

Novel Coronavirus Response and CEO Message

The Novel Coronavirus (COVID-19) pandemic continues to spread around the world, with no end yet in sight. We would like to express our deepest sympathies to all those who have become infected and to their families. We would also like to express our sincerest gratitude to the healthcare professionals and others who are on the frontline of this battle day and night.

The Asahi Group has established a Novel Coronavirus Emergency Task Force headed by Representative Director and CEO Akiyoshi Koji. The task force is gathering information such as the virus's impact on employee safety, our supply chain and business performance. Based on this information, the Task Force is working rapidly to make decisions and implement appropriate countermeasures. All members of the Asahi Group are working together to overcome the difficult challenge presented by the current emergency situation and all members have shown extraordinary effort, discipline and morale in dealing with the disruption as outlined below, to fulfil our responsibilities to all stakeholders, in accordance with the Asahi Group Philosophy.

1. Fulfilling our responsibilities to stakeholders

◆ Support for employees

The health and safety of Group employees and their families is our top priority. As a general rule, Group employees around the world are now working from home in compliance with requests from their respective country's governments. Employees working in production and logistics and other functions that are crucial to the fulfilment of our responsibilities as a product supplier are continuing with their on-site work duties while thoroughly observing hygiene protocols and maintaining a safe working environment. Even if the negative impact on our business results is worsened by prolongation of this pandemic, we will remain committed to protecting employees as our top priority during the crisis, and we are communicating to all the Asahi Group companies around the world our policy of taking possible measures to preserve employment as far as possible and provide appropriate support. We will continue to monitor the situation and review impacts on a periodic basis.

◆ Responding to consumer needs

To fulfil our responsibility to supply the many consumers who have favoured us with their patronage of the Asahi Group's alcohol beverages, soft drinks, and food products, we are continuing to produce these products at our plants in all region of the world. We will also continue to fulfil our mission to "Deliver on our great taste promise and bring more fun to life" by responding in an appropriate manner to the circumstances in each of the countries where we manufacture and sell our products. This includes offerings to deal with such business environment changes as the decline in demand for on-premise

consumption and the increase in demand for products for home use. We will also focus product development on consumer needs in the midst and post-pandemic world.

◆ Support for customers and business partners

Fulfilling our responsibilities as a supplier requires not only the efforts of the Asahi Group employees but also the cooperation of suppliers of raw materials and ingredients, and the many on-premise venues and retail outlets that help us provide our products to consumers. We are working closely with our customers and business partners who have been severely impacted by the crisis. We will continue to provide as much support as possible to them to try to mitigate the negative impact of the adverse business environment and we are confident that we recover quickly together when this disruptive situation comes to an end.

◆ Support for local communities

Contributing to a sustainable society through our business is one of the action guidelines and commitments set forth in the Asahi Group Philosophy. Accordingly, we are increasing our support for local communities in countries around the world. In Japan, we are donating Asahi products to Children's Cafeteria operated by NPO and local communities and to healthcare professionals (total contributions made thus far in Japan equate to about JPY260 million). Meanwhile, overseas bases in the United Kingdom, Czech Republic, and other countries are providing products of the Asahi Group and financial support to hospitals, fire stations, and other institutions on the frontline in the battle against the outbreak. We will continue to provide support appropriate to the circumstances in each country and to contribute to further expanding the sphere of mutual support.

◆ Response to shareholders and investors

Demand for alcohol beverages from the on-premise outlets has dropped significantly in the area we operate such as Japan, Australia, Europe, and other regions. Given the level of uncertainty and the lack of clarity of Covid-19 impact, it is too early to forecast full year guidance. However, we will endeavour to disclose relevant information when we announce our first-quarter results, including our analysis of the situation in each region and measures to deal with falling sales volumes. We will also provide timely updates based on our continued monitoring of the situation. In addition, we will continue to secure the Group's financial soundness through optimal cash flow management, and we remain committed to the plan providing shareholders with a stable dividend increase despite changes in our business performance. We remain confident that the Group will be well positioned to overcome this crisis and keep ourselves ready for changed circumstances and continue to deliver our plans for long-term.

2. CEO Message

As the number of people infected by the COVID-19 continues to rise around the world, our efforts to keep our business with ensuring the safety of Group employees worldwide of approximately 30,000 employees and their families, which has been our top priority in this difficult time. Meanwhile, our many Group companies and employees around the world, although in a difficult time such as none of us have ever before experienced, are continuing to coordinate closely with customers and business partners and provide support to their local communities while working to fulfil our responsibilities as a supplier.

Throughout history, humankind has battled many infectious diseases and has experienced countless natural disasters, and each time, we have powerfully and resiliently overcome them. Past Experience shows us that no matter how huge the adversity we face, we always manage to open up a path to the future. The post-pandemic world is expected to be different in many ways. I believe the New Normal in this post-pandemic world will present us with new seeds for future growth and prosperity. My positive outlook is underpinned by the strength of the Asahi Group's brands, which are cherished locally and globally, our wealth of technologies and know-how that enable us to produce the highest quality products even in times of crisis, and above all, our employees' commitment to working together to realize the Asahi Group Philosophy.

The COVID-19 continues to present us with a difficult situation, but please remember that after night comes the day for sure. I am confident that the Asahi Group employees around the world will be able to overcome this predicament by uniting together and building strong collaborative relations with all of our stakeholders.

Akiyoshi Koji
President and Representative Director, CEO