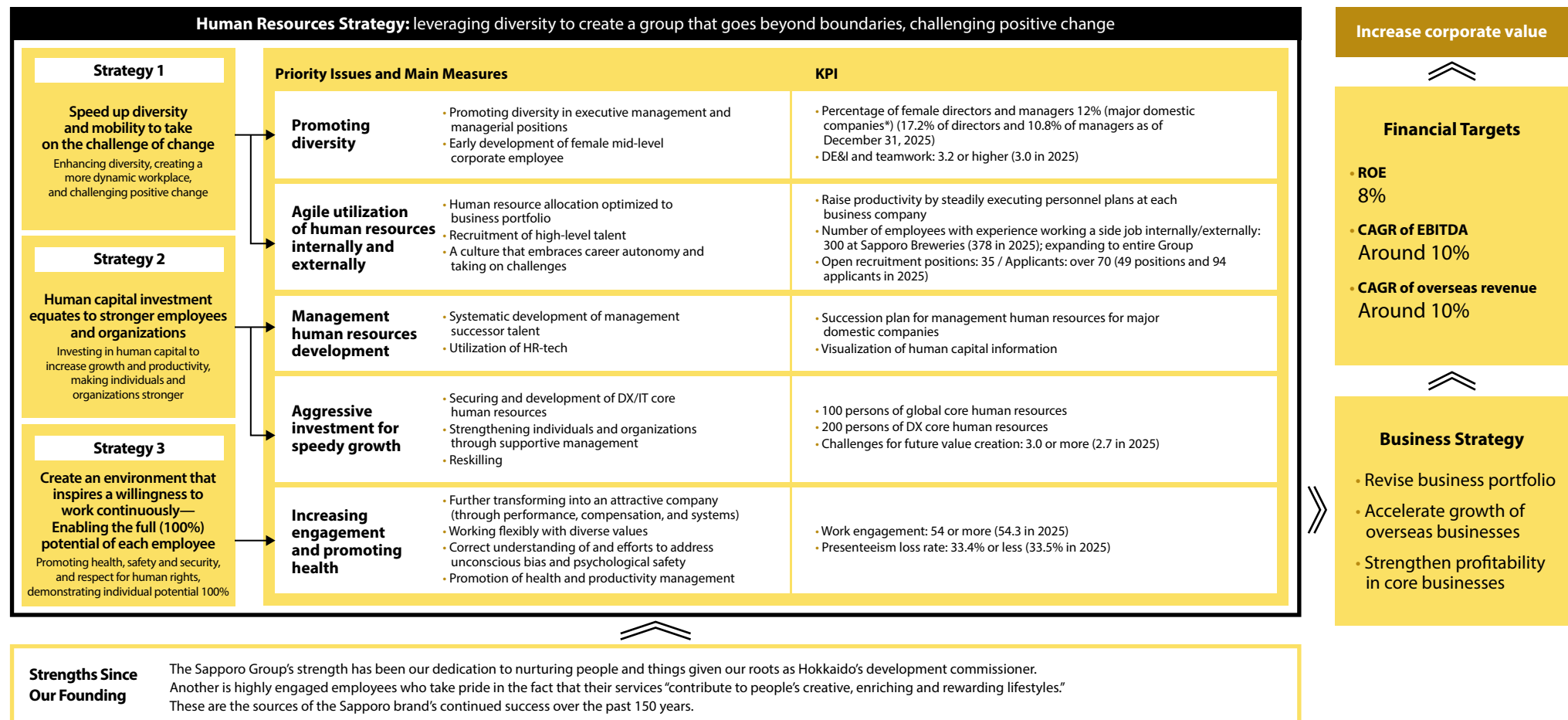
Details about changes to the shareholder benefits program will be announced in August 2026.

Human Resources Strategy

Overview of Human Resources Strategy

The Sapporo Group has identified the strengthening of its human resources and organizational structure as its top priority, and is advancing its human resources strategy accordingly. This is in order to achieve the business restructuring outlined in our Medium-Term Management Plan 2023–2026, specifically, to accelerate growth of overseas businesses and to strengthen profitability in core businesses. Based on the pioneering spirit that has defined the Company since its founding, the human resources strategy centers on three key initiatives: speeding up diversity and mobility to drive new business growth and the creation of products and services; concentrating investment on high-priority human resources to strengthen focus business sectors and domains and reform organizational culture; and creating systems and environments that enable the full (100%) potential of each employee to support the delivery of high-impact results.

Priority Issues in Human Resources Strategy and Main Measures



* Major domestic companies: Sapporo Breweries, Pokka Sapporo Food & Beverage, Sapporo Real Estate, Sapporo Lion, and other operating companies

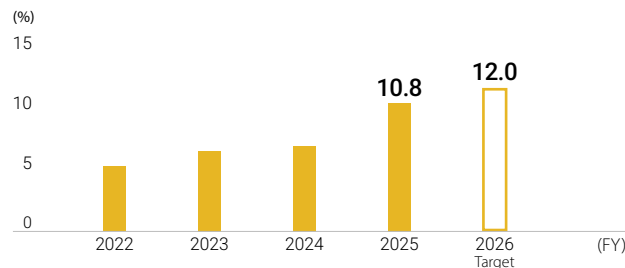
Human Resources Strategy

Strategy 1 Speed Up Diversity and Mobility to Take On the Challenge of Change

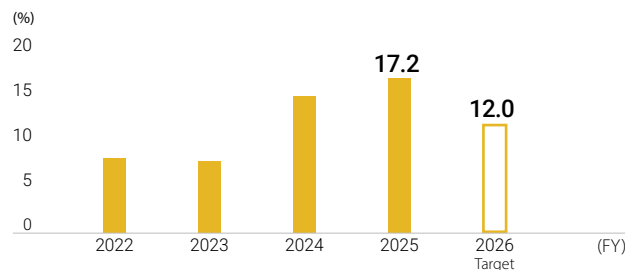
Promoting Diversity

Regarding the prioritized issue of promoting women's active participation, we have set the fiscal 2026 KPI of the percentage of both female directors and women in management positions at each major domestic company at over 12%*. We have established annual targets and are implementing training programs for individuals and management, one-on-one sessions with top executives, and workplace-wide development initiatives. As of fiscal 2025, the resulting percentage of female directors has reached 17.2%, and the percentage of women in management positions stands at 10.8%. Moving forward, we will strive to achieve

Percentage of Women in Management Positions



Percentage of Female Directors



* Major domestic companies: Sapporo Breweries, Pokka Sapporo Food & Beverage, Sapporo Lion, and other operating companies

these goals by fostering internal human resources and actively hiring external talent, working to boost our diversity.

To gauge the extent to which these initiatives have taken root, the Company conducted an employee awareness survey at major domestic companies, in which 72% of respondents agreed that the “environment is conducive to work for diverse members.” On the other hand, only 63% agreed that “diverse perspectives are being actively utilized,” revealing a challenge in fully harnessing diversity as an organizational strength. Furthermore, our fiscal 2025 performance on the fiscal 2026 KPI for DE&I Team Strength stands at 3.0 out of a possible 4.0 (with a target of 3.2 or more). In light of these results, we held a DE&I Forum in March 2026 to provide an opportunity to hear firsthand accounts from individuals with cross-border experience who have leveraged their differences.

Going forward, we will continue to work on creating and strengthening an environment where diverse talent can maximize their potential, thereby transforming differences into organizational strength.



Agile Utilization of Human Resources Internally and Externally

To review the business portfolio and create new value, we are promoting the mobility of diverse human resources while fostering a culture where crossing boundaries and embracing challenges becomes second nature for everyone, working to build an organization that generates synergies across the entire Group.

With respect to our open recruitment initiatives, we posted a record 49 positions in fiscal 2025, attracting 94 applicants. We also achieved our fiscal 2026 KPI of 378 employees with experience working a side job internally or externally, exceeding the target of 300 employees ahead of schedule. Moving forward, we will continue to further promote career autonomy through experiences where employees voluntarily take on challenges in new workplaces and roles, both internally and externally.

Regarding the recruitment of high-level talent, in fiscal 2025, we appointed management-level personnel—including four plant managers—to key strategic positions, particularly in our International Division. In fiscal 2026, we are accelerating the flexible utilization of our human resources, such as by appointing external hires to the newly established Corporate Development Department, created to drive M&A, and to the Marketing Division, which is responsible for strengthening our core businesses. At the same time, to ensure that new hires can quickly settle in and become established within the organization, we are promoting the creation of an environment where they can confidently demonstrate their abilities, including by conducting onboarding training for staff in our Human Resources & General Affairs Department.

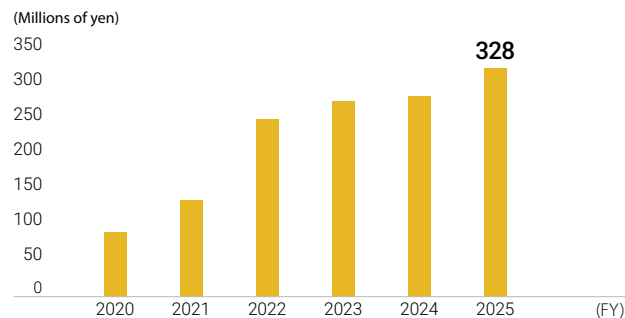
Even after the transition to a mixed holding company structure in July 2026, we will continue to work toward building a more lean and agile organizational and personnel structure under the “One SAPPORO Management” framework.

Human Resources Strategy

Strategy 2 Human Capital Investment Equates to Stronger Employees and Organizations

The Sapporo Group has identified management, global, and DX/IT as three key areas for priority investment in human resources, and is actively promoting the recruitment and development of talent in these fields. As a result of initiatives for the evolution of supportive management and for reskilling, the total investment in human resource development at major domestic companies for fiscal 2025 amounted to 328 million yen.

Investment in Human Resource Development*



* Major domestic companies: Sapporo Breweries, Pokka Sapporo Food & Beverage, Sapporo Lion, and other operating companies

Management Human Resources Development

Evolving our management human resources is essential to ensuring the effectiveness of the Group Medium- to Long-Term Growth Strategy. With the aim of systematically cultivating and promoting human resources, we clarified the requirements for upper management positions in fiscal 2024. In fiscal 2025, we are working to strengthen our talent pool by identifying the skills and experience of internal candidates, formulating and implementing development plans—including future assignments and training assignments—and exploring external recruitment to fill vacant positions.

Aggressive Investment for Speedy Growth

Global human resources development

With the goal of securing 100 core global human resources, we divide target individuals into two stages (entry-level and placement-level) to provide tailored support and are working to advance the development of these human resources. We are accelerating this development of talent who can support our future global business through not only training programs to strengthen language proficiency and international business capabilities, but also by creating collaboration opportunities through the dispatch of trainees to overseas subsidiaries and the acceptance of personnel from abroad, as well as short-term assignments to overseas business schools for prospective global management personnel. Furthermore, with a view toward future expansion of overseas operations, we are promoting investment in training to broaden the talent base, including training programs for young global talent and global leaders, as well as Group-wide language proficiency enhancement initiatives.

The evolution of supportive management

To further enhance management capabilities within our human resources system (development and evaluation system) that develops organizations by fostering the growth of people, we have shifted from a uniform manager training program to a management training program based on voluntary enrollment. In fiscal 2025, we conducted six programs, with a total of 363 participants, a 21% increase from the previous year. In our employee awareness survey, 75% of respondents stated that they are “striving to achieve high results as a team,” reflecting the success of our efforts to strengthen management capabilities.

However, regarding the fiscal 2026 KPI “Challenging for Future Value Creation,” we achieved a score of 2.7 (targeting 3.0 or above out of 4.0). We remain committed to strengthening our organizational capabilities to drive new value creation through initiatives such as fostering dialogue in the workplace and improving the quality of goal setting.

Strategy 3 Create an Environment That Inspires a Willingness to Work Continuously—Enabling the Full (100%) Potential of Each Employee

Increasing Engagement and Promoting Health

Creating systems and environments facilitating the balance of work with childcare, family care, and medical treatment

At Sapporo Breweries, as part of efforts to support the work-life balance for employees dealing with both work and childcare—including the implementation of various initiatives and a Workplace Support Points system for employees on leave—Sapporo Breweries achieved 100% of male employees taking childcare leave in 2023 and was selected as a Next Nadeshiko: Companies Supporting Dual-career and Co-parenting for two consecutive years in recognition of this achievement.

To prevent employees from leaving their jobs due to family care responsibilities, the Company has strengthened its support by providing opportunities for employees to consider how to balance medical treatment, caregiving, and work. In addition to offering family care seminars and e-learning for all managers, the Company has organized café-style sessions where cancer survivors share their family care experiences.

Furthermore, the Company was recognized for its ongoing efforts regarding LGBTQ+ issues both internally and externally, receiving its first Gold award in the PRIDE Index 2025.

In our employee awareness survey, approximately 75% of respondents stated that “the company provides an environment where employees can continue working while managing childcare, family care, or medical treatment such as for cancer,” maintaining the trend from the previous year. Going forward, we will continue to promote support that helps individual employees balance their work with their personal circumstances.



Human Resources Strategy

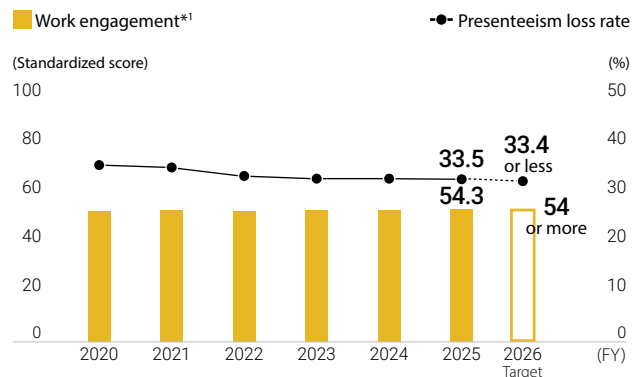
Promotion of health and productivity management

In the Sapporo Group, we formulated a Medium-Term Health and Productivity Management Plan in fiscal 2023 and have been implementing health investment initiatives. As a result of our efforts to improve health literacy to support self-managed health, establish regular exercise habits, and foster a culture of wellness in the workplace, the work engagement score in the employee awareness survey rose by 0.4 points from the previous year to 54.3. We also made steady progress in reducing the presenteeism loss rate KPI, standing at 33.5% in fiscal 2025 versus the 33.4% or less target for fiscal 2026. The percentage of employees with perceived organizational support (POS) for health from the Company remains at a high level, exceeding 80%.

Our initiatives earned certification as Outstanding Organizations of KENKO Investment for Health for seven Group companies, and Sapporo Holdings (now Sapporo Breweries) was selected for the White 500 in 2026, the 10th consecutive year.



Work Engagement and Presenteeism Loss Rate



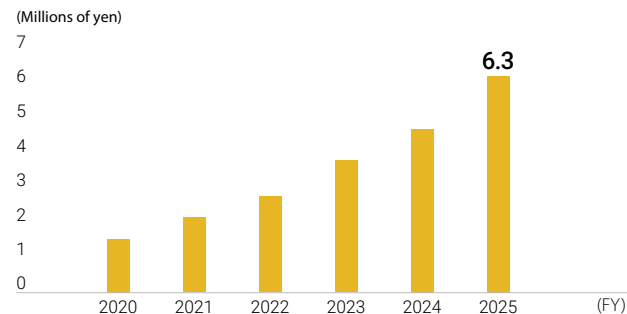
*1 Work engagement data covers 14 domestic companies; presenteeism loss rate data covers major domestic companies (Sapporo Breweries, Pokka Sapporo Food & Beverage, Sapporo Lion, and other operating companies).

Policy for the Medium-Term Management Plan 2027–2030

Under the Medium-Term Management Plan 2023–2026, the Sapporo Group has set the goal of “leveraging diversity to create a group that goes beyond boundaries, challenging positive change.” To this end, we have been promoting diversity and mobility, strengthening our human resources’ capabilities, and reforming our organizational culture. By expanding the appointment of women to director and management positions and recruiting external high-level talent with advanced careers, we have embraced diverse talent and accelerated our efforts to drive transformation that leverages diversity. At the same time, while maintaining high employee engagement, we are working to improve labor productivity through the rigorous delivery of results and the optimization of our organization and personnel, based on a human resources system designed to foster growth.

Through these initiatives, a mindset of challenging positive change and a focus on delivering results are becoming deeply ingrained in every employee. Furthermore, as an organization, we are advancing the creation of an environment enabling the full (100%) potential of each of our

EBITDA per Employee, Excluding the Real Estate Business*2



*2 Calculated based on the Group's total EBITDA (consolidated), including overseas subsidiaries, divided by the number of employees (excludes the entirety of the Real Estate Business starting in fiscal 2020; also excludes continuing operations).

diverse human resources, thereby strengthening our foundation for embracing change. As a result of these efforts, EBITDA per employee—a key indicator of earning power per person—is steadily improving. In the upcoming Medium-Term Management Plan 2027–2030, it is essential that we maintain the momentum of this transformation and further enhance our per-employee earning power.

In the next medium-term management plan, we will position our human resources as the source of value creation and advance our human resources strategy based on the philosophy that all employees are a source of value, and that we should harness our differences as strengths for pioneering a prosperous future. Under this strategy, we will create new value by empowering employees with diverse experiences and values to demonstrate their respective capabilities and positively influence one another, while further developing an organization committed to delivering results and enhancing our strategic execution capabilities.

To achieve this, we will focus on three key themes building on the growth of each individual employee as a foundation, namely: enhancing the capabilities of management personnel who drive transformation, human resources portfolio management to secure and deploy the resources necessary for strategic execution, and strengthening organizational capabilities allowing diverse human resources to demonstrate their strengths and generate results. Going forward, we will further evolve our human resources strategy in alignment with our management strategies and strive to sustainably enhance corporate value through a virtuous cycle of investment in human capital and the generation of results.

DX and IT Strategy

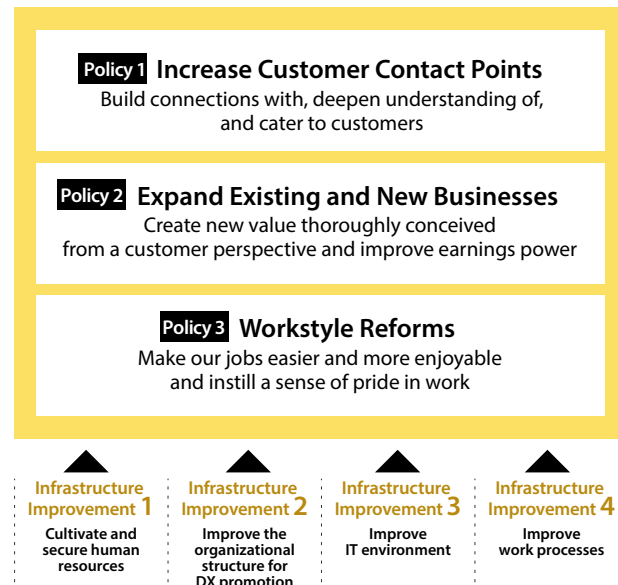
Overview of DX and IT Strategy

Under the Sapporo Group DX Policy formulated in 2022, the Sapporo Group has been advancing its DX strategy based on four key pillars of infrastructure improvement.

In terms of human resources development, we have set the goal of converting all employees to DX human resources and are implementing development programs in phases. We completed the development of our core human resources in 2023 and have been continuously developing key talent for driving DX initiatives since 2024.

In terms of improvement of the IT environment, the Group is comprehensively advancing infrastructure improvements and security measures to establish a streamlined foundation capable of flexibly adapting to changes in the business and social environments, while also actively pursuing the utilization of AI.

DX Policy



Major Initiative Achievements

DX Human Resource Development

The Sapporo Group has been implementing its unique human resources development program since 2022, aiming to convert all employees to DX human resources.

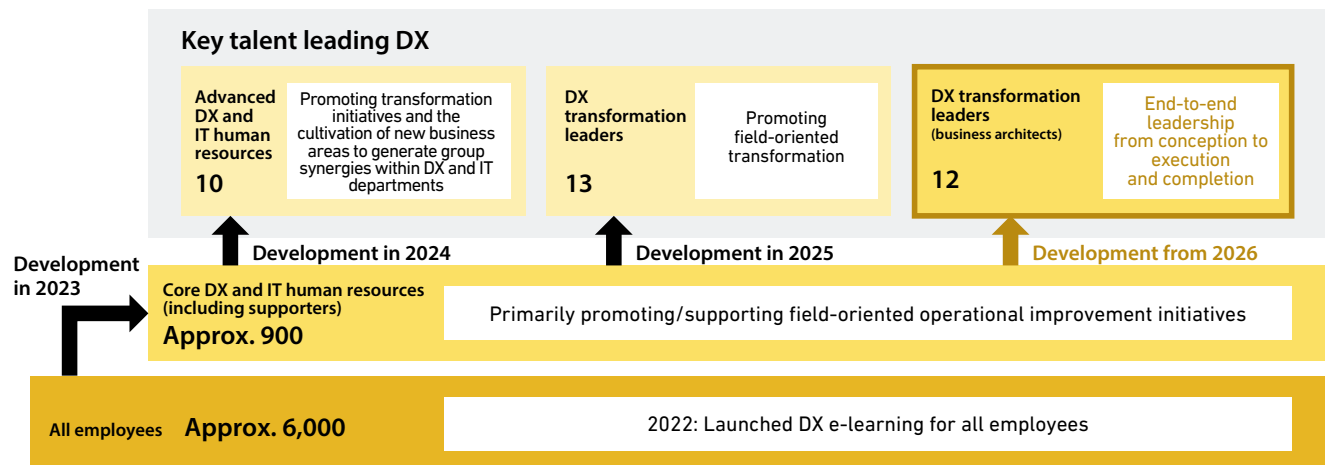
In 2022 and 2023, we conducted e-learning for all employees to raise the fundamental level of DX and IT literacy, while also developing approximately 900 core human resources (including supporters) capable of driving DX and IT projects on the front lines.

Starting in 2024, we have been progressively developing and evolving key talent from among these core human resources to lead DX initiatives. In 2024, we conducted a hands-on advanced skills training program for 10 selected participants, consisting of three courses for advanced project managers, advanced data scientists, and human resources utilizing cloud networks. In 2025, we launched a DX transformation leader development

program focused on strengthening creative thinking unbound by existing conventions and data utilization and security skills. Through workshops that involved setting DX challenges linked to business issues, formulating solutions, and verifying them through data analysis, we developed 13 individuals capable of reviewing corporate and business structures and strategies and driving transformation to enhance long-term competitiveness.

In 2026, we launched Business Architect Training, a hands-on program that provides comprehensive support—from defining DX themes based on management issues to formulating implementation plans, verifying them in practical operations, and ensuring their successful completion. Through this program, we aim to strengthen participants' practical skills in translating ideas into actionable plans that deliver results, thereby cultivating human resources capable of driving business process transformation and creating new customer value.

Overview of DX and IT Human Resources Development



DX and IT Strategy

Improving the IT Environment

The Sapporo Group is working to strengthen the IT infrastructure that underpins the Group's DX. By 2025, we completed the full migration of all systems from specific data centers to a public cloud environment, establishing both a stability-first environment for mission-critical systems and an environment enabling ambitious initiatives, designed to leverage data and digital technologies. At the same time, to accommodate the expansion of remote work and the increased use of cloud services, we have strengthened multi-layered security measures covering all elements, from network security to endpoint security. We are also promoting the continuous improvement of a secure and efficient network environment by optimizing Internet connection routes.

Furthermore, we have developed the Group-wide Sapporo Data Factory data platform, which went live in 2025. This platform, which enables efficient collection, integration, and analysis of internal and external data, has made it possible to utilize data that was previously dispersed across the Group as a shared corporate asset. It is expected to contribute to more sophisticated and rapid data-driven decision-making and to the resolution of various business issues.

In terms of AI utilization, in addition to introducing Microsoft Copilot in 2024, we rolled out the Group's proprietary generative AI tool, Sapporo AI-Stick (in Japanese, AI-Stick is read as aibou, meaning partner) across the entire Group in 2025. Going forward, we aim to rapidly establish the use of generative AI by deploying prompt templates, sharing use cases, and implementing unique Group training programs focused on generative AI, with the goal of improving operational quality and productivity, as well as streamlining and transforming business processes.

FEATURE

Test Marketing Initiatives Generated by AI Agents

With the goal of improving both customer experience and sales, we began testing initiatives generated by AI agents at select Ginza Lion locations starting in March 2026.

In this initiative, AI agents perform more than 20 types of analyses—including peak hours, price range distribution, and basket analysis—based on purchase data at each location, and are responsible for the entire process, from analysis to proposing measures based on the identified issues.

These efforts aim not only to improve operational efficiency but also to contribute to business performance via better sales, while

building a new facility management model that integrates data with field insights. Moving forward, we will expand this initiative to other locations and areas based on an assessment of its achievements.



Policies for Fiscal 2027 and Beyond

Through the promotion of our DX and IT strategies outlined in the Medium-Term Management Plan 2023–2026, the digital skills of all employees have steadily improved, and productivity is increasing as a result of greater operational efficiency. Additionally, regarding our IT environment, we have built a framework capable of flexibly adapting to change and effectively leveraging data and digital technologies. However, there is still room for further action in the interest of business transformation and the creation of new value.

In light of this, starting in fiscal 2027, we aim to organically integrate AI, data, and digital technologies with people to achieve business process transformation and business transformation (BX) that go beyond simply introducing tools, and to generate results that lead to enhanced customer experience value. Moving forward, we will holistically advance initiatives such as developing digital infrastructure, cultivating human resources, and strengthening DX and IT governance, while fostering a corporate culture where all employees can creatively utilize digital and IT technologies.

As for the IT side, we will work to streamline the entire value chain—from product development through procurement, production, sales, and distribution. Focusing primarily on our Alcoholic Beverages and Food and Beverages Businesses in Japan, we will collaborate with business departments to achieve total optimization of the value chain, data, and systems through business process transformation and standardization, with the goal of visualizing our revenue structure and establishing a foundation for sustainable growth.

R&D Strategy

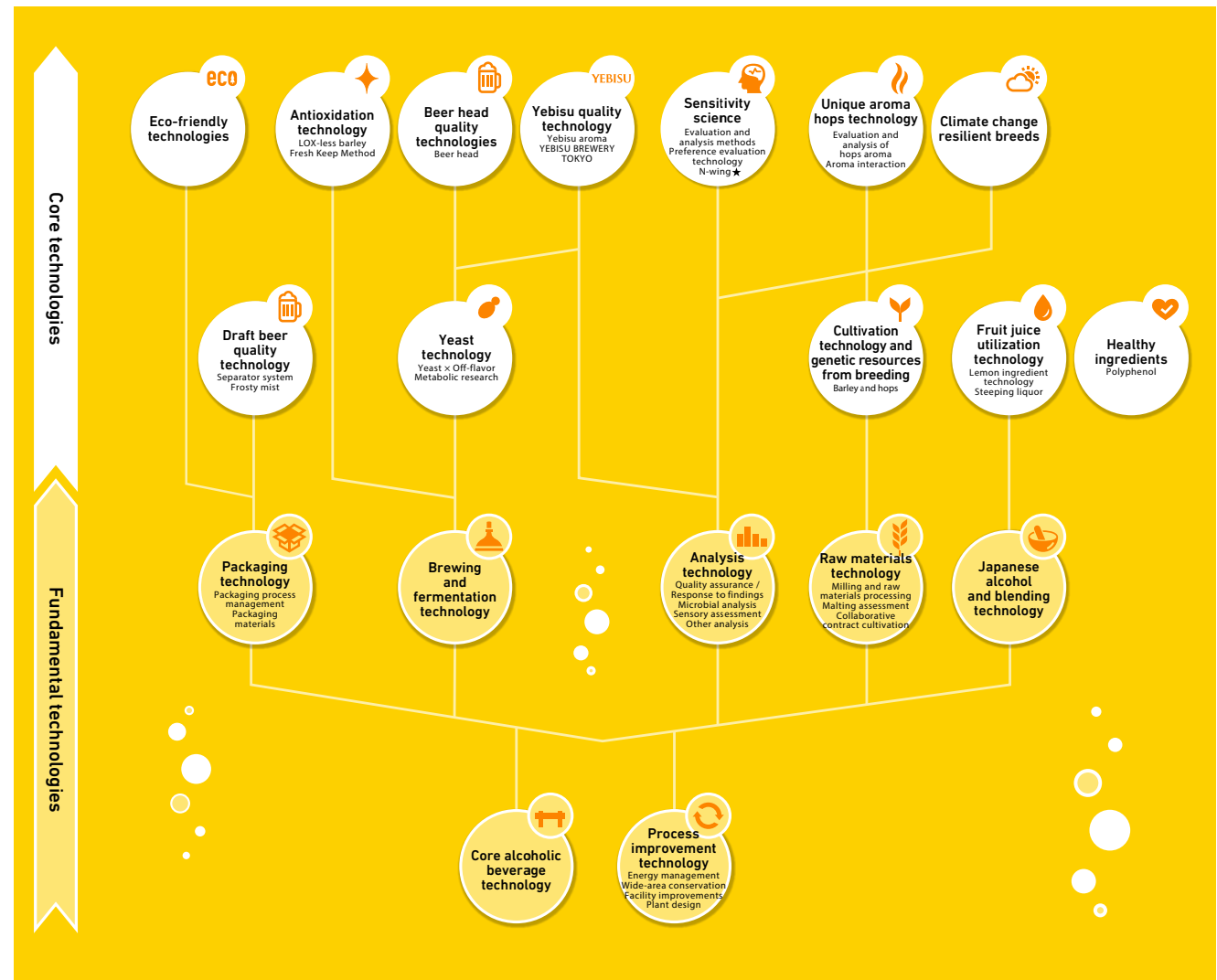
Overview of R&D Strategy

The Sapporo Group has established four key domains—Bonds with Community and Healthier Choice, newly joined by Sustainability and Fundamental Technologies—as the pillars of its strategic focus and is actively advancing research activities in these areas.

Under Bonds with Community, the Group is tackling research themes aimed at enhancing customer experiences and fostering community, such as developing beer dispensers that improve the foam quality of draft beer and designing fixtures that visually convey the fine texture of the foam. Under Healthier Choice, to address growing health consciousness, we are advancing research on quantifying intoxication with a view to reducing the negative effects of alcohol on people, as well as research and development focused on the functions of lemon ingredients. Additionally, under Sustainability, in response to climate change and environmental issues, we are developing breeding and cultivation technologies for raw agricultural materials such as barley and hops, as well as working to reduce the weight of packaging materials. In the Fundamental Technologies domain, we are deepening and expanding the core technologies that underpin our competitive advantage, including beer brewing and fermentation, quality assurance and analysis, and raw material and packaging technologies.

As a foundation for executing these R&D strategies across the Group, we integrated the R&D planning and strategy functions and intellectual property functions of Sapporo Breweries and Pokka Sapporo Food & Beverage in conjunction with our transition to a mixed holding company structure in July 2026. Going forward, the Group will work as a unified entity to formulate R&D strategies and build execution frameworks, aiming to advance research activities and create synergies through functional collaboration.

Core Technology Map



R&D Strategy

R&D Case Studies

Bonds with Community

Development of Equipment and Dispensers to Enhance the Draft Beer Experience

As part of our efforts to enhance the value of the customer's "drinking moments," we are advancing the development of equipment and dispensers. In working to improve the quality of foam from beer dispensers, we developed the Perfect Changer 3.0, which features a redesigned shape for the foam-injection hole in the tap's slide valve. This enhances the longevity of fine, creamy foam, delivering a drinking experience that allows customers to fully savor the deliciousness of draft beer from the very first sip. This technology advances the Creamy element of the 3Cs (Creamy, Clear, Cold) concept championed by our The Perfect Black Label product and is also being utilized in The Perfect Black Label Wagon, a brand experience event that has been running since 2025.

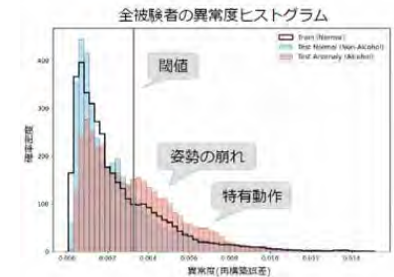


01

Healthier Choice

Research on Quantifying Intoxication

With the goal of creating a future where everyone can enjoy alcohol more safely and with greater peace of mind, we are conducting research on quantifying intoxication. In this research, we are examining time-series assessments of intoxication and related state indicators by cross-referencing multimodal information—such as video, audio, and physiological responses—collected in dining and drinking settings with the actual sensations of intoxication experienced by individuals. We have already presented several findings from this initiative at relevant academic conferences and plan to publish a research paper on the subject. Through interdisciplinary research that bridges the fields of life sciences and information sciences, we are working to establish methods to control intoxication.



02

Sustainability

Development of Autumn-Sown Two-Row Malting Barley for Climate-Resilient Raw Material Procurement

Amid concerns that climate change may lead to a decline in crop quality and reduced yields, we are exploring the potential for autumn-sown barley in Hokkaido—where spring sowing has traditionally been the norm due to heavy winter snowfall—as a way to avoid periods of high temperatures. In a joint research project with NARO (National Agriculture and Food Research Organization), we conducted trials using a total of 152 barley varieties owned by our respective organizations. As a result, we identified several barley varieties suitable for autumn sowing in Hokkaido when sown in late September under well-drained conditions and with appropriate disease control measures in place. Moving forward, we will use these findings to advance variety development and, in the future, aim to apply these findings not only in Hokkaido but also in regions with similar climatic conditions, such as North America.



A trial conducted in Kamifurano Town, Hokkaido revealed that, after the snow melted, only the winter-hardy strains could continue to grow

03

Fundamental technologies

Research on Hop Aroma Earns Acclaim at the JSBBA

Focusing on Sorachi Ace, an original hop variety bred and registered by the Company, we analyzed the aromatic compounds contributing to its distinctive aroma, the mechanisms underlying aroma formation, and its behavior during the beer brewing process, thereby contributing to a better understanding of how this variety's aroma is formed. In recognition of these research achievements, our senior researcher Ayako Sanekata received the FY2026 JSBBA Award for Women Corporate Researchers from the Japan Society for Bioscience, Biotechnology, and Agrochemistry (JSBBA). Going forward, we will further deepen our understanding of hop-derived aromas and promote their application in product development and flavor design.



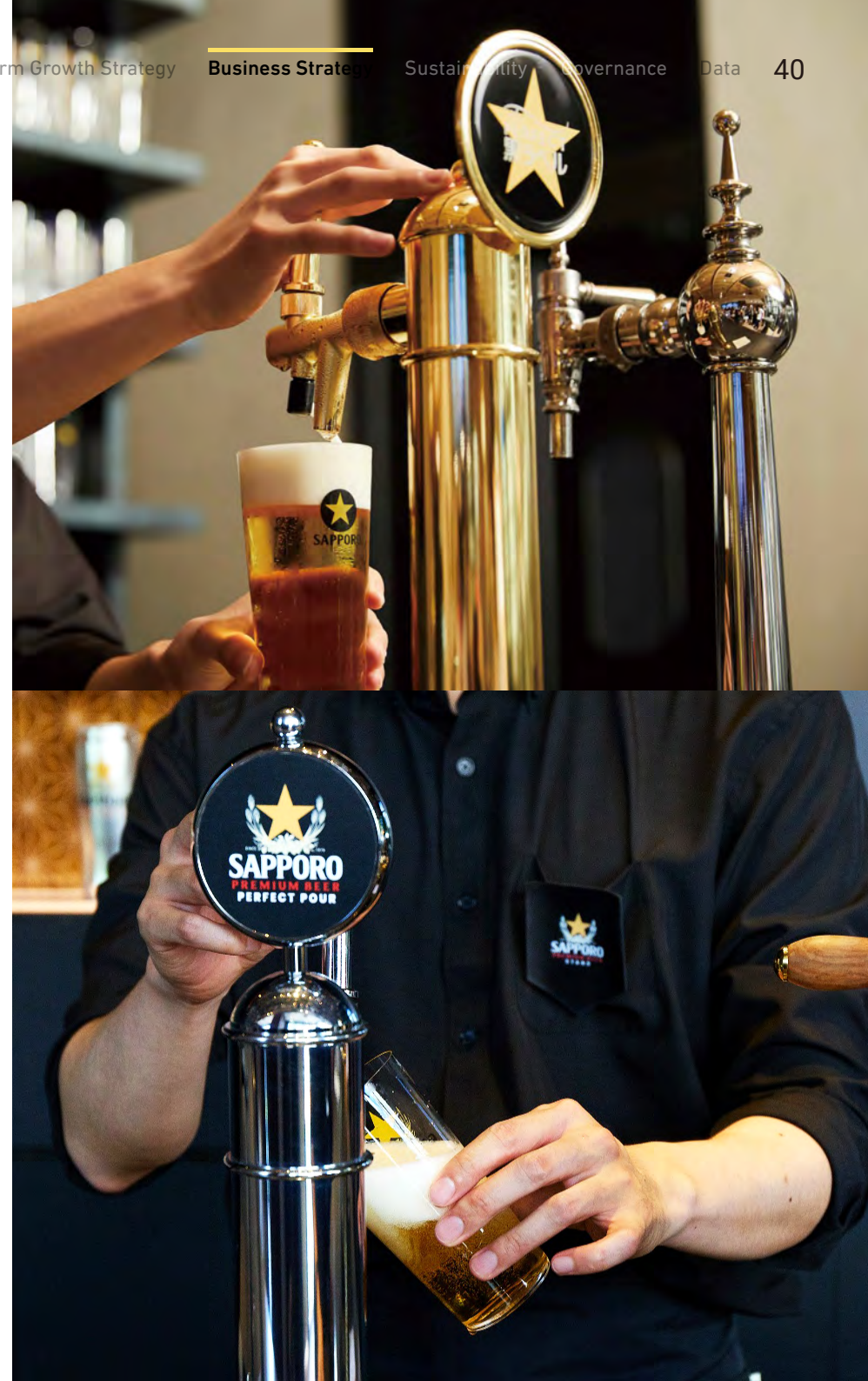
04

Part 3

Business Strategy Progress

41 Domestic Business

43 Overseas Business



Domestic Business

Our Perception of the Market Environment

Opportunities

- Revitalization of the beer market following revisions to liquor tax rates
- Shift from “material abundance” to “spiritual abundance”
- Increased importance of experiential value
- Diversifying consumption (more selective spending)
- Increased demand for lemon products due to growing health and beauty needs

Risks

- Demographic changes, such as an ongoing decline in the Japanese population and a shrinking number of drinkers
- Rising consumer prices and continued cost-consciousness
- Shifts in consumer attitudes toward alcoholic beverages (moderation in drinking, health-consciousness)
- Soaring costs of procuring overseas raw materials due to a domestic demand-driven business model
- Impact of climate change, such as global warming and water shortages, on crops

Competitive Advantages

- Portfolio of diverse beer brands with unique and compelling stories
- Commitment to raw materials, breeding technology, and high-quality beer brewing techniques
- Specialized expertise centered on lemons, advanced processing technology, and branding
- Strong ties to local communities through beer brands named after areas such as Sapporo, Ginza, and Ebisu, as well as efforts to establish domestic lemon-producing regions and raise public awareness



For detailed data on major products and brands, please refer to pages 16 to 23 in the Fact Book section.

<https://pdf.irpocket.com/C2501/xoA3/B8w2/eSmj/CQv4.pdf>

Review of the Medium-Term Management Plan 2023–2026

Alcoholic Beverages (Japan): Results Through Fiscal 2025

In the Alcoholic Beverages (Japan) Business, we worked to improve profitability and create new markets by strengthening marketing to maximize our strengths, particularly with respect to beer, and by implementing cost structure reforms, including the reorganization of our locations (Sendai, Nasu) and a review of our wine business.

While rising prices have led to a growing trend toward rationalization and thriftiness in consumer behavior, the trend toward selective consumption—where consumers prioritize spending on products and services they perceive as having value—has become even more pronounced. Against this backdrop, we have promoted marketing that emphasizes experiential value. Through unique marketing that leverages individuality and storytelling, we achieved beer growth that outpaced the market. Through these initiatives, the core operating profit margin for the Alcoholic Beverages (Japan) Business improved to 9.0% in fiscal 2025, exceeding the Medium-Term Management Plan target of 5.7% for fiscal 2026 one year ahead of schedule.

In the beer category, flagship brands Black Label and Yebisu continued to enjoy growth. In addition, sales of the bottled Sapporo Lager Beer grew significantly, and Sapporo Classic, a beer exclusive to Hokkaido, achieved record-high sales. As a result of these achievements, the proportion of highly-profitable beer in our portfolio has increased substantially.

For Black Label, we have stimulated feelings of aspiration and resonance unique to this brand by communicating its worldview and philosophy, thereby creating new reasons for consumers to prefer the brand. Furthermore, through experience-themed brand initiatives, which we have been rolling out in earnest since 2014, we have fostered loyalty among many customers, driving the brand's growth.

For Yebisu, we undertook brand activities centered on

the theme of emotional connection and co-creation through collaborative projects with leading artists and others active in their respective fields. YEBISU BREWERY TOKYO, which opened in 2024 in Ebisu (the birthplace of the Yebisu brand), has welcomed over 600,000 visitors since its opening, helping to capture new demand, primarily among younger consumers.

In the ready-to-drink (RTD) category, by identifying market and consumer needs and proposing new alcoholic beverages that can be enjoyed with meals, as well as by developing a rich brand portfolio with distinctive personalities in the diversifying RTD market, we achieved year-over-year sales growth for the entire category for the fifth consecutive year. In particular, our flagship brand, Sapporo Koime no Lemon Sour, performed strongly and drove the entire category, while Sapporo Otoko Ume Sour also contributed to sales in the category. Furthermore, we launched the new Sapporo Sour Hyosai 1984 product in 2025 to revitalize the market.

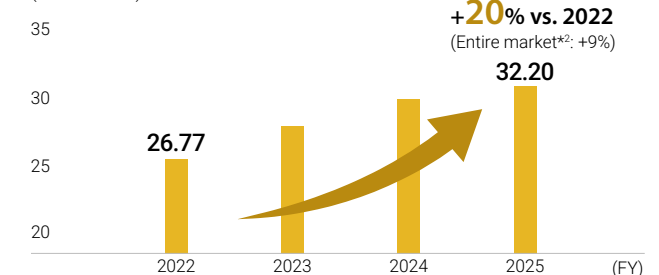
Beer Sales Composition*1

Jumped from 68% in 2022 to 81% in 2025
(Entire market*2: 57%)



Beer Sales Volume

(Million cases)



*1 Beer as a share of beer-related products

*2 Total market demand: Company estimate

Domestic Business

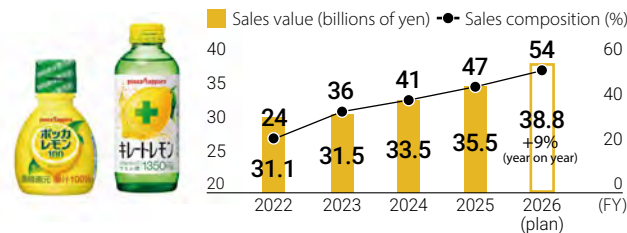
Food & Beverages (Japan): Results Through Fiscal 2025

In domestic food & beverages, we prioritized breaking away from a low-profit structure and focusing on growth areas through fundamental structural reforms, and took a range of measures to that end.

As for the focus on growth areas, driven by growing customer demand for health and beauty, we strengthened our value-added product lineup, including the citric acid series and Mukumi under our flagship Kireto Lemon brand. Additionally, in 2024, we relaunched three bottle sizes of Pokka Lemon 100 (120, 300, and 450 ml) as foods with function claims—the first products under this brand to feature a claim stating they lower high (systolic) blood pressure. Thanks to these efforts, both brands achieved record-high sales in fiscal 2025, demonstrating steady growth.

In September 2025, we established LEMONITY Inc. in collaboration with an external partner (→ p. 52), an agricultural corporation aimed at ensuring a stable supply of lemons and promoting the production of domestically grown lemons. In the medium to long term, we will expand our product lineup utilizing domestically grown lemons and ensure a stable supply to meet the needs of our business partners and, ultimately, their customers.

Sales and Composition over Time: Lemon Category Products*1



*1 Trends in sales value and composition of lemon category products at Pokka Sapporo.
Domestic sales only; before rebates

Direction in Fiscal 2026 and Beyond

Business Policy

Based on the Group Medium- to Long-Term Growth Strategy, we will strengthen our Bonds with Community and Healthier Choice initiatives. Through experiences and community engagement, we will foster connections with people and local communities and create customer experiences that enhance emotional well-being. At the same time, we will provide options that prioritize health and peace of mind, enabling customers to enjoy life longer and more fully.

As part of our Bonds with Community initiative, we plan to open a new brand experience hub for Black Label and Yebisu in October 2026 at the Ginza Lion Building, at the heart of the Ginza area where our brands have deep historical ties. The year 2026 is a pivotal one, with the October unification of tax rates for beer and related beverages under the revised liquor tax law. Harnessing this opportunity, we will work to revitalize the beer market by enhancing experiential value with a focus on our core brands.

Furthermore, under our Healthier Choice initiatives, we are strengthening our efforts in the non-alcoholic sector—a segment expected to grow amid rising health consciousness—including collaboration with the Food & Beverages (Japan) Business.

As for lemons, a key strength within the Healthier Choice context, the Kireto Lemon brand will celebrate its 25th anniversary in 2026, and the Pokka Lemon brand will mark its 70th anniversary in 2027. By continuing to accelerate the growth of these brands, we aim to lead the Healthier Choice portion of our Group strategy while further strengthening collaborations with domestic alcoholic beverage and restaurant sectors to provide value beyond just deliciousness with respect to domestic food & beverages.

Future Challenges

In our Domestic Business, a key challenge going forward will be to balance addressing growth areas with evolving our profit structure, while maintaining our flagship beer business as the core of our operations.

In the beer business, we will strengthen investments centered on Black Label and Yebisu, aiming for growth that exceeds demand for the category as a whole. Meanwhile, in the RTD business, we will expand our portfolio by further developing the Koime brand and introducing new offerings in the sugar-free market, while working to improve profitability by reviewing our cost structure.

Furthermore, in future growth areas such as RTDs and non-alcoholic beverages, we will strengthen our new value propositions by deepening collaboration between the Alcoholic Beverages Business and the Food & Beverages Business. Then, over the long term, we will strive to create and monetize new experiential value through collaboration that adds the Restaurants Business to collaborations among the aforementioned two businesses.

Additionally, we will strengthen our foundations in areas such as human resource development, sustainability, and digital transformation (DX) and IT, aligning these efforts with our business strategy while creating synergies across our Alcoholic Beverages, Food & Beverages, and Restaurants Businesses under a One SAPPORO Management framework.

Revenue and Core Operating Profit in the Domestic Business*2, 3

(Billions of yen)

	Revenue		Core operating profit	
	FY2025	FY2026 (plan)	FY2025	FY2026 (plan)
Domestic Business	383.9	381.5	30.5	30.1
Alcoholic Beverages (Japan)	281.5	284.0	25.4	25.0
Restaurants	21.5	22.0	2.0	2.0
Food & Beverages (Japan)	80.9	75.5	3.0	3.1

*2 The fiscal 2026 plan is presented following segment reclassification (transfer of the Sapporo Breweries export business for APAC and Europe from the Alcoholic Beverages (Japan) Business to the Alcoholic Beverages (Overseas) Business).

*3 Results for fiscal 2025 have been restated for comparability with fiscal 2026.

Overseas Business

Our Perception of the Market Environment

Opportunities

- Sustained growth in the beer market, particularly in ASEAN
- Expanding demand for premium beer driven by the growing influence of Japanese culture
- Continued growth in the low- and non-alcoholic markets due to rising health consciousness
- Growth in the health value market, centered on sugar-free and low-sugar beverages

Risks

- Prolonged weakness in the North American beer market
- Intensifying competition and diversifying preferences in the beer market
- Increasing uncertainty due to geopolitical factors, tariffs, inflation, and other concerns

Competitive Advantages

- The Sapporo brand's unique history and craftsmanship
- Position as No. 1 Asian beer brand in the U.S.
- Supply infrastructure leveraging local production and sales in North America
- Strong brand recognition in the tea category, which aligns well with health-conscious trends

For detailed data on major products and brands, please refer to pages 24 to 29 in the Fact Book section.
<https://pdf.irpocket.com/C2501/xoA3/B8w2/eSmj/CQv4.pdf>

Review of the Medium-Term Management Plan 2023–2026

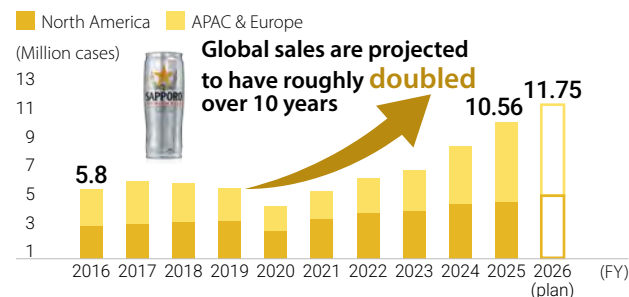
Alcoholic Beverages (Overseas): Results Through Fiscal 2025

Under the Medium-Term Management Plan 2023–2026, the Alcoholic Beverages (Overseas) Business has grown steadily, solidifying its growth trajectory—including achieving the fiscal 2026 sales volume target of 10 million cases for the Sapporo brand one year ahead of schedule. Looking at the current market environment, the Sapporo brand is maintaining strong growth momentum and driving overall global growth. In the U.S. in particular, it is raising its profile as a rare brand that continues to achieve high growth in the imported beer category. In the APAC and European regions, strategic alliances are proving successful and are strongly supporting brand growth.

Against the backdrop of growing health consciousness, we are also expanding our product lineup in the low- and non-alcoholic areas, primarily in North America, and we are seeing positive signs that these areas hold promise for future growth.

On the other hand, in the North American beer market, the competitive environment has become even more severe due to factors such as declining demand and rising costs, and overseas brands such as Sleeman and Stone are struggling. Improving profitability has become our top priority, and we are pushing forward with structural reforms in our North American Business (→ p. 44).

Sales Volume Trends for Sapporo Brands



Overseas Beverages: Results Through Fiscal 2025

Under the Medium-Term Management Plan FY2023–2026, we have been steadily advancing structural reforms in the Overseas Beverages Business aimed at improving profitability.

In the Singapore market, while maintaining a high market share in tea-related beverages, we capitalized on growing health consciousness to develop the low-sugar and sugar-free tea market—including products we market as “Zero Sugar”—and worked to expand sales by offering new value. Additionally, we worked to improve profitability by reviewing unprofitable businesses and SKUs, and by optimizing promotional expenses.

In the Malaysian market, we steadily strengthened our business foundation by expanding our sales network through distributor restructuring and improving profitability by revising product design.

Furthermore, we systematically implemented measures to comply with various regulations, including the BCRS*, and achieved some success in strengthening our management foundation in anticipation of changes in the medium- to long-term business environment.

* BCRS: Beverage Container Return Scheme, launched in Singapore in April 2026

New Strategic Partnership with Carlsberg

As part of our efforts to strengthen our Alcoholic Beverages (Overseas) Business, we resolved in July 2026 to enter into a strategic capital and business partnership with Carlsberg. We will expand our collaboration in Hong Kong, Singapore, and Malaysia, establish a joint venture in Singapore by December 2026, and expand our target regions to Laos, Vietnam, and Cambodia through our investment in that joint venture. By leveraging Carlsberg's robust sales network and business foundation, we aim to increase SAPPORO PREMIUM BEER sales volume in these regions to approximately 10 times the 2025 level by 2035 and accelerate growth in APAC and Europe.

See our timely disclosure material on this topic.
<https://pdf.irpocket.com/C2501/xoA3/SFxs/PFca/tgd0.pdf>

Overseas Business

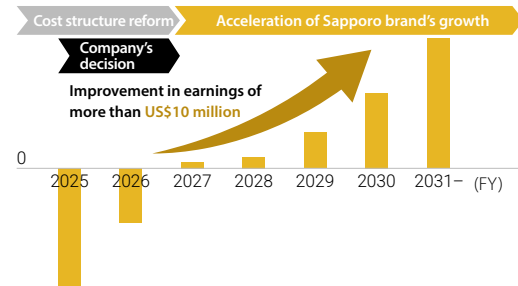
Progress on Structural Reforms in the U.S. Business

Given the Sapporo brand's continued steady growth even amid an intensifying competitive environment, we have concluded that focusing management resources on the Sapporo brand will contribute to the sustainable growth and improved profitability of our U.S. Business.

Under this policy, we are transferring the intellectual property rights for the Stone brand and certain hospitality business assets to a third party, while also reviewing our production system. Specifically, we will consolidate our U.S. production bases into the Richmond plant on the East Coast and cease production at the Escondido plant on the West Coast to improve production efficiency and reduce fixed costs. Through these initiatives, we will optimize the allocation of management resources and streamline business operations. Going forward, we will aim to further improve profitability by accelerating the growth of the Sapporo brand.

See our timely disclosure material on this topic.
<https://pdf.irpocket.com/C2501/Rytt/JwTm/bMDk.pdf>

Core Operating Profit Projections for the U.S. Business (Unit: USD Millions)



Direction in Fiscal 2026 and Beyond

Business Policy

In a dual approach, based on the Bonds with Community concept, we will implement brand initiatives that leverage connections with Japanese culture, while simultaneously promoting Healthier Choice initiatives through non-alcoholic beverages and other drinks.

Regarding our Alcoholic Beverages (Overseas) Business, we will position North America as our main market and advance structural reforms, while in the APAC region, we will aim to grow the Sapporo brand through alliances with partner companies. Under the Healthier Choice pillar, we will accelerate the rollout of non-alcoholic products in regions outside North America as well.

For the Overseas Beverages Business, we will continue to address key challenges in each market. While growing demand for sugar-free and low-sugar teas continues against the backdrop of rising health consciousness, the importance of addressing intensifying price competition and geopolitical risks is also increasing. In light of this environment, we will strengthen investment in sugar-free and low-sugar teas in Singapore and expand distribution and strengthen brand power in Malaysia. In our export business, we aim to achieve sustainable growth by reducing our reliance on exports to the Middle East, a region which has been exposed to geopolitical risks, while expanding into markets with growth potential.

Future Challenges

In the Alcoholic Beverages (Overseas) Business, we have made progress in growing our business under the Medium-Term Management Plan FY2023–2026. However, challenges have also come to light, such as a lack of precision in planning during M&A acquisitions and a shortage of execution capabilities and expertise in the post-merger integration process. As a result, there have been cases where

sufficient value creation has not been achieved, necessitating the enhancement of our business management framework. Furthermore, since profitability varies across areas, a particular challenge is the structural issue where volume growth does not necessarily translate into improved profitability.

Underlying these challenges is the fact that we have not sufficiently established optimal business models tailored to the characteristics and growth stages of each region; further refining these models is a critical task for strengthening our profitability.

In our Overseas Beverages Business, supply constraints caused by product packaging defects led to lost sales opportunities, creating a bottleneck for business growth. Going forward, we will further strengthen our system for ensuring a stable supply of products. Additionally, in the Malaysian market, we face challenges not only with a lack of distribution networks and brand awareness but also with price competitiveness. Regarding our export business, we are highly dependent on the Middle Eastern market, resulting in a business structure that is vulnerable to performance fluctuations caused by geopolitical risks; therefore, we must restructure our business foundation to achieve sustainable and stable growth.

Revenue and Core Operating Profit in the Overseas Business*1, 2

	Revenue		Core operating profit	
	FY2025	FY2026 (plan)	FY2025	FY2026 (plan)
Overseas Business	122.9	123.5	2.2	3.4
Alcoholic Beverages (Overseas)	97.2	97.0	1.1	2.0
Overseas Beverages	25.7	26.5	1.2	1.4

*1 The fiscal 2026 plan is presented following segment reclassification (transfer of the Sapporo Breweries export business for APAC and Europe from the Alcoholic Beverages (Japan) Business to the Alcoholic Beverages (Overseas) Business).

*2 Results for fiscal 2025 have been restated for comparability with fiscal 2026.

Part 4

Sustainability

46 Material Sustainability Issues

47 Harmony with the Environment

52 Co-Prosperity with Society

55 Building a Sustainable Supply Chain



Material Sustainability Issues

Updated Material Sustainability Issues to Reflect Current Social and Business Conditions

The Sapporo Group has set nine material sustainability issues. Of these, we have positioned “realization of a decarbonized society,” “mutual prosperity with local communities,” and “active participation of diverse human resources” as our most important issues due to their relevance to the Group’s business segments and the magnitude of their impact on risks and opportunities. In January 2025, we added “realization of a society in harmony with nature” and “promotion of responsible drinking” to our list of most important issues. We

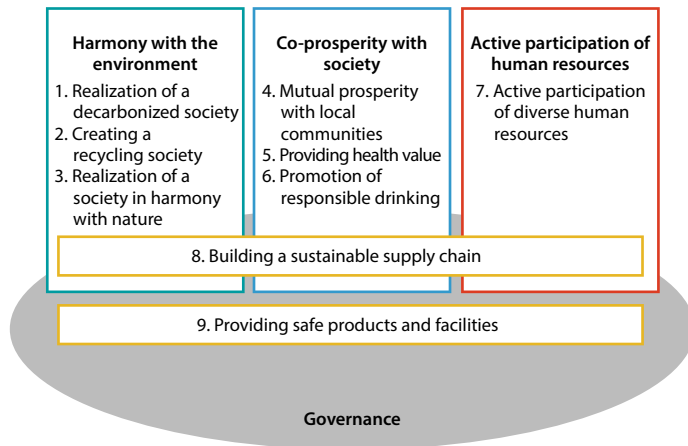
are advancing initiatives across these issues in response to changes in the social and business environment.

For the priority “realization of a society in harmony with nature,” analysis of our business following Taskforce on Nature-related Financial Disclosures (TNFD) recommendations reaffirmed the vital role of natural capital in our operations, which rely on agricultural crops and water resources. We continue advancing initiatives to fulfill our targets. As a corporate group with an alcoholic beverages business, we have a social responsibility to encourage the responsible consumption of alcohol. Our efforts for “promotion of responsible drinking” include setting targets for non-alcoholic, ultra-low-alcohol, and low-alcohol products to

meet the needs of a wide range of consumers.

In addition, we have positioned “building a sustainable supply chain” as an item relevant to the environment, society, and human resources. We will promote Group-wide initiatives to address topics including as “respect for human rights,” “reduction of environmental impact,” and “stable procurement.”

We will continue to update and advance our initiatives on material sustainability issues from the perspectives of reducing risks and creating opportunities that contribute to corporate growth.



Classification	Most important issues	Material issues	Impact on society and the environment		Impact on internal financing		
			Risks	Opportunities	Risks	Opportunities	
Harmony with the environment	★	1. Realization of a decarbonized society	Large	Large	Large	Medium	Main Initiatives in Fiscal 2025 ▶p. 48 Initiatives to Address Climate Change and Natural Capital (TCFD, TNFD)
		2. Creating a recycling society	Large	Medium	Large	Medium	
	★	3. Realization of a society in harmony with nature	Large	Medium	Large	Medium	
Co-prosperity with society	★	4. Mutual prosperity with local communities	Medium	Large	Medium	Large	▶p. 52 Sustainable Raw Material Sourcing
		5. Providing health value	Small	Large	Small	Large	
	★	6. Promotion of responsible drinking	Large	Large	Large	Large	
Active participation of human resources	★	7. Active participation of diverse human resources	Small	Medium	Large	Large	▶p. 41 Domestic Business
		8. Building a sustainable supply chain	Large	Small	Large	Small	▶p. 53 Messaging to Promote Responsible Drinking
		9. Providing safe products and facilities	Large	Medium	Large	Medium	▶p. 33 Human Resources Strategy
							▶p. 55 Human Rights Due Diligence Initiatives



Please see the list on our website for more information about how we identify our priority issues.

<https://www.sapporobreweries.com/en/sustainability/materiality/>

Harmony with the Environment

We are committed to tackling global environmental challenges and striving for business growth in harmony with the environment.

For Business Growth in Harmony with the Environment

The various global environmental challenges have a significant impact on the Sapporo Group, which relies on nature's bounty for its raw materials. Given anticipated fluctuations in crop yields caused by climate change and increased costs associated with the future introduction of carbon taxes, harmony with the environment is essential for our business growth. Under the Environmental Vision 2050, the Sapporo Group declares that each and every member of the Group shall actively engage in environmental conservation and aim to realize a sustainable society.

Realization of a Decarbonized Society

Reducing Greenhouse Gas Emissions at Sapporo Group Sites and Throughout the Supply Chain

Targets for 2030 (Sapporo Group)

- Reduce greenhouse gas emissions in Scopes 1 and 2 by 42% from the 2022 levels
- Reduce greenhouse gas emissions in Scope 3 by 25% from the 2022 levels
- Reduce greenhouse gas emissions in FLAG scopes 1 and 3 by 31% from the 2022 levels

Sapporo Group Environmental Vision 2050

- Achieve net-zero greenhouse gas emissions across our entire value chain

Based on the Sapporo Group Environmental Vision 2050, we are making efforts to bring about a decarbonized society by reforming our business structure, thoroughly implementing energy-saving measures, and utilizing renewable energy.

Creating a Recycling Society

Containers and Packaging Suitable for a Recycling Society

Target for 2030 (Pokka Sapporo Food & Beverage)

- 50% recycled content in PET products sold in Japan

Sapporo Group Environmental Vision 2050

- Contribute to building a circular economy through sustainable raw material use

The Sapporo Group has established the Sapporo Group Containers and Packaging Vision to address this key resource in its business, and is promoting initiatives accordingly. For example, to use more recycled materials in PET containers, we are advancing the establishment of a horizontal PET recycling system in collaboration with local governments, among other efforts, to promote the use of containers and packaging suitable for a recycling society.

Conservation of Water Resources

Targets for 2030 (Sapporo Vietnam)

- Reduce water consumption per unit revenues by 10% from the 2023 levels at Long An Plant, located in a high-risk water area
- Communicate appropriately with the local community regarding water risks such as flooding and strive to minimize their impact

Sapporo Group Environmental Vision 2050

- Strive to resolve water-related issues according to the characteristics of each region where we have business sites

In the Sapporo Group's water risk assessment, Sapporo Vietnam's Long An Plant was classified as "High" for "Overall Water Risk." Therefore, we have prioritized this plant as a site for water risk mitigation efforts, and have set water reduction targets, and furthermore, we have set targets in 2025 to

comply with wastewater quality standards that exceed those required by wastewater regulations.

Realization of a Society in Harmony with Nature

Mitigation Measures for Climate Change and Measures to Reduce Impacts on Nature

Target for 2030 (Sapporo Breweries)

- 100% communication rate regarding the optimization of nitrogen fertilizer application and the tracking of nitrogen fertilizer application per unit of barley/malt

To reduce FLAG-related greenhouse gas emissions and mitigate impacts on nature, we will engage in communication with our largest barley/malt suppliers to track nitrogen fertilizer application rates and optimize fertilization practices, looking to achieve a 100% optimization rate by fiscal 2030. (→ p. 51)

Ingredient Breeding Adapted to Climate Change

Target for 2030 (Sapporo Breweries)

- File applications for domestic plant variety registration of barley and hops with climate-resilient traits

Sapporo Group Environmental Vision 2050

- Contribute to sustainable procurement through research and development on barley/hops

Concerns about declining agricultural product quality and reduced yields due to climate change are increasing the risks associated with the stable procurement of key beer ingredients. In 2024, Sapporo Breweries developed Dual-S, a next-generation barley that balances climate change resilience with the ability to maintain longer-lasting flavor in beer. Going forward, we aim to further improve quality and stabilize yields, while also working with our breeding partners to file applications for the registration of new varieties.

Harmony with the Environment

Initiatives to Address Climate Change and Natural Capital (TCFD, TNFD)

The Sapporo Group recognizes that climate change is one of the most important issues to be addressed on a global scale, and we are working to resolve issues from both mitigation and adaptation perspectives. We have identified risks and opportunities based on scenario analysis of multiple possible future business environments, and are reflecting the results in our strategies and initiatives. Since we rely on resources such as agricultural crops and water, addressing natural capital is also an important issue. Sapporo Breweries endorses the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the Taskforce on Nature-related Financial Disclosures (TNFD) and is actively carrying out information disclosure accordingly.



Governance

The Sapporo Group has established the Group Risk Management Committee and Global Sustainability Committee as advisory bodies to the Management Council.

The Group Risk Management Committee is responsible for the Sapporo Group's overall risk management and reports semiannually to the Board of Directors on the occurrence of climate-related risks, water risks, and nature-related risks, as well as on the responses and measures to prevent their recurrence. Meanwhile, the Global Sustainability Committee formulates overall policies to advance sustainability throughout the Group, coordinates within the Group, and reports semiannually to the Board of Directors on progress in addressing various priority sustainability issues, including action on climate change. The Board of Directors monitors the efforts to address these reported issues and the progress toward set targets.

Strategy

Climate change

Based on the Sapporo Group Environmental Vision 2050 aimed at realizing a decarbonized society, the Sapporo Group is working to prevent global warming by reforming its business structure with a decarbonization orientation, thoroughly implementing energy-saving measures, and utilizing renewable energy.

In this context, in our core domestic beer business, we have been breeding our own barley and hops, the main raw materials, since our founding in 1876, and have adopted a unique raw material procurement system. In the future, assuming the impact of climate change on the yield of raw materials, we will work to develop new varieties and ensure sustainable procurement in cooperation with universities, research institutions, and suppliers in Japan and overseas, based at the Sapporo Brewery Material Development Laboratory. We will also strengthen cooperation with suppliers to ensure stable procurement of corn and rice as

secondary materials.

We will take on the challenge of resolving climate change issues from the perspectives of mitigation and adaptation through our group-wide efforts to thoroughly decarbonize and our efforts to produce raw materials, which we have cultivated over 150 years in the beer business, aiming to become a resilient corporate entity.

Scenario Analyses

Based on scenario analysis data from the Food and Agricultural Organization of the United Nations (FAO) and other sources, and with adjustments made to account for abnormal weather events and other factors, we anticipate three scenarios in which yield amounts could change by 2050, each with differing climate change, socioeconomic, and production related factors. In 2023, we analyzed the financial impact of items that are expected to have a significant impact on raw material procurement costs based on the results of the scenario analyses mentioned above. (→ p. 50)

+: Positive impact on yields - : Negative impact on yields

	Temperature increase	Extreme weather events (typhoons, floods, droughts, etc.)	Agriculture-related trends	Other social trends
Sustainability Progress scenario	1.5°C	Increases to some degree (-)	Tighter regulations on the use of chemical fertilizers, etc. (-)	Population growth, improved living standards, increased demand for food, and some increase in food prices
Sustainability Standard scenario	BAU	Increased frequency and damage (-)	Increase in variety improvement and capital investment (+)	Population growth, higher living standards, increased demand for food, higher food prices
Sustainability Stagnation scenario	4°C	Severe increase (-)	Increase in crop diseases and damage to agriculture (-)	Higher food prices, more difficult access to food for the poor

Harmony with the Environment

Natural Capital

The Sapporo Group utilizes natural resources such as agricultural products and water in its business activities. At the same time, we recognize that we impose environmental burdens, such as through land use. As the degradation of nature accelerates, we believe it is essential to understand our dependence on and impact on nature, along with the associated risks and opportunities, and to actively implement countermeasures. Furthermore, when implementing measures to address natural capital, we believe it is important to align them with climate change measures, as nature and climate are closely interconnected. Based on this approach, we have set forth the target of “creating a recycling society” in the Sapporo Group Environmental Vision 2050 and will continue to contribute to the realization of a sustainable society.

Assessment of Nature-Related Risks and Opportunities in Accordance with the LEAP Approach

Analysis of all businesses and selection of evaluation subjects (Scoping)	- We assessed the potential dependence on and impact on nature across the entire supply chain of the Sapporo Group's main businesses: Alcoholic Beverages and Food & Beverages. - Based on the evaluation results, we selected “barley and hop production” for a detailed assessment in accordance with the LEAP approach, as it was determined to have a significant dependence on and impact on nature, as well as a large procurement volume.
Discovery of points of contact with nature (Locate)	We obtained location information for the farms that supply barley and hops and assessed the condition of the surrounding natural environment.
Evaluation of dependencies and impacts (Evaluate)	- We identified the dependence on and impact on nature associated with barley and hop production. - Regarding one of the significant impacts, water pollution, we assessed the amount of nitrogen fertilizer used and evaluated the extent of its impact.
Assessment of risks and opportunities (Assess)	We identified the nature-related risks and opportunities associated with barley and hop production and evaluated their magnitude and likelihood of occurrence.
Preparation for responses and reporting (Prepare)	We reorganized the assessment results of risks and opportunities in conjunction with climate change-related risks and opportunities, along with corresponding measures. Additionally, based on the evaluation results, we established integrated measures and goals related to climate change.

Assessment of Nature-Related Risks and Opportunities in Accordance with the LEAP Approach

The assessment of nature-related risks and opportunities was conducted by the LEAP approach recommended by the TNFD. As a result of analyzing the entire supply chain of the Sapporo Group's main businesses—alcoholic beverages and food and beverages—it was found that “production of agricultural products” within the alcoholic beverages and food and beverages businesses was the industrial process with the highest degree of dependence and impact. Then, we set “barley and hop production,” a large procurement item, as a priority issue, and proceeded with a more detailed evaluation in line with the LEAP approach.



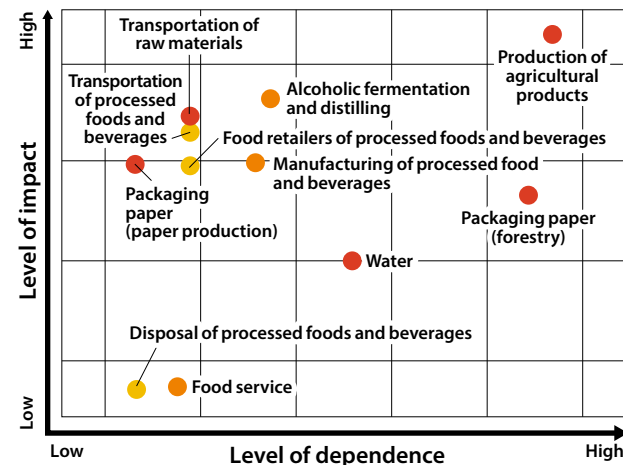
For more information about our analysis using the LEAP approach, please visit our website.

<https://www.sapporobreweries.com/en/sustainability/materiality/environment/management/?tab=climate>

Matrix of Dependence and Impact Across All Business Sectors

Alcoholic Beverages / Food & Beverages

● Upstream ● Direct operations ● Downstream



Risk Management

According to the results of the scenario analysis, there are areas where yields would decrease in each scenario. Including these impacts, we examined the risks and opportunities facing the Sapporo Group, assuming that the three scenarios become reality.

In terms of risks, we recognize that crop yields could decrease due to abnormal weather events, regulations could be tightened, and quality could decline due to pests and diseases. On the other hand, in terms of opportunities, we recognize the stabilization of quality through improved varieties, the development of new varieties, and the enhancement of competitiveness through product development, etc. We believe that by strengthening mitigation and adaptation measures, the impact of risks will be reduced and the potential for capturing opportunities will be greater.

Although the trend of declining yields will occur in each region, we will respond to regional differences by securing diversified sources of procurement. In addition, we will respond to tighter regulations on agricultural chemicals, yield reduction and quality deterioration caused by diseases through field management activities and the development and commercialization of new varieties. These are measures that will be effective in all scenarios.

Harmony with the Environment

Risks and Opportunities, Direction of Responses and Measures

Item	Risk and opportunity	Related items		Impact period			Financial impact	Direction of response and measures
		Climate change	Natural capital	Short-term	Medium-term (2030)	Long-term (2050)		
Risks	Transition risks	Increased energy costs at business sites due to the introduction of carbon pricing	●		●	●	Imposition of carbon tax NZE Scenario (Progress Scenario): 3.13 billion yen in 2030 / 6.06 billion yen in 2050	• Promotion of decarbonization efforts (achievement of targets for 2030 and 2050)
		Increase in costs required to reduce FLAG-related emissions in response to greenhouse gas reduction targets	●	●			Understanding the amount of nitrogen fertilizer applied and the associated costs required for its reduction	• Refining the FLAG-related emissions calculation method and investigating the feasibility of obtaining activity data, along with the associated challenges
		Reduction or change in sourcing locations due to the expansion of protected areas for the 30by30 target and the protection of areas managed by IPLCs			●		Anticipating an increase in the procurement cost of raw agricultural products	• Ensuring diverse procurement sources • Gathering the latest information through suppliers
		Decrease in agricultural yields due to tighter environmental regulations on pesticides (including chemical fertilizers)	●	●	●	●	Increased procurement costs for raw agricultural products Progress Scenario: 200 million yen in 2030 / 550 million yen in 2050 Standard Scenario: 130 million yen in 2030 / 500 million yen in 2050 Stagnation Scenario: 250 million yen in 2030 / 770 million yen in 2050 Note: Calculation based on the 2022 actual performance standard for beer raw agricultural products	• Understanding pesticide regulation information and pesticide usage conditions • Gathering information on integrated pest management, including biological control and physical removal methods in place of chemical pesticides, and understanding of producer trends
		Increase in agricultural production energy costs due to factors such as carbon pricing	●		●	●		
	Physical risks	Deterioration of raw agricultural product quality and yield reduction due to global warming and abnormal weather events	●	●	●	●	Assuming losses and restoration costs due to production suspensions	• Ensuring diverse procurement sources • Development and promotion of barley and hop varieties with low risk of quality deterioration due to abnormal weather events and high yield • Development and diffusion of new barley and hop varieties with excellent disease resistance • Establishment of a pest control system for the introduction of integrated pest management in cooperation with suppliers
		Water scarcity and flooding at business sites due to abnormal weather events (heatwaves, droughts, wind and water damage from typhoons and concentrated heavy rainfall, etc.)	●	●	●	●		
		Stagnation in procurement of raw materials due to epidemics of new infectious diseases	●	●	●	●	Assuming losses and restoration costs due to production suspensions	• Collection and understanding of information on global trends and regulations in food import and export • Strengthen foundations for stabilizing domestic production
		Increase in air conditioning costs for equipment caused by rising temperatures	●		●		Assuming an increase in electricity consumption	• Thorough implementation of energy-saving practices in operations management
		Reduction in yield and quality due to water pollution and the deterioration of soil health		●	●		Assuming an increase in the procurement cost of raw agricultural products and an increase in water purification costs	• Ensuring diverse procurement sources • Understanding the situation by communicating with producers
Opportunities		Reduced energy costs (carbon tax) at business sites through reduction of greenhouse gas emissions	●		●	●	NZE Scenario (Progress Scenario): 1.32 billion yen in 2030 / 6.06 billion yen in 2050	• Promotion of decarbonization efforts (achievement of targets for 2030 and 2050)
		Stable procurement of raw materials through the development of climate-resistant varieties	●	●	●	●	Reduced impact on procurement costs due to broad adoption of new varieties in the industry	• Development and commercialization of barley and hop varieties adapted to avoid or reduce the effects of climate change such as drought and heavy rainfall (Some new barley varieties currently under development for commercialization in 2035 have characteristics of energy-saving effects during malting process.)
		Strengthening competitiveness through the development of raw agricultural products and product development	●	●	●	●	Products using newly developed varieties of barley and hops Market scale after 2035: up to 54.7 billion yen	
		Efficiency improvement in agriculture through the utilization of ICT, robots, etc.	●	●	●	●	Assuming impact on raw agricultural product prices	• Utilization of new technologies in agriculture through collaboration with domestic and international partners
		Optimization of fertilizer and pesticide application, as well as the reduction of costs and environmental impact through the introduction of energy-efficient machinery	●	●	●		Assuming the cost-reduction effects of inputs and their impact on raw agricultural product prices	• Communication with domestic and international partners and sharing our decarbonization goals, including FLAG
		Reduction of water-related risks and costs through improved water use efficiency, as well as the securing and conservation of water sources		●	●		Assuming a reduction in costs related to water management	• Efficient water use at production sites and crisis prevention through regular water risk assessments
		Funding through sustainable finance		●	●		Assuming that access to funding becomes easier	• Improvement of external ESG evaluations

Harmony with the Environment

Among the measures and policies described in the previous section, the following indicators and targets have been set for the initiatives that the Sapporo Group is particularly focusing on. In mitigation measures such as curbing greenhouse gas emissions, the Sapporo Group has set medium- and long-term targets for reducing greenhouse gas emissions. We have also set targets related to the broader value chain, including for emissions from Scope 3 and FLAG scopes 1 and 3.

For adaptation measures to avoid or mitigate damage from climate change impacts, we have set targets related to barley and hops, which are used as key ingredients in our beer. We aim to preserve and manage the genetic resources of barley and hops, and utilize them to develop and commercialize breeds that can address issues such as yield reduction and quality deterioration caused by abnormal weather conditions like drought and heavy rainfall, which are

Mitigation Measures

	2030	2050
Scope 1 and 2	Reduce greenhouse gas emissions from our sites by 42% compared to the 2022 levels	Aim to achieve net zero greenhouse gas emissions throughout the value chain
Scope 3* ¹	Reduce greenhouse gas emissions (Scope 3) throughout the value chain by 25% from the 2022 levels	
FLAG scopes 1 and 3* ¹	Reduce greenhouse gas emissions in FLAG scopes 1 and 3 by 31% from the 2022 levels	

*¹ Expand our emission reduction activities in all domestic cooperative cultivation areas

Adaptation Measures

By 2030	By 2035	By 2050
Apply for registration of new breeds (barley, hops)	Commercialize new breeds (barley, hops) in Japan	Develop new environmentally adaptable breeds and commercialize them in Japan and abroad

climate-related and nature-related risks, as well as water stress and disease resulting from these conditions.

Mitigation Measures for Climate Change and Measures to Reduce Impacts on Nature

The Sapporo Group has received SBT certification for FLAG-related*² greenhouse gas emission reduction targets, becoming the first in Japan to achieve this. FLAG-related greenhouse gas emissions include those associated with land use changes and land management related to the production of the agricultural products we source, as well as N₂O emissions from the application of nitrogen fertilizers. Additionally, the application of nitrogen fertilizers is a contributing factor to water pollution, which is one of the impacts on nature.

Therefore, to reduce FLAG-related greenhouse gas emissions and mitigate impacts on nature, we will engage in communication*³ with our largest barley/malt suppliers to track nitrogen fertilizer application and optimize fertilization practices, looking to achieve a 100% optimization rate by fiscal 2030.

*² FLAG, or Forest, Land and Agriculture, refers to sectors related to agriculture, forestry, and other land uses, and FLAG-related emissions refer to non-energy-related greenhouse gases in these sectors.

*³ We intend to share our FLAG scope 1 and 3 targets and conduct on-site visits to collect information on the use of nitrogen-based chemical fertilizers and organic fertilizers.

Understanding and Eliminating Water Risk

The Sapporo Group is committed to identifying and eliminating water risks because of the large amount of water used at our production sites and the use of agricultural products produced around the world as raw materials.

Water Risk at Production Sites

In order to understand the impact of water risks on business continuity, the Sapporo Group is conducting a survey on its domestic and international production sites by combining the Aqueduct Water Risk Atlas (hereinafter referred to as

“Aqueduct”) with actual condition surveys. Aqueduct is a tool published by the World Resources Institute that evaluates global water risks based on latitude and longitude. As of 2025, there are no production sites that fall under the category of “Extremely high” for both “Overall Water Risk” and “Water Stress.”

However, one part of the area around our Long An Plant in Vietnam was classified as “High” for “Overall Water Risk.” Therefore, we will make this a priority location for reducing water risk and will set specific targets and move forward with initiatives accordingly.

Water Risk in Raw Material Procurement

We conducted a water stress assessment of the primary sourcing regions for barley, hops, and lemons—the key raw materials for our Alcoholic Beverages and Food & Beverages Businesses—based on scenarios provided by Aqueduct. The assessment confirmed that certain sourcing regions exhibit relatively higher levels of water stress. At the same time, the Sapporo Group is avoiding excessive reliance on specific regions by diversifying our raw material procurement across multiple countries and regions, thereby ensuring supply stability. In addition, we share our sustainability procurement guidelines with suppliers, requiring them to manage water resources appropriately, and encourage them to understand actual conditions and make improvements through ongoing communication.



For more information about our water risk assessment results, please visit our website.

<https://www.sapporobreweries.com/en/sustainability/materiality/environment/recycling/?tab=water>

Co-Prosperity with Society

Through alcoholic beverages, food, and other beverages, we connect people and bring richness and fulfillment to their lives.

Mutual Prosperity with Local Communities

Resolving Regional Issues Using Our Own Resources

Since its establishment, the Sapporo Group has been committed to community-based initiatives while maintaining communication with the countries and regions in which we operate. Going forward, we will continue to work with our stakeholders to revitalize local communities and resolve regional issues through our business activities to create a sustainable society and a better future.

Regional Revitalization Projects

The Regional Revitalization Business Management Department is dedicated to continuously contributing to the resolution of regional issues and is engaged in activities such as supporting the branding of local food products and the development of new sales channels.

Fiscal 2025 Results

Number of matching business meetings: 423

Providing Health Value Through Business

Pokka Pte. Ltd. works to reduce sugar content in its developed products as part of our efforts to address health challenges through the Beverages Business. In 2025, the company set a new goal for Pokka-branded products: to reduce the average sugar content in products sold in Singapore and Malaysia to 4.5% or less by 2030, and is actively working toward this objective.

FEATURE

Sustainable Raw Material Sourcing

Established LEMONITY Inc. to stimulate the production of domestically grown lemons

Pokka Sapporo Food & Beverage has been developing and selling lemon-related products, including Pokka Lemon, for many years. At the same time, through research and food education initiatives, the company aims to contribute to people's well-being by promoting the health benefits and various use cases for lemons.

In April 2019, the company began cultivating lemons in Osakikamijima Town, Hiroshima Prefecture, where it has an agreement to promote lemon production. To meet the growing demand for domestically produced lemons, the company is also addressing challenges facing the lemon farming industry, such as the revitalization of abandoned farmland and the expansion of cultivation areas. In July 2024, the company also signed a partnership agreement with Iwata City in Shizuoka Prefecture and the Enshu Chuo Agricultural Cooperative, with the aim of revitalizing the region by establishing a lemon-producing area.

Against this backdrop, in September 2025, Pokka Sapporo Food & Beverage established LEMONITY Inc.—an agricultural corporation aimed at promoting the production of domestically grown lemons—in partnership with Suzunari Inc. and Nishimoto Co., Ltd. The newly-formed company will expand lemon production areas, focusing primarily on Etajima City in Hiroshima Prefecture and the aforementioned Iwata City in Shizuoka Prefecture. The company plans to grow its production from the original 10 hectares to 100 hectares within 10 years. By introducing new cultivation systems, such as mechanization, the company

aims to establish a new, sustainable lemon production model and build a stable lemon production environment in collaboration with the local community.

This initiative aims to establish a value-chain-integrated fruit tree model worthy of boasting on the global stage and to contribute to the realization of sustainable agriculture. Harvested lemons are scheduled to be sold through Nishimoto and Pokka Sapporo Food & Beverage. By further expanding our product lineup of domestically grown lemons and ensuring a stable supply, we will strive to meet the needs of our business partners and, ultimately, their customers.



At the press conference on establishment of LEMONITY Inc.

Co-Prosperity with Society

Promotion of Responsible Drinking

As a corporate group engaged in the Alcoholic Beverages Business, the Sapporo Group will strive to solve alcohol-related problems as part of its social responsibility, and will work to raise awareness of proper drinking and prevent improper drinking.

Initiatives of Ongoing Focus

- Proper Drinking Awareness Seminars for universities, companies, and local governments
- Free distribution of pamphlets to elementary and junior high school students
- Thorough compliance with regulations on advertising, publicity, and sales promotion for preventing inappropriate drinking
- Employee training and activities in conjunction with Alcohol-Related Problems Awareness Week



Messaging to Promote Responsible Drinking

Sapporo Breweries has been conducting Proper Drinking Awareness Seminars primarily for universities and companies in the Tokyo metropolitan area since 2015, with the aim of educating students and employees for proper knowledge of alcohol consumption and for healthy enjoyment of alcoholic beverages. The seminar features basic information for responsible drinking, such as definitions of alcohol and mechanisms of intoxication, and etiquette at social gatherings involving alcohol. It also includes awareness education on prevention of student drinking under Japan's statutory age of 20.

In fiscal 2025, we held 25 Proper Drinking Awareness Seminars, conveying messages about responsible drinking to approximately 1,600 people through these seminars.

In 2026, we will establish a "Drink in Moderation" registration desk associated with the seminar, revamped the "Drink in Moderation" website, and updated pamphlets for elementary and junior high school students.

FEATURE

Collaboration with Hokkaido University Delivering a Message on Responsible Drinking to Students

Both Hokkaido University and Sapporo Breweries celebrate their 150th anniversaries in 2026. To mark this occasion, we launched the collaborative project "Weaving the Future from the Northern Lands" in January 2026.

As part of this project, we held a student-participation contest focused on the topic of sustainability and alcohol. Prior to the contest, we conducted a seminar for participants to raise awareness about responsible drinking, promoting basic knowledge about alcohol and an understanding of responsible drinking.

This seminar, part of a collaborative project with Hokkaido University, provided participants with an opportunity to reflect on responsible drinking and served as a platform to convey a message about responsible drinking to a wide audience of students.



A Proper Drinking Awareness Seminar held at Hokkaido University

Co-Prosperity with Society

Sharing Knowledge About Alcohol Through Sapporo Breweries' Fan Community, SAPPORO STAR COMPANY

Sapporo Breweries' fan community, SAPPORO STAR COMPANY, is a space where fans of Sapporo-brand beers gather to co-create with the brand through products, experiences, and learning.

In 2025, we began sharing information on responsible drinking and alcohol-related knowledge through posts that received engagement on par with our previous articles.

Going forward, we will continue to share messages about responsible drinking through SAPPORO STAR COMPANY, which serves as a vital point of contact with our customers.



A post on promoting responsible drinking on by SAPPORO STAR COMPANY

FEATURE

Proper Drinking Hands-On Seminar

As a new initiative, we held a Proper Drinking Hands-On Seminar at the YEBISU BAR Ginza Corridor Street location, which combined our traditional classroom-style responsible drinking seminar with a hands-on experience at a restaurant.

When we recruited participants through our fan community SAPPORO STAR COMPANY, we received over 350 applications for the 30-person capacity within two days, confirming the high level of interest in responsible drinking and our own promotion of responsible drinking.

On the day of the event, we demonstrated how to enjoy appropriate amounts of alcohol with meals through real dining scenarios, while also providing an experience that enhanced the value and satisfaction of the meal itself by sharing the stories behind the ingredients. In a post-event survey, 95% of participants rated their experience as very satisfied or satisfied, and 85% said they want to share the message of responsible drinking with others.



Proper Drinking Seminar: "Toast Smarter, Feel Better"

Sapporo Lion's Initiatives to Promote Responsible Drinking

Sapporo Lion is implementing the following initiatives to promote responsible drinking:

- Education on responsible drinking using original educational materials to all employees, including part-time and temporary staff
- Measures to prevent mistakenly drinking alcohol:
 - (1) Including the warning "This is an alcoholic beverage" on menus
 - (2) Using special glasses for chuhai (sparkling alcoholic beverages) and other drinks
 - (3) Designating the 15th of every month as Prevention of Accidental Drinking Day and raising awareness among restaurants
- Asking drivers to wear stickers at restaurants with parking lots to prevent drunk driving

Sapporo Lion will continue to promote responsible drinking and implement measures to prevent inappropriate drinking.



In-store display sticker



Sticker distributed to designated drivers



Message promoting responsible drinking in a menu book



Special glass for alcoholic beverages

Building a Sustainable Supply Chain

To provide high-quality products and services that earn the support of our customers, we procure safe and reliable raw materials, supplies, goods, and services.

Building a Sustainable Supply Chain

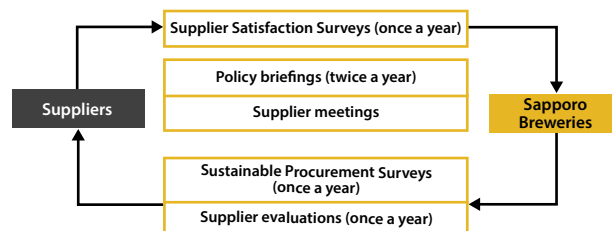
“Building a sustainable supply chain” is an important theme relevant to the environment, society, and human resources. We are promoting various Group-wide initiatives to address topics in the supply chain, including “respect for human rights,” “reduction of environmental impact,” and “stable procurement.”

Preventing Human Rights Violations Throughout the Value Chain

The Sapporo Group has established the Sapporo Group Human Rights Policy to respect the human rights of all people associated with the Group as the highest-level policy on human rights. This policy, which is based on the Sapporo Group Code of Conduct, serves as the foundation for all of our business activities.

We share the Sapporo Group's approach with our business partners through policy briefings and other means, and we evaluate suppliers through the Sustainable Procurement Survey and other methods based on the Procurement Basic Policy and the Sustainable Procurement Guidelines. Additionally, we utilize the Supplier Ethical Data Exchange (Sedex), a platform for responsible supply chain

Initiatives to Monitor Suppliers' Sustainability Activities (Sapporo Breweries)



management, to promote initiatives that respect human rights in collaboration with our business partners.

Human Rights Due Diligence Initiatives

The Sapporo Group is consistently establishing and carrying out its human rights due diligence processes based on the United Nations Guiding Principles on Business and Human Rights. If it is revealed that we have caused or contributed to a negative impact on human rights, we will promptly take appropriate measures to address the issue and provide redress.

Identification of Raw Materials for Priority Investigation

The Sapporo Group has identified and prioritized human rights risks associated with key raw materials procured for its Alcoholic Beverages and Food & Beverages Businesses. In addition to malt, hops, lemons, and plums, we are prioritizing the assessment of human rights and environmental impacts for raw materials* deemed to pose high human rights risks.

* Priority raw materials: Palm oil, tea leaves, coffee beans, cocoa beans, sugar (including liquid sugar), crude alcohol, determined based on a comprehensive review of information such as the U.S. Department of State's Trafficking in Persons Report and the Child Labor Risk Map.

Introduction of a Grievance Mechanism

The Sapporo Group introduced a grievance mechanism in 2025 for stakeholders both in Japan and overseas. We have ensured that reports and consultations regarding human rights, labor, and the environment can be submitted with confidence, and we strictly maintain confidentiality and protect whistleblowers. Reports and consultations received are verified and addressed through an appropriate response process, and the findings are utilized to identify and rectify human rights risks, as well as to improve our initiatives.

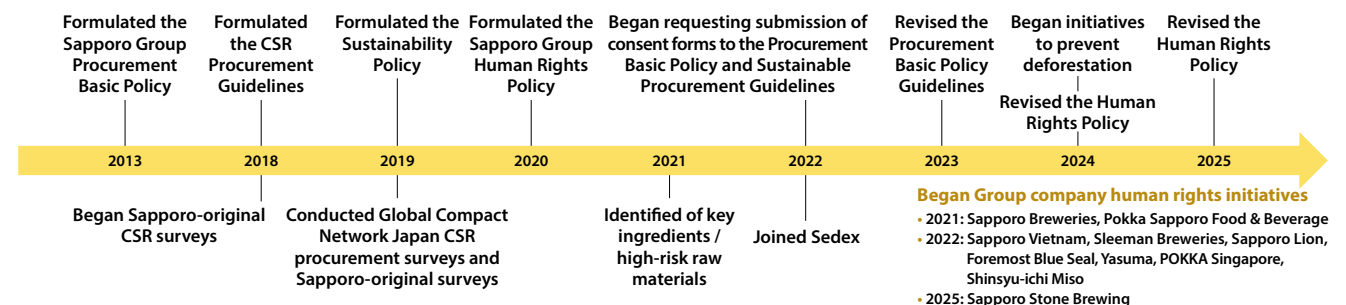
Responsible Procurement of Raw Materials in the Restaurants Business (Sapporo Lion)

At Sapporo Lion, we promote the use of coffee certified by Fairtrade International and the Rainforest Alliance, and we are committed to procuring raw materials in a way that prevents child labor and forced labor during the production process and protects the environment.

Initiative Policy for 2026 and Beyond

Starting in 2026, we will gradually expand our human rights risk assessments to cover the entire Group's value chain, including manufacturing, logistics, and sales, in addition to raw material procurement, both domestically and internationally.

Past Initiatives for Building a Sustainable Supply Chain



Part 5

The Future of Sapporo Group Governance

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Roundtable Discussion with Outside Directors*

On the launch of the new Sapporo Group and the evolution of governance to enhance sustainable corporate value growth

The Sapporo Group has been advancing major management reforms that have fundamentally restructured the Group, including injecting external capital into the Real Estate Business and transitioning to a mixed holding company structure. With the Company currently formulating the Medium-Term Management Plan 2027–2030, three outside directors discuss the Group's past strategy, future growth strategy, and key priorities for strengthening governance.

Makio Tanehashi

Outside Director (Chair of Nominating Committee)

Ryotaro Fujii

Outside Director (Chair of Compensation Committee)

Naoko Tanouchi

Outside Director (Chair of Outside Director Committee)

* Company names presented herein are as of the end of June 2026.

Achievements of Medium-Term Management

Plan 2023–2026 and Future Challenges

— What are your views of the decision to inject external capital into the Real Estate Business and adopt a mixed holding company structure? What do you see as the key challenges to generating business growth in the future?

Fujii I have been involved in discussions on the Group Medium- to Long-Term Growth Strategy since the Group Strategy Committee was formed in September 2023. At that time, the business portfolio had become overly diversified, dispersing management resources and hindering our ability to invest sufficiently in growth areas. This created challenges not only in generating profits but also in building future growth potential. That is why the Company began exploring the possibility of injecting external capital into the Real Estate Business, which would allow it to concentrate additional management resources on the core Alcoholic Beverages Business. After extensive discussion, we believe we secured an outstanding partner for developing the Real Estate Business. The key management challenge now is how best to use that capital to achieve the medium- to long-term vision.

Tanehashi I believe the process of considering the capital injection was carried out with transparency and sound judgment. As someone who serves on the board of a real estate development company, I view this as a sound transaction from that perspective as well. In the current real estate market, I think the transaction terms and amount are both favorable for the Company. That said, as Director Fujii mentioned, raising capital was not the end goal. More important is how to allocate those funds to generate growth. The transition to a mixed holding company structure also marked a major step forward, providing a stronger framework for closer information exchange between management and the Board of Directors. I look forward to the Company

Roundtable Discussion with Outside Directors

continuing to strengthen collaboration between the Board of Directors and management while enhancing corporate value.

Tanouchi I also think that bringing in external capital has produced very positive results for the Group as a whole. At the same time, the process was conducted with great care, and the considerable time it took to complete the transaction placed some stress on Sapporo Real Estate employees. My view has been that the Company was facing some core challenges caused by the limited flow of information to the holding company and the fact that the Alcoholic Beverages Business was effectively entrusted to Sapporo Breweries. From the perspectives of bridging information gaps and streamlining procedures, I think adopting the mixed holding company structure was a necessary step.

While serving on the Audit and Supervisory Committee last year, I had the opportunity to closely monitor these developments from the perspective of Group governance. I think the Company needs to improve coordination between the domestic and overseas businesses and collaboration between functional and Group companies, including Pokka Sapporo Food & Beverage. I have advocated strengthening the framework for unified management functions for the entire Group. Initiatives such as restructuring the Overseas Business and reorganizing operations between Sapporo Breweries and Pokka Sapporo Food & Beverage are already underway. I believe those reforms will provide a foundation for future growth.

A New Structure to Drive Transformation and

Deepen Board Discussions

— How would you assess President Tokimatsu's leadership since he was appointed last year?

Tanehashi From the perspective of an outside director, I find

it reassuring that President Tokimatsu is strongly committed to addressing the challenges facing the Company and driving its transformation.

Fujii I share that view. What stands out to me is his commitment to transformation. I believe the Company is firmly committed to addressing the challenges it faces with a strong sense of purpose.

Tanouchi President Tokimatsu held several key positions at Sapporo Breweries and served as president of Sapporo Real Estate and Pokka Sapporo Food & Beverage. His current role as president of both Sapporo Holdings and Sapporo Breweries gives him a thorough understanding of the Group's core businesses. His firsthand understanding of the realities in the field gives him considerable strength in strategic discussions, which I believe will bring a new style of leadership to the Company.

— How would you assess the quality of Board meetings discussions and the communication between supervisors and executive management?

Tanehashi The Board's discussions have improved significantly since the new outside directors joined in April this year. It is rare to find a board with such a distinguished group of directors. At every meeting, the discussions are focused and rigorous and insightful opinions are exchanged. I would like the President to fully communicate to Company executives the concerns raised during Board meetings, along with the perspectives and insights shared by the outside directors.

Our role is not to hinder new investments or discourage risk-taking, but to offer frank opinions from an outside perspective. Considering and responding to those perspectives is part of the Company's responsibility in fulfilling its accountability to stakeholders. Our views help directors better understand the basis for their decisions and explain them with confidence. I believe the discussions should



uncover the underlying rationale for each decision, leading to better decisions.

Fujii The key now is to allocate funds effectively to support growth. While funds are now available through the capital injected into the Real Estate Business, they have been entrusted to us by our shareholders. The biggest challenge is how to use those funds effectively while also considering capital costs. Another critical issue is defining the role of the Board of Directors following the adoption of the mixed holding company structure. I believe the Board must strike a balance between encouraging appropriate risk-taking and thoroughly monitoring executive operations.

Tanouchi My sense is that management is currently being somewhat too cautious. As Director Tanehashi mentioned, an interactive exchange of ideas in response to input from outside directors is essential for the executive team to refine and strengthen its plans. I believe there are many ways we can improve this process, such as facilitating

Roundtable Discussion with Outside Directors



meetings more effectively.

Tanenashi I fully agree. For example, if outside directors express differing opinions on an agenda item, the chair could deepen the discussion by asking for the directors' views on those differing opinions.

Key Points to Focus on in Medium-Term

Management Plan 2027–2030

— What do you each see as the key points in the next medium-term management plan starting in fiscal 2027?

Tanenashi The primary challenge is how to use the capital injection to drive future growth. This will require thoroughly discussing and clearly defining the business portfolio and strategy for the future direction of the Sapporo Group. It will also be important to communicate this strategy to employees,

shareholders, and all stakeholders.

Fujii The high uncertainty surrounding future business conditions means that the most important element of the next medium-term management plan is likely where investments should be focused to drive growth. The Company has presented two core strategies. The first is Bonds with Community, which focuses on providing real-world touchpoints and experiential opportunities with customers. The second is Healthier Choice, which expands beyond the Alcoholic Beverages Business to offer non-alcoholic drinks with health benefits. Advancing these initiatives as a unified group will be crucial. For example, the Restaurants Business can enhance customer satisfaction by positioning the dining experience as a customer touchpoint and offering Healthier Choice beverages alongside alcoholic beverages. That is the kind of inter-Group collaboration that can provide resilience in an uncertain business environment. Effective resource allocation, as Director Tanenashi mentioned, will be critical to achieving these objectives. This will be particularly true for overseas operations, where partnerships and M&A have not achieved the expected success. The Company should devote sufficient time to discussing the best approach to pursuing alliances and M&A in growth markets.

Tanouchi I would also note that the Company now has a solid financial foundation following the capital injection. The challenge is where to pursue future growth across its diverse portfolio, which spans alcoholic beverages and a range of other businesses. Black Label, Yebisu, and the Company's other beer brands are powerful assets. Overseas, SAPPORO PREMIUM BEER is gaining momentum in the U.S., and many other markets, including Asia, also offer significant growth potential. Human capital will also be a key challenge. The Company will need to recruit specialized talent from outside the organization while continuing to develop its existing workforce. Successfully integrating internal and external talent will be vital to achieving growth.

Strengthening Governance to Support

Future Growth Strategies

— What was the background to updating the Board skill matrix and appointing four new outside directors, and what objectives were you seeking to achieve?

Fujii The 2025 meeting of the Nominating Committee identified global management, M&A and business revitalization, and B2C marketing as the three skill areas in which the Board of Directors needed strengthening. The new appointments brought individuals with expertise in those areas. Together with the continuing directors, they have created what I believe is an extremely well-balanced mix. I think this also provides the level of "expertise diversity" needed to oversee the Company's management strategy.

Tanenashi The new outside directors have brought deep expertise in areas that the Company needs most at this stage, particularly in M&A and portfolio strategy. Board discussions are now more substantive and draw on a broader range of perspectives. As a result, the overall quality of our Board meetings has improved significantly.

Tanouchi As both of you have mentioned, the new outside directors bring a wide variety of backgrounds, and Board discussions have become much more dynamic. Their perspectives often cast issues in a new light and make me think, "Yes, that's a good point." I believe that combining different perspectives and areas of expertise while exchanging frank opinions leads to better conclusions. Beginning in fiscal 2026, we began holding executive sessions exclusively for outside directors to create a forum for candid exchanges of views before Board meetings.

Fujii I believe executive sessions for outside directors are a valuable initiative. The purpose is not to exclude executive directors, but to allow outside directors to fully express their individual perspectives. This leads to more dynamic Board

Roundtable Discussion with Outside Directors

meetings. Those discussions allow outside directors to develop a shared understanding before engaging more meaningfully with the executive team. I believe both stages are important.

— What do you think the management compensation and evaluation system should be for executing the growth strategies?

Fujii The compensation system has been revised to increase the proportion of variable compensation and place greater emphasis on enhancing corporate value. Specifically, for representative directors, the proportion of variable compensation tied to performance target achievement has been increased, and the stock-based compensation scheme has also been revised to better align the medium- to long-term financial performance metrics with corporate value. The Company is also exploring mechanisms that will promote appropriate risk-taking by management.

Tanehashi Compensation is important, but what I value most is the process behind it. That process involves a sincere commitment to formulating the medium-term management plan and fulfilling one's responsibilities as a director throughout the year. Rather than encouraging directors to focus on compensation, the evaluation criteria should recognize directors for demonstrating the right mindset. Ideally, the system should also give directors a sense of personal fulfillment. It would also have to be regarded as objective and transparent by stakeholders, including shareholders.

Fujii As Director Tanehashi said, the evaluation system is as important as the compensation system. A clear understanding of what is being evaluated and how compensation is determined is essential because it directly affects motivation. The revised system incorporates individual evaluations into performance-linked compensation so that it evaluates both the achievement of performance targets and individual contributions.

Expectations and Aspirations for the

New Sapporo Breweries

— What are your expectations for the new Sapporo Breweries under the mixed holding company structure adopted in July 2026, and how do you hope to contribute as an outside director?

Tanouchi The mixed holding company structure is more than a merger between Sapporo Holdings and Sapporo Breweries. This is a fundamental transformation of the Group's structure. The transformation aims to break down barriers between alcoholic and non-alcoholic beverages and across businesses and products, and create a foundation for growth across the Group. Making this transformation a success will require difficult decisions. As an outside director, I will support management in taking appropriate risks to drive growth.

Fujii Sapporo Breweries traces its origins to Hokkaido Development Commission, and the Company embodies the spirit of its pioneers. The Company has addressed major management challenges, established a solid financial foundation, and laid the groundwork for organizational growth. Guided by its Bonds with Community and Healthier Choice strategies, I strongly believe the Company stands on the threshold of opening a new chapter on the global stage. I am delighted to support the Company's future growth in my capacity as an outside director.

Tanehashi That history reaches another milestone this year with the 150th anniversary of the Company's founding. It seems almost serendipitous that the Company has the opportunity to make a major investment in growth at such a pivotal moment. I believe the Company should recognize this as its last opportunity to deploy its capital to achieve sustainable growth and move decisively to seize that opportunity. Above all, it must build on its strengths while thinking deeply about what it needs to do to remain relevant



to society. As a director responsible for these discussions, I intend to engage fully in discussions on the Company's corporate strategy.

Board of Directors (As of July 1, 2026)

Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

Outside Outside Director Independent Independent Officer

Name	Years in office	FY2025 meeting attendance rate (meetings attended/meetings held)				Possessed knowledge/experience										Overview of reasons for appointment and expected roles (Excerpted from the Notice of Convocation of the 102nd Ordinary General Meeting of Shareholders)
		Board of Directors	Audit & Supervisory Committee	Nominating Committee	Compensation Committee	Foundational skills					Strategically required skills					
						Corporate management	Finance Accounting	Legal / compliance / risk management	Sustainability	Human resources Human assets	Global management	Capital market communication	M&A Business turnaround	Marketing	Asset planning	
 Hiroshi Tokimatsu Chair of the Board President and Representative Director (February 23, 1962)	1 year	11/11 (100%)	—	11/11 (100%)	7/7 (100%)	●		●						●	●	After gaining experience across the Group's various businesses—Alcoholic Beverages, Real Estate, and Food & Beverages Businesses—Mr. Hiroshi Tokimatsu was appointed President and Representative Director of the Company and President and Representative Director of Sapporo Breweries Ltd. in 2025. Since taking office, he has made efforts for corporate governance reform, our transition to a mixed holding company structure, the restructuring and growth of the Alcoholic Beverages Business, and the injection of external capital into the Real Estate Business. He has a wealth of experience, a rich track record, and great insight as a corporate manager, and the Company has therefore determined that he is the right person to exercise leadership to realize the Group Medium- to Long-Term Growth Strategy, to achieve the Medium-Term Management Plan 2023–2026, and to promote the Group's management. He has thus been appointed as a Director.
 Yoshitada Matsude Executive Vice President (January 2, 1966)	4 years	14/14 (100%)	—	—	—		●			●		●			●	Mr. Yoshitada Matsude has long experience in the Accounting & Finance Department of Sapporo Breweries Limited and has held management roles in Group companies such as Sapporo Real Estate Co., Ltd., thereby working on the formulation of business strategies and their promotion. Furthermore, as the Company's officer in charge of corporate finance, he has focused in particular on injecting external capital into the Real Estate Business and promoting management practices that take into account the cost of capital and stock prices. He has a wealth of experience, a rich track record, and great insight regarding accounting & finance and business management. The Company has determined that he will be the right person to exercise leadership to realize the Group Medium- to Long-Term Growth Strategy, to achieve the Medium-Term Management Plan 2023–2026, and to promote the Group's management. He has thus been appointed as a Director.
 Rieko Shofu Executive Vice President (July 13, 1967)	4 years	14/14 (100%)	—	—	—				●	●	●		●			As a person in charge of the corporate planning department of Pokka Sapporo Food & Beverage Ltd. and CEO of an overseas subsidiary, Ms. Rieko Shofu has been promoting structure reform and transition to growth, especially in the Overseas Beverage Business. In addition, as the Company's officer in charge of corporate strategy, she has worked to execute the Group's management strategies and business plans, transition to a mixed holding company structure, and strengthen overseas governance. She has a wealth of experience, a rich track record, and great insight regarding global business management, M&A, and sustainability. The Company has determined that she is the right person to exercise leadership to realize the Group Medium- to Long-Term Growth Strategy, to achieve the Medium-Term Management Plan 2023–2026, and to promote the Group's management. She has thus been appointed as a Director.
 OutsideIndependent Makio Tanehashi Chair of Nominating Committee (March 13, 1957)	3 years	14/14 (100%)	—	14/14 (100%)	7/7 (100%)	●		●							●	Mr. Makio Tanehashi has a wealth of experience and a rich track record as a corporate manager, as well as extensive insight regarding 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 2023–2026, Mr. Tanehashi is expected to offer pertinent opinions and advice regarding injection of external capital in 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, and he has thus been appointed as an Outside Director.
 OutsideIndependent Ryotaro Fujii Chair of Compensation Committee (January 30, 1975)	2 years	14/14 (100%)	—	14/14 (100%)	7/7 (100%)		●					●	●			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 2023–2026, Mr. Fujii is expected to offer pertinent opinions and advice regarding capital efficiency improvement 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, and he has thus been appointed as an Outside Director.
 OutsideIndependent Naoko Tanouchi Chair of Outside Director Committee (May 19, 1965)	2 years	14/14 (100%)	19/20 (95%)	14/14 (100%)	8/8 (100%)			●					●	●		Ms. Naoko Tanouchi has a wealth of experience, a rich track record, and extensive insight regarding marketing, M&A, and compliance, including her involvement in M&A, corporate planning, internal auditing, and her work as a company auditor at a leading food manufacturer. For the realization of the Group Medium- to Long-Term Growth Strategy and the achievement of the Medium-Term Management Plan 2023–2026, 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, and she has thus been appointed as an Outside Director.
 OutsideIndependent Akihiro Watanabe (February 18, 1959)	New appointment	—	—	—	—	●	●				●	●	●			Mr. Akihiro Watanabe has a wealth of experience, a rich track record, and extensive insight regarding M&A, global management, and finance and accounting, including as a company founder and corporate manager and as a certified public accountant. For the realization of the Group Medium- to Long-Term Growth Strategy and the achievement of the Medium-Term Management Plan 2023–2026, 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, and he has thus been appointed as an Outside Director.
 OutsideIndependent Koichi Mizutome (January 26, 1968)	New appointment	—	—	—	—	●					●		●	●		Mr. Koichi Mizutome has a wealth of experience and a rich track record in a global consulting firm, as well as extensive insight regarding global management, M&A, and marketing, including as a corporate manager. For the realization of the Group Medium- to Long-Term Growth Strategy and the achievement of the Medium-Term Management Plan 2023–2026, 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, and he has thus been appointed as an Outside Director.

Board of Directors (As of July 1, 2026)

Directors Who Are Audit & Supervisory Committee Members

Outside Outside Director Independent Independent Officer

Name	Years in office	FY2025 meeting attendance rate (meetings attended/meetings held)				Possessed knowledge/experience										Overview of reasons for appointment and expected roles (Excerpted from the Notice of Convocation of the 102nd Ordinary General Meeting of Shareholders)
		Board of Directors	Audit & Supervisory Committee	Nominating Committee	Compensation Committee	Foundational skills					Strategically required skills					
						Corporate management	Finance Accounting	Legal / compliance / risk management	Sustainability	Human resources Human assets	Global management	Capital market communication	M&A Business turnaround	Marketing	Asset planning	
 OutsideIndependent Hisae Kitayama Chair of Audit & Supervisory Committee (August 30, 1957)	New appointment	—	—	—	—		●	●		●						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 and fair perspective based on her extensive experience, rich track record, and deep insight gained as a certified public accountant at an audit firm, and based on her past experience as a partner at a major audit firm, an officer of the Japanese Institute of Certified Public Accountants, and as chair of an Audit & Supervisory Committee. She has thus been appointed as an Outside Director who is an Audit & Supervisory Committee Member.
 OutsideIndependent Seiko Noda (February 17, 1964)	New appointment	—	—	—	—			●	●				●			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 and fair perspective based on her wealth of experience, rich track record, and deep insight gained as an attorney, and based on her past experience as an outside auditor and outside director who is an Audit & Supervisory Committee member of listed companies. She has thus been appointed as an Outside Director who is an Audit & Supervisory Committee Member.
 Yoichi Kitamura Statutory Audit & Supervisory Committee Member (June 23, 1970)	New appointment	—	—	—	—		●	●				●				Mr. Yoichi Kitamura has many years of experience working in the Accounting & Finance Department and has worked on structural reforms and enhancing profitability. He has also served as Director of Pokka Sapporo Food & Beverage Ltd, and has a wealth of experience, a rich track record, and great insight, and the Company has therefore determined that he is capable of auditing and supervising the performance of duties by Directors of the Company from an objective and fair perspective. He has thus been appointed as a Director who is an Audit & Supervisory Committee Member.

Note: This list only provides the skills possessed by each Director that the Company specifically expects them to leverage in their duties. These skills do not represent all of the skills (knowledge, experience, abilities) possessed by each Director.

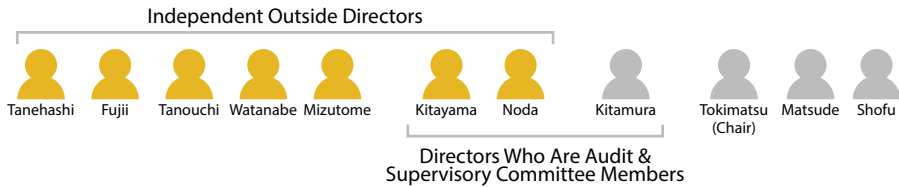
Skills

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.
	Finance 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.
	Capital market communication	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 turnaround	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.

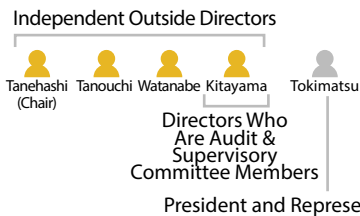
Corporate Governance

Composition of Board of Directors, Nominating Committee and Compensation Committee

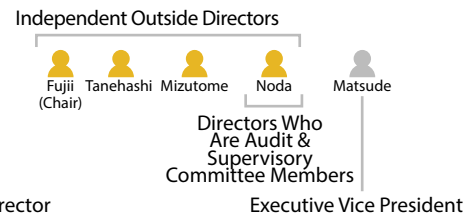
Board of Directors



Nominating Committee



Compensation Committee



Meetings of the Board of Directors and Each Committee (Fiscal 2025)

Board of Directors

Number of
meetings held

14

Attendance rate

99%

Audit & Supervisory Committee

Number of
meetings held

20

Attendance rate

95%

Nominating Committee

Number of
meetings held

14

Attendance rate

99%

Compensation Committee

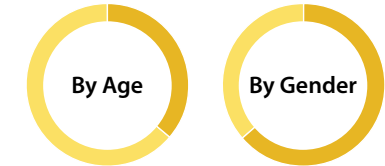
Number of
meetings held

8

Attendance rate

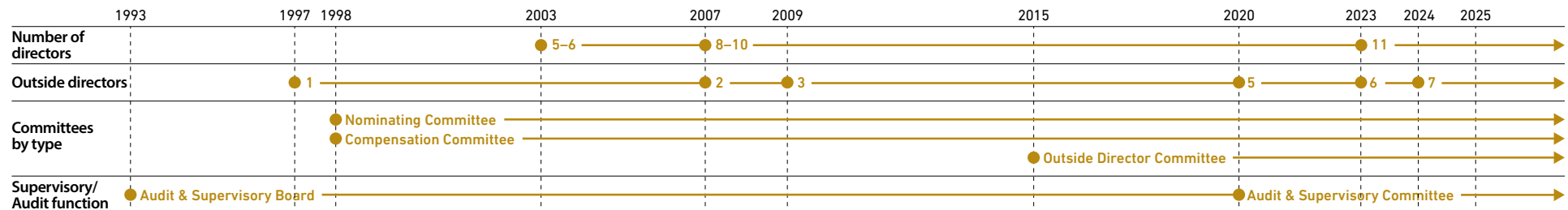
99%

Diversity of Directors



As of March 27, 2026

History of Corporate Governance Reforms



Notes:

1. The Company transitioned to a mixed holding company structure in July 2026.
2. The term of office of directors was shortened to one year from March 2005.
3. As the Company established an Audit & Supervisory Committee on March 27, 2020, the term of office of directors (excluding directors who are Audit & Supervisory Committee members) became one year.
4. As of March 28, 2024, the Company's Board of Directors consists of 11 directors, including 7 independent outside directors. As a result, independent outside directors have accounted for a majority of the Board of Directors since March 30, 2023.

Corporate Governance

Basic Policy on Corporate Governance

The Sapporo Group has enacted the Basic Policy on Corporate Governance for the purpose of specifying its thinking and operational policy regarding corporate governance, with the goal of attaining sustainable growth and enhancing corporate value over the medium to long term, and in light of the purport and spirit of the Corporate Governance Code set forth in the Listing Rules of the Tokyo Stock Exchange.

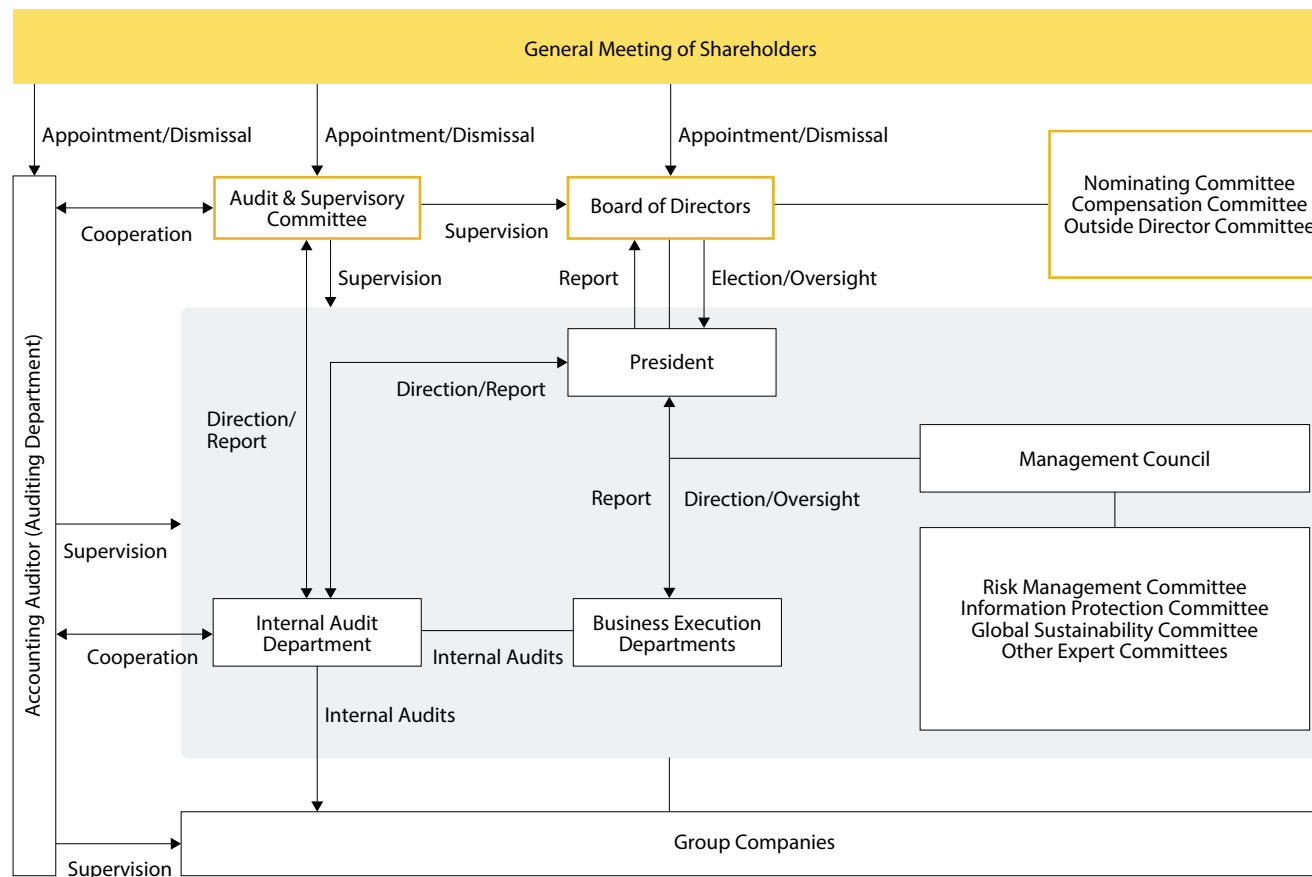
As part of the Policy, the Group's basic philosophy is to regard strengthening and enhancing corporate governance as one of its top management priorities. The Group is working to clarify supervisory, business execution, and auditing functions, as well as to strengthen management supervisory functions to increase management transparency and achieve management goals.



Basic Policy on Corporate Governance

https://www.sapporobreweries.com/en/who-we-are/governance/basic_policy/

Sapporo Group Corporate Governance Structure



Supervisory Function

Board of Directors

The Board of Directors makes decisions on important matters as stipulated by law, the Articles of Incorporation, and the Board's regulation, as well as nominates and supervises the execution of duties of the representative director, president, and other executive directors.

Discussion topics of particular priority in fiscal 2025

- Medium- to Long-Term Growth Strategy and the next medium-term management plan
- Injection of external capital into Real Estate Business
- Monitoring of the Medium-Term Management Plan and management plan progress by business
- Determination and reporting of individual projects based on medium- to long-term policies
- Board of Directors' effectiveness assessment

Audit & Supervisory Committee

The Audit & Supervisory Committee is comprised of three directors who are Audit & Supervisory Committee members (two independent outside directors and one internal director). The members work with the Internal Audit Department and other internal control departments to conduct audits on the performance of duties by each director as well as the general performance of duties pertaining to management of the Group overall. These audits follow the audit policy established by the Audit & Supervisory Committee and the audit plan that contains priority audit items and division of duties. In addition, to ensure the effectiveness of the Audit & Supervisory Committee's audit and supervision functions, the committee selects a statutory Audit & Supervisory Committee member. This statutory member is responsible for gathering and sharing information by attending meetings of the Board of Directors, Management Council, and other important meeting bodies, as well as for maintaining close collaboration with the Internal Audit Department and other internal control departments. Meetings held in fiscal 2025: 20

Corporate Governance

Independent Outside Audit & Supervisory Committee Members

Independent outside directors who are Audit & Supervisory Committee members are each independent officers pursuant to the rules of the Tokyo Stock Exchange and the Sapporo Securities Exchange. They attend meetings of the Board of Directors, Nominating Committee, Compensation Committee, and Outside Director Committee as well as participate in discussions with the representative director, directors, Group managing officers, and presidents of business companies together with the statutory Audit & Supervisory Committee member. In the course of these activities, they provide appropriate recommendations, and advice from a fair, neutral and objective standpoint independent from executive management, playing an effective role in ensuring the legality and validity of decision-making.

Nominating and Compensation Committees

Although Sapporo Breweries is a Company with an Audit & Supervisory Committee, it has also established a Nominating Committee and a Compensation Committee with the goals of increasing transparency with respect to the nomination and remuneration of directors and the presentation of a sound management structure. To ensure the transparency and objectivity of their resolutions, a majority of the members of both committees are independent outside directors, and each committee is chaired by an independent outside director.

Nominating Committee

The Nominating Committee meets to recommend candidates for directorships of the Board of Directors, monitor formulation and implementation status of the succession plan of the president, hold discussions, deliberate on the dismissal of executive management positions (directors including the president), and make recommendations to the Board of Directors.
Meetings held in fiscal 2025: 14

Compensation Committee

The Compensation Committee meets to determine the compensation plan for directors (excluding those serving on the Audit & Supervisory Committee) and determine individual compensation amounts pursuant to resolutions of the Board of Directors.

Meetings held in fiscal 2025: 8

Outside Director Committee

In December 2015, the Company established the Outside Director Committee. This committee works to share information with the Company's independent outside directors pertaining to Group-wide management strategies, corporate governance issues, and other matters, in order to increase the quality of business execution supervision. In 2025, the committee focused on discussions concerning the Medium- to Long-Term Management Policies, particularly on growth areas within our core businesses and sustainability megatrends.

Meetings held in fiscal 2025: 7

Executive Function

Management Council

The Management Council meets to ascertain the operational status of each business unit, convey management information, and enable swift and agile decision-making as a mixed holding company. It deliberates on important matters concerning the Group's overall management that are not handled by the Board of Directors and carries out necessary approvals. The Management Council contains nine committees covering the entire Group, each of which carries out activities unique to its own mission in an agile manner.

Risk Management Committee

The Risk Management Committee deliberates on basic policies and key matters related to Group-wide risk management and crisis management, and oversees necessary responses. The committee promotes and manages Group-wide risk management during normal operations, and serves as the crisis management hub during contingencies. In addition, the committee monitors the development and operation of the risk management structure and works to ensure its continuous improvement.

Information Protection Committee

The Information Protection Committee administers and implements activities for the protection of personal information and management of trade secrets within the Group. In addition, the committee collaborates on projects involving the Risk Management Committee.

Global Sustainability Committee

The Global Sustainability Committee meets twice a year to formulate overall policies on sustainability and administer initiatives within the Group. The committee also monitors risks and opportunities in the external environment over the medium to long term for business continuity purposes (particularly with regard to environmental and social aspects) as well as governance practices concerning these.

Corporate Governance

Board of Directors' Effectiveness Assessment

In accordance with the Corporate Governance System Guidelines, the Company assesses, analyzes, and discusses the effectiveness of the Board of Directors every year based on self-evaluations carried out by each director, and examines and implements improvement measures in response to recognized issues. In addition, with the use of a third-party assessment institution, the Company is working to improve the assessment process by ensuring the neutrality and objectivity of responses and selecting evaluation items, among other ways.

In fiscal 2025, we conducted a quantitative assessment based on ongoing questionnaire surveys, and also collected, analyzed and assessed freeform opinions received through individual interviews.

Based on the analysis and assessment of the questionnaire survey, we used individual interviews to dig deeper into issues, shared relevant content at meetings of the Board of Directors, and then discussed the initiatives for the next fiscal year in an effort to achieve greater growth and evolution as an organization.

Method and Process of Assessment and Analysis

1. Implementation period

August 2025

2. Respondents

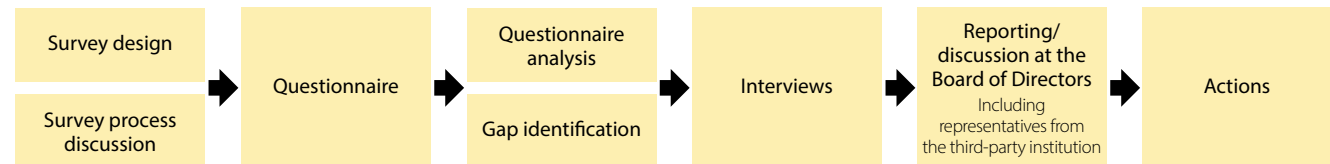
All 11 directors

3. Survey overview

I. Questionnaire survey: In addition to the quantitative assessment comprising 61 questions and questions regarding the importance and adequacy of each agenda topic, we compiled free response questions for a series of specific issues.

II. Interview survey: Specialized consultants from a third-party assessment institution conducted individual interviews lasting approximately one hour.

4. Process



Fiscal 2025 Assessment Results: Overview and Challenges to Address

While it was confirmed that the effectiveness of our Board of Directors is maintained at a certain level, it has become clear that challenges remain regarding the quality of Board discussions, the composition of the Board, and committee operational structure.

Agenda topics	Specific challenges (excerpted)
1 Consensus-building on the roles of the Board of Directors	✓ Engage in ongoing discussions to establish a shared understanding of the roles the Board of Directors plays in enhancing corporate value ✓ Strengthening a supportive stance for risk-taking
2 Optimizing the composition of the Board of Directors	✓ Further examine the composition of the Board of Directors to address shortages or overlaps in expertise in specific fields and to ensure roles are appropriately balanced
3 Further enhancing discussions of the Board of Directors	✓ Increase opportunities for discussions on key agenda items such as growth strategies and human capital management ✓ Contribute to discussions with a greater focus on adding value ✓ Make improvements to Board operation
4 Further refining the operation of the Nominating and Compensation Committees	✓ Review committee composition and the roles of the chair to deepen discussions ✓ Establish appropriate discussion points and consider the necessary participants as appropriate
5 Timely and appropriate reporting and information provision by the executive side	✓ Strengthen information sharing regarding risk-related information in terms of both timeliness and appropriateness ✓ Expand information provision on the business environment necessary for strategic deliberations

Corporate Governance

Initiatives Based on the Effectiveness Assessment

	State of the Board of Directors	Improving quality of agenda-setting and discussions	Enhancing effectiveness of the Nominating and Compensation Committees	Operation and other matters
2025 initiatives	- Discussions to establish a shared understanding that the Board of Directors contributes to the sustainable enhancement of corporate value - Discussions for institutional design and Board composition that align with the roles of the Board of Directors	- Formulation of the annual agenda - Extension of discussion time for priority agenda items; having outside directors raise topics and engage in dialogue with key executives - Example themes: R&D, governance, sustainability, megatrends	- Review of matters and individuals referred to or entrusted to the Nominating and Compensation Committees - Update of the structure and elements of the skills matrix - Fundamental review of compensation design to strengthen incentives for enhancing corporate value	- Visualization of the implementation and reflection of outside directors' opinions and instructions, establishment of opportunities for regular reviews, and rich dialogue - Strengthening of information provision functions to convey material information in a timely and appropriate manner - Effectiveness assessments by a third party
	2025 assessment and findings - Consensus-building is needed regarding the roles of the Board of Directors - Shift to a Board composition that compensates for lacking experience and roles - Preferable to move toward a structure supportive of risk-taking	- Some agenda items are of high importance and require more time and discussion - Strengthen a mindset of contributing to discussions	- Need to review committee composition and roles of the chair - Important to have appropriate operation aligned with discussions	- Need to strengthen the functions and frameworks for timely and appropriate sharing of risk information - Need to enhance information necessary for strategic deliberations
↓ ↓ ↓ ↓				
2026 initiatives	- Clarification of the roles of the Board of Directors and implementation of changes to regulations and operation - Holding of Executive Sessions attended solely by outside directors, aiming to build a system that leverages their expertise and supports risk-taking	- Further strengthening of discussions on topics rated as high priority, such as the business portfolio, growth strategies, and human capital management - Flexible off-site meetings and working groups to serve as forums for in-depth examination and thorough discussion of management issues, improving the quality of decision-making	- Strengthening of collaboration between the committee chair and office to facilitate more in-depth discussions under the new structure - Ensuring appropriate reporting and exchange of opinions from the Nominating Committee and Compensation Committee to the Board of Directors	- Ongoing effectiveness assessments by an external institution to monitor performance connected to changes in the Board and management structure and to track progress in resolving challenges - Strengthening of Board of Directors Office functions to ensure efficient operation of the Board

Corporate Governance

Initiatives for the CEO Succession Plan and the Development of Management Human Resources

The Nominating Committee consists of five members, four of which are independent outside directors. This committee conducts deliberations and discussions with due regard for objectivity, rationality, and transparency, and submits its recommendations to the Board of Directors.

(1) CEO succession plan

Since shortly after the current president took office, we have prioritized successor development as a task of utmost importance, formulating and managing the implementation of a plan targeting both internal and external candidates. In 2025, based on our Management Philosophy and Group Medium- to Long-Term Growth Strategy, we redefined the requirements for the president. Specifically, we created a roadmap for the selection process, clearly establishing phases for selection, evaluation, development, and shortlisting. Furthermore, utilizing third-party assessment institutions and other methods, the Nominating Committee regularly reviews progress and reports to the Board of Directors.

(2) Systematic and enhanced development of management human resources

Under our defined management human resource requirements, we are working to systematize and enhance our programs for developing these human resources. In addition to candidates for CEO succession, we monitor the progress of plans for candidates who would serve as directors and lead Group management, and discuss these matters twice a year at the Management Human Resource Strategy Council. The Nominating Committee continuously monitors the status of implementation in this area.

(3) Building a Board structure for carrying out strategies

To execute our Group Medium- to Long-Term Growth Strategy and ensure appropriate oversight, the Board of Directors has established the 2026 Director Skillset, which incorporates skills necessary for our strategy. We have identified the requirements necessary to demonstrate these skills and are reviewing our structure with a view to enhancing effectiveness. Through a series of interviews with the chair of the Nominating Committee and discussions within the committee, the committee selects candidates and recommends them to the Board of Directors. Furthermore, regarding the reappointment of the president and directors, the Board of Directors regularly confirms whether they meet the criteria established by the Nominating Committee.

Compensation for Board Members

The Company determines the amount of compensation paid to individual directors (excluding directors who are Audit & Supervisory Committee members) through the

Compensation Committee based on the resolution of the Board of Directors. At a meeting of the Board of Directors held on February 13, 2026, it was resolved to revise the Company's policy for determining the compensation of individual directors.

Basic Policy

- The basic compensation policy for directors of the Company (excluding directors who are Audit & Supervisory Committee members) is to employ a system under which compensation is linked to business performance and medium- to long-term corporate value, accomplished by combining monetary compensation and Company stock compensation for the purpose of contributing to the sustainable growth of the Company. Individual compensation is set at a level appropriate to the responsibilities of each director.
- Compensation for executive directors shall comprise monetary compensation and Company stock compensation.
- Monetary compensation shall comprise (1) basic salary (fixed compensation) and (2) performance-linked compensation within the maximum amount of compensation approved by the General Meeting of Shareholders.
- Company stock compensation shall basically comprise a performance-linked stock-based compensation system.
- Outside directors shall be paid a basic salary only.

Objectives

- Compensation for officers is primarily designed to be linked to and provide motivation for the achievement of medium- to long-term management visions and plans and the enhancement of shareholder value.
- Performance-linked compensation is designed to link compensation to the steady achievement of short-term management plans, while performance-linked stock-based compensation is designed to link compensation to the achievement of medium- to long-term management plans and the enhancement of corporate and shareholder value.

Determination of Compensation

- Decisions regarding the compensation paid to each director are delegated to the Compensation Committee.
- A majority of the Compensation Committee's members, and its chair, are independent outside directors.

Composition of Compensation

The ratio of fixed compensation to performance-linked compensation to performance-linked stock-based compensation is set at 100:45:45 for the president and representative director, and 100:35:35 for directors other than the president and representative director, assuming that performance targets are met at the standard level (100% of the plan).

Fixed compensation

This fixed monetary compensation is provided monthly; its amount is determined by a comprehensive assessment of the roles and responsibilities involved, taking into account industry standards and in consideration of both the Company's vision and scale of operations.

Performance-linked compensation

This performance-linked monetary compensation is paid based on performance of duties in the previous fiscal year, paid in a lump sum every April. It is calculated based on the degree to which targets such as EBITDA and ROE are achieved in each fiscal year, as well as the results of individual performance evaluations.

Performance-linked stock-based compensation

This is performance-linked stock-based compensation under which each director will be granted a number of shares of the Company corresponding to the number of points granted after their retirement. Points are calculated by position based on the degree of achievement against evaluation indicators for contribution to the improvement of corporate value over the medium to long term (such as EPS, ESG indicators, and employee engagement). Details are stipulated separately in the officer stock benefit rules.

President and Representative Director	Fixed compensation (100%)			Performance-linked compensation/Monetary (45%)	Performance-linked stock-based compensation/Stock (45%)
	At full target achievement			Performance-linked compensation/Monetary (approximately 80%)	Performance-linked stock-based compensation/Stock (approximately 80%)
Other directors	Fixed compensation (100%)			Performance-linked compensation/Monetary (35%)	Performance-linked stock-based compensation/Stock (35%)
	At full target achievement			Performance-linked compensation/Monetary (approximately 60%)	Performance-linked stock-based compensation/Stock (approximately 60%)

Note: The ratios above show each compensation component relative to fixed compensation, which is indexed to 100%.

Corporate Governance

Evaluation Criteria and Results for Performance-Linked Compensation and Performance-Linked Stock-Based Compensation for Fiscal 2025

Classification	Indicator*1		Results*2
Performance-linked compensation	ROE (vs. plan)	Level of achievement of results versus targets in each business year	Results: 9.4% Plan: 5.5%
	EBITDA (vs. plan)	Level of achievement of results versus targets in each business year	Results: ¥53.9 billion Plan: ¥46.7 billion
Performance-linked stock-based compensation	Medium- to long-term financial target	ROE Evaluation based on annual evaluation criteria versus the target in the Medium-Term Management Plan (8%)	FY2025 results: 9.4%
	ESG indicators	1. FTSE Russell ESG Score*3 2. MSCI ESG Rating*3 3. Reduction of greenhouse gas emissions (Scopes 1 and 2) Establishment of annual evaluation criteria for scores and ratings of each indicator	FY2025 results 1. 3.4 2. AA 3. 23.3% reduction vs. 2022
	Employee engagement	Work engagement*4 Establishment of annual evaluation criteria using results from external institution surveys	FY2025 results: A
	Individual evaluations	Performance of each officer	Determined by the Compensation Committee based on the evaluation indicators of each individual

*1 The Company chose these indicators because it aims to contribute to the sustainable growth of the Company by making performance-linked compensation based on the results of the performance of duties in each fiscal year and performance-linked stock-based compensation linked to the Company's medium- to long-term corporate value.

*2 Plan and results before the Real Estate Business was classified under discontinued operations

*3 Scores and ratings by international external evaluation agencies that collect, analyze, and evaluate ESG-related information of companies

*4 A state in which employees have positive feelings about their work and feel fulfilled

Compensation Amounts for Board Members in Fiscal 2025

Officer classification	Total amount of compensation, etc. (Millions of yen)	Total amount of compensation, etc. by type (Millions of yen)			Number of eligible officers (People)
		Basic salary	Performance-linked compensation	Performance-linked stock-based compensation	
Directors (excluding directors who are Audit & Supervisory Committee members) (of which, outside directors)	299 (66)	196 (66)	79 (-)	24 (-)	9 (5)
Directors (including directors who are Audit & Supervisory Committee members) (of which, outside directors)	58 (29)	58 (29)	- (-)	- (-)	3 (2)
Total (of which, outside officers)	357 (95)	253 (95)	79 (-)	24 (-)	12 (7)

(Notes) 1. As of the end of the fiscal year under review, the Company had eight directors (excluding directors who are Audit & Supervisory Committee members) and three directors who are Audit & Supervisory Committee members.

2. The above figures include one director who retired during the fiscal year under review.

3. The amounts paid to directors do not include the employee salary portion of compensation for directors who also serve as employees.

4. The total amounts for performance-linked compensation and performance-linked stock-based compensation shown here represent the amounts expensed in fiscal 2025 in accordance with Japanese generally accepted accounting principles (J-GAAP).

Individuals with Total Compensation of 100 Million Yen or More

Name	Total amount of compensation, etc. (Millions of yen)	Officer classification	Company classification	Total amount of compensation, etc. by type (Millions of yen)		
				Fixed compensation	Performance-linked compensation	Performance-linked stock-based compensation
Hiroshi Tokimatsu	107	Director	Sapporo Holdings	45	36	11
		Director	Pokka Sapporo Food & Beverage	9	7	-

Internal Audits

The Internal Audit Department, an internal auditing organization independent of the executive chain of command, receives instructions from the representative director or the Audit & Supervisory Committee and audits all operations of the Company and its subsidiaries regarding compliance with laws, the Company's Articles of Incorporation, and internal regulations, enabling dual reporting. Moreover, when performing duties assigned by the Audit & Supervisory Committee, employees of the Internal Audit Department are required to follow the instructions and orders of the committee exclusively.

Upgrading Internal Control Systems

To ensure thorough implementation of the basic policies decided by the Board of Directors and carry out ongoing development and strengthening of systems across the entire Group, the Board of Directors formulated the Guidelines on the Construction of Internal Control Systems at Sapporo Group outlining specific matters in relation to internal control systems at the Group and promotes specific actions with the officer in charge responsible.

Corporate Governance

Organizational Culture Reform

Policy on Cross-Shareholdings

The Company strategically holds the shares of other companies in situations where it judges that this will contribute to the medium- to long-term enhancement of corporate value from the standpoint of facilitating business continuity and increasing profits by strengthening commercial relationships. The Company determines whether to hold individual cross-shareholdings every year based on verification by the Board of Directors following Company rules. With regard to the benefits and risks associated with cross-shareholdings, the Company comprehensively judges 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 reduces its holdings of those listed company stocks it has decided to sell.

Based on the policies of the Medium-Term Management Plan, the Company is steadily working to reduce its cross-shareholdings. In fiscal 2025, the Company sold shares worth 9,056 million yen. As a result, the ratio of the book value of shares held to the total equity attributable to owners of the parent was 14%.

For fiscal 2026, our original target was to reduce the ratio of the book value of shares held to the total equity attributable to owners of parent to less than 10%. However, due to the planned injection of external capital into our Real Estate Business during this period, total equity attributable to owners of parent is expected to increase. Therefore, taking these factors into comprehensive consideration, we have revised the target ratio to less than 5%.

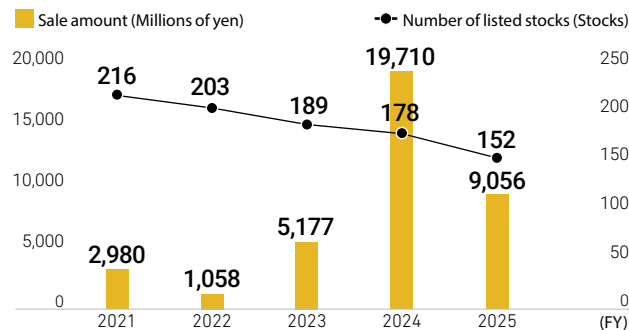
Going forward, we will continue to reduce our cross-shareholdings and strive to improve capital efficiency.

* The Company records the book value of shares held with market value based on market value.

Number of Listed Stocks, Amount Recorded on Balance Sheet, and Total Equity Attributable to Owners of Parent

Item	Unit	FY2022	FY2023	FY2024	FY2025	FY2026 (Target)
Number of listed stocks	Listed stocks	203	189	178	152	—
Amount recorded on balance sheet (a)	Millions of yen	47,047	48,375	31,902	31,402	—
Total equity attributable to owners of parent (b)	Millions of yen	166,310	182,315	196,030	218,862	—
Ratio (a÷b)	%	28	27	16	14	Less than 5

Sale Amount and Number of Listed Stocks



Exercise of Voting Rights Pertaining to Cross-Shareholdings

In the exercise of voting rights pertaining to cross-shareholdings, the Company will comprehensively weigh the pros and cons from a medium- and long-term perspective, taking into consideration the Company's strategic holding policy and the common interests of the

shareholders involved in investments. Regarding the contents of agenda and other issues pertaining thereto, the Company will, whenever necessary, have dialogues with the investee companies.

Promoting Compliance

The Group has set out the Sapporo Group Code of Conduct, and the Sapporo Group Standards of Conduct based on the same, to provide a solid set of ethical guidelines to direct the conduct of all executives and employees. The Risk Management Committee promotes compliance measures within the Group through meetings of its subcommittees, with the General Affairs Department serving as the secretariat. In addition, the Internal Audit Department, which is an internal auditing body that is independent of the executive chain of command, audits the general business operations of Sapporo Breweries and its subsidiaries to ensure compliance with laws and regulations, the Company's Articles of Incorporation, and internal rules.

Internal Reporting System

The Company established the Sapporo Group Corporate Ethics Hotline for the prevention and early detection of misconduct within the Group and for fostering high ethical standards. This is a system that allows Group employees to report misconduct and ethical violations with peace of mind. The anonymity and confidentiality of whistleblowers are thoroughly maintained, and consideration is taken to ensure that whistleblowers are not treated unfavorably. In addition, as a means of whistleblowing, the Company has established a telephone contact point by an agency or an attorney, a dedicated e-mail address, and a written reporting channel. Whistleblowers can access any of these channels to submit a report according to their own circumstances and convenience.

Risk Management

Basic Approach to Risk Management

The Sapporo Group defines risk as uncertainty that would affect the operation of our organization and works to prevent the occurrence of various management risks that affect the Group, while also working to minimize losses by swiftly implementing appropriate risk countermeasures against emerging risks with significant impact on corporate activities. This is done to ensure that our businesses can be maintained and evolved on an ongoing basis, and to secure society's trust. In addition, we manage and respond to risks appropriately while considering threats and opportunities that significantly influence corporate activities.

Risk Management Structure

The Sapporo Group has introduced enterprise risk management (ERM) to enhance the effectiveness of its risk management. To achieve the goals of the Group's Medium- to Long-Term Growth Strategy, we have established and operate an appropriate risk management structure, one that includes the identification of management risks across the Group, the identification of important risks that could impede the execution of strategies and the achievement of management targets, the assessment of these risks based on their degree of impact and likelihood of occurrence, the formulation of action plans, and the implementation and monitoring of measures to mitigate risk.

The Risk Management Committee, chaired by the director in charge of risk management, is an advisory body to the Management Council. It comprises relevant officers and other stakeholders and is responsible for the centralized management of important risks that could have a significant impact on the Group's business activities. It is also responsible for the overall administration of risk management activities, including the formulation of the Group's risk management policies, the collection of risk information, and actions to

mitigate risk, as well as providing necessary instructions and support to Group companies. In addition, the committee's subcommittees work with risk management departments within major Group companies to advance initiatives for important risks to the Group and each company and monitor their progress. These initiatives and important risks to the Group are checked at the Company's Management Council and reported to the Board of Directors, which supervises the effectiveness of risk management through these reports.

For risks related to sustainability, the Risk Management Committee manages risks in collaboration with the Global Sustainability Committee.

Risk Management Structural Diagram



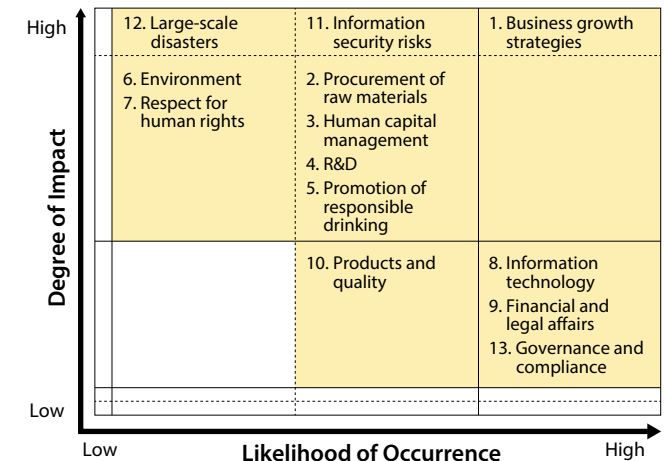
Important Group Risks

The following are the main risks that the Sapporo Group's management recognizes as having the potential to have significant impact on decisions by investors. Each risk is comprehensively assessed to identify those that have a significant impact on the Group from both a quantitative and qualitative perspective given factors such as the external environment and based on internally established metrics. Each assessed risk is classified by the degree of impact and likelihood of occurrence, each on a scale of "high," "moderate," and "low," and those risks that rate as "moderate" in both perspectives are considered important risks. Important risks are also classified into "management strategy risks" and "operational risks" and managed accordingly. Note that the following risk heat map is not exhaustive, and there is a possibility that the Group may be affected by risks other than those listed in the future.

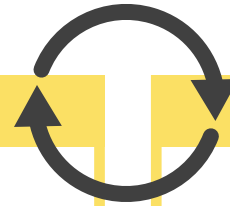
Matters concerning the Sapporo Group's important risks are those determined by the Group as of the end of fiscal 2025.

For details regarding important risks, please visit our website.
<https://www.sapporobreweries.com/en/who-we-are/governance/riskmanagement/>

Heat Map of Important Group Risks



Dialogue with Investors and the Cycle of Feedback to Management



Dialogue with Investors

Through active dialogue with our shareholders and investors, we promote the disclosure of management information and incorporate feedback from the capital markets into our management decisions.

Track Record

Initiatives	FY2025	Main representatives
Financial results briefing for institutional investors and securities analysts	4 times	President, director in charge of IR/SR
Business strategy briefings (Real Estate Business)	1 time	President, directors in charge
Individual dialogue with institutional investors and securities analysts	151 times	President, director in charge of IR/SR
Small meetings with the president	1 time	President, directors in charge
Conferences sponsored by securities firms	2 times	Director in charge of IR/SR
Individual dialogue with institutional investor proxy voting officers, etc.	31 times	President, outside directors, director in charge of IR/SR

Sharing with Management, etc.

Requests and suggestions obtained through dialogue with shareholders and investors are reflected in corporate management through periodic feedback to management and discussion at meetings of the Board of Directors and other meetings.

Track Record

Report on market reaction and investor feedback following financial results announcement to the Board of Directors and meetings of executives	12 times a year
Provide feedback on the content of quarterly dialogues to the Company and operating companies	4 times a year
Provide feedback on the content of quarterly dialogues to the corporate planning departments of operating companies	22 times a year

Requests and Suggestions from Shareholders/Investors

Injection of external capital into Real Estate Business	- An explanation was requested regarding how the best possible decisions are made through appropriate processes under the supervision of outside directors with expertise in capital markets and real estate. - With respect to injecting external capital into the Real Estate Business, information disclosure was requested so that shareholders can verify, after the fact, the appropriateness of the review process leading to the selection of potential partners.
Cash allocation and growth strategy for the Alcoholic Beverages Business	- It was requested that the Board of Directors prioritize growth investments aligned with its medium- to long-term strategies and consider flexible shareholder returns if such opportunities are not available for a certain period. - It was requested that the Company clearly present its vision, in addition to its medium- to long-term strategies that anticipate the contraction of the market in Japan. - It was requested that the Board of Directors thoroughly discuss the formulation of strategies that lead to the maximization of corporate value, rather than focusing solely on improving capital efficiency.
Governance structure	- Given that improving profitability is the Company's top priority, clarification was requested regarding whether the Board of Directors is optimally structured to achieve this goal, and regarding up-to-date status of discussions regarding the Board's skill set required over the next five years. - It was suggested that, although officer compensation has improved over time, the proportion of fixed compensation still seems high, and that it may be better for the Board of Directors to place greater emphasis on share price in its management oversight.

Key Takeaways and Outcomes for the Sapporo Group

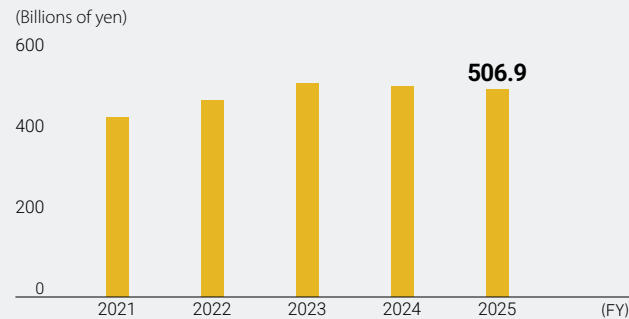
- To maximize shareholder value and achieve sustainable growth for the real estate operating company, we selected the optimal partner while maintaining a competitive environment among candidates until the final stage, and have disclosed the review process leading to that decision in detail. Initiatives by the Board of Directors - In addition to the Board of Directors, we established a system in which outside directors with relevant expertise can fully exercise their supervisory functions by participating in the entire process through intensive discussions both in subcommittees and with all involved parties.
- The Company disclosed a policy to allocate funds obtained through the injection of external capital into the Real Estate Business in a balanced manner toward strategic growth investments in the Alcoholic Beverages Business, maintaining and improving financial soundness by repaying liabilities related to the Real Estate Business, and shareholder returns—including dividends and share buybacks. - We have begun formulating a unique new medium-term management plan for the Company, centered on the Alcoholic Beverages Business and built on two pillars: providing value-driven experiences by leveraging customer touchpoints such as the Restaurants Business ("Bonds with Community"), and promoting health and functional benefits through the use of our core strength—lemons ("Healthier Choice"). Initiatives by the Board of Directors - We have begun discussions toward formulating a new medium-term management plan starting in fiscal 2027. In addition to discussions at Board of Directors meetings, we have held several intensive sessions focused on business challenges, growth strategies, and financial, human resources, and digital transformation (DX) strategies.
- Under a Board structure where independent outside directors constitute a majority, we actively utilized not only the Board of Directors itself but also intensive discussions and committees composed solely of outside directors to enrich our deliberations. Furthermore, independent outside directors participated in dialogues with institutional investors, creating opportunities to directly gauge the views of the capital markets. Initiatives by the Board of Directors - The Nominating Committee reviewed the skills matrix of the Board of Directors in light of future management strategies and challenges, and proceeded with the selection of new director candidates based on this matrix. - The Compensation Committee revised the compensation plan for directors to increase the proportion of performance-linked compensation. This revision was implemented with the dual objectives of strengthening appropriate incentive mechanisms to drive medium- to long-term performance improvement and corporate value growth, and sharing stock value with shareholders.

Financial Highlights

Figures are prepared based on IFRS.

Profitability

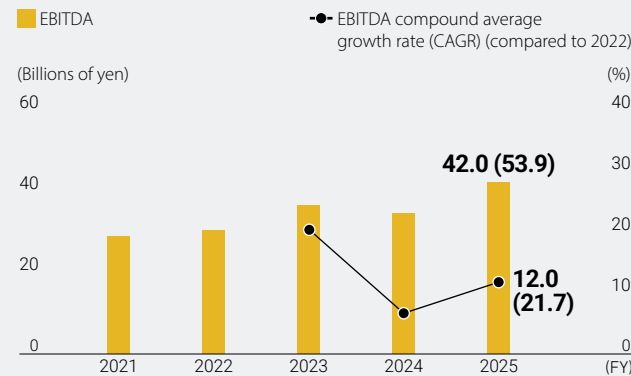
Revenue (Including Liquor Tax)*1



*1 Results for fiscal 2025 are presented reflecting the Real Estate Business's reclassification as discontinued operations; results for fiscal 2024, the comparison year, have been similarly restated.

Growth

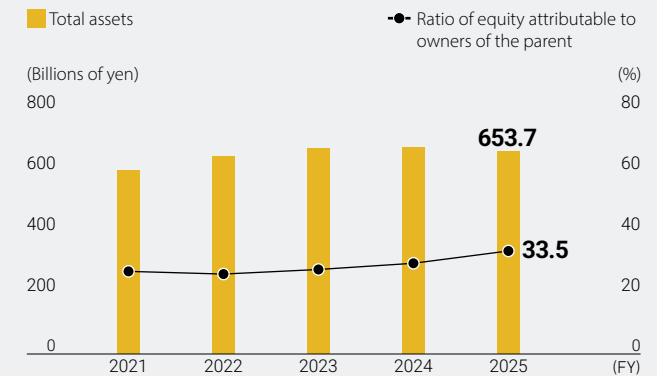
EBITDA / EBITDA Compound Average Growth Rate*4



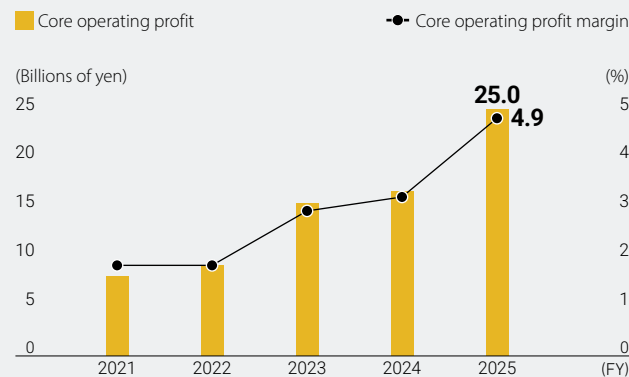
*4 Results for fiscal 2025 are presented reflecting the Real Estate Business's reclassification as discontinued operations; results for fiscal 2024, the comparison year, have been similarly restated. Amounts in parentheses show the figures before this reclassification for comparison with prior years.

Safety

Total Assets / Ratio of Equity Attributable to Owners of the Parent



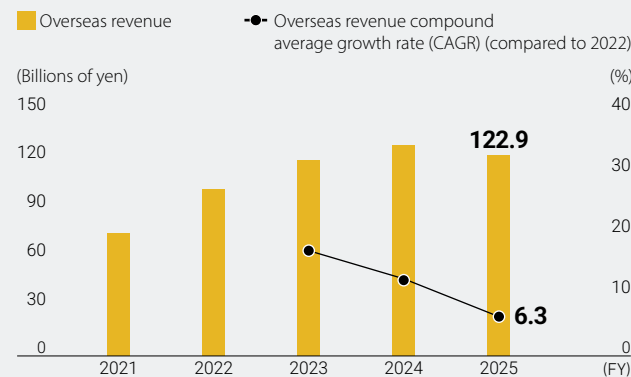
Core Operating Profit / Core Operating Profit Margin*2, 3



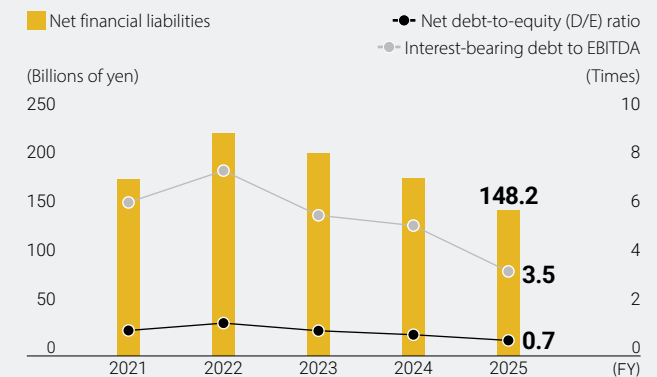
*2 Core operating profit margin is calculated as core operating profit ÷ revenue (including liquor tax).

*3 Results for fiscal 2025 are presented reflecting the Real Estate Business's reclassification as discontinued operations; results for fiscal 2024, the comparison year, have been similarly restated.

Overseas Revenue / Overseas Revenue Compound Average Growth Rate



Net Financial Liabilities*5 / Net Debt-to-Equity (D/E) Ratio*6 / Interest-Bearing Debt to EBITDA*7



*5 Including commercial paper but excluding the balance of lease obligations.

*6 Net financial liabilities (excluding lease liabilities) / Total equity attributable to owners of parent

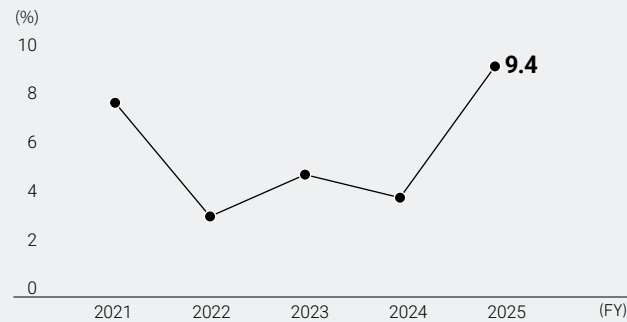
*7 Results for fiscal 2025 are presented reflecting the Real Estate Business's reclassification as discontinued operations; results for fiscal 2024, the comparison year, have been similarly restated.

Financial Highlights

Figures are prepared based on IFRS.

Capital efficiency

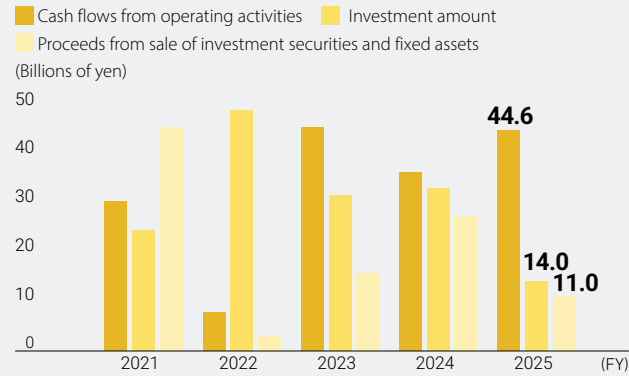
ROE*8



*8 ROE = Net income ÷ Equity capital × 100%

Cash flows from operating activities and investments

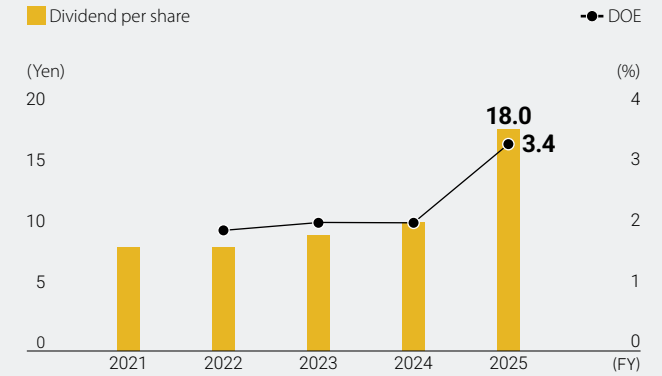
Cash Flows from Operating Activities / Investment Amount*9 / Proceeds from Sale of Investment Securities and Fixed Assets



*9 Investment amount is calculated as cash flows from investing activities + proceeds from sale of investment securities and proceeds from sale of investment property.

Shareholder returns

Dividend per Share / DOE*10,11

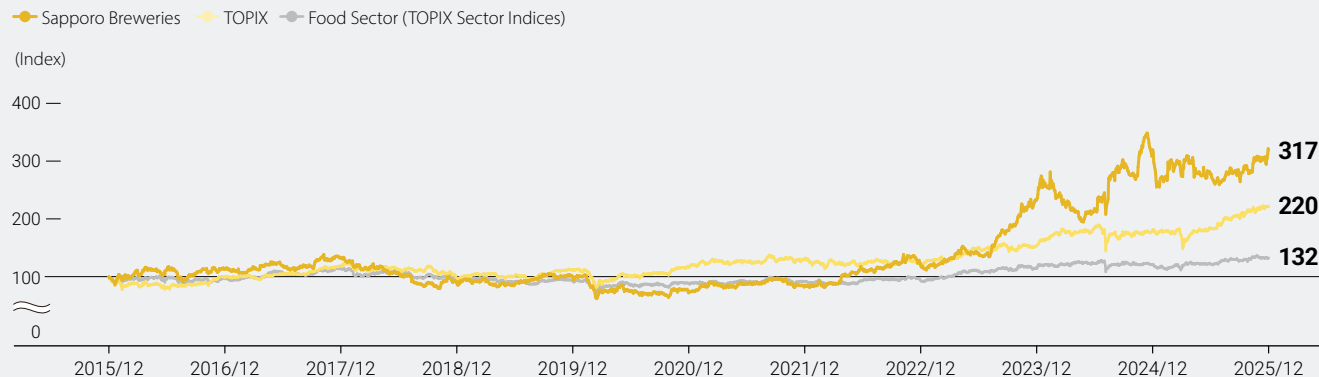


*10 Figures reflect the stock split (5-for-1) effective January 1, 2026. Past dividends are also shown as the equivalent amount per share after the split.

*11 DOE = Dividends paid / Total equity attributable to owners of parent (average of beginning and ending balances)

Share price performance

Trend in Share Price*12,13



*12 Stock price index assuming the closing price on December 31, 2015 as 100.

*13 Assuming a stock split with an effective date of December 31, 2025, has been carried out, share prices for prior years have been recalculated as if the stock split had occurred at the beginning of the earliest fiscal period presented.

Total Shareholder Return (TSR)*14

	Trailing 1 year	Trailing 3 years	Trailing 5 years	Trailing 10 years
Sapporo Breweries	102.4%	262.8%	439.2%	334.8%
TOPIX incl. dividends	125.5%	193.8%	213.2%	278.6%

*14 Return on investment if dividends are reinvested. Indicates the rate of return for the holding period retroactive to the closing price on December 31, 2025.

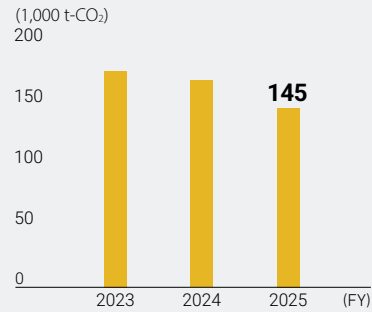
	2015/12		2025/12
Share price*15	532 yen	→	1,686 yen
PER	33.9 times	→	34.0 times
PBR	1.3 times	→	3.0 times

*15 Share prices shown reflect the stock split.

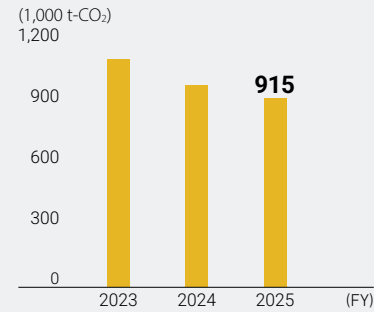
Non-Financial Highlights

Harmony with the environment

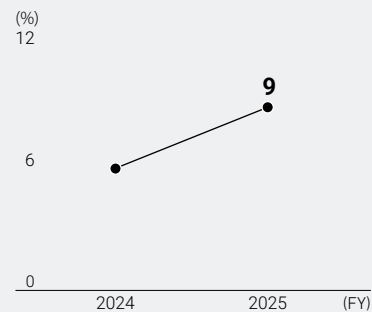
Greenhouse Gas Emission (Scope 1 and 2)



Greenhouse Gas Emission*¹ (Scope 3)



Reduction Rate of Water Use Intensity at the Long An Plant, Which Is Located in a High-Risk Water Area (Compared to 2023)

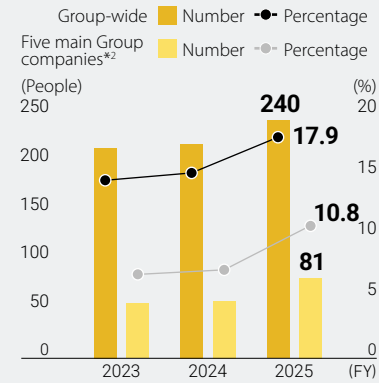


Recycled Material Usage Rate for Domestically Sold PET Products*⁴

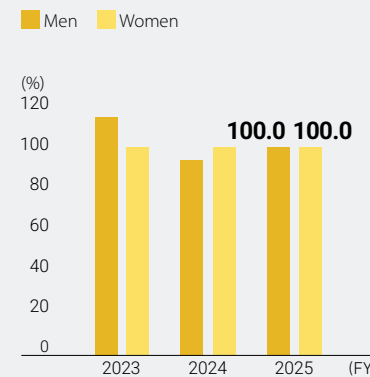
15% (FY2025)

- 2030 target: 50%
- Collaboration with local governments for horizontal PET bottle recycling
 - Awareness-raising activities for stakeholders

Number and Percentage of Women in Management Positions (Including Subsidiaries Outside of Japan)

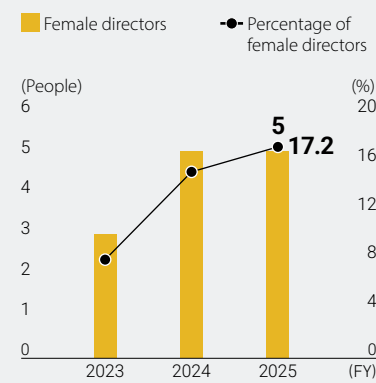


Proportion of Employees Taking Childcare Leave*⁵

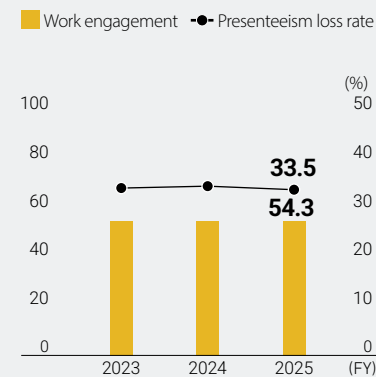


Active participation of human resources

Number and Percentage of Female Directors*³



Work Engagement*⁶ and Presenteeism Loss Rate*⁷



Co-prosperity with society

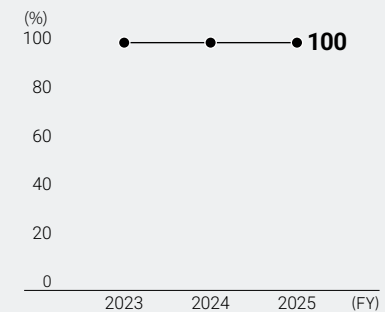
Number of Regional Revitalization Business Implemented

28

Targets for material issue

- Satisfaction level of local governments, suppliers and buyers in business matching: 75% or higher
- Results: 94%

Compliance Rate with the Sustainable Procurement Guidelines of Major Suppliers*⁸



*¹ Emissions reductions include the impact of changes in procurement structure. *² Major domestic companies: Sapporo Breweries, Pokka Sapporo Food & Beverage, Sapporo Lion, and other operating companies *³ Major domestic companies: Sapporo Breweries, Pokka Sapporo Food & Beverage, Sapporo Lion, and other operating companies *⁴ Pokka Sapporo Food & Beverage *⁵ (Calculation formula for the proportion of male employees taking childcare leave) Number of employees who took childcare leave, etc. in 2025 (Jan. 1 to Dec. 31) / Number of employees whose spouses gave birth within fiscal 2025 (actual results for 2025). Persons who took childcare leave: 79 persons. Persons who submitted birth notification: 79 persons *⁶ Work engagement represents the deviation value. Data covers 14 companies in Japan. *⁷ Major domestic companies: Sapporo Breweries, Pokka Sapporo Food & Beverage, Sapporo Lion, and other operating companies *⁸ Scope: Sapporo Breweries and Pokka Sapporo Food & Beverage

Financial and Non-Financial Data

The Sapporo Group has voluntarily applied International Financial Reporting Standards (IFRS), beginning in fiscal 2018. Figures have been rounded up or down to the nearest unit. Moreover, in fiscal 2019, Country Pure Foods, Inc. was classified under discontinued operations, thus discontinued operations are presented separately from continuing operations. Consequently, revenue, core operating profit, and profit before tax for fiscal 2019 are shown based on values for continuing operations, and fiscal 2018 figures have been adjusted retroactively for comparative purposes. In accordance with the reclassification of the Real Estate Business as discontinued operations for fiscal 2025, the figures for fiscal 2024 have been similarly restated.

(Millions of yen)

Financial Data	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	493,908	491,896	434,723	437,159	478,422	518,632	512,434	506,861
Revenue (excluding liquor tax)	370,796	371,100	328,583	331,191	364,240	400,770	394,635	391,057
Overseas revenue	74,246	71,232	65,520	74,487	102,228	119,642	128,477	122,884
Core operating profit* ¹	15,159	11,723	4,261	8,142	9,312	15,633	16,827	25,009
EBITDA* ²	39,751	35,971	27,351	28,639	29,879	36,029	34,059	41,955
Profit before tax	10,629	11,588	(19,364)	21,185	11,367	12,144	7,217	22,704
Profit attributable to owners of parent	8,521	4,356	(16,071)	12,331	5,450	8,724	7,714	19,498
Capital expenditures (cash basis)	23,036	29,912	16,109	21,241	22,326	28,923	36,957	13,176
Depreciation	24,591	24,248	23,089	20,496	20,567	20,395	22,009	16,947
Cash flows from operating activities	30,830	36,069	16,466	30,308	7,814	45,446	36,109	44,592
Cash flows from investing activities	(18,727)	(24,930)	(16,000)	20,729	(46,137)	(16,439)	(5,836)	(2,972)
Cash flows from financing activities	(14,521)	(5,984)	4,138	(53,080)	36,465	(27,140)	(25,372)	(42,274)
Core operating profit margin	3.1%	2.4%	1.0%	1.9%	1.9%	3.0%	3.3%	4.9%
Interest-bearing debt to EBITDA ratio (times)	5.5	5.9	8.1	6.3	7.6	5.7	5.3	3.5
Net debt-to-equity ratio (times)	1.3	1.2	1.5	1.1	1.4	1.1	0.9	0.7
Ratio of equity attributable to owners of the parent	25.2%	27.3%	24.3%	27.3%	26.0%	27.5%	29.5%	33.5%
ROE	5.1%	2.6%	(9.9%)	7.9%	3.3%	5.0%	4.1%	9.4%
Total assets	639,692	638,722	616,349	594,551	639,118	663,573	664,963	653,690
Total equity	164,735	174,524	149,551	163,327	167,201	183,248	197,157	220,117
Net financial liabilities* ³	218,358	212,126	221,534	180,730	226,513	205,399	180,972	148,228
Non-Financial Data								
Number of employees* ⁴ (people)	7,797	7,603	7,527	6,872	6,692	6,610	6,402	6,102
Greenhouse gas emissions (Scope 1 and 2) (1,000 t-CO ₂)	236	207	181	184	189	175	167	145
Greenhouse gas emissions (Scope 3) (1,000 t-CO ₂)	—	1,034	966	903	1,138* ⁷	1,105	979	915
Domestic Groupwide water use (1,000 m ³)	6,061	6,509	5,891	5,357	5,384	5,244	4,979	4,521
Percentage of women in management positions* ⁵	8.8%	8.7%	8.7%	9.7%	13.5%	14.4%	15.0%	17.9%
Percentage of male employees taking childcare leave* ⁶	61%	68%	78%	80%	81%	114%	93.7%	100.0%

*¹ Core operating profit is calculated as revenue – cost of sales – selling, general and administrative expenses. *² Under JGAAP, EBITDA is calculated as core operating profit + depreciation (excluding depreciation expenses on leased assets charged on the rent of restaurants). *³ Net financial liabilities include commercial paper, but do not include the balance of leased liabilities. *⁴ The number of employees is on a company-affiliated basis (including seconded employees from other companies) as of December 31 of each fiscal year. *⁵ Percentage of women in management positions at domestic and overseas Group companies. *⁶ Ratio of employees taking childcare leave (Sapporo Breweries). *⁷ Changed to a calculation method in 2024 compliant with SBT certification.



For other non-financial data, please refer to the URL on the right. <https://www.sapporobreweries.com/en/sustainability/esg/>

Corporate Data

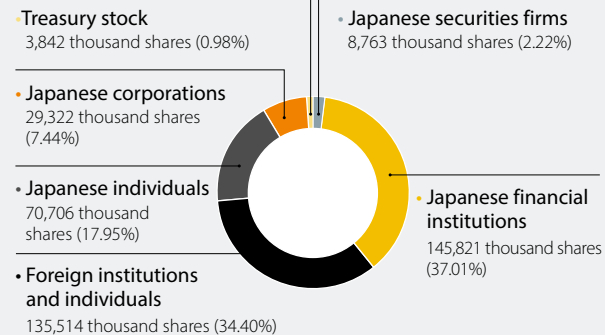
Corporate Information (As of July 1, 2026)

Company Name	Sapporo Breweries Ltd.
Business	Mixed holding company
Date of Establishment	September 1, 1949
Head Office	20-1, Ebisu 4-chome, Shibuya-ku, Tokyo 150-8522, Japan
Capital	¥53,887 million
Fiscal Year-End	December 31

Stock Information (As of June 30, 2026)

Total Number of Authorized Shares	1,000,000,000
Total Number of Issued Shares	393,971,490
Number of Shareholders	77,124
Stock Listings	Tokyo Stock Exchange, Prime Market Sapporo Securities Exchange (Securities Code: 2501)
Shareholder Register Manager	Mizuho Trust & Banking Co., Ltd.

Breakdown of Shareholders by Investor Type (As of June 30, 2026)



Major Shareholders (As of June 30, 2026)

Name of Shareholder	Number of Shares (Thousands)	Percentage (%)
STATE STREET BANK AND TRUST COMPANY 505018	65,744	16.85
The Master Trust Bank of Japan, Ltd. (Trust Account)	52,162	13.37
GOLDMAN, SACHS & CO. REG	19,210	4.92
Custody Bank of Japan, Ltd. (Trust Account)	15,325	3.93
Custody Bank of Japan, Ltd., as trustee for Mizuho Bank Ltd. Retirement Benet Trust Account re-entrusted by Mizuho Trust & Banking Co., Ltd.	12,212	3.13
3D OPPORTUNITY MASTER FUND	12,000	3.08
Nippon Life Insurance Company	11,186	2.87
Meiji Yasuda Life Insurance Company	11,184	2.87
The Norinchukin Bank	9,375	2.40
Custody Bank of Japan, Ltd., as retrustee for Mizuho Trust & Banking Co., Ltd. Retirement Benefit Trust Account (Mizuho Bank Account)	7,970	2.04

Notes: 1. Shareholding ratios are calculated after deduction of treasury stock (3,842,000). 2. The status of the above major shareholders is based on the shareholder register

Outside Evaluations (As of July 1, 2026)

Included in ESG indices



Selected for CDP's A List, the highest rating for climate change, water security, and supplier engagement

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"2026 Outstanding Organizations of KENKO Investment for Health"
A total of seven companies recognized*1, including three in the large enterprise category and four in the SME category
Two companies were selected again for White 500, two were selected for the first time for Bright 500, and one was selected again for Next Bright 1000

Two companies acquired "Platinum Kurumin" certification*2

*1 White 500: Sapporo Breweries and Pokka Sapporo Food & Beverage; Bright 500: Sapporo Field Marketing and Iwata Pokka Foods; Next Bright 1000: Yasuma; and Health & Productivity Management Outstanding Organization: Sapporo Lion and Sapporo Group Logistics

*2 In 2026, Sapporo Breweries acquired its ninth consecutive certification; Pokka Sapporo Food & Beverage acquired its first certification

*3 Pokka Sapporo Food & Beverage

*4 Sapporo Breweries

Certified as an "Eruboshi" (Level 2) Enterprise Promoting the Success of Women*3

Awarded the PRIDE Index 2025 Gold award by work with Pride*4

Selected as a Next Nadeshiko: Companies Supporting Dual-career and Co-parenting for two consecutive years*4





SAPPORO BREWERIES LTD.

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<https://www.sapporobreweries.com/en/>