

Asahi Group Statement under the UK Modern Slavery Act 2015 in respect to Fiscal 2016

Asahi Group Holdings, Ltd. hereby releases this statement under Section 54(1) of the UK Modern Slavery Act 2015 for the fiscal year 2016 after obtaining approval of the Board of Directors of Asahi Group Holdings, Ltd.

1. Business and Supply Chain

Under the group-wide corporate philosophy of “The Asahi Group aims to satisfy its customers with the highest levels of quality and integrity, while contributing to the promotion of healthy living and the enrichment of society worldwide”, the Asahi Group conducts business activities in the “Alcoholic Beverages”, “Soft Drinks” and “Foods” segments and the “International Operations” of such segments, under the command of Asahi Group Holdings, Ltd., a pure holding company.

The Asahi Group consists of over 270 companies worldwide, including consolidated subsidiaries and affiliated companies located mainly in Japan including Asahi Breweries, Ltd., Asahi Europe Ltd and Asahi UK Ltd, which have a business base in the U.K. The total number of employees exceeds 23,000. (As of December 31, 2016)

For more information on the Asahi Group, please visit the following website:

<http://www.asahigroup-holdings.com/en/whoweare/>

The Asahi Group considers suppliers in its supply chains as partners towards realization of our corporate philosophy. The Asahi Group is committed to establishing a strong relationship of trust and long-term relationship of cooperation with its suppliers, promoting initiatives for the environment and social responsibilities and developing a relationship that drives growth.

2. Policy on Human Rights

The Asahi Group has established the Asahi Group’s Corporate Action Guidelines based on its corporate philosophy and operates on the principle of winning customers’ trust through corporate behavior that is based on respect for sound and fair ethics, having a global vision and striving to follow international standards for corporate behavior. To ensure that those guidelines are implemented consistently across the Asahi Group, it has also established the Asahi Group Corporate Ethics Regulations and the Asahi Group Corporate Ethics Guidelines.

Regarding human rights, the Asahi Group Corporate Ethics Guidelines provide for a clause of respect for human rights to uphold the principle of Respecting Human Rights and Diversity. The clause is based on international standards, such as the Universal Declaration of Human Rights and the United Nations Guiding Principles on Business and Human Rights, ILO Declarations and the ILO International Labour Standards. In addition, the Asahi Group acts and will continue to act by reference to the OECD Guidelines for Multinational Enterprises, the Children’s Rights and Business Principles and ISO26000.

In line with the Asahi Group Corporate Ethics Guidelines, the Group Key HR principles applicable within the Asahi Group have also been in place. In those principles as well, with regard to human rights, it is clearly stated that every Asahi Group employee's character, individuality and rights are to be respected.

In regards to supply chains, the Asahi Group has established the Asahi Group Basic Procurement Policies to meet all applicable laws and regulations and social norms and ensure thorough compliance with the principle of conducting activities with high ethical standards. Furthermore, the Asahi Group has established the CSR Principles for Asahi Group Suppliers requiring its business partners to ensure that their working environments are safe and sanitary, eliminate forced labor as well as discrimination and to effectively abolish child labor.

Additionally, the Asahi Group supports the United Nations Global Compact. In regards to human rights, the Compact states that "Businesses should support and respect the protection of internationally proclaimed human rights" and "make sure that they are not complicit in human rights abuses." The Asahi Group signed the Compact in June 2002 and is committed to comply with it.

3. Due Diligence

To ensure appropriateness of business activities within the Asahi Group, it has developed compliance and risk control frameworks and other internal control systems for all companies within the entire Asahi Group, for which the Representative Directors have ultimate responsibility. The state of operation of these internal control systems is ascertained and evaluated through direct or indirect audits in the group companies. Effects of "modern slavery" and other risks on human rights will be evaluated under the systems.

The Asahi Group will perform monitoring of its supply chain as described later, and will start transactions with a new supplier only after entering into a business contract with it based on the CSR Principles for Asahi Group Suppliers. The Asahi Group is putting effort into realizing the CSR Principles for Asahi Group Suppliers, and considers that such realization will lead to the prevention of modern slavery in its supply chains.

4. Evaluation and Control of Risks

At the Asahi Group, risks are evaluated and controlled by the Risk Management Committee established in accordance with the Asahi Group Risk Management Regulations, which are risk control standards given top priority within the internal control systems of the Asahi Group. This Committee consists of the directors, the general manager of the General Affairs and Legal Affairs Section and other persons who were appointed separately by the Committee. Modern slavery and other risks to human rights will be evaluated and controlled under this framework.

Additionally, in accordance with the Basic Policies for Establishing an Internal Control System that were formulated by the Board of Directors, the Asahi Group has established the Clean Line System, an internal reporting system for employees that enables them to blow the whistle on illicit behavior. By keeping in place the Clean Line System, the Asahi Group detects and resolves risk problems early, and effectively prevents risk problems themselves from occurring. The Asahi Group Corporate Ethics

Regulations guarantee confidentiality in relation to notifications made and stipulate that persons making a notification will not be treated in a detrimental manner.

With its zero tolerance policy for modern slavery, the Asahi Group will continue its internal control systems, enhance measures to evaluate and control risks to human rights including modern slavery within the Asahi Group and its supply chains in order to realize a society without modern slavery.

5. Monitoring Framework

The Asahi Group regularly surveys the compliance status of the Asahi Group's Corporate Action Guidelines. Receiving the report on the survey analysis, the Board of Directors reviews whether a corporate culture that respects the intent and spirit of the guidelines has been promoted.

In addition, at the Asahi Group, an anonymous survey has been conducted once per year for the Asahi Group companies in Japan. This survey is conducted on the state of dissemination and utilization of systems and tools for compliance, the details of compliance issues that employees actually observe, and other matters.

The Asahi Group has established a reporting and response system for issues related to human rights, which includes a consultation service section in the Human Resources department of each group company as well as the General Affairs department at business units to deal with such issues.

In the course of monitoring the situation within the Asahi Group, it has not received any information concerning any issue of child labor or forced labor. Particularly at any business base in which an issue is deemed likely to occur, each group company adopts a framework to conduct self-imposed checks for each relevant business base.

As for a supply chain monitoring framework, suppliers conduct self-evaluation and Supplier CSR Surveys have been carried out. Follow-up measures based on the results of CSR Surveys feature direct visits to suppliers to ascertain on-site situations. The Asahi Group considers that these monitoring activities will raise awareness and deepen the understanding of human rights among its suppliers.

6. Education and Training

The Asahi Group implements training for new employees on compliance so that they are familiarized with and fully comply with the Asahi Group Corporate Ethics Regulations and the Asahi Group Corporate Ethics Guidelines. Furthermore, persons in charge of compliance and risk control promotion are appointed at each group company and awareness-raising activities for compliance are being promoted by providing education and training according to the job categories.

In addition, the Asahi Group has placed great importance on the sharing of risk information and actively uses various events that occurred within and outside of the Asahi Group. We provide this information as required to various people, including new employees, people in charge of promotion, and executives via internal documents or other means.

As part of procurement activities, the Asahi Group holds group-wide procurement meetings regularly

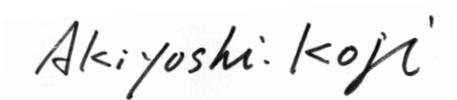
to disseminate, and ensure full compliance with, the Asahi Group Basic Procurement Policies and the CSR Principles for Asahi Group Suppliers.

This statement detailed above has been approved by the Board of Directors of Asahi Group Holdings, Ltd. on 30 June 2017.

As for Asahi Breweries, Ltd. as well, which is its subsidiary that belongs to Asahi Group and takes a role of announcing the statement under the UK Modern Slavery Act 2015, the Board of Directors will approve this statement and the procedure for directors to affix their signatures will be completed.

In addition, as for Asahi Europe Ltd and Asahi UK Ltd which have been members of the Asahi Group since October 2016 and take a role of announcing the statement under the UK Modern Slavery Act 2015, their respective Board of Directors will take procedures to officially announce their statement of the companies based on the Act.

30 June 2017

A handwritten signature in black ink that reads "Akiyoshi Koji". The signature is written in a cursive, slightly slanted style.

Akiyoshi Koji
President and Representative Director, COO
Asahi Group Holdings, Ltd.