



May 14, 2024

Company name: Morinaga Milk Industry Co., Ltd.
5-2, Higashishimbashi 1-chome, Minato-ku,
Tokyo
Representative: Yohichi Ohnuki,
President & Representative Director
(Code: 2264, Prime Market of the Tokyo Stock Exchange)

Notice Regarding Issuance of Green Bonds

Based on the “Sustainability Medium- to Long-Term Plan 2030,” the Morinaga Milk Group (hereafter, “the Group”) plans to issue green bond (19th Series of Unsecured Straight Bonds), as part of efforts to achieve business growth and make social sustainability a reality. Morinaga Milk Industry Co., Ltd. (hereafter, “the Company”) hereby announces that it submitted an amended shelf registration statement for the issuance of these bonds to the Director-General of the Kanto Finance Bureau on the date of this notice.

1. Background and Objective of the Issuance of Green Bonds

The Group has set forth its Corporate Philosophy as “contribute to healthy and enjoyable lifestyles through offering unique products derived from advanced milk technology,” based on the Corporate Slogan, “For Ever Brighter Smiles.” In the “Morinaga Milk Group 10-year vision,” which the Group formulated in order to achieve the Corporate Philosophy, the Group has set forth its vision to become “a company that balances ‘delicious and pleasurable food’ with ‘health and nutrition,’” “a global company that exerts a unique presence worldwide,” and “a company that persistently helps make social sustainability a reality,” which it uses as a guideline for various strategies, including the “Medium-term Business Plan 2022–2024” and “Sustainability Medium- to Long-Term Plan 2030.”

In the “Sustainability Medium- to Long-Term Plan 2030,” the Group has determined targets and KPIs through FY2030, based on the three themes of “Food and Wellness,” “Resources and the Environment,” and “People and Society,” which it places at the core of management. At the same time, the Group is also promoting initiatives that are mutually linked with the “Medium-term Business Plan 2022–2024.”

The Group will allocate the funds raised from the issuance of these green bonds to the costs of manufacturing building extension at the Kobe Plant. The Group will promote GHG reduction efforts by extension of manufacturing building with high energy-saving performance. In addition, the Group will achieve sustainable growth through environmentally friendly manufacturing activities for ice cream and yogurt, and expand its manufacturing capacity in the future. Through the issuance of these green bonds, the Group will further accelerate efforts to achieve business growth and make social sustainability a reality.

2. Overview of the Green Bonds

Name of bonds	19th Series of Unsecured Straight Bonds of Morinaga Milk Industry Co., Ltd. (with Inter-bond Pari Passu Clauses) (Green Bonds)
Maturity	Seven years (planned)
Issue amount	10.0 billion yen (planned)
Time of issuance	June 2024 (planned)
Lead underwriters	SMBC Nikko Securities Inc., Mizuho Securities Co., Ltd., Nomura Securities Co., Ltd., Mitsubishi UFJ Morgan Stanley Securities Co., Ltd., Daiwa Securities Co. Ltd.
Structuring agent*	SMBC Nikko Securities Inc.

* Structuring agent: Refers to the entity that will support the issuance of the green bonds through the formulation of a Green Bond Framework, advice on the acquisition of third-party evaluations, etc.

3. Details of expanded facilities at the Kobe Plant

Location	3, Maya Wharf, Nada-ku, Kobe City, Hyogo
Details of facilities	Manufacturing building extension, multi-level freezer
Total floor area	Extension area 31,474 m ² (total floor area of the manufacturing building 103,549 m ²)
Products manufactured and number of lines	Ice creams, yogurts, eight lines in total
Start of construction	June 2022
Start of operation	April 2025 (planned)
Environmental improvement effects	Reduction in energy consumption (BEI:0.52)



For the issuance of these green bonds, the Company has formulated a Green Bond Framework that contains information on policies related to the four factors set forth in the International Capital Market Association (ICMA)'s "Green Bond Principles 2021" and the Ministry of the Environment's "Green Bond Guidelines 2022" (1. Use of Proceeds, 2. Process for Project Evaluation and Selection, 3. Management of Proceeds, and 4. Reporting).

The Company has obtained a second-party opinion from Rating and Investment Information, Inc. (R&I), a third-party institution, in relation to conformance with the above "Green Bond Principles 2021" and the "Green Bond Guidelines 2022."

Please also refer to the second opinion of Rating and Investment Information, Inc., which it has published.

< Rating and Investment Information, Inc. (R&I) green finance page >

<https://www.r-i.co.jp/rating/esg/greenfinance/index.html>

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