



May 12, 2022

To Whom It May Concern:

Company Name: KIRIN HOLDINGS COMPANY, LIMITED  
Name and Title of Representative: Yoshinori Isozaki, President & CEO  
Code Number: 2503  
Head Office:  
4-10-2, Nakano, Nakano-ku, Tokyo 164-0001, Japan  
Name and Title of Contact Person:  
Nobuhiko Hori  
General Manager of Corporate Communications Department  
Telephone Number: +81-3-6837-7015

### **Notice Regarding Issuance of Social Bond**

Kirin Holdings Company, Limited (President and CEO: Yoshinori Isozaki, hereafter, "Kirin Holdings") announced the scheduled public issuance of domestic Social Bond ("Issuance") based on the "[Kirin Sustainable Finance Framework](#)" (published on March 22, 2022) and submitted the Amendment to Shelf Registration Statements for the Issuance to the Director-General of the Kanto Local Finance Bureau today.

#### **● Background and Rationale of the Issuance**

Kirin Holdings issued its inaugural green bond in November 2020. Given the existed Green Bond Framework, Kirin Holdings designated additional Use of Proceeds that contribute to the resolution of social issues and formulated the "Kirin Sustainable Finance Framework" ("Framework"). This Issuance marked our first social bond issuance based on the Framework and the first social bond issuance of food sector in Japan as well.

Under its long-term management vision, "the [Kirin Group Vision 2027](#) ("KV2027")", the Kirin Group is aiming at becoming a global leader in CSV by creating value in domains ranging from food & beverages to pharmaceuticals. In addition, the Kirin Group has formulated and defined CSV Purpose as one of the long-term non-financial goals of KV2027.

CSV Purpose is the guiding principle aimed at sustainable growth and creating value together with people across society. Regarding "Health and Well-Being", one of the key issues within CSV Purpose, the Kirin Group is making efforts to "Raise the number of healthy people, lower the number of sick people, and contribute to the people who are involved in healthcare". Especially, the Kirin Group has determined immunity, brain and gut microbiome as its 3 key areas and is endeavoring to solve health issues in these areas through providing products and services that use strategic ingredients produced by utilizing fermentation and biotechnology, the Kirin Group's core competencies.

The proceeds of the Issuance will be allocated to capital investment, operation, and procurement of raw materials contributing to the production of Human Milk Oligosaccharide (HMO), the production of Citicoline, the research and development of Lc-PLASMA and the production of raw material powder utilizing Lc-PLASMA. Through these efforts, we will contribute to the realization of a sustainable society while achieving sustainable mutual growth.

● **Outline of the Issuance**

Issuer	Kirin Holdings Company, Limited
Maturity	5 years (scheduled)
Issue date	June 2022 (scheduled)
Issue amount	Approximately JPY 15.0 billion (scheduled)
Use of proceeds*1	(1). Capital investment, operation, and procurement of raw materials contributing to the production of Human Milk Oligosaccharide (HMO) (2). Capital investment, operation, and procurement of raw materials contributing to the production of Citicoline (3). Capital investment, operation, and procurement of raw materials contributing to the research and development of Lc-PLASMA and the production of raw material powder utilizing Lc-PLASMA
Lead managers	Mitsubishi UFJ Morgan Stanley Securities Co., Ltd., Nomura Securities Co., Ltd., Mizuho Securities Co., Ltd. and Goldman Sachs Japan Co., Ltd.
Eligibility review of the Framework	Kirin Holdings has obtained a second party opinion from DNV, an independent external reviewer, that "Kirin Sustainable Finance Framework"*2 is aligned with the Green Bond Principles 2021(ICMA), Social Bond Principles 2021(ICMA), Sustainability Bond Guidelines 2021(ICMA), Green Bond Guidelines 2020 (Ministry of the Environment Japan), Social Bond Guidelines (October 2021 Financial Services Agency of Japan), Green Loan Principles (LMA) (APLMA) (LSTA) and Green Loan and Sustainability Linked Loan Guidelines 2020 (Ministry of the Environment Japan). <sup>*3</sup>
Structuring agent	Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.

\*1: For more information on the business strategy related to the use of proceeds, please refer to the following <https://pdf.irpocket.com/C2503/bygc/LV9z/E258.pdf>

\*2: Please refer to the following attached file for further information about the Framework. [https://www.kirinholdings.com/en/impact/csv\\_management/sustainable\\_finance/](https://www.kirinholdings.com/en/impact/csv_management/sustainable_finance/)

\*3: Please refer to DNV's website for further information about the second party opinion [https://webmagazine.dnv.co.jp/assets/images/sus\\_list/data/sus\\_finance\\_list/\\_pdfreport\\_e/55.Kirin%20Holdings%20Company.%20Limited.pdf](https://webmagazine.dnv.co.jp/assets/images/sus_list/data/sus_finance_list/_pdfreport_e/55.Kirin%20Holdings%20Company.%20Limited.pdf)

<reference>

A guideline for co-creating value with society and achieving sustainable growth as a long-term non-financial goal of the Kirin Group Vision 2027, a long-term management plan. [https://www.kirinholdings.com/en/purpose/csv\\_purpose/](https://www.kirinholdings.com/en/purpose/csv_purpose/)

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