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The Corporate Governance of Kirin Holdings Company, Limited (the “Company”) shall be described below.

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

### 1. Basic Views –

In line with the corporate philosophy and “One KIRIN” values that are shared across the Kirin Group (henceforth “the Group”), the Group believes that achieving the “2027 Vision” outlined in the Group's Long-Term Management Vision “Kirin Group Vision 2027” (“KV2027”) will lead to the Group's sustainable growth and to greater corporate value over the medium to long term. Accordingly, the Group will develop a corporate governance system that is capable of effectively and efficiently reaching that goal.

The Group believes that cooperation with all of its stakeholders will be indispensable in order to put the corporate philosophy into practice and turn the “2027 Vision” that is based on this philosophy into a reality, and therefore respects its stakeholders' respective viewpoints.

The Group will disclose information promptly to its shareholders and investors in a transparent, fair and consistent fashion, will proactively engage in constructive dialogue with its shareholders and investors, and will fulfill its accountability with integrity.

<Corporate philosophy>

KIRIN brings joy to society by crafting food and healthcare products inspired by the blessings of nature and the insights of our customers.

<2027 Vision>

A global leader in CSV, creating value across our world of Food & Beverages to Pharmaceuticals

\*CSV: Creating Shared Value is a management concept that realizes corporate growth by balancing "creation of social value" and "creation of economic value" through initiatives to address social issues.

<“One KIRIN” Values>

“Passion. Integrity. Diversity.”

### [Reasons for Non-compliance with the Principles of the Corporate Governance Code]

【Supplementary Principle 2-4 (1) Ensuring diversity within the company】

- "Long-term Plan for Enhancing the Advancement of Women 2030," which covers the period from 2022 to 2030, are formulated for female employees, and the ratio of female managers (30% by 2030) and female executives (30% by 2030) shall be set as voluntary and measurable targets and KPIs. Kirin Holdings Company, Limited (henceforth “the Company”) shall further diversify its decision-making ranks and strengthen its organizational capabilities by removing barriers that prevent women and other diverse human capital from playing an active role and creating an environment in which they can maximize their abilities. The plan, status, measures, etc. have been disclosed internally and externally.

- Regarding foreign employees, core foreign national human capital are autonomously managing major overseas operating companies in Asia, Oceania, North America, and other regions. On the other hand, the Company intends to further strengthen the functions of its domestic corporate divisions by proactively hiring and encouraging the active participation of foreign human capital, regardless of age or position, in accordance with the transition of its business portfolio, and will consider measurable numerical targets going forward in accordance with the situation.
- Regarding mid-career hires, the Company sets a target of 30% for the ratio of mid-career hires among the Company's hires, not limited to management positions, and strives to secure a wide range of excellent human capital from general employees to key positions, thereby securing diversity in the Company.

## [Disclosure Based on the Principles of the Corporate Governance Code]

### [Principle 1.4 Cross-Shareholdings]

#### <Policy on cross-shareholdings>

- The Company will comprehensively take into account whether there is a business management necessity and other factors and will not engage in cross-shareholding when such is deemed not to help ensure sustainable growth and boost the corporate value over the medium to long term.
- The Board will verify the reasonableness of the individual cross-shareholdings on a yearly basis. Concerning the shares for which the meaning of possessing has diminished, while discussing and negotiating with the cross-shareholding partner, etc., the Company will move to reduce such holdings.
- Voting rights on cross-shareholdings will be exercised upon deciding for or against each agenda item, taking into account whether a particular cross-shareholding will help boost the corporate value of the company concerned, and whether it will help ensure sustainable growth and boost the Group's corporate value over the medium to long term.

#### <Current Status>

- In fiscal year 2022, 1 of the Company's cross-shareholdings were sold in full (proceeds: 2.0 billion yen). As a result, the balance sheet value of the Company's cross-shareholdings is 400 million yen as of the end of 2022, a reduction of 2.6 billion yen compared to the value as of the end of 2021.

### [Principle 1.7 Related Party Transactions]

#### <Policy on transactions between related parties>

- The Board will make resolutions on conflict-of-interest transactions between the Company and its Directors of the Board and on competing transactions in accordance with the provisions of the Japanese Companies Act and the Board Rules, etc.

### [Supplementary Principle 2.4.1 Policies for ensuring diversity in appointing core personnel, etc.]

#### <Significance of enhancing diversity>

- As the foundation of the Company's organizational capabilities to realize value creation, it has set the goal of realizing "a diverse human capital and a challenging culture" and set "diversity," "enthusiasm" and "sincerity" as pillars in the "One KIRIN" Values common to all employees. The Company's definition of diversity is the willingness to recognize and respect differences in individual values and perspectives. It is the belief that through constructive discussion, both internally and externally, differences can be transformed into the power to change the world and create better ways of doing things.

#### <Vision through diversity advancement>

- The Company is committed to creating a psychologically safe work environment where diverse human capital is accepted and where all employees, regardless of their attributes, are able to express their opinions without fear. The Company will create an environment that recognizes and accepts the differences in values and perspectives held by each and every employee and will grow into an organization that creates new value by utilizing these differences.

#### <Human capital development policy and internal environment for pursuing diversity>

- The Company is working to diversify the perspectives, abilities, and experiences of the organization by accepting a diverse range of human capital, including young people, seniors, women, career hires, and foreign nationals. In addition, the Company is working to create an environment that will further broaden individual values and perspectives by starting to expand and accept transfers to companies outside the Group that provide opportunities to work in environments different from those of the Group, overseas work experience programs, and widen the range of side job applications. In addition, the Company is conducting diversity training for all employees to deepen their understanding of unconscious bias, for example, by identifying factors that inhibit each employee from expressing diverse opinions in the workplace through diversity awareness surveys. Leadership development initiatives such as coaching and 360-degree assessments for the top leaders who manage the organization are also accelerating the development of a corporate culture that encourages acceptance and utilization of diverse opinions.

〈Current status and goal setting for diversity advancement〉

- The Group is expanding its business globally. For example, major overseas operating companies in Asia, Oceania, North America, and other regions are mainly managed by foreign personnel, and the decision-making layer consists of diverse members with different perspectives and experiences as well as attributes such as gender and nationality. On the other hand, the Company and its operating companies in Japan recognize that there are issues in fostering female leaders and pursuing the appointment of career employees to management positions and have set quantitative targets for employees whose original place of employment is with Kirin Holdings Company.

■Employees with foreign nationality

Overseas operating companies within the Group will maintain and continue their current autonomous management, led by foreign personnel.

In addition, Company headquarters shall further enhance its functions by proactively engaging in hiring and pushing forward with the active participation of foreign human capital, regardless of age or position, in accordance with the transition of the business portfolio.

■Female employees

The Company aims to achieve a 30% ratio of women in management positions with Kirin Holdings Company as the original employer by the end of 2030.

As of December 31, 2022: 110/1,036 (ratio 10.6%)

■Career employees

The Company aims to achieve a career hiring ratio of 30% or more for new hires with Kirin Holdings Company as the original employer.

Results for the past three years: 40.8% in 2020, 26.8% in 2021, 27.3% in 2022

[Principle 2.6 Role as asset owner of corporate pensions]

- At the Company, corporate pension reserves will be managed through a corporate pension fund.
- The Company will develop an appropriate management system by appointing/assigning persons suitably qualified to manage pensions in relation to the corporate pension fund, and by having external advisors provide complementary specialized skills and expertise.
- Furthermore, the Asset Management Committee monitors the investment status of the Fund and provides a comprehensive evaluation not only of quantitative aspects such as investment results, but also of qualitative aspects such as investment policy, investment process, risk management, ESG and sustainability initiatives in accordance with the Group's concept of CSV management, and stewardship activities including the status of exercise of voting rights, and shall review asset allocation and asset management companies as required.

[Principle 3.1 Full Disclosure]

(i) Corporate philosophy, business strategy, and business plan

- Corporate Philosophy is described in 1. Basic Views under I. Basic Views on Corporate Governance, Capital Structure, Corporate Profile and Other Basic Information of this report.

- The Long-Term Management Vision (KV2027), the Medium-Term Business Plan “Kirin Group 2022-2024 Medium-Term Business Plan” (henceforth “MTBP”), and the yearly business plan of the Group are described on the Company’s website.

[https://www.kirinholdings.com/en/purpose/management\\_plan](https://www.kirinholdings.com/en/purpose/management_plan)

(ii) Basic view on and basic policy of corporate governance

- The Company’s basic view on corporate governance is described in 1. Basic Views under I. Basic Views on Corporate Governance, Capital Structure, Corporate Profile and Other Basic Information of this report.
- Kirin Holdings Company, Limited Corporate Governance Policy has been established as the basic policy of corporate governance and can be found on the Company’s website.

[https://www.kirinholdings.com/en/purpose/files/pdf/governance\\_policy.pdf](https://www.kirinholdings.com/en/purpose/files/pdf/governance_policy.pdf)

(iii) Board policies and procedures in determining the remuneration of the senior management and Directors Policy on the remuneration of Directors of the Board, Executive Officers and Audit & Supervisory Board Members

<Basic policy on remuneration for officers>

- 1) The Company shall establish a remuneration structure that emphasizes the linkage of remuneration with business performance and medium- to long-term corporate value and share value with the shareholders.
- 2) Remuneration levels shall be appropriate for the roles and responsibilities of the Kirin Group’s officers.
- 3) Remuneration shall be deliberated by the Nomination and Remuneration Advisory Committee, in which Non-executive Directors of the Board constitute a majority, in order to ensure objectivity and transparency.

<Structure of the remuneration of Directors of the Board and Executive Officers and the mechanism for performance-based remuneration>

- In order to encourage awareness of the achievement of short-term performance targets and enhancing corporate value in the medium to long term, the remuneration of Directors of the Board and Executive Officers shall comprise the following three points: Basic Remuneration (fixed remuneration), Yearly Bonus (short-term incentive remuneration), and Trust-type Stock Remuneration (medium- to long-term incentive remuneration).
- Yearly bonuses shall be paid in accordance with the achievement level of the Company's performance evaluation indicator, business performance evaluation indicator, and individual performance evaluation, etc., with the composition ratio and indicators set based on the position and responsibilities of the subject officers.
- The performance evaluation indicators for the Trust-type Stock Remuneration shall be the key performance indicators specified in the Medium-Term Business Plan, etc., and other indicators designated by the Board

< Remuneration for Non-executive Directors and Audit & Supervisory Board Members >

Since Non-executive Directors play the role of supervising and advising the management of the Company and the entire Group from an objective standpoint, and Audit & Supervisory Board Members play the role of auditing the execution of duties by Directors from an objective standpoint, only basic remuneration (fixed remuneration) shall be paid to each of the Non-executive Directors and Audit & Supervisory Board Members.

(iv) Board policies and procedures in the appointment of the senior management and the nomination of Directors and Audit & Supervisory Board Members candidates

(v) Explanation with respect to the individual appointments and nominations when the board of Directors appoints and dismisses senior management and nominates candidates for Directors and Audit & Supervisory Board Members based on (iv) above.

<Policy on nomination of Directors, Executive Officers and Audit & Supervisory Board Members>

The Group, having expanded its business globally with Japan as its core in the fields of food and health, intends to carry out its decision-making and management monitoring in a more appropriate fashion and at

a higher level. To this end, Directors of the Board, Executive Officers and Audit & Supervisory Board Members will be appointed upon taking into account the balance of their experience, achievements and specialization, etc. in relation to the Group's key businesses and business management. A number of persons having a wealth of management experience, advanced specialized knowledge, and extensive expertise will be appointed as Non-executive Directors of the Board and Audit & Supervisory Board Members.

One or more persons having experience in financial affairs and accounting departments and possessing the appropriate knowledge will be appointed as Audit & Supervisory Board Member.

The appointment/dismissal of Directors and Executive Officers shall be decided by the Board upon deliberation by the Nomination and Remuneration Advisory Committee, taking performance into account; proposals for the nomination/dismissal of Directors shall be discussed at general meetings of shareholders. The nomination/dismissal of Audit and Supervisory Board Members shall be discussed by the Nomination and Remuneration Advisory Committee, and shall then be decided by the Board and discussed at a general meeting of shareholders (the appointment of Audit and Supervisory Board Members will require the consent of the Audit and Supervisory Board).

Policies and procedures for the appointment of Directors, Executive Officers and Audit & Supervisory Board Members as described above, as well as a skills matrix listing their knowledge, experience and capabilities, shall be disclosed on the Company's website, etc.

Reasons for the nomination/dismissal of candidates for the positions of Director and Audit and Supervisory Board Member shall be indicated on reference documents for the general meeting of shareholders, etc.

[Supplementary Principle 3.1.3 Approaches to sustainability, investment in human capital and intellectual properties]

<Approaches to sustainability>

In order to realize the "Vision for 2027" based on the Corporate Philosophy, the Group recognizes that collaboration with each stakeholder is essential as part of CSV management, and respects each stakeholder's position. The Group has established the Group CSV Committee, which is responsible for CSV activities, including addressing issues related to sustainability throughout the Group, and discusses and reports on major themes such as the environment and human rights, leading to regular exchanges of opinions at meetings of the Board of Directors.

The Group shall proactively disclose information related to non-financial capital in line with KV2027 and the status of its sustainability initiatives, in addition to the statutory disclosure required in the countries where it operates, as a precondition for more transparent corporate management and constructive dialogue with multi-stakeholders, as well as the development of an internationally recognized framework in the future. With regard to climate change, the Company discloses business risks and opportunities in accordance with the framework of the Task Force on Climate-related Financial Disclosures (TCFD).

<https://www.kirinholdings.com/en/impact/env/tcfd/>

The Group also disclosed information on natural capital, including business risks and opportunities, in accordance with the review by the Task Force on Nature-related Financial Disclosures (TNFD).

[https://www.kirinholdings.com/en/investors/files/pdf/environmental2022\\_04e.pdf](https://www.kirinholdings.com/en/investors/files/pdf/environmental2022_04e.pdf)

<Investment in human capital>

The Group aims to grow into a company that is better positioned to develop and thrive on human capital by seeing human capital as a source of value creation and competitive advantage and by investing in human capital. Further, the Group will put its management strategy into action and achieve sustainable growth and corporate value enhancement by increasing the value of human capital, and as a result, improving its organizational capabilities and strengthening its business.

Expertise and diversity are key to executing the human capital strategy. The Group operates business globally in a range of domains from food & beverages, pharmaceuticals to health science. Such a unique portfolio has better positioned the Group to experience a variety of businesses with its professional expertise at the core. The Group is also well-positioned to add diverse viewpoints and values by communicating and

working with people in various business domains. To realize KV2027, the Group aim to strengthen its organizational capabilities and improve its ability to execute strategies in line with the business portfolio transformation. In addition, the Group aim to strengthen human capital and nurture a corporate culture that facilitates the development of human capital who live up to our expectations in terms of both expertise and diversity, thereby continuing to improve our corporate value into the future.

#### 1 ) Strengthening of human capital

The Group will pursue the type of human capital management that facilitates the development of human capital who satisfy our requirements in terms of both expertise and diversity and excel in making decisions, adapting to changes, and creating ideas. Specifically, the Group will transition to function-centered talent management so as to develop specialized talent conducive to executing the Group's strategies (recruitment, development, and assignment). In addition, the Group will identify human resources who have been successful on a functional basis and build a candidate pool of top management members including young employees. Top management and the Human Resources Department will work together to foster such candidates based on the criteria required.

Furthermore, the Group will establish an environment that supports employees' growth based on their autonomous career development (by increasing opportunities for employees to apply for new positions offered via an in-house recruitment system, initiatives to enhance the support for fostering leadership candidates, etc.) and accelerate our personnel development cycle which helps employees to produce outcomes and growth through business experience.

#### 2 ) Fostering an organizational culture

The Group will foster an environment/culture that helps human resources with diverse values and expertise able to grow by taking on new challenges as well as attracts such human resources. Specifically, to build an environment where diverse human resources transform their differences into strengths and feel easy to take on new challenges, the Group will make a step forward from "Diversity & Inclusion" to "Diversity, Equity & Inclusion." In addition, with the aim of building an organizational culture where each and every one of our employees can feel they have grown by working at the Kirin Group, the Group will intensify our efforts to forge an empathy among our employees to the Group's Corporate Philosophy and Purpose, as well as a sense of attachment and pride in the organization.

The Group, in its KV2027, has set Employees (employee engagement, the degree of improvement in diversity, Lost Time Incident Rate) as one of its non-financial metrics, and has also linked it to the Officers' remuneration.

The Group's Basic Principle of Human Capital is the foundation for our human capital strategy. To give a concrete shape to our idea that employees and the Company grow together as equal partners, the Group will provide an environment where each and every employee take on challenges towards creating new value, work with vigor and enthusiasm, and grow through working.

For more information, please also refer to the Company's website below.

<https://www.kirinholdings.com/en/drivers/hr/>

<Investment in intellectual properties, etc.>

The Company is expanding its business into domains ranging from food & beverages to pharmaceuticals by leveraging its technological capabilities and knowledge accumulated through research and development in the domains of fermentation and biotechnology. The Company is positioning the intellectual property created in each domain as one of its important management assets, and is securing and utilizing patent rights, etc. while respecting the rights of other companies, aiming for sustainable growth through differentiation by creating customer value and securing business flexibility in compliance with the law.

In the Company's food & beverages domain, for example, the "caffeine clearing process" (patented technology), which uses a naturally-derived adsorbent to remove caffeine from tea leaves while retaining the flavor and richness, is used in Namacha caffeine-free to differentiate the product by creating new customer value. The Company is also working to improve the competitiveness of its products and services by utilizing intellectual property in the Home Tap® home beer server (patent and design registration) and the Tap

Marche® dedicated craft beer dispenser (business model patent, etc.).

Furthermore, the Company's pharmaceuticals domain is based on research and development, and intellectual property is one of the most important management assets. With regard to intellectual property, which is important for R&D and business strategies, the Company strives to obtain effective patent rights through strategic application, to maximize product value through life cycle management. At the same time, the Company strives to ensure freedom in its research and business activities while pursuing compliance to ensure that the rights of other companies are respected and not infringed. The Company believes that this will contribute to maximizing the value and profits of its global business activities and minimizing risks and will also lead to a stable supply of pharmaceuticals.

In the health science domain connecting food & beverages and pharmaceuticals, which the Company has entered since 2019, the Company has launched "iMUSE®" brand products (application patents, etc.) containing "Lactococcus lactis strain Plasma®", which was the first product in Japan to receive a functional food labelling notification for immune functions. In addition, the Company is working to solve social issues related to health through the launch of proprietary materials and products that create new value. Based on the results of a diversified analysis, the Company has identified the intellectual property necessary to achieve the financial targets of the project (2027) and plans to strategically build assets by allocating the human capital and activity costs of the R&D division necessary to acquire the rights.

As mentioned in the example of the food & beverages domain, the Company considers not only patents, but also unique and attractive designs to be important assets, and is actively investing in them. Under this policy, the Company is pursuing activities to prevent imitation from other companies by securing design rights for containers, packaging materials, and beverage servers with high design quality.

In addition, the Company is working to enhance the brand value of the Company and its products, and to prevent damage and dilution by actively and strategically securing and utilizing trademark rights in Japan and overseas as a means of increasing corporate value and achieving financial targets.

As described above, the Company considers "intellectual property" to be an important management asset and pursues highly competitive business activities by proactively investing in it.

#### [Supplementary Principle 4.1.1 Scope and Content of the Matters Delegated to the Management]

- The Board takes decisions on legal matters and on the execution of the Group's important operations, which include the Long-Term Management Visions, the Medium-Term Business Plans and yearly business plans across the Group and at the key Group companies. The Board is also responsible for monitoring the Directors' execution of their professional duties, and for developing appropriate internal control systems across the Group, etc.
- In addition to matters stipulated by laws and ordinances and in the Articles of Incorporation, the Board will stipulate matters to be resolved by the Board in the Rules of the Board. Other decisions on the execution of business will be left to the President & CEO and to Executive Officers, and the nature of such decisions will be clearly stipulated in the internal rules, such as Official Rules of Administrative Authority.
- The Company introduces an Executive Officer based system in order to implement strategies for each of its businesses and functions in an agile fashion and clarify executive responsibilities. The Board will establish the scope of the responsibility of Executive Officer based on experience, performance and specialization in their respective field.

#### [Principle 4.8 Effective Use of Independent Directors]

- Half or more Independent Directors that satisfy the Company's criteria regarding the independence of Non-Executive Officers will be appointed in order to improve the fairness and transparency of corporate governance and ensure the Group's sustainable growth and boost corporate value over the medium to long term.

[Principle 4.9 Independence Standards and Qualification for Independent Directors]

- The Company's criteria regarding the independence of Non-Executive Officers are described in 1. Organizational Composition and Operation [Independent Directors/ Audit & Supervisory Board Members] Matters relating to Independent Directors/Audit & Supervisory Board Members under II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management of this report.

[Supplementary Principle 4.11.1 View on the Appropriate Balance between Knowledge, Experience and Skills of the Board as a whole, and Policies and Procedures for Nominating Directors]

- The Board of Directors is composed of a balanced and appropriate number of members, taking into consideration the knowledge, experience, capabilities, and insights required to realize the 2027 Vision, identifying the skills they should possess, and ensuring diversity in terms of gender and internationalization. In addition, in order to build a highly transparent governance system and ensure the effectiveness of objective management supervision, the majority of the currently appointed Directors are independent Non-executive Directors. One or more of the independent Non-executive Directors must have management experience at other companies.
- The Group, having expanded its business globally with Japan as its core in the fields of food and health, intends to carry out its decision-making and management monitoring in a more appropriate fashion and at a higher level. To this end, Directors of the Board, Executive Officers and Audit & Supervisory Board Members will be appointed upon taking into account the balance of their experience, achievements and specialization, etc. in relation to the Group's key businesses and business management. A number of persons having a wealth of management experience, advanced specialized knowledge, and extensive expertise will be appointed as Non-executive Directors of the Board and Audit & Supervisory Board Members.
- The appointment/dismissal of Directors and Executive Officers will be decided by the Board upon deliberation by the Nomination and Remuneration Advisory Committee, taking performance into account; proposals for the nomination/dismissal of Directors will be discussed at general meetings of shareholders.

[Supplementary Principle 4.11.2 Information about Non-executive Directors of the Board, Audit & Supervisory Board Members, and Other Directors who also serve as Directors, Audit & Supervisory Board Members, or the Management at Other Companies]

- Information about Non-executive Directors of the Board, Audit & Supervisory Board Members, and Other Directors who also serve as Directors, Audit & Supervisory Board Members, or the Management at Other Companies is disclosed in the Company's Convocation Notice of the 183rd Ordinary General Meeting of Shareholders.

[https://www.kirinholdings.com/en/investors/files/pdf/184th\\_notice.pdf](https://www.kirinholdings.com/en/investors/files/pdf/184th_notice.pdf)

[Supplementary Principle 4.11.3 Analysis and Evaluation of Effectiveness of the Board of Directors as a whole]

The Company has evaluated the effectiveness of the Board of Directors for Fiscal Year 2020 based on its Corporate Governance Policy; below is an outline of the results of the evaluation.

The Company routinely evaluates the operation of the Board and the content of its discussions among others and strives to ensure the important decision-making function and the overseeing function. In this fiscal year, the Company conducted a survey that included evaluation criteria based on the research of third-party advisors and had discussion at the Board meeting in light of the existing initiatives and improvements.

In this fiscal year, the evaluation was conducted based on the following eight evaluation criteria: (1) Composition and operation of the Board; (2) Development, execution and monitoring of strategies; (3) Supervision of risk management and crisis control; (4) Supervision of decision-making on business acquisition/withdrawal, etc.; (5) Supervision of remuneration for officers and succession plan, etc.; (6) Thorough understanding and implementation of healthy corporate ethics and supervision thereof; (7) Supervision of overall disclosures to stakeholders; and (8) Strengthening points to improve the effectiveness



of the Board. The evaluation results indicated that the Board was functioning properly overall and that the effectiveness of the Board was ensured.

While recognizing the importance of efforts regarding ESG (Environment, Society and Governance), the Company aims to maintain and improve the effectiveness of the Board of Directors by strengthening discussions regarding 1) monitoring of strategy execution; 2) discussion on "inorganic growth" utilizing expertise and organizational knowledge; 3) discussion on "dialogue with stakeholders" in response to changes in the business environment; 4) discussion on "risk management" in the context of strategy and risk unified, and 5) information sharing from the Nomination and Remuneration Advisory Committee for the FY 2023 in order to improve medium to long term corporate values and sustainable growth.

[Principle 4.14.2 Training for Directors and Audit & Supervisory Board Members]

<Training policy>

- The Company will hold training and provide information to its Directors of the Board and Audit & Supervisory Board Members as necessary for the performance of their roles and responsibilities.
- Upon assuming office, Directors of the Board and Audit & Supervisory Board Members will receive lectures and training from specialists and related internal departments in relation to the Japanese Companies Act, corporate governance and corporate finance, etc. Subsequently, training and workshops will continue to be held as necessary in relation to the amendment of relevant laws and regulations, and business issues.
- Upon assuming office, Non-executive Directors of the Board and Audit & Supervisory Board Members will receive explanations of the Group's corporate philosophy, "One KIRIN" Values and the Group's businesses, and will take part in observation at key sites.

[Principle 5.1 Policy for Constructive Dialogue with Shareholders]

<Basic policy concerning dialogue with shareholders and investors>

- Based on the understanding that constructive dialogue with shareholders and investors will lead to a further improvement in corporate governance and, in turn, to greater corporate value over the medium to long term, the Company will periodically assess its shareholder composition, proactively respond to requests for dialogue, and take the initiative in creating opportunities for constructive dialogue.
- Requests for dialogues from shareholders and investors will be dealt with mainly by the IR Section under the supervision of Executive Officer in charge of IR. Also, the Company will take the initiative in creating opportunities for such dialogue in cases where a dialogue with the Executive Officer in charge of IR, the President & CEO, or another Director of the Board or Executive Officer is deemed appropriate.
- Depending on the agendas of dialogue, Group Finance, Corporate Strategy, Group Legal and other related departments will provide their cooperation.
- The Company shall plan and implement opportunities for individual meetings with shareholders and investors, as well as for explanations of medium- and long-term management strategies and plans based on the perspective of long-term vision, management plans, and business portfolio, financial results, individual businesses, and responses to issues related to sustainability, in order to enhance understanding and dialogue concerning the Group.
- In the course of dialogue, explanations will be provided with integrity, listening to the opinions of shareholders and investors, and endeavoring to engage in two-way communication. In addition, disclosure documents related to IR shall be translated into English as a general rule under a certain rationality. The IR Department will provide reports on shareholder and investor opinions periodically or on an as-needed basis to the President & CEO, the Executive Officer in charge of IR, and other Directors of the Board and Executive Officers.

[Principle 5.2 Formulation and announcement of management strategies and plans]

The Company's Board of Directors regularly confirms the basic policy regarding the business portfolio and discusses it at least once a year at a Board meeting. For fiscal year 2021, the Board of Directors has confirmed that it shall continue the basic policy set forth in KV2027 at the meeting to be held on November 9, 2021.

<Kirin Group Vision 2027, the Long-Term Management Vision(KV2027)>

[https://www.kirinholdings.com/en/purpose/management\\_plan/](https://www.kirinholdings.com/en/purpose/management_plan/)

**【Actions to be taken to realize cost of capital and stock price conscious management】**

The Kirin Group is committed to the management of its businesses with consciousness of cost of capital and corporate value based on the Kirin Group 2019-2021 Medium-Term Business Plan and the Kirin Group 2022-2024 Medium-Term Business Plan to realize KV2027. The Group is working on four issues to improve corporate value: (1) improvement of profitability through enhancement of productivity and implementation of premium strategies in the food & beverages domain, (2) expansion of the next-generation pipeline in the pharmaceutical domain, (3) business expansion and revenue generation in Japan and Asia-Pacific in the health science domain, and (4) continuous review of its business portfolio. In terms of cost of capital conscious management, we have adopted ROIC in addition to the average annual growth rate of normalized EPS as financial KPI, and stock price and market capitalization are regularly discussed at the board of directors, in addition to the business portfolio. We have also designed the executive remuneration plan to be linked to normalized EPS, ROIC, and non-financial indicators so that the Group can be managed from perspective of shareholders.

In our presentation material for the second quarter of the fiscal year ending December 31, 2023, we explained about the cost of capital conscious management of the Company once again and showed the status of ROIC and revenue growth potential of each of the food & beverages domain, pharmaceutical domain, and Health Science domain, as well as the direction we are heading in the future. We will provide information on the progress of our financial targets at earnings briefings and other such events as appropriate. We will also disclose the Company's initiatives and policies as needed in various IR presentation materials and other related materials. For details, please refer to the Company's IR page.

<Financial results of Kirin Holdings Company, Limited (summary, explanatory materials, securities reports)>

[https://www.kirinholdings.com/en/investors/library/financial\\_results/](https://www.kirinholdings.com/en/investors/library/financial_results/)

## 2. Capital Structure

Foreign Shareholding Ratio	More than 20% less than 30%.
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### [Status of Major Shareholders]

Name / Company Name	Number of Shares Owned (shares)	Ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	143,002,000	17.61
Japan Custody Bank, Ltd. (Trust Account)	53,064,100	6.53
Meiji Yasuda Life Insurance Company	32,996,563	4.06
SMBC Nikko Securities Inc.	21,001,000	2.58
STATE STREET BANK AND TRUST COMPANY 505001	15,314,224	1.88
STATE STREET BANK WEST CLIENT - TREATY 505234	14,962,551	1.84
THE BANK of NEW YORK MELLON 140044	12,725,300	1.56
Japan Securities Finance Co.	10,857,390	1.33
SBTC CLIENT OMNIBUS ACCOUNT	10,191,058	1.25

STATE STREET BANK AND TRUST COMPANY 505103	9,512,842	1.17
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Controlling Shareholder	—
Parent Company	—
Stock exchange where the parent company is listed	—

#### Supplementary explanation

Sumitomo Mitsui Trust Asset Management Co., Ltd. submitted a large shareholding report (change report) dated January 10, 2023, naming Sumitomo Mitsui Trust Asset Management Co. Ltd. and Nikko Asset Management Co., Ltd. as joint holders, but as the Company is unable to fully grasp the number of shares actually held by the said corporations as of December 31, 2022, they are not taken into account in the aforementioned "Status of Major Shareholders".

Mitsubishi UFJ Financial Company, Inc. submitted a large shareholding report dated January 6, 2023, naming Mitsubishi UFJ Trust and Banking Corporation, Mitsubishi UFJ International Investment Trust and Banking Corporation, and Mitsubishi UFJ Morgan Stanley Securities Co. as joint holders, but as the Company is unable to fully grasp the number of shares actually held by the said corporations as of December 31, 2022, they are not taken into account in the aforementioned "Status of Major Shareholders".

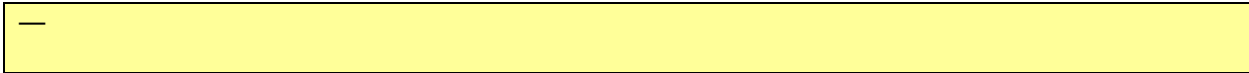
Nomura Securities Co., Ltd. submitted a large shareholding report as of September 22, 2022, naming Nomura Securities Co., Ltd. and Nomura International PLC and Nomura Asset Management Co. Ltd. as joint holders, but as the Company is unable to fully grasp the number of shares actually held by the said corporations as of December 31, 2022, they are not taken into account in the aforementioned "Status of Major Shareholders".

BlackRock Japan, Inc. submitted a large shareholding report (change report) dated August 19, 2021, naming BlackRock Japan, Inc. and nine (9) other companies as joint holders. However, as the Company is unable to fully grasp the number of shares actually held by the said corporations as of December 31, 2022, they are not taken into account in the aforementioned "Status of Major Shareholders".

### 3. Corporate Attributes

Listed Stock Market and Market Section	Tokyo Stock Exchange (TSE) Prime, Nagoya Stock Exchange (NSE) Premier, Sapporo Securities Exchange Main Board, and Fukuoka Stock Exchange Main Board
Fiscal Year-End	December
Type of Business	Foods
Number of Employees (consolidated) as of the End of the Previous Fiscal Year	More than 1,000
Sales (consolidated) as of the End of the Previous Fiscal Year	More than 1 trillion yen
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	From 100 to less than 300

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



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

The Company has a listed subsidiary, Kyowa Kirin Co., Ltd. ("Kyowa Kirin")

The Company believes that the realization of the "Vision for 2027" in the long-term management vision "Kirin Group Vision 2027 (KV 2027)" will lead to the Kirin Group's sustainable growth and increase in corporate value over the medium to long term.

Kyowa Kirin is responsible for the "pharmaceuticals" domain, one of the core businesses in the business domains defined in KV2027, and aims to continuously create life-changing value that brings smiles to people facing illness as a global specialty pharmaceutical company originating from Japan. The Company plays an important role in realizing the Group's goal of becoming a global leader in CSV through the pharmaceutical business.

In the Kirin Group's "Health Science" domain, the understanding of diseases, research know-how, and academic networks in the pharmaceuticals domain are already being utilized through personnel exchanges with Kyowa Kirin. The Company believes that the significance of owning Kyowa Kirin is considerable in order for the Kirin Group to achieve sustainable growth, for example, by finding points of contact with the health science domain and working to create synergies from the perspective of solving issues in the "medical needs of society that go beyond pharmaceuticals" that Kyowa Kirin is considering in the future.

While respecting the autonomy and independence of each operating company, the Company strives to maximize corporate value over the medium to long term through flexible and agile allocation of management resources, including human capital exchange and technological development with the aim of creating synergies among operating companies.

The Company is striving to ensure the appropriate effectiveness of Group management by implementing the Corporate Governance Code for Kyowa Kirin. At the same time, they aim to maximize the profits of shareholders as a whole and sustainably expand corporate value by ensuring the independence of management as a listed company, as well as conducting autonomous corporate activities that demonstrate independence and mobility.

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

### 1. Organizational Composition and Operation

Organization Form	Company with Audit & Supervisory Board
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#### [Directors]

Maximum Number of Directors Stipulated in Articles of Incorporation	12
Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board	Non-executive Director of the Board
Number of Directors of the Board	12
Status of appointment of Non-executive Directors	Appointed
Number of Non-executive Directors of the Board	7
Number of Independent Directors among Non-executive Directors of the Board	7

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Relationship with the Company (1)

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Name	Attribute	Relationship with the Company*1										
		a	b	c	d	e	f	g	h	i	j	k
Masakatsu Mori	From another company											
Hiroyuki Yanagi	From another company											
Chieko Matsuda	From another company											
Noriko Shiono	From another company											
Rod Eddington	From another company											
George Olcott	From another company											
Shinya Katanozaka	From another company											

\*1: Categories for “Relationship with the Company”

- a. Executive of the Company or its subsidiaries
- b. Non-executive Director or executive of a parent company of the Company
- c. Executive of a fellow subsidiary company of the Company
- d. A party whose major client or supplier is the Company or an executive thereof
- e. Major client or supplier of the listed company or an executive thereof
- f. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Company besides remuneration as Directors/Audit & Supervisory Board Members
- g. Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a legal entity)
- h. Executive of a client or supplier company of the Company (which does not correspond to any of d, e, or f) (the Director himself/herself only)
- i. Executive of a company, between which and the Company Non-executive Directors of the Board/Audit & Supervisory Board Members are mutually appointed (the Director himself/herself only)
- j. Executive of a company or organization that receives a donation from the Company (the Director himself/herself only)
- k. Others

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Relationship with the Company (2)

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**Name: Masakatsu Mori**

Designation as Independent Director: Yes

Supplementary Explanation of the Relationship:

- There are no conflicts with any category from “a” to “k” above.

Reasons of Appointment:

- Mr. Masakatsu Mori has considerable experience acquired over many years as management of a consulting firm, and as president as well as trustee of a university, and a wide range of knowledge, especially exceptional insight in corporate management based on his specialized expertise in finance and accounting. Based on the above, the Company expects him to provide useful opinions and guidance on the Company's management from an objective and professional viewpoint as an independent non-executive director. Therefore, the Company determined that he would be an appropriate person to supervise the execution of the Company's business aiming for sustainable enhancement of corporate value.
- There are no conflicts of interest with any of the criteria for the independence of Independent Directors as stipulated by the Tokyo Stock Exchange, and the Company does not anticipate any concerns about conflict of interest to arise from general shareholders.

**Name: Hiroyuki Yanagi**

Designation as Independent Director: Yes

Supplementary Explanation of the Relationship:

- There are no conflicts with any category from “a” to “k” above.

Reasons of Appointment:

- Mr. Hiroyuki Yanagi has a wealth of experience and extensive knowledge as a corporate manager over many years, and in particular, through his experience as President and Representative Director and Chairman of Yamaha Motor Co., Ltd. he has a high level of insight into building brands in global markets through technological development and innovation. Based on the above, the Company expects him to provide useful opinions and guidance on the Company's management from an objective and professional viewpoint as an independent non-executive director. Therefore, the Company determined that he would be an appropriate person to supervise the execution of the Company's business aiming for sustainable enhancement of corporate value. In addition, as stated on the left, he does not fall under any of the categories “a” through “k” above, and the Company has determined that there is no risk of a conflict of interest with general shareholders.

**Name: Chieko Matsuda**

Designation as Independent Director: Yes

Supplementary Explanation of the Relationship:

- There are no conflicts with any category from “a” to “k” above.

Reasons of Appointment:

- Ms. Chieko Matsuda has a wealth of experience and a wide range of knowledge in financial and capital market operations and management consulting services, including those at banks and rating agencies, and has a high level of insight into corporate management based on her expertise, particularly in finance and corporate governance. Based on this experience and insight, she specializes in corporate strategy and financial strategy, and has a strong track record in academic research on corporate management and capital markets. Based on the above, the Company expects her to provide useful opinions and guidance on the Company's management from an objective and professional viewpoint as an independent non-executive director. Therefore, the Company determined that she would be an appropriate person to supervise the execution of the Company's business aiming for sustainable enhancement of corporate value. In addition, as stated on the left, she does not fall under any of the categories “a” through “k” above, and the Company has determined that there is no risk of a conflict of interest with general shareholders.

**Name: Noriko Shiono**

Designation as Independent Director: Yes

Supplementary Explanation of the Relationship:

- There are no conflicts with any category from “a” to “k” above.

Reasons of Appointment:

- Ms. Noriko Shiono has a wealth of experience and extensive knowledge as a corporate manager over many years, and in particular, through her experience as President and Representative Director of SSP Co., Ltd. and Widex Co., Ltd., a medical device manufacturer, she has deep knowledge of the pharmaceutical and healthcare domains and a high level of insight into marketing. Based on the above, the Company expects her to provide useful opinions and guidance on the Company's management from an objective and professional viewpoint as an independent non-executive director, particularly in the health sciences domain, in order to launch and develop new businesses. Therefore, the Company determined that she would be an appropriate person to supervise the execution of the Company's business aiming for sustainable enhancement of corporate value.
- In addition, as stated on the left, she does not fall under any of the categories “a” through “k” above, and the Company has determined that there is no risk of a conflict of interest with general shareholders.

**Name: Rod Eddington**

Designation as Independent Director: Yes

Supplementary Explanation of the Relationship:

- There are no conflicts with any category from “a” to “k” above.

Reasons of Appointment:

• Sir Rod Eddington has extensive experience as an executive and board member of global companies over the years, and has a keen insight into corporate management and corporate governance. He also chairs the Advisory Committee of the Australia-Japan Business Council and is a member of the International Advisory Board of Mitsubishi Corporation, giving him a deep understanding of the economies and markets of Japan and other Asian and Pacific Rim countries, as well as a broad network of contacts. Based on the above, the Company expects him to provide useful opinions and guidance on the Company's management from an objective and professional viewpoint as an independent non-executive director, especially on global strategies, from an objective and professional perspective. Therefore, the Company determined that he would be an appropriate person to supervise the execution of the Company's business aiming for sustainable enhancement of corporate value.

- In addition, as stated on the left, he does not fall under any of the categories “a” through “k” above, and the Company has determined that there is no risk of a conflict of interest with general shareholders.

**Name: George Olcott**

Designation as Independent Director: Yes

Supplementary Explanation of the Relationship:

- There are no conflicts with any category from “a” to “k” above.

Reasons of Appointment:

• Mr. George Olcott has a wealth of experience in international financial markets, including investment banking, as well as outstanding insight into corporate management based on his academic knowledge of human capital development and corporate governance in global management. He also has a strong track record in academic research on improving the value of Japanese companies based on this experience and insight. In addition, he has experience as a Director of several leading listed companies in Japan. Based on the above, the Company expects him to provide useful opinions and guidance on the Company's management from an objective and professional viewpoint as an independent non-executive director. Therefore, the Company determined that he would be an appropriate person to supervise the execution of the Company's business aiming for sustainable enhancement of corporate value.

- In addition, as stated on the left, he does not fall under any of the categories “a” through “k” above, and the Company has determined that there is no risk of a conflict of interest with general shareholders.

**Name: Shinya Katanozaka**

Designation as Independent Director: Yes

Supplementary Explanation of the Relationship:

- There are no conflicts with any category from “a” to “k” above.

Reasons of Appointment:

Mr. Shinya Katanozaka has a wealth of experience and broad knowledge as a corporate executive over many years, and in particular, through his experience as President and Representative Director and Chairman of ANA Holdings, Inc. he has a high degree of insight regarding the internationalization and diversity of management, and management reform through the development of new businesses and the use of digital technology. Based on the above, the Company expects him to provide useful opinions and guidance on the Company's management from an objective and professional viewpoint as an independent non-executive director. Therefore, the Company determined that he would be an appropriate person to supervise the execution of the Company's business aiming for sustainable enhancement of corporate value.

- In addition, as stated on the left, he does not fall under any of the categories “a” through “k” above, and the

Company has determined that there is no risk of a conflict of interest with general shareholders.

**【Voluntary committees】**

Voluntary Establishment of Committee(s) Corresponding to Nomination Committee or Remuneration Committee	Established
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Status of establishment of voluntary committee(s), composition of members, and attributes of the chair (chairperson).

A voluntary committee(s) equivalent to a Nomination Committee

Name of Committee	Nomination and Remuneration Advisory Committee
All Committee Members	5
Standing Members	0
Directors of the Board	2
Non-executive Directors of the Board	3
Experts in the Company	0
Other	0
Chairperson	Non-executive Director of the Board

Supplementary Explanation

For details of the Nomination and Remuneration Advisory Committee, please refer to "II. Status of Management Organization and Other Corporate Governance Systems Related to Management Decision-Making, Execution and Supervision ■ 2. Matters Related to Functions of Business Execution, Audit, Supervision and Determination of Nomination and Remuneration (Outline of Current Corporate Governance System) (3) Nomination and Remuneration Advisory Committee."

**【Audit & Supervisory Board Members】**

Establishment of Audit & Supervisory Board	Established
Maximum Number of Audit & Supervisory Board Members Stipulated in Articles of Incorporation	5
Number of Audit & Supervisory Board Members	5

Cooperation among Audit & Supervisory Board Members, Independent Accounting Auditors and Internal Audit Departments

**【Cooperation among Audit & Supervisory Board Members, Independent Accounting Auditors and Internal Audit Departments】**

- The Audit & Supervisory Board defines the audit policy and audit plans, and in accordance with these, each Audit & Supervisory Board Member attends various internal important meetings, including Board meetings. In addition, audits for departments of the Company and onsite audits for Group companies in Japan and overseas enable thorough audits of the performance of duties by the Directors of the Board. For each key Group company, Audit & Supervisory Board Members are assigned either standing or non-executive



position according to the scale of the company. They coordinate closely with the Audit & Supervisory Board Members of the Company to enhance the effectiveness of auditing.

- The members of Internal Audit Department are concurrently responsible for conducting internal audits at Group companies, independently from the audits of the Audit & Supervisory Board Members, with regards to the Group's significant risks and internal controls. The Internal Audit Department practically and effectively conducts auditing for the Group overall through cooperation with the internal audit departments of each key Group company, and by sharing the audit results of, and mutually supplementing the work of, the internal audit and the audit by the Audit & Supervisory Board. The Internal Audit Department members coordinate with the Company's Audit & Supervisory Board Members in setting and implementing auditing plans, coordinate with the Standing Audit & Supervisory Board Members of the key Group companies, and concurrently perform the role of Audit & Supervisory Board Members in Group companies, etc.
- The Internal Audit Department, the Audit & Supervisory Board Members and an Independent Accounting Auditor also strive for mutual cooperation where they exchange information and opinions and consult each other as necessary.
- The Internal Audit Department and the Audit & Supervisory Board Members regularly exchange information and opinions with internal control-related departments, and the Accounting Auditor also conducts hearings with internal control-related departments as necessary, both thus implementing effective audits.

Appointment of Audit & Supervisory Board Members	Appointed
Number of Audit & Supervisory Board Members	3
Number of Independent Audit & Supervisory Board Members	3

#### Relationship with the Company (1)

Name	Attribute	Relationship with the Company*1												
		A	b	c	d	e	f	g	h	i	j	k	l	m
Yoshiko Ando	Others													
Kaoru Kashima	From other company										△			
Kenichi Fujinawa	Lawyer										△			

\*1: Categories for "Relationship with the Company"

- Executive of the Company or its subsidiary
- Non-executive Director or accounting advisor of the Company or its subsidiaries
- Non-executive Director or executive of a parent company of the Company
- Audit & Supervisory Board Members of a parent company of the Company
- Executive of a fellow subsidiary company of the Company
- A party whose major client or supplier is the Company or an executive thereof
- Major client or supplier of the Company or an executive thereof
- Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Company besides remuneration as Audit & Supervisory Board Members
- Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a legal entity)
- Executive of a client or supplier company of the Company (which does not correspond to any of f, g, or h) (the Audit & Supervisory Board Members himself/herself only)
- Executive of a company, between which and the Company Non-executive Directors of the Board/Audit & Supervisory Board Members are mutually appointed (the Audit & Supervisory Board Members himself/herself only)
- Executive of a company or organization that receives a donation from the Company (the Audit &

Supervisory Board Members himself/herself only)  
m. Others

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Relationship with the Company (2)

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**Name: Yoshiko Ando**

Designation as Independent Audit & Supervisory Board Member: Yes

Supplementary Explanation of the Relationship:

- There are no conflicts with any category from “a” to “m” above.

Reasons of Appointment:

- Ms. Yoshiko Ando has long been engaged in policy making, etc. in labor administration as an administrative officer, and has a high level of expertise, abundant experience, and high-level insight into a wide range of employment and labor fields, including pursuing of women's activities. Based on the above, the Company expects that, as an independent Non-Executive Board Member, she will provide useful opinions and suggestions on the Company's management from an objective and professional perspective, and has determined that she is an appropriate human capital to audit the execution of duties by the Company's executive directors as it seeks to sustainably increase its corporate value.
- In addition, as stated on the above, the Company has determined that she does not fall under any of the categories “a” through “m” above and that there is no risk of conflict of interest with general shareholders.

**Name: Kaoru Kashima**

Designation as Independent Audit & Supervisory Board Member: Yes

Supplementary Explanation of the Relationship:

- The Company has paid business service fees to Ernst & Young ShinNihon LLC, which was where Ms. Kaoru Kashima worked until June 2019. However, the amount of the fees paid during fiscal year 2022 make up less than 0.1% of EY ShinNihon’s total revenues.

Reasons of Appointment:

- Ms. Kaoru Kashima has long been engaged in corporate auditing services as a certified public accountant, and has extensive experience and wide-ranging knowledge in organizational culture reform, public relations, and pursuing women's activities, both as an auditing firm and as a corporate executive. Based on the above, the Company expects that, as an independent Non-Executive Board Member, she will provide useful opinions and suggestions on the Company's management from an objective and professional perspective, and has determined that she is an appropriate human capital to audit the execution of duties by the Company's executive directors as it seeks to sustainably increase its corporate value.
- In addition, although she falls under the category of "j" above, the Company has determined that she is sufficiently independent that there is no risk of a conflict of interest with general shareholders as described on the left.

**Name: Kenichi Fujinawa**

Designation as Independent Audit & Supervisory Board Member: Yes

Supplementary Explanation of the Relationship:

The Company paid business service fees to Nagashima Ohno & Tsunematsu Law Office, which was where Mr. Kenichi Fujinawa worked until December 2019 as an executor of business. However, the amount of the fees paid during fiscal year 2022 make up less than 1% of Nagashima Ohno & Tsunematsu Law Office’s total revenues.

Reasons of Appointment:

- Mr. Kenichi Fujinawa has been a partner and managing partner of a major law firm for many years as an attorney at law, and has a high degree of expertise and extensive experience in all aspects of corporate legal affairs with a focus on M&A, international transactions and corporate governance. Based on the above, the Company expects

that, as an independent Non-Executive Board Member, he will provide useful opinions and suggestions on the Company's management from an objective and professional perspective, and has determined that he is an appropriate human capital to audit the execution of duties by the Company's executive directors as it seeks to sustainably increase its corporate value.

- In addition, although he falls under the category of "j" above, the Company has determined that he is sufficiently independent that there is no risk of a conflict of interest with general shareholders as described on the left.

**[Independent Directors/ Audit & Supervisory Board Members]**

Number of Independent Directors/ Audit & Supervisory Board Members	10
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Other matters relating to Independent Directors/ Audit & Supervisory Board Members

The Company has established the criteria listed below in order to objectively determine the independence of Non-executive Directors of the Board and Audit & Supervisory Board Members ("Non-Executive Officers"), with reference to the criteria for independence of officers stipulated by the Tokyo Stock Exchange; given, however, that Non-Executive Officers are appointed based not only on independence, but also on their respective knowledge, skills, discernment and character, etc. and thus persons who meet the requirements for Non-Executive Officers stipulated in the Companies Act and can provide advice and opinions as Non-Executive Officers concerning the Company's decision-making may be hired as Non-Executive Officers even if they fall into the criteria listed below.

[Criteria regarding the Independence of Non-Executive Officers]

For Non-executive Directors of the Board and Audit & Supervisory Board Members to be considered as independent, none of the following criteria may apply to the respective Non-executive Director of the Board or Audit & Supervisory Board Member.

- (1) A person for whom the Company (including its consolidated subsidiaries; the same shall apply hereinafter) is a major client
- (2) A person who is an executive Director, corporate officer, Executive Officer, manager or other employee of a firm for whom the Company is a major client
- (3) A person who is a major client of the Company
- (4) A person who is an executive Director, corporate officer, Executive Officer, manager or other employee of a firm which is a major client of the Company
- (5) A lawyer, certified public accountant, tax accountant, or consultant, etc. who receives money or other economic benefit in excess of a certain amount from the Company aside from the officer's remuneration
- (6) A person who belongs to a firm, union, or other similar entity (including a law office, auditing firm, tax accountant firm, or consulting firm, etc.) which receives money or other economic benefit in excess of a certain amount from the Company
- (7) A person who is a major shareholder of the Company
- (8) A person who is an executive Director and who executes business of a firm which is a major shareholder of the Company
- (9) A person who receives donations or other assistance in excess of a certain amount from the Company
- (10) A person who is a Director of or otherwise executes duties for a firm, union or other similar entity which receives donations or other assistance in excess of a certain amount from the Company
- (11) A person who is an executive Director, corporate officer, Executive Officer, manager or other employee of a firm for which an Executive Director or Standing Audit & Supervisory Board Member of the Companies Acts as a Non-executive Director of the Board or Audit & Supervisory Board Member
- (12) A person to whom any of aforementioned criteria (1)–(11) has applied within the past three (3) years
- (13) Where a person to whom any of aforementioned criteria (1)–(12) applies (however, excluding the person who does not serve an important role) , the person's spouse or other relations within the second degree of kinship

(14) A person who is a spouse or other relation within the second degree of kinship to a person who serves currently and has served within the past three (3) years as a Director, Executive Officer, manager or other key employees of the Company

(Notes)

1. Regarding criteria (1) and (2), "A person (or firm) for whom the Company is a major client" refers to a person (or firm) who received payment from the Company in the most recent business year that accounted for either 2% or more of consolidated sales (consolidated revenue) for the year for that person (or firm), or over 100 million yen, whichever is the higher amount. If consolidated accounting is not adopted by the person (or firm), total revenue or non-consolidated sales for the year should be employed in place of consolidated sales (consolidated revenue) for the year.
2. Regarding criteria (3) and (4), "A person (or firm) who is a major client of the Company" refers to a person (or firm) who made payment to the Company in the most recent business year that accounted for 2% or more of the Company's consolidated revenue for the year, or who financed 2% or more of the Company's consolidated total assets at the end of the most recent business year.
3. Regarding criteria (5), (9) and (10), "a certain amount" is considered as 10 million yen per year.
4. Regarding criteria (6), "a certain amount" is considered as either 2% or more of total revenue for the most recent business year for that firm, union or other similar entity, or over 100 million yen, whichever is the higher amount.
5. Regarding criteria (7) and (8), "a major shareholder" refers to a shareholder who directly or indirectly holds more than 10% of the voting rights.

#### [Incentives]

Incentive Policies for Directors	<ul style="list-style-type: none"> <li>• Performance-linked Remuneration</li> <li>• Other – introduction of the Trust-type Stock Remuneration System (performance-based)</li> </ul>
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#### Supplementary Explanation

In order to raise awareness of the need to achieve short-term performance targets and increase corporate value over the medium to long term, remuneration for Directors will consist of three components: basic remuneration (fixed remuneration), bonuses (performance-linked remuneration), and trust-type stock-based remuneration. Since Non-executive Directors of the Board play the role of supervising and advising the management of the Company and the entire Group from an objective standpoint, only basic remuneration shall be paid to Non-executive Directors.

The performance evaluation indicators for the bonus shall be the Company performance indicators (consolidated Normalized Operating Profit), business performance indicators and individual performance evaluation, and the amount to be paid shall vary in the range of 0% to 200%, with 100% being when the target is achieved.

Trust-type share-based remuneration consists of (1) performance share units (single-year PSUs) linked to the achievement of performance goals for a single fiscal year, (2) restricted share units (RSUs) with no performance achievement conditions attached, and (3) performance share units linked to the achievement of medium-term business plan goals for multiple fiscal years (medium-term PSUs). The performance indicators for single-year PSUs and MTBP PSUs shall be ROIC and normalized EPS, which are key management indicators in the mid-term business plan, and non-financial indicators. Non-financial indicators are determined based on a quantitative judgment of the level of achievement of specific indicators defined for each item in the three categories of "environment," "health," and "employees," followed by an item-by-item evaluation of each indicator and the qualitative aspects of the entire item, and an overall evaluation of non-financial indicators based on the results of those evaluations and consideration of qualitative aspects. The payment rate for single-year PSUs and mid-term PSUs will fluctuate between 0% and 200%, with 100% at the time of target achievement.

Specific decisions on remuneration are made by the Board of Directors based on the report of the Nomination & Remuneration Advisory Committee and within the limit of remuneration previously resolved at the General Meeting of Shareholders.

Specific details regarding remuneration, etc. for Directors and Audit & Supervisory Board Members are disclosed in the Annual Securities Report.

Annual Securities Report : [https://www.kirinholdings.com/en/investors/library/financial\\_results/](https://www.kirinholdings.com/en/investors/library/financial_results/)

Recipients of Stock Options

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Supplementary Explanation

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### [Director Remuneration]

Disclosure of Individual Directors' Remuneration

Selected Directors

Supplementary Explanation

The Business Report discloses the total amount of remuneration by type, separately for executive and non-executive Directors, and for Standing Audit & Supervisory Board Members and Audit & Supervisory Board Members. In addition to this, the Annual Securities Report discloses individual remuneration for Directors whose total amount of remuneration is 100 million yen or more. The Business Report and Annual Securities Report are posted on the Company's website.

Business Report (within Convocation notice) : <https://www.kirinholdings.com/en/investors/stock/agm/>

Annual Securities Report : [https://www.kirinholdings.com/en/investors/library/financial\\_results/](https://www.kirinholdings.com/en/investors/library/financial_results/)

The disclosure of the amount of remuneration for Directors for fiscal 2022 is as follows.

【Total amount of remuneration, etc. by category of officer, total amount of remuneration, etc., by type, and number of eligible officers】

Classification of Board Members	Total amount of remuneration, etc. (million yen)	Total amount of remuneration by type (million yen) and number of eligible officers							
		Fixed remuneration		Performance-linked remuneration					
		Monetary remuneration						Non-monetary remuneration	
		Basic remuneration		Bonus		Performance-based stock-linked remuneration (Phantom stock)		Stock remuneration	
		Total	# of eligible officers	Total	# of eligible officers	Total	# of eligible officers	Total	# of eligible officers
Director of the Board (Excluding Non-executive Director of the Board)	707	277	6	278	5	—	—	151	6
Standing Audit & Supervisory Board Members (Excluding Audit &	75	75	3	—	—	—	—	—	—

Supervisory Board Members)										
Non-Executive Officers	Non-executive Directors of the Board	138	138	7	—	—	—	—	—	—
	Audit & Supervisory Board Members	57	57	4	—	—	—	—	—	—
Total		976	546	20	278	5	—	—	151	6

(Note)

1. The number of board members as of the end of the current fiscal year is 12 Directors and 5 Audit & Supervisory Board Members, but the above remuneration includes remuneration for one Director and two Audit & Supervisory Board Members who retired as of March 30, 2022.
2. The above total amount of stock remuneration was the posted expenses during the fiscal year with respect to the executive remuneration BIP trust.
3. Figures are rounded to the nearest million yen.

**【Individual remuneration】**

Name	Classification of Board Members	Total amount of remuneration, etc. (million yen)	Amount of remuneration by type (million yen)		
			Fixed remuneration	Performance-linked remuneration	
			Monetary remuneration		Non-monetary remuneration
			Basic remuneration	Bonus	Stock remuneration
Yoshinori Isozaki	President & CEO	302	101	130	70
Keisuke Nishimura	Representative Director of the Board, Senior Executive Vice President	150	62	56	32

(Note)

- (1) Remuneration of 100 million yen or more in total is listed.
- (2) The total amount of stock-based remuneration above is the amount posted as expenses during the fiscal year with respect to the executive remuneration BIP trust remuneration.
- (3) Amounts are rounded to the nearest million yen.

Policy on Determining Remuneration Amounts and Calculation Methods

Established

Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods

The Nomination and Remuneration Advisory Committee deliberates on the policy for determining remuneration, etc. for Directors and Executive Officers, and the following matters related to the decision-making process for such policy, and the Board of Directors makes decisions on these matters, the details of which are disclosed in the Annual Securities Report.

Policy for Determining Remuneration, etc. for Directors and Audit & Supervisory Board Members

- ① Basic policy on remuneration, etc. for Directors and Audit & Supervisory Board Members
- ② Remuneration structure and eligibility for payment, etc.
- ③ Setting of remuneration levels and ratio of performance-linked remuneration
- ④ Determination of evaluation indicators and targets for performance-linked remuneration
- ⑤ Method of Determining Remuneration, etc. for Directors and Audit & Supervisory Board Members
- ⑥ Other important matters

Annual Securities Report : [https://www.kirinholdings.com/en/investors/library/financial\\_results/](https://www.kirinholdings.com/en/investors/library/financial_results/)

**[Supporting System for Non-executive Directors of the Board and/or Audit & Supervisory Board Members]**

- The Company does not allocate any standing members specifically for Non-executive Directors of the Board. The Company's People & Culture Department Secretary Section provides support to Non-executive Directors of the Board as well as internal Directors. No standing members are also allocated for Audit & Supervisory Board Members. The Advisor to the Audit & Supervisory Board Member and the People & Culture Department Secretary Section, along with the Internal Audit & Supervisory Board Members, provide support.
- The Non-executive Directors of the Board receive Board meeting materials in advance, and if necessary, regardless as to their inclusion on the Board meeting agenda, background information is provided from the relevant department and People & Culture Department Secretary Section. For Non-Executive Directors of foreign nationality, the Company provides support by distributing materials in English and providing interpreters on meeting days. The Audit & Supervisory Board Members also receive Board meeting materials in advance, and requisite information and explanations are provided as needed, such as at monthly Audit & Supervisory Board Members meetings and/or before Board meetings.

**[Status of retired from Representative Director and President, etc.]**

Name of Advisors ("sodanyaku," "komon," etc.) who have retired from President & CEO, etc.

Name	Title/position	Activity Description	Working arrangement/conditions (standing/non-executive, paid/unpaid, etc.)	Date of retirement from President etc.	Tenure
—	—	—	—	—	—

Total number of Advisors ("sodanyaku," "komon," etc.) who have retired from President & CEO, etc.	0
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Other information

- The Company has established internal regulations for Executive Advisors; in principle, the work is entrusted to a person who has served as either President or Chairperson of the Company upon a resolution at a board meeting, with a maximum tenure of three (3) years. The Executive Advisor is mainly engaged in external work such as the Company's social contribution activities (standing members with remuneration) and is not engaged in any managerial work for the Company. There is currently nobody serving as Executive Advisor.
- The Company may grant a title such as Honorary Executive Advisor to a retired Executive Advisor when



that person continues to engage in external activities (non-executive members without remuneration). Currently, there are four (4) retired Executive Advisors (Yasuhiro Sato, Koichiro Aramaki, Kazuyasu Kato, and Senji Miyake). These four persons do not engage in any managerial tasks for the Company, nor did they during their service as Executive Advisors.

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

### **(1) The Board and its Members**

- The Company has twelve (12) Directors of the Board, including seven (7) Non-executive Directors of the Board, and meetings are chaired by an independent Non-Executive Director.
- The Board makes decisions on execution of important business matters and legal issues at the Group, and is responsible for supervising the execution of duties by the Directors, establishing an appropriate internal control system for the entire Group in cooperation with the Internal Audit Department, and supervising the operation of the system. Furthermore, it strives to maximize the corporate value of the Group by deciding upon and approving the Medium-Term Business Plans and Annual Business Plans for the Group overall and for the key Group companies and by conducting regularly monitoring based upon factors such as changes to the business climate.
- The Board of Directors is composed of a balanced and appropriate number of members, taking into consideration the knowledge, experience, abilities, and insights required to realize Vision for 2027, while ensuring diversity in terms of gender and internationalization. In addition, in order to build a highly transparent governance system and ensure the effectiveness of objective management supervision, the majority of currently appointed Directors are independent Non-executive Director of the Board. One or more of the independent Non-Executive Directors must have management experience at other companies.
- Regarding the ten (10) Group companies: Kirin Brewery Company, Limited, Kirin Beverage Company, Limited, Mercian Corporation, Lion Pty Ltd, Coca-Cola Beverages Northeast, Inc., Kyowa Kirin Co., Ltd., Kyowa Hakko Bio Co., Ltd., San Miguel Brewery Inc., Thorne Health Tech Inc. and FANCL Corporation, the Directors of the Board or Executive Officers of the Company are appointed as Directors of the Board (including Non-executive Directors of the Board) of each company and supervise the performance of duties in order to strengthen governance of the Group overall. Concerning Kyowa Kirin Co., Ltd., because it is a listed subsidiary, while working to secure appropriate effectiveness through the implementation of the corporate governance code, efforts are being made to ensure the independence of executive management as a listed company, as well as autonomous corporate activities based on independence and agility. At the same time, the Company is striving to maximize profits for all shareholders and sustainably expand corporate value.
- The Non-executive Directors of the Board provide valuable feedback and advice on the Company's corporate decisions from a practical, objective and specialist perspective based on their extensive experience as corporate managers. The Company does not provide any standing members to serve Non-executive Directors of the Board. The Secretary Section of the People & Culture Department provides support to corporate and Non-executive Directors of the Board.
- In addition, the Company has created the Internal Audit department within the Company to establish an internal control system for the entire Group, and to conduct and preside over internal audits within the Company and at Group companies.
- Regular Board meetings are held once a month and extraordinary meetings as necessary. In the fiscal year 2022, Board Meetings were held thirteen (13) times, with an attendance rate for Non-executive Directors of ninety-seven (97) percent and for Audit & Supervisory Board Members of ninety-seven (97) percent.

### **(2) Audit & Supervisory Board and its Members**

- The Company Audit & Supervisory Board has five (5) members, including three (3) Non-executive members.
- The Audit & Supervisory Board Members audit the performance of duties by Directors of the Board, attending various internal important meetings, including the Board meetings, providing advice and conducting onsite audits for Group companies in Japan and overseas in coordination with, and by exchanging information with, internal audit divisions, Independent Accounting Auditors, and Audit &



Supervisory Board Members at Group companies, in accordance with the audit policy and plans defined by the Audit & Supervisory Board.

- Regarding Kyowa Kirin, the Audit & Supervisory Board Members of the Company are appointed as Audit & Supervisory Board Members to audit the performance of duties by the Directors of the Board in order to reinforce governance of the Group overall.
- In addition, in order to strengthen the auditing function, the Company has established the Advisor to Audit & Supervisory Board Members as a system to support the duties of an Audit & Supervisory Board Members.
- The Board of Audit & Supervisory Board Members meets regularly once a month and as necessary. In the fiscal year 2022, Audit & Supervisory Board Meetings were held fifteen (15) times, with an attendance rate for Audit & Supervisory Board Members of one-hundred (100) percent.

### (3) Nomination and Remuneration Advisory Committee

- The Company has established Nomination and Remuneration Advisory Committee to deal with the nomination and remuneration of Directors of the Board, Executive Officers and Audit & Supervisory Board Members. The Nomination and Remuneration Advisory Committee is composed of Directors, the majority of whom are independent Non-Executive Directors, and the chairperson of the committee is selected from independent Non-Executive Directors. As an advisory body to the Board of Directors, the committee deliberates on the following matters from an objective and fair perspective, and reports to the Board of Directors:
  - 1) Policy for the appointment/dismissal of Directors of the Board, Executive Officers and Audit & Supervisory Board Members, and proposal of candidates
  - 2) Plans for the succession of the President & CEO
  - 3) System, standards and amounts for the remuneration of Directors of the Board, Executive Officers and Audit & Supervisory Board Members
  - 4) Proposal of candidates for the positions of Chairman of the Board, President and Director of the Board at the key Group companies based on the nature and scale of their business; remuneration systems and standards
- In addition, based on the delegation of the Board of Directors, the Nomination and Remuneration Advisory Committee shall determine the evaluation indicators and targets for the individual performance evaluation and the evaluation results and the individual payment rate of hiring for the individual performance evaluation for the bonuses of the Company's directors (excluding Non-Executive Directors) and executive officers in accordance with the level of achievement of those indicators and targets, etc.
  - In FY2022, the Board deliberated on the candidates for Directors and Audit & Supervisory Board Members to be proposed at the Ordinary General Meeting of Shareholders in March 2023 and on the operation of the executive remuneration plan in a manner consistent with the Mid-term Business Plan (e.g., evaluation methods for non-financial evaluation), as well as on the adequacy of the system (verification of remuneration level and performance-linked ratio). In addition, as part of efforts to strengthen corporate governance, members of the Nomination and Remuneration Advisory Committee (only three (3) non-executive Directors) held a strategic dialogue with President & CEO Yoshinori Isozaki and conducted a qualitative evaluation from the perspective of whether he possesses the necessary qualities as the Company's top management and whether he is appropriately demonstrating them, based on a quantitative evaluation including the status of earnings. In addition, the Nomination and Remuneration Advisory Committee reports the results of this evaluation to the Board of Directors to ensure more objective, timely, and fair management decisions regarding the selection and dismissal of the President & CEO.
- In the fiscal year 2022, the Nomination and Remuneration Advisory Committee met thirteen (13) times, with an attendance rate of hundred (100) percent for members.

### (4) Group Executive Committee

- The Company has established the Group Executive Committee as an advisory body to support the President & CEO in decision making. It strives to improve the quality of the decision making relating to the Group's management by holding Group Executive Committee meetings in a timely fashion with the President & CEO, Senior Executive Vice President, Senior Executive Officers and Audit & Supervisory Board Members, etc. to discuss business strategies and investments that have significant implications for business.

(5) Other bodies advisory to the President & CEO

- A Group CSV Committee with jurisdiction over CSV activities for the entire Company has been set up, as well as a Group Risk and Compliance Committee with jurisdiction over risk management and compliance, thus promoting the entire Group's efforts.
- Information Disclosure Committee has been set up as an advisory body for decisions relating to information disclosure to stakeholders and investors, to improve management transparency through the promotion of timely, fair and impartial disclosure.

(6) Accounting audit system

- The certified public accountants who performed the accounting audit of the Company were Mr. Shoichi Hattori, Mr. Masahiro Sasaki, and Mr. Yoshihiro Fujioka from KPMG AZSA LLC. Also, an additional twenty-five (25) certified public accountants and forty-five (45) others assisted with the audit work.

### 3. Reasons for Adoption of Current Corporate Governance System

- The Company adopts a pure holding company structure as a means of controlling its diverse and global business, which is centered on Food, Pharmaceuticals, and Health Science. As a pure holding company, the Company will take on the role of devising and implementing the Group's overall strategies, monitoring individual businesses, and creating synergy through coordination across the Group.
- Individual Group companies will conduct their business autonomously with a sense of speed, while maintaining close ties to the local customers and other stakeholders. The Company will grant appropriate authority to match the strategic stages of individual Group companies, and will improve governance through the Boards of individual Group companies by dispatching Directors of the Board to said main companies. Directors of the Board or Executive Officers of the Company will serve concurrently as Directors at the main companies in the Company.
- The Company adopts a company with Audit & Supervisory Board system, and aims to maintain and improve on a highly transparent governance for its stakeholders. The Board, which includes a number of independent Non-executive Directors of the Board, will work closely with the Audit & Supervisory Board, which also includes a number of Audit & Supervisory Board Members, and make effective use of the statutory and some other auditing function to take final decisions on important matters. At the same time, the Board will endeavor to reinforce the monitoring function on management.
- The Company introduces an Executive Officer based system in order to implement strategies for each of its businesses and functions in an agile fashion and clarify executive responsibilities. The Board will establish the scope of the responsibility of Executive Officer based on experience, performance and specialization in their respective field.

### III. Implementation of Measures for Shareholders and Other Stakeholders

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

	Supplementary Explanations
Early Notification of General Shareholder Meeting	The convocation notice of the Ordinary General Meeting of Shareholders is sent out approximately three (3) weeks in advance of the date of the Ordinary General Meeting of Shareholders. Prior to the date of dispatch, the materials for the General Meeting of Shareholders will be available electronically on the Company's website and on the website of the Tokyo Stock Exchange. Japanese version: <a href="https://www.kirinholdings.com/jp/investors/stock/agm/">https://www.kirinholdings.com/jp/investors/stock/agm/</a> English version: <a href="https://www.kirinholdings.com/en/investors/stock/agm/">https://www.kirinholdings.com/en/investors/stock/agm/</a>
Scheduling AGMs Avoiding	—

the Peak Day	
Allowing Electronic Exercise of Voting Rights	Shareholders may exercise voting rights via the Internet.
Participation in Electronic Voting Platform	The Company has been participating in an electronic voting platform for institutional investors operated by ICJ, Inc.
Providing Convocation Notice in English	The Company prepares the English translation (full text version) of the convocation notice of the Ordinary General Meeting of Shareholders and publishes it on the Company's website the same day that the original Japanese version is released.
Other	The results of the exercise of voting rights are released on the Company's website shortly after the Ordinary General Meeting of Shareholders.

## 2. IR Activities

	Supplementary Explanations
Preparation and Publication of Disclosure Policy	The Company's Disclosure Policy includes not only the basic policy, but also the method of information disclosure, the cautionary statement with respect to the forward-looking statement, non-disclosure of information on business performance over an undisclosed fiscal period, and the quiet period, and is published on the Company's website. <a href="https://www.kirinholdings.com/en/investors/policy/disclosure/">https://www.kirinholdings.com/en/investors/policy/disclosure/</a>
Regular Investor Briefings for Individual Investors	Since the fiscal year 2002, the Company has held seminars for individual investors several times a year, mainly by participating in seminars hosted by securities companies, with Executive Officer in charge of IR and staff members of the IR Section presenting the information. In addition, for the fiscal year 2018 and 2019, the Company conducted factory tours for individual shareholders. However, due to the impact of the spread of COVID-19 infection, the tours were not conducted in fiscal year 2020 onwards
Regular Investor Briefings for Analysts and Institutional Investors	The Company holds meetings for analysts from securities companies and institutional investors at different times including at the announcement of the financial results (second-quarter financial results/year-end financial results) and that of important management matters such as the Medium-Term Business Plan and Long-Term Management Vision, with the President & CEO and Executive Officer in charge of IR as presenters. The Company also holds remote conferences at the announcement of the financial results (including first- and third-quarter financial results) and on other occasions as necessary. Furthermore, the Company releases on-demand videos for institutional investors including those based overseas who are unable to attend the meetings in Japan in person. In addition to this, an Investor Day was held every year starting in fiscal year 2019, which included medium- to long-term growth strategies, corporate governance, and other topics that are likely to be of interest to investors, and in addition, a briefing session on CSV has been held every year since fiscal year 2016 (including the year it was made an Investor Day program).
Regular Investor Briefings for Overseas Investors	The President & CEO and Executive Officer in charge of IR go on visits to institutional investors based overseas and the Company participates conferences and local meetings one to two (2) time(s) a year in major cities in Europe, the United States, and Asia. However, the program has been

	suspended for some time due to the difficulty of overseas travel caused by the spread of COVID-19 infection, and resumed in 2022 following the easing of various restrictions. In addition, the above Investor Day has been conducted with simultaneous interpretation since fiscal year 2020.
Posting of IR Materials on Website	The Company has been enhancing and expanding the content of the IR website page, and regularly uploads a range of materials including financial results, information that needs to be disclosed in a timely manner, various press releases, presentation documents, securities reports, quarterly financial reports, convocation notices of the Ordinary General Meeting of Shareholders, and Kirin CSV Reports, basically both in the Japanese and English languages. The Company is now able to disclose securities reports simultaneously in English and Japanese, starting from the financial results at the end of FY2022.. Furthermore, the Company has also created a page for individual investors with content designed to introduce them to the Kirin Group.
Establishment of Department and/or Manager in Charge of IR	The IR Section in the Corporate Communications Department is in charge of the Company's IR. The Executive Officer in charge of finance (CFO) also serves as the Executive Officer in charge of IR.
Other	<p>In principle, all information for disclosure to investors is translated into English, and listed on the Company's website at the same time as, or shortly after, disclosure of the corresponding original Japanese documents.</p> <p>From fiscal year 2021, the Company started translating all of its securities reports as well, and simultaneous disclosure has been provided for FY2022. IR site (in English): <a href="https://www.kirinholdings.com/en/investors/">https://www.kirinholdings.com/en/investors/</a></p> <p>The Company has long provided opportunities for dialogue between Non-Executive Directors and shareholders/investors, and in fiscal year 2022 as well, Non-Executive Directors held meetings with shareholders.</p>

### 3. Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanations
Stipulation of Internal Rules for Respecting the Position of Stakeholders	Along with establishing various policies and guidelines, including the Group corporate philosophy, Group Human Rights Policy, Group Compliance Guidelines, corporate governance policy, employment regulations, basic guidelines for alcohol-related issues, Group quality policy, Group environmental policy, basic policy on Group procurement, and Kirin Group Sustainable Supplier Code, the Company is strengthening its engagement. In addition, the Company also participates in the United Nations Global Compact and is putting in place specific initiatives to achieve those principles. In addition, the Company ensures that the principles are informed companywide through the intranet, internal training, and other means.
Implementation of Environmental Activities, CSR Activities etc.	<p>In its long-term management vision, KV2027, the Group aims to achieve sustainable growth by addressing social issues through its business, creating both social and economic value, and strengthening its management resilience and competitiveness.</p> <p>The Company considers its customers, shareholders, investors, employees, communities, business partners, and the global environment to be</p>

	<p>stakeholders common to the Group, and recognizes that collaboration with multiple stakeholders is essential to achieving its vision for 2027 and shall co-create new value with all stakeholders through the realization of the vision for 2027.</p> <p>In addition, the Company shall promote CSV management by proactively responding to social issues as management issues in order to sustainably survive and develop together with stakeholders. The Company shall establish a system to promote company-wide efforts to address issues surrounding sustainability, not only to promote risk management, but also to create profit opportunities through co-creation with stakeholders.</p> <p>The Company has established the "Kirin Group CSV Purpose" as a guideline for co-creating value with society and achieving sustainable growth toward the realization of KV2027, and is working toward the goal under the "Kirin Group CSV Commitment" as an action plan. In addition, the Kirin Group Environmental Vision 2050 sets out the ideal state of the environment in 2050, and the Company is working to realize it.</p> <p>The Company has received the following external evaluations for its CSV/ESG activities.</p> <p>In addition to "Climate Change" and "Water", CDP has selected the Company for the highest rating in "Supplier Engagement".</p> <p>The FTSE4 Good Indicator, FTSE Blossom Japan Indicator, MSCI Japan ESG Select Leaders Indicator, MSCI Japan Women's Indicator (WIN), and S&amp;P/JPX Carbon Efficient Indicator are among the stock indices related to ESG investment.</p> <p>CSV Purpose  <a href="https://www.kirinholdings.com/en/purpose/csv_purpose/">https://www.kirinholdings.com/en/purpose/csv_purpose/</a></p> <p>CSV Commitment  <a href="https://www.kirinholdings.com/en/impact/csv_management/commitment/">https://www.kirinholdings.com/en/impact/csv_management/commitment/</a></p> <p>Environmental Report  <a href="https://www.kirinholdings.com/en/investors/library/env_report/">https://www.kirinholdings.com/en/investors/library/env_report/</a></p> <p>Integrated Report  <a href="https://www.kirinholdings.com/en/investors/library/integrated/">https://www.kirinholdings.com/en/investors/library/integrated/</a></p>
Development of Policies on Information Provision to Stakeholders	<p>The Company provides information externally through its disclosure policy. In addition, the Information Disclosure Committee of the Company, an advisory body for decision-making about disclosure to shareholders and investors, has the function of improving management transparency through the promotion of timely, fair, and impartial disclosure of information.</p>
Other	

#### IV. Matters Related to the Internal Control System

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

###### 1. Basic policy for the internal control system

The Board has made a resolution on the fundamental principles of a system (an internal control system) to ensure appropriate performance of duties within the Group.

(1) System to ensure compliance of performance of duties by the Group Directors, etc.\* and employees with laws and the articles of incorporation (“Compliance System”)

\* Directors, etc. refers to Directors of the Board, Executive Officers and other business administrators.



Also hereinafter in this basic policy for the internal control system only.

The Company Directors of the Board shall establish basic policy on the compliance of the Group and promote the policy by maintaining an organization and provisions to execute the policy and integrating them with the activities in each the Group company. In addition, the Directors of the Board shall carry out educational programs on compliance, clarify procedures concerning responses to breaches of compliance, and make those procedures well-known within each Group company. The Kirin Holdings Internal Audit Department (including internal audits at each Group company) shall carry out internal auditing to ensure that these systems are properly developed and applied.

In addition, the Directors of the Board shall establish an internal control reporting system to ensure reliability of the financial reports and conduct their operation and evaluation effectively and efficiently.

(2) System to ensure the proper preservation and maintenance of information regarding the performance of duties by the Company Directors of the Board (“System of Information Preservation and Maintenance”)

The Company Directors of the Board shall preserve the following documents (including electromagnetic records) together with the related materials for at least ten (10) years and make them available for inspection as necessary.

- Minutes of general meetings of shareholders
- Minutes of the Board meetings
- Minutes of the Group Executive Committee meetings and other significant meetings
- Approval applications (approval authority of General Manager and above)
- Financial statements, business reports, and their detailed statements

(3) Regulations and other systems related to the control of the risk of the Group loss (“Risk Management System”)

The Company Directors of the Board shall establish basic policy on the risk management of the Group and promote the policy by maintaining an organization and provisions to execute the policy and integrating them with activities in each Group company. In addition, the Directors of the Board shall carry out educational programs on risk management, clarify procedures concerning the disclosure of risks and responses to the occurrence of crises, and make those procedures well-known within each Group company.

The Kirin Holdings Internal Audit Department (including internal audits within each Group company) shall carry out internal auditing to ensure that these systems are properly developed and applied in each Group company.

(4) System to ensure the efficient performance of duties by the Group Directors, etc. (“Efficient Performance System”)

The Company Directors of the Board shall maintain a management control system comprising the following items to ensure the efficient performance of duties by Group Directors, etc.

- In addition to Board meetings, the Company Executive Committee shall be organized to deliberate significant matters affecting the entire Company, thereby ensuring that decisions are reached carefully based on considerations of multi-dimensional aspects.
- Along with the appointment of Executive Officers, who are responsible for business administration at the Company, as necessary the Company shall dispatch Directors of the Board to each Group company to oversee appropriate and efficient performance of duties and decision making.
- Ensure appropriate and efficient performance of duties according to the limits of authority and decision-making rules based on the Regulations on Work Authority.
- Establish quantitative and qualitative targets in the annual plan by business category and monitor performance, including quarterly monitoring at each Group company.

(5) System to ensure appropriate operations including a system for reporting performance of duties by the Company Directors, etc. (“Group Internal Control System including Reporting Performance of Duties”)

In order to ensure appropriate operations including reporting performance of duties by the Group Directors, etc., the Company Directors of the Board shall establish rules and standards to be applied to each Group company, including the following items, and carry out operation in compliance with these rules and standards.

- Items related to the governance and monitoring of each Group company
- Items related to guidance and management concerning the maintenance of the internal control system for each Group company
- Items related to the communication system\* linking the Group companies
- Items related to the Group internal auditing system operated by the Kirin Holdings Group Internal Audit Department

\* The system to share information within the Group, the compliance hotline system, and other related items.

- (6) Items regarding assignment of employees as support staff for the Company Audit & Supervisory Board Members when Audit & Supervisory Board Members request support staff (hereinafter in this basic policy for the internal control system only, “Audit & Supervisory Board Member System”)

The Company’s Directors of the Board shall assign employees as support staff for the Company Audit & Supervisory Board Members.

- (7) Items related to the assurance that employees assigned as support staff as mentioned in the preceding provision remain independent from the Company Directors of the Board and to ensure the effectiveness of directions by the Company Audit & Supervisory Board Members to these employees

In order to ensure independence from the Company Directors of the Board of the employees assigned as support staff as mentioned in the preceding provision, the consent of the Company Audit & Supervisory Board Members shall be required for any decision related to personnel affairs, including the appointment, transfer and assessment of such employees. Such employees shall not simultaneously assume any other appointment related to the operation of business and shall only follow instructions of the Company Audit & Supervisory Board Members.

- (8) System to ensure reporting to the Company Audit & Supervisory Board Members by the Group Directors, Audit & Supervisory Board Members and employees

The Company Directors of the Board shall report to the Company Audit & Supervisory Board Members on matters specified by the Audit & Supervisory Board Members in advance in accordance with the provisions of Audit & Supervisory Board Members’ audit standard of the Company. Principal items are as follows.

- Any matter that may cause material damage to any Group company, when the Audit & Supervisory Board Members find such a matter
- Legal matters that require the consent of Kirin Holdings Audit & Supervisory Board Members
- The status of maintenance and application of the Group’s internal control system

Notwithstanding the items listed above, the Company Audit & Supervisory Board Member may request the Directors of the Board, Audit & Supervisory Board Members and employees of each Group company to report on other matters any time as necessary.

The Directors of the Board, Audit & Supervisory Board Members, and employees of each Group company (including those who receive reports from these Directors of the Board, Audit & Supervisory Board Members and employees) may directly report matters that they judge to be appropriate to the Company Audit & Supervisory Board Members in order to ensure appropriate performance of duties at each Group company.

The Company Audit & Supervisory Board Members shall receive an update each quarter on the operation of the internal reporting system. Also, where they personally feel it is necessary, they can immediately report on the operation of the said system.

- (9) Members as outlined in the preceding provision are not subjected to unfair treatment.

The Company Directors of the Board have prepared common regulations for the Group worldwide to ensure that someone who makes a report to the Directors of the Board as outlined in the preceding provision is not subjected to unfair treatment for this reason, and shall make those procedures well-known within each Group company.

- (10) Policy for pre-payment or reimbursement of expenses incurred in the performance of the Company Audit & Supervisory Board Members’ duties

After discussions with the Company Audit & Supervisory Board Members, the Company Directors of the

Board have deemed that expenses incurred in the performance of the Company Audit & Supervisory Board Members' duties shall either be pre-paid or reimbursed.

(11) Other systems to ensure effective auditing by the Company Audit & Supervisory Board Members

The Company Audit & Supervisory Board Members shall hold a regular meeting with the Company Directors of the Board and Non-executive Directors of the Board for the exchange of opinions.

In addition, the Company Directors of the Board shall establish systems to ensure effective auditing by the Company Audit & Supervisory Board Members. This will include ensuring that the Company Audit & Supervisory Board Members have the opportunity to attend the meetings of each Group company, at the request from the Company Audit & Supervisory Board Members.

2. Establishment of the internal control system

The Company has steadily developed the internal control system, and has been working on continuous improvement.

## 2. Basic Views on Eliminating Anti-Social Forces

1. Basic view on the subject of eliminating anti-social forces

For the Group, compliance goes beyond the level of simply observing laws and ordinances, and is defined as follows: "Each Kirin Group company and their employees shall observe laws and ordinances and all internal and external rules and regulations, uphold social norms, fulfill legal obligations and social ethical responsibilities, and thereby prevent unexpected losses and loss of credibility and maintain and increase stakeholders' trust in Kirin Group." Under the scope of compliance, the Group undertakes specific initiatives to eliminate any connections with anti-social forces in its everyday corporate activities.

2. Initiatives to eliminate anti-social forces

(1) Code of conduct

The Group has set forth the Group Compliance Policy, which is a code of conduct that must be observed by Kirin Group companies and employees, and in this policy, the Company is working to sever ties with anti-social forces.

(2) Internal systems and programs

The Group has designated a department responsible for handling unjustifiable requests from anti-social forces on an ongoing basis, and has appointed a person responsible for preventing such unjustifiable requests. Meanwhile, the Company obtains relevant information in cooperation with expert external organizations such as the police, the National Center for the Elimination of Criminal Organizations, and lawyers. All employees of Group companies also receive annual training on the Compliance Guidelines mentioned above.

## V. Other

### 1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not Adopted
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#### Supplementary Explanation

The Company does not adopt any anti-takeover measures; in cases where the Company's shares are purchased in a takeover bid, the Board will ask the bidder for an explanation of measures for boosting the Group's corporate value, and will promptly disclose its view on the bid.



## 2. Other Matters Concerning to Corporate Governance System

### Overview of Timely Disclosure System (Information Disclosure System)

The Company has the following internal system with regard to the timely disclosure of corporate information.

#### 1. Basic policy and approach to the timely disclosure of corporate information and its internal dissemination and enlightenment

(1) As “integrity” is included within the “One Kirin” Values defined by the Company as shared values across all Group employees worldwide, the Group aims to become a group of trusted companies. The six common stakeholders within the Group are Consumers, Communities, Business Partners, Employees, Shareholders/Investors, and the Environment.

(2) The Company positions its proactive efforts towards disclosure as part of corporate governance. As an overall guideline for the undertaking of information disclosure to stakeholders such as Shareholders/Investors and Consumers, the Company has established the Disclosure Policy (see Attachment A for details), which is available on the Company website.

(3) The Company has established the "Group Compliance Policy" as the minimum code of conduct that must be observed by Kirin Group companies and employees, and is committed to maintaining and improving trust in the Kirin Group and its corporate value by meeting the expectations of stakeholders. The "Group Compliance Guidelines" stipulate that "the Company shall disclose management information, including its financial position and the status of its business activities, to shareholders and investors in a timely and appropriate manner, clearly communicate the Company's management philosophy and policies, and sincerely accept opinions and criticism regarding these matters."

(4) The section stipulating the “Prohibition of Insider Trading” found under “Relations with Shareholders and Investors” in the Guidelines calls for the officers and employees of the Company and consolidated subsidiaries to observe the “Group Insider Trading Prevention Regulations.”

• Based on the above-mentioned standards and codes of conduct, each responsible department (Corporate Strategy Department for the “Kirin Group Compliance Guidelines” and Legal Department for the “Insider Trading Prevention Regulations”) conducts information sessions within the Group in order to fully inform and educate Group employees. Meanwhile, the Company also takes efforts to achieve the timely disclosure of corporate information under the following internal systems.

#### 2. Gathering of information

##### (1) Information about matters that have been decided

• Information about matters that have taken place is reported to the Board of Directors by each internal department (or by the leading department for information related to subsidiaries), discussed and decided by the Board of Directors, and then consolidated by the General Manager of the Corporate Communications Department ("General Manager of CC"). Information regarding decisions made by subsidiaries may be communicated by the lead department to the General Manager of CC and reported to the Board of Directors after the fact.

##### (2) Information about matters that have taken place

• Information about matters that have taken place is communicated by various departments within the Company (or responsible departments if such information is regarding subsidiaries) to Corporate Communications Department and IR Section without delay, and further gathered to the General Manager of CC. In some cases, the information is provided to Corporate Communications Department and IR Section via the Group Risk and Compliance Committee, upon deliberation and decision-making at Board meetings. Meanwhile, a contact person for each department is appointed in either Corporate Communications Department or IR Section to enhance such information gathering.

##### (3) Information about financial results/forecasts

- Information concerning financial results/forecasts is deliberated and finalized at Board meetings, and then submitted to and managed by the General Manager of CC. The scope of disclosure of information concerning financial results/forecasts is explored by the Group Information Disclosure Committee.
- (4) Important information (in accordance with Article 27-36 of the Financial Instruments and Exchange Act of Japan; henceforth “material information”)
- Information that may fall under the category of material information is reviewed and decided by the Group Information Disclosure Committee, and when it is disclosed, it is gathered to the General Manager of CC and reported to the Board. ; and if material information is needs to be disclosed promptly, it is disclosed after the decision of the chairperson of the Group Information Disclosure Committee (CFO) and subsequently reported to the Board.
3. Decisions about information disclosure and disclosure procedures
- The Company has defined its “Corporate Disclosure Policy” as the overall guidelines for disclosing information. Meanwhile, it has established the Group Information Disclosure Committee as an advisory board for business execution, which discusses, judges and makes decisions on the materiality and necessity of disclosing the information in a timely manner (see Attachment B for details).
- (1) IR Section is responsible for making the basic decision as to whether information gathered by the General Manager of CC from different departments falls into the category of requiring timely disclosure or material information.
- (2) In case it needs to be determined whether certain information falls into the category of timely disclosure items or material information, or in case the necessity of disclosure of particular information, among voluntary disclosure items or material information, needs to be determined, the Group Information Disclosure Committee commissioned by the President & CEO makes a final decision; and then the chairperson of the Committee reports its final decision to the President & CEO if necessary. However, the case described in (3) below is excluded from the above-mentioned process.
- As for timely disclosure items, the information is disclosed to the TSE and on the Company’s website. As for material information, the Group Information Disclosure Committee deliberates and decides on the method of disclosure.
- (3) Concerning information which is judged as especially important by the Group Information Disclosure Committee, the chairperson of the Committee reports to the President & CEO with the outcome of the deliberation at the Group Information Disclosure Committee.
- Once disclosure deemed necessary through the above-mentioned processes (1) to (3), the Group Corporate Communications IR Section promptly takes necessary procedures to disclose the information.
4. Monitoring of disclosure
- Audit & Supervisory Board Members and the General Manager of the Internal Audit attend Group Information Disclosure Committee meetings as observers and monitor the disclosure of important information deliberated at the Group Information Disclosure Committee from an independent and objective standpoint.
5. Other
- (1) Features of the Company regarding information disclosure
- The Group consists of 148 consolidated subsidiaries and 30 affiliates accounted for by the equity method (as of December 31, 2022), and the scope of information-gathering is extensive.
- (2) Handling of disclosure risk
- To avoid arbitrary judgements by Corporate Communications Department or IR Section, information-sharing mechanisms and checks and balances have been put in place among Corporate Communications, IR section and other relevant departments including Legal Department. Information for which the necessity of disclosure is unclear is reported to the Group Information Disclosure Committee for its deliberation.
- (3) Educating about the disclosure of information

- As described above 1, each responsible department (e.g. Corporate Strategy Department for “Kirin Group Compliance Guidelines” and Legal Department for “Group Insider Trading Prevention Regulations”) conducts internal education sessions to inform and educate about the disclosure of information.

#### [Attachment A]: Disclosure Policy

Kirin Holdings (the "Company") endeavors to ensure transparency, fairness and continuity in disclosing information to shareholders and investors on a timely basis. In order to ensure transparency and fairness of information disclosure, the Company will be thorough in implementing its system for managing information, provide information in Japanese and English, and establish a "quiet period" as outlined in Section 4.

The Company discloses information in accordance with the Financial Instruments and Exchange Act of Japan and other applicable ordinances (hereinafter the “FIEA”) as well as the Securities Listing Regulations and other applicable regulations (hereinafter “TSE regulations”) enforced by the Tokyo Stock Exchange (hereinafter the “TSE”). In addition, as necessary and upon deliberation by the Group Information Disclosure Committee\*, the Company makes available other information that it believes to be effective in ensuring a better understanding of the Group, and, in particular, the Company proactively and promptly provides financial and non-financial information concerning the improvement of corporate value over the medium to long term.

Terms used in this Policy are defined and interpreted as specified in the FIEA or TSE laws or regulations.

\* The Group Information Disclosure Committee refers to the executive committee which was established and appointed by President & CEO, and deliberates and decides on the importance of information and necessity for disclosure from the perspective of providing shareholders/investors with useful information.

#### 1. Method of Information Disclosures

In case it is necessary to make timely disclosure as specified in TSE regulations, the Company discloses such information through the Timely Disclosure Network (hereinafter “TDnet”) operated by the TSE after delivering an advance briefing to it, and promptly provides the same information to the news media and posts it on the Company's website without delay.

In the event where an officer or employee of the Company (limited to a person in charge of communicating information to trade-related parties (torihiki kankeisha)) communicated or is likely to have communicated material information (juyo jyohou) pursuant to the FIEA in connection with its business, only to a certain business contact(s), the Company will promptly take necessary measures, including public disclosure on the Company's website, upon a decision of the Group Information Disclosure Committee. However, even if the communicated information falls under the category of material information, if immediate public disclosure of the information is considered to be inappropriate, the Company might refrain from disclosing the information for a certain period of time, provided that the Company and a disclosed party/parties conclude an agreement stipulating confidentiality and other obligations including the prohibition of trading stocks of the Company.

#### 2. Earnings Forecast and Forward-Looking Statements

Statements publicly available on the Company's website with respect to the Group's plans, earnings forecast, and strategies as well as those of its affiliated companies, that are not historical or current facts, are forward-looking statements about the future performance of the Group. These statements are based on management's assumptions and beliefs in light of the information available at the time of the statements.

Actual results may differ materially from those discussed in the forward-looking statements due to changes in various risks and uncertainties as well as economic conditions.

#### 3. Disclosure of Information on Business Performance over an Undisclosed Fiscal Period

The Company does not disclose information on the business performance over any undisclosed fiscal period (quarterly/full-year), regardless of the nature of the information (quantitative or qualitative) and the method of disclosure (oral, written, or electronic).

If, exceptionally, there is any information to disclose, the Company discloses it on the Company's website and answers questions, etc., only within the scope of the disclosed information.

#### 4. Quiet Period

The Company has a "quiet period" that extends from the day following the end of a fiscal period to the day of an earnings announcement for that fiscal period to maintain transparency and fairness of information disclosure as well as to ensure that any information leaks on the business performance over an undisclosed fiscal period are prevented.

During the quiet period, the Company does not respond to any requests for information gathering purposes. However, even during the quiet period, the Company answers questions about information which has already been disclosed, made public domain, or disclosed through TDnet during the quiet period.

#### [Attachment B]: Group Information Disclosure Committee

##### 1. Purpose and positioning

This committee has been established as part of the Company's internal control system and as an advisory body for business execution, and makes the final decision on the disclosure of information (excluding the information deemed especially important by the committee). The committee deliberates, judges and makes a decision on the materiality of the information and the necessity of its disclosure in a timely manner. In addition, it is responsible for developing and establishing the Disclosure Policy, a basic policy on the appropriate disclosure of information.

##### 2. Specific roles

- (1) Establish the Disclosure Policy, inform and educate about the Policy
- (2) Share information (matters that have been decided, matters that have taken place, and financial results) for timely disclosure based on the requirements of the Tokyo Stock Exchange, and decide on the scope of disclosure, etc.
- (3) Decide upon the disclosure of matters for which disclosure is voluntary (e.g. risks and other matters to be under consideration for inclusion in the securities report/quarterly report)
- (4) Make decisions on information for disclosure through the processes described in (2) and (3) above and report to the President & CEO (matters the committee deems especially important must be returned to the President & CEO)
- (5) Take other necessary actions for Group companies regarding the disclosure of information (including giving instructions for implementing improvements to relevant departments within the Company and to Group companies)

\*As to (2) and (3) above, discussions include decisions on information to be mentioned in documents such as the summary of consolidated financial results (including supplementary documents), securities report/quarterly report (only in Japanese), and the Kirin CSV Report.

##### 3. Structure

- (1) Chairperson: CFO
- (2) Members: General Manager of Corporate Strategy Department, General Manager of Finance Department, General Manager of Legal Department, and General Manager of CC  
(Observers: Audit & Supervisory Board Members and General Manager of Internal Audit Department)
- (3) Working-level members: One to two person(s) from each department mentioned above (2)
- (4) Secretariat: IR Section, Corporate Communications Department

##### 4. Meetings

Regular meetings are held in advance of the announcement of financial results (four times/year) and that of publications.

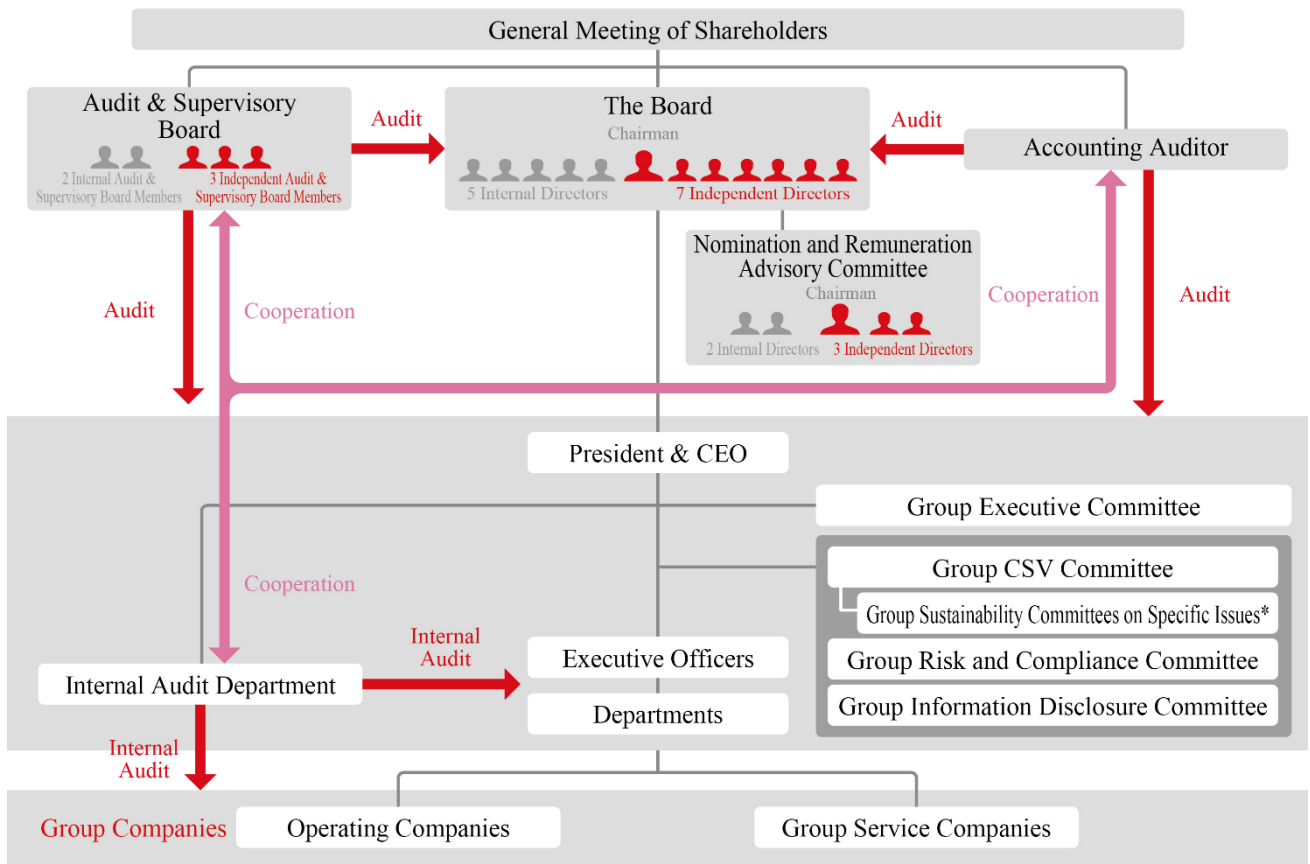
Extraordinary meetings are to be convened if necessary.

##### 5. Other

The Committee must be aligned with the Company's internal control system; Specific roles mentioned in 2

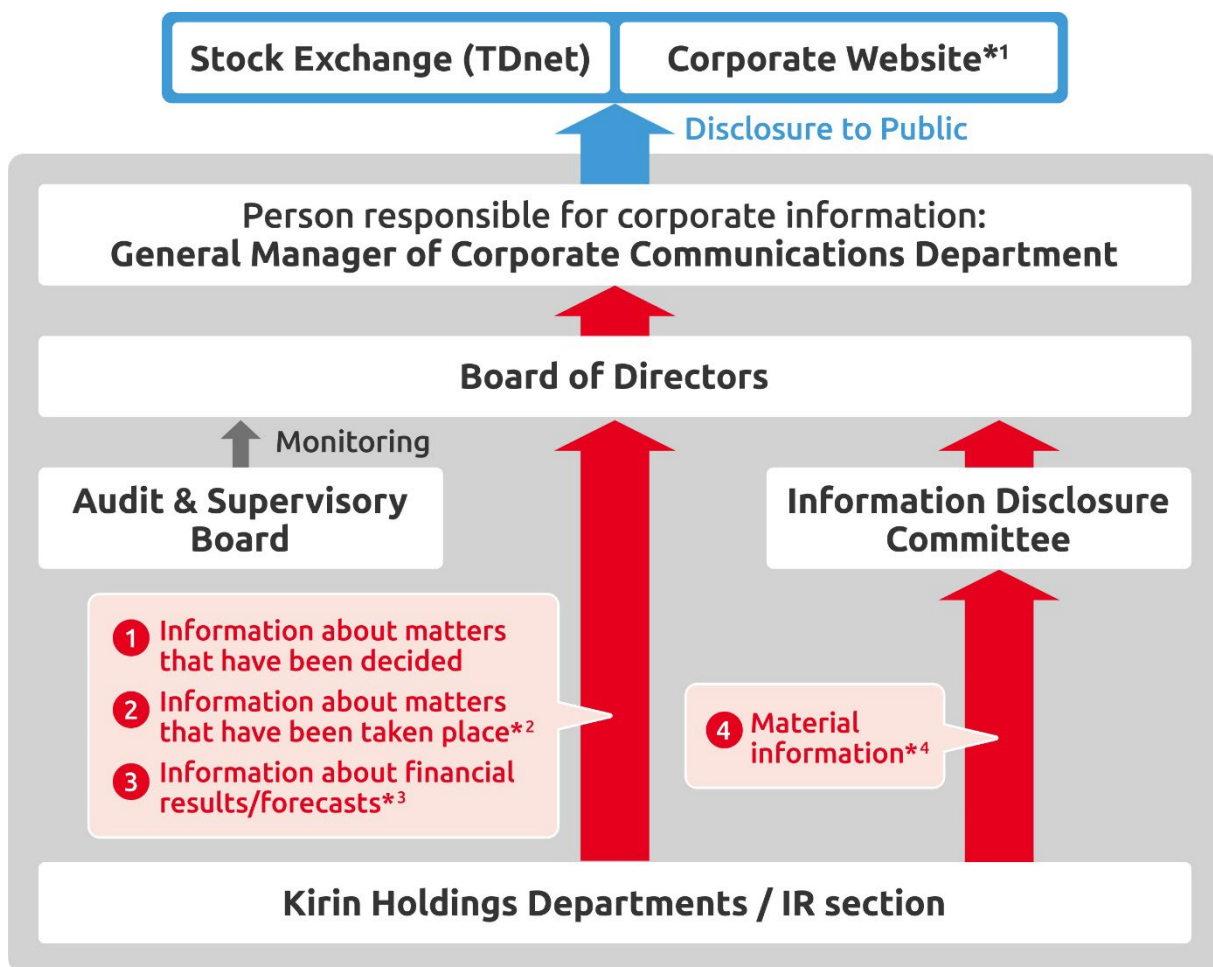
above and other items are to be reviewed if necessary.

<Corporate Governance Structure>



\* The Group Sustainability Committees on Specific Issues include the Group Environment Committee, the Group Human Rights Committee and the Group Health and Productivity Management Committee.

Internal System with regard to the Timely Disclosure



<Note>

- \*1 Material information (Article 27-36 of the Financial Instruments and Exchange Act) may be disclosed only on the Company's website.
- \*2 Information relating to risk management among information about matters that have been taken place may be disclosed by the Chairman of the Group Risk and Compliance Committee (Director in charge of risk management) and posted to the Board.
- \*3 Details and methods of disclosing Information about financial results/forecasts shall be discussed in the Group Information Disclosure Committee.
- \*4 If material information needs to be disclosed promptly, it may be disclosed by the Chairperson of the Group Information Disclosure Committee (CFO) and posted to the Board. From the above (4) material information, the above (1) information about matters that have been decided, (2) information about matters that have been taken place, and (3) Information about financial results/forecasts shall be excluded.