

October 20, 2023

## Notice Regarding Issuance Terms of Social Bond

- Social Bonds to raise funds for the acquisition of shares in Blackmores Limited.

The largest-ever and the first Social Bond issued by a domestic food company solely for the purpose of financing a corporate acquisition -

**TOKYO, Friday October 20, 2023** - Kirin Holdings Company, Limited ("Kirin Holdings") hereby announce that we have determined the terms and conditions for the issuance of domestic Social Bonds ("Issuance") to raise funds for the acquisition of shares in Blackmores Limited ("Blackmores")<sup>\*1</sup>, an Australian-based company operating a natural health business, as announced in [the news release on September 22, 2023](#), as follows. This Issuance is based on the "Kirin Social Bond Framework" ("Framework")<sup>\*2</sup>, which shall be the largest-ever SDGs bond issued by a domestic food company, and the first social bond issued by a domestic food company solely for the purpose of financing a corporate acquisition.

### **1. Background and Rationale of the Issuance**

Under its Long-Term Management Vision, "the Kirin Group Vision 2027 ("KV2027")", the Kirin Group is aiming at becoming a global leader in CSV, creating value across our world of Food & Beverages to Pharmaceuticals. The Kirin Group has formulated and defined CSV Purpose as one of the long-term non-financial goals of KV2027. In particular, in the field of people's "health and well-being", one of the priority issues within CSV Purpose, we aim to "raise the number of healthy people, lower the number of sick people, and contribute to the people who are involved in healthcare". In order to solve social issues related to "health and well-being", we have acquired Blackmores, which is highly complementary to our existing Health Science Domain. We are issuing Social Bonds to partially fund the acquisition of shares in the company.

We consider this Issuance as an opportunity to enhance stakeholders' understanding of the Kirin Group's commitment to its growth strategies and our Health Science as our priority domains and have decided to newly establish "Kirin Social Bond Framework," published on Friday, September 22, with this acquisition of shares as an eligible project. Kirin Holdings has obtained a second party opinion<sup>\*3</sup> from DNV BUSINESS ASSURANCE JAPAN K.K. ("DNV"), an independent external reviewer, that this Framework is aligned with Social Bond Principles 2023 (SBP) set by the International Capital Market Association (ICMA) and Social Bond Guidelines 2021 (SBGLs) set by the Financial Services Agency of Japan.

By executing Kirin Sustainable Finance based on this Framework and acquiring the shares in Blackmores, the Health Sciences business will expand its product range and capabilities and broaden its geographic profile and growth opportunities. The acquisition will expand access to Kirin's ingredients to hundreds of millions of consumers in the Asia-Pacific region through Blackmores' distribution network. The Health Science business will also benefit from Blackmores' knowledge of consumer demands and its deep understanding of country-specific regulations. We see a clear opportunity to deliver growth in the Health Science business through the evolution of the B2B and B2C businesses that propose solutions beyond the sales of ingredients. In addition, by creating synergies in a wide range of business areas in which both companies operate, we will solve more of the social issues related to people's health.

This Issuance is the first project to receive a subsidy announcement from the Tokyo Metropolitan Government for the "Fiscal 2023 ESG Bond Issuance Promotion Support Project (social bond)".

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

<Reference>

- For more information on the “Kirin Group Vision 2027”, a long-term management plan, please refer to the following.  
[https://www.kirinholdings.com/en/purpose/management\\_plan/](https://www.kirinholdings.com/en/purpose/management_plan/)
- For more information on our “CSV Purpose,” please refer to the following.  
[https://www.kirinholdings.com/en/purpose/csv\\_purpose/](https://www.kirinholdings.com/en/purpose/csv_purpose/)

## 2. Issuance Terms of Social Bonds

The terms and conditions of the Social Bonds have been determined as follows.

1. Official name	Kirin Holdings Company, Limited 22nd unsecured straight bonds (Social bond)	Kirin Holdings Company, Limited 23rd unsecured straight bonds (Social bond)
2. Maturity	5-years	7-years
3. Total issue amount	JPY 40.0 billion	JPY 20.0 billion
4. Coupon	0.673%	0.996%
5. Issue date	October 26, 2023	
6. Maturity date	October 26, 2028	October 25, 2030
7. Interest payment date	April 26 and October 26 of each year	
8. Credit rating	A+ (Rating and Investment Information, Inc.)	
9. Lead managers	Mitsubishi UFJ Morgan Stanley Securities Co., Ltd., Mizuho Securities Co., Ltd., Nomura Securities Co., Ltd.	
10. Use of proceeds <sup>*1</sup>	Acquisition of the shares in Blackmores Limited	
11. Eligibility review of the Framework <sup>*2</sup>	Kirin Holdings has obtained a second party opinion <sup>*3</sup> from DNV BUSINESS ASSURANCE JAPAN K.K. ("DNV"), an independent external reviewer, that this Framework is aligned with Social Bond Principles 2023 set by the International Capital Market Association (ICMA) and Social Bond Guidelines 2021 (SBGLs) set by the Financial Services Agency of Japan.	
12. Structuring agent	Mizuho Securities Co., Ltd.	
13. Trustee	MUFG Bank, Ltd.	

At the same time, the following terms and conditions of issuance have been determined for the non-labeled 10-year bonds.

1. Official name	Kirin Holdings Company, Limited 24th unsecured straight bonds
2. Maturity	10-years
3. Total issue amount	JPY 33.0 billion
4. Coupon	1.318%
5. Issue date	October 26, 2023
6. Maturity date	October 26, 2033
7. Interest payment date	April 26 and October 26 of each year
8. Credit rating	A+ (Rating and Investment Information, Inc.)
9. Lead managers	Mitsubishi UFJ Morgan Stanley Securities Co., Ltd., Mizuho Securities Co., Ltd., Nomura Securities Co., Ltd.
10. Trustee	MUFG Bank, Ltd.

\*1: Please refer to the following attached file for further information about the acquisition of the shares in Blackmores.

<https://pdf.irpocket.com/C2503/dUAY/BorT/isvP.pdf>

\*2: Please refer to the following attached file for further information about the Kirin Social Bond Framework.

[https://www.kirinholdings.com/en/impact/csv\\_management/sustainable\\_finance/#headline-1694399855](https://www.kirinholdings.com/en/impact/csv_management/sustainable_finance/#headline-1694399855)

\*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/98.Kirin%20Holdings%20Company,%20Limited.pdf](https://webmagazine.dnv.co.jp/assets/images/sus_list/data/sus_finance_list_/pdfreport_e/98.Kirin%20Holdings%20Company,%20Limited.pdf)

### **3. Investors Committing to Investing in Kirin Social Bond**

Listed below are investors to date who declared their intention to invest in Kirin Social Bond and agreed to disclose their names.

<The list of Investors Committing to Investing > (Japanese alphabetical order)

The Aichi Bank, Ltd.	DAIDO LIFE INSURANCE COMPANY
Aichibitou Japan Agricultural Cooperatives	TAKAMATSU SHINKIN BANK
Aoi Mori Shinkin Bank	TAKAYAMA SHINKIN BANK
Asset Management One Co., Ltd.	The Tatebayashi Shinkin Bank
Abukuma Shinkin Bank	Danyo Shinkumi Bank
Ishikawa Prefectural Credit Agricultural Cooperative Association	The Chiba Bank, Ltd.
Ibaraki Prefectural Credit Federations of Agricultural Cooperatives	CHUEI SHINKIN BANK
JA Iwai	THE CHUKYO BANK, Ltd.
Iwaki Shinkumi	Chugoku Labour Bank
The Bank of Iwate, Ltd.	Tokio Marine Asset Managemant Co., Ltd.
THE OME SHINKIN BANK	The Tokyotoshokuin Credit Cooperative
The Osaka Shinkin Bank	The Toho Bank, Ltd.
OTEC CORPORATION	TOHOKU LABOR BANK
JA Kaga	Toyokawa Shinkin Bank
THE KAGOSHIMA BANK , LTD.	Nagasaki-ken Medical Credit Cooperative
Kanumasogo Shinkin Bank	NAGANO SHINKIN BANK
The Gamagori Shinkin Bank	Niigataken Shinkumi Bank
KARASUYAMA SHINKIN BANK	JA NISHIMIKAWA
The Kawasaki Shinkin Bank	Nissay Asset Management Corporation
KANONJI SHINKIN BANK	Japan Earthquake Reinsurance Co.,Ltd.
JA Kitatsukuba	The Neo First Life Insurance Company, Limited.
THE GIFU SHINKIN BANK	Hakusan Shinkin Bank
Kyoritsu Credit Cooperative	THE HACHIJUNI BANK,LTD.
The Kuwanamie Shinkin Bank	Habataki Shinkumi
GUNMAMIRAI Shinkumi Bank	Hirakata Shinkin Bank
KOITO MANUFACTURING CO., LTD.	The Fukusen Credit Cooperative
Saitama Medical University	THE FUJI SHINKIN BANK
JA Sagami	BlackRock Japan Co., Ltd.

SHIGAKEN  
SHINYOUNOUGYOUKYODOUKUMIAIRENNGOUKAI  
Shizuoka Prefectural Credit Federation of  
Agricultural Cooperatives  
SHIMADA KAKEGAWA SHINKIN BANK  
Joetsu Shinkin Bank  
The Shoko Chukin Bank, Ltd.  
Johoku Shinkin BANK  
The Sugamo Shinkin Bank  
SUMITOMO LIFE INSURANCE COMPANY  
Suwa Shinkin Bank  
Saison Automobile and Fire Insurance Company, Limited  
The Seto Shinkin Bank  
Sony Bank Incorporated  
THE TAIKO BANK, LTD.  
Daitokyo Shinkumi Credit Cooperative

The Hokuriku Bank, Ltd.  
The Mishima Shinkin Bank  
THE MIZUSAWA SHINKIN BANK  
Mitsui Sumitomo Insurance Company, Limited  
Sumitomo Mitsui Trust Asset Management Co., Ltd.  
Mitsui Direct General Insurance Co., Ltd.  
Mitsubishi UFJ Asset Management Co., Ltd.  
Mitsubishi UFJ Trust and Banking Corporation  
The Musashino Bank, Ltd.  
The Yamaguchi Bank, Ltd.  
The Yamanashi Chuo Bank, Ltd.  
YUKI SHINKIN BANK  
Ryoubi Shinkumi Bank  
Wakayama Prefectural Credit Federation of  
Agricultural Cooperatives

## **About Kirin Holdings**

Kirin Holdings Company, Limited is an international company that operates in the Food & Beverages domain (Food & Beverages businesses), Pharmaceuticals domain (Pharmaceuticals businesses), and Health Science domain (Health Science business), both in Japan and across the globe.

Kirin Holdings can trace its roots to Japan Brewery which was established in 1885. Japan Brewery became Kirin Brewery in 1907. Since then, the company expanded its business with fermentation and biotechnology as its core technologies, and entered the pharmaceutical business in the 1980s, all of which continue to be global growth centers. In 2007, Kirin Holdings was established as a pure holding company and is currently focusing on boosting its Health Science domain.

Under the *Kirin Group Vision 2027* (KV 2027), a long-term management plan launched in 2019, the Kirin Group aims to become “A global leader in CSV\*, creating value across our world of Food & Beverages to Pharmaceuticals.” Going forward, the Kirin Group will continue to leverage its strengths to create both social and economic value through its businesses, with the aim of achieving sustainable growth in corporate value.

\* Creating Shared Value: combined added value for consumers as well as for society at large.

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