



October 25, 2022

Company name: Morinaga Milk Industry Co., Ltd.
5-33-1 Shiba, Minato-ku, Tokyo
Representative: Yohichi Ohnuki,
President & Representative Director
(Code: 2264, Prime Market of the Tokyo Stock Exchange)

Notice Concerning Decision of Issuance and Issuance Conditions of the Morinaga Milk Group's First Green Bonds

Morinaga Milk Industry Co., Ltd. (hereinafter “the Company”) hereby announces that it has decided today its issuance of 18th series of unsecured straight bonds of the Company (with Inter-bond Pari Passu Clauses) as follow.

1. Background and Objective of the Issuance of Green Bonds

In 2022, the Morinaga Milk Group (hereafter, “the Group”) formulated the “Sustainability Medium- to Long-Term Plan 2030.” The Group positions the fiscal year ending March 2023 as a “starting line” year for its aim to achieve sustainability management. 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 initiatives targeting “Mitigation of and Adaptation to Climate Change,” “Environmental Consideration and Resource Recycling,” and “Sustainable Raw Material Procurement,” which are Priority Issues under the “Resources and the Environment” theme. 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

(1) Name of bonds	18th Series of Unsecured Straight Bonds of Morinaga Milk Industry Co., Ltd. (with Inter-bond Pari Passu Clauses) (Green Bonds)
(2) Maturity	Three years
(3) Issue amount	5.0 billion yen
(4) Coupon rate	0.230%
(5) Pricing date	October 25, 2022
(6) Issue date	October 31, 2022
(7) Maturity date	October 31, 2025
(8) Use of Proceeds	① Capital investment in “MO-Lagoon for Dairy,” a manure processing and biogas power generation system for dairy and livestock farming ② Purchase of Green Power Certificates ③ Introduction and upgrades to equipment that will improve energy efficiency by an average of 30% or more for ice banks (cooling water systems, refrigerators, etc.) used in the Company’s business activities ④ Upgrades to refrigeration facilities that use freon gas HCFC refrigerants (R22, etc.) ⑤ Investment to increase capacity at wastewater treatment facilities that contribute to water quality conservation

	⑥ Introduction of container manufacturing equipment (making lighter plastic containers) ⑦ Purchase expenses for FSC®-certified paper for use in containers and packaging
(9) Bond rating	A (Rating and Investment Information, Inc.)
(10) Lead underwriters	Nomura Securities Co., Ltd., Mizuho Securities Co., Ltd.
(11) Structuring agent*1	Nomura Securities Co., Ltd.
(12) Outside assessment	To formulate a Green Bond Framework*2, the Company has obtained a second-party opinion*3 from Rating and Investment Information, Inc. (R&I) stating that the Company complies with the principles, etc.

*1 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.

*2 Green Bond Framework (Japanese only)

https://www.morinagamilk.co.jp/sustainability/pdf/2022/green_bond_frame.pdf

*3 Second-party opinion from Rating and Investment Information, Inc. (R&I) (Japanese only)

https://www.morinagamilk.co.jp/sustainability/pdf/2022/green_bond_spo.pdf

Notice of the Morinaga Milk Group's First Issuance of Green Bonds

https://www.morinagamilk.co.jp/english/about/release/pdf/20220930_e.pdf

3. Investment Announcements

As of today, the following investors have announced their intentions for investment in the Bonds.

Asset Management One Co., Ltd.

Hokkaido Credit Federation of Agricultural Cooperatives

Meiji Yasuda Asset Management Company Ltd.

Mitsui Sumitomo Insurance Company, Limited

North Pacific Bank, Ltd.

SHIBATA SHINKIN BANK

Sumitomo Mitsui DS Asset Management Company, Limited

Sumitomo Mitsui Trust Asset Management Co., Ltd.

SUWA SHINKIN BANK

The Awa Bank, Ltd.

The Dai-ichi Frontier Life Insurance Co., Ltd.

The Juroku Bank, Ltd.

The Kanagawa Bank, Ltd.

The Kofu Shinkin Bank

Tokio Marine Asset Management Co., Ltd.

TONO SHINKIN BANK

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