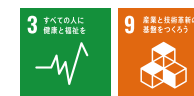
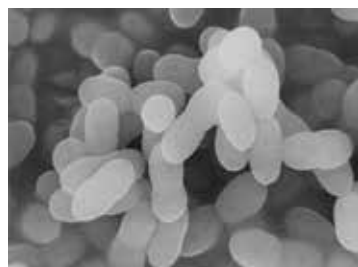


21th Series of Unsecured Corporate Bonds (Social Bonds) Funding Allocation and Impact Reporting

Funding Allocation as of December 2023 Amount issued 20.0 billion yen (Fully allocated)



Lc-PLASMA



Lc-PLASMA

Project Name: Capital investment, operation, and procurement of raw materials contributing to the production of raw material powder of Lc-PLASMA, and the research and development of Lc-PLASMA

Project Summary: Lc-PLASMA is a lactic acid bacteria that supports the maintenance of immunity in healthy people. It has been reported in research papers that it is the first in the world* to work on pDC (plasmacytoid dendritic cells), a leader of the immune system. Kirin Holdings, KOIWAI DAIRY PRODUCTS CO., LTD., and KYOWA HAKKO BIO CO., LTD. have jointly conducted research on this product, and with the cooperation of universities and research institutions in Japan and overseas, 33 papers have been published and numerous presentations made at academic conferences. In May 2023, Kirin received the Imperial Invention Award at the 2023 National Commendation for Invention sponsored by the Japan Institute of Invention and Innovation. This award was given in recognition of the invention and efforts related to the discovery and commercialization of LC-PLASMA. It was the first time that this award was given for a health food substance and the first time in 59 years that a food company received it. Receipt of the prestigious awards has led to further enhancement of the reputation of Lc-PLASMA as a reliable substance. To meet the increasing demand for Lc-PLASMA, the production facilities of the "iMUSE Health Science Factory" (located in Sayama City, Saitama Prefecture), which manufactures raw materials of Lc-PLASMA, have been expanded and completed. With this expansion, the annual production capacity of bacterial bodies has doubled compared to the fiscal year 2022. Going forward, Kirin Group will continue to develop products using "Lc-PLASMA," which originated from over 35 years of research, across the group, supporting the health of each individual while promoting "immune care," and aiming to create a society where people can live brightly and healthily.

Amount Allocated: 3.2 billion yen (90.0% Refinanced)
(Cumulative)

* Lc-PLASMA was the first lactic acid bacteria reported to work on pDC in humans (based on information published in PubMed and the homepage of the Central Medical Journal).

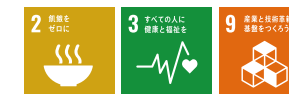
Impact Reporting

Categories	Projects	Output	Outcome	FY 2023 Commitment Results
Businesses that contribute to the achievement of a society of health and longevity, through the maintenance of immune function	<input type="checkbox"/> Capital investment, operation, and procurement of raw materials contributing to the production of raw material powder of LcPLASMA, and the research and development of Lc-PLASMA	<input type="checkbox"/> Increase in Lc-PLASMA manufacturing capacity <input type="checkbox"/> Number of published papers <input type="checkbox"/> Number of conference presentations <input type="checkbox"/> Partnerships with Academia	<input type="checkbox"/> Increase in the number of people who continue consuming Lc-PLASMA in Japan and overseas. Lc-PLASMA contribute to the maintenance of immune function of our customers.	0.78 million people

21th Series of Unsecured Corporate Bonds (Social Bonds) Funding Allocation and Impact Reporting

Funding Allocation as of December 2023 Amount issued 20.0 billion yen (Fully allocated)

よるこびがつなぐ世界へ



Human Milk Oligosaccharides



Project Name: Capital investment contributing to the production of Human Milk Oligosaccharide

Project Summary: HMOs (Human Milk Oligosaccharides) are oligosaccharides found in breast milk. HMOs are the third most abundant solid component of breast milk after lactose and lipids, and more than 200 HMOs have been found in breast milk. Since HMOs are rarely found in cow's milk or milk of other mammalian origin, and are particularly abundant in human colostrum, they are known to be an important component for infants. In 2000, Kyowa Hakko Bio became the first company in the world to establish an HMOs industrial-scale mass-production system. Based on the expansion into Asia, where consumption is expected to grow, and on the advantages of being able to secure excellent human resources and raw materials necessary for the production of HMOs, Kyowa Hakko Bio has built the Thai Kyowa production facility in November 2022. In fiscal year 2023, Kirin have steadily progressed with applications for sales in various countries around the world, including the United States and Europe, starting with the completion of the first stage of safety evaluation for three HMO products in China. On the other hand, in the financial statements for the fiscal year ending in December 2023, Kirin recorded impairment losses related to this material. The recognition of impairment was based on a conservative estimate considering intensified market competition, rising costs, and the timing of acquiring the sales approval in each country, resulting in the revision of forecasts. This does not change the positioning of the project within Kirin. We will continue to strive for early acquisition of sales approval in each country, aiming to solve the health challenges of customers worldwide and create both social and economic value.

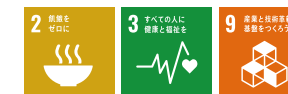
Amount Allocated: 7.3 billion yen (86.8% Refinanced)
(Cumulative)

Impact Reporting

Categories	Projects	Output	Outcome	FY 2023 Commitment Results
Businesses that contribute to the achievement of a society of health and longevity, mainly through infant and toddler health improvement and disease prevention	<input type="checkbox"/> Capital investment, operation, and procurement of raw materials contributing to the production of Human Milk Oligosaccharide (HMO)	<input type="checkbox"/> Increase in HMO manufacturing capacity	<input type="checkbox"/> Increase in the number of users of products containing HMO (infant formula, health foods, etc.) in Japan and overseas. The products containing HMO contribute to the health of a wide range of our customers.	Completion of Production Facility

21th Series of Unsecured Corporate Bonds (Social Bonds) Funding Allocation and Impact Reporting

Funding Allocation as of December 2023 Amount issued 20.0 billion yen (Fully allocated)



Citicoline



Project Name: Capital investment, operation, and procurement of raw materials contributing to the production of Citicoline

Project Summary: Citicoline is a substance that has long been used around the world to treat brain diseases. It is also used in health foods to support improved cognitive function. As the world’s population continues to age, demand for this high-performance raw material is rapidly increasing. Kyowa Hakko Bio offers citicoline around the world as a health food additive or active pharmaceutical ingredient in accordance with the regulations in each country. Through this expansion of production capability, Kyowa Hakko Bio will establish a stable global supply network of citicoline to pharmaceutical and health food manufacturers. The construction work for the facilities was completed in fiscal year 2023, and have started trial manufacturing for commercial production of health food. One the other hand, in the financial statements for the fiscal year ending in December 2023, Kirin recorded impairment losses related to this material. The recognition of impairment was based on a conservative estimate considering intensified market competition and rising costs, resulting in a revision of forecasts. This does not change the positioning of the project within Kirin. Despite the challenging competitive environment, the overall market is expanding, and Kirin has maintained a high market share in the United States, achieving the highest sales volume in fiscal year 2023. Kirin will continue to focus on the growth of Citicoline to solve the health challenges of customers worldwide and create both social and economic value.

Amount Allocated: 9.5 billion yen (58.7% Refinanced)
(Cumulative)

Impact Reporting

Categories	Projects	Output	Outcome	FY 2023 Commitment Results
Businesses that contribute to the achievement of a society of health and longevity, through brain function improvement and brain function decline prevention	<input type="checkbox"/> Capital investment, operation, and procurement of raw materials contributing to the production of Citicoline	<input type="checkbox"/> Increase in Citicoline manufacturing capacity	<input type="checkbox"/> Increase in the number of users of products containing Citicoline (pharmaceuticals, health foods, etc.) in Japan and overseas. The products containing Citicoline contribute to brain function improvement and brain function decline prevention of our customers.	Pharmaceuticals: 1.13 million people Health foods: 0.78 million people