WHEN TRUST MATTERS

SECOND PARTY OPINION KIRIN HOLDINGS COMPANY, LIMITED. SOCIAL BOND (21ST SERIES OF UNSECURED BONDS) REVIEW FOLLOWING THE CHANGE IN THE ALLOCATION OF PROCEEDS

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Document title: Kirin Holdings Company, Limited Social Bond (21st Series of Unsecured Bonds) Review following the change in the allocation of proceeds

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Publication History

Date of Issue	Remarks
23 June 2023	Social Bond (21st Series of Unsecured Bonds) Post-Issuance Periodic Review (Kirin Holdings Company, Limited 21st unsecured straight bonds (Social bond with specific inter-bond pari passu clause, “Kirin Holdings Social Bonds” for short))
31 August 2026	Review Following the Change in the Allocation of Proceeds for the Social Bond (21st Series of Unsecured Bonds) **Discontinued Social Project:** “ Capital investment, operation, and procurement of raw materials contributing to the production of Human Milk Oligosaccharides” (Reason for discontinuation: Business transfer) **Projects Following the Change in the Allocation of Proceeds:** “ Capital investment, operation, and procurement of raw materials contributing to the production of Lc-PLASMA raw material powder and the research and development of Lc-PLASMA” “Acquisition of shares in Blackmores Limited”

Scope and Objectives

Based on the “Kirin Sustainable Finance Framework” established in March 2022, Kirin Holdings Company, Limited (hereinafter, “Kirin Holdings”) issued the 21st Unsecured Straight Corporate Bonds (with inter-bond pari passu clause) (Social Bond#1) (hereinafter, the “Social Bond”) on 7 June 2022. As reported in the 2023 reporting, the proceeds raised through the issuance (JPY 20 billion) were allocated to capital investment, operation, and procurement of raw materials contributing to the production of Human Milk Oligosaccharides (hereinafter, “capital investment contributing to the production of Human Milk Oligosaccharides”), capital investment, operation, and procurement of raw materials contributing to the production of Citicoline, and capital investment, operation, and procurement of raw materials contributing to the production of Lc-PLASMA raw material powder and the research and development of Lc-PLASMA.

Kirin Holdings has announced that it agreed to transfer the amino acid and Human Milk Oligosaccharide businesses of Kyowa Hakko Bio Co., Ltd., a group company of Kirin Holdings, to a special purpose company, a subsidiary of Meihua Holdings Group Co., Ltd., a leading bio-manufacturing company in China (hereinafter, the “Business Transfer”), and that it entered into an agreement regarding the Business Transfer on 22 November 2024.

Following the Business Transfer, Kirin Holdings announced on 14 February 2025 that it would change the allocation of the amount corresponding to the proceeds previously allocated to the discontinued social project, “capital investment contributing to the production of Human Milk Oligosaccharides.”

As a result of the above circumstances, Kirin Holdings has commissioned DNV Business Assurance Japan K.K. (hereinafter, “DNV”) to conduct a post-allocation review following the change in the allocation of proceeds. The objective of DNV’s review is to conduct an assessment of the changes made by Kirin Holdings to the use of proceeds (allocation of proceeds), in order to confirm that such changes remain aligned with the Social Bond Principles (“SBP”) and the Social Bond Guidelines (“SBGL”) described below, and to provide a Second Party Opinion on the continued eligibility of this Social Bond.

The amount corresponding to the proceeds allocated to the discontinued social project, “capital investment contributing to the production of Human Milk Oligosaccharides,” was JPY 7.3 billion. DNV conducted a review following the change in the allocation of proceeds based on the SBP and SBGL. This report provides a review against the requirements of the Social Bond (Principle One to Principle Four described below).

DNV, as an independent external reviewer, declares that no real or perceived conflict of interest exists in relation to the provision of this Second Party Opinion for Kirin Holdings.

In this report, no assurance is provided regarding the financial performance of the Social Bond, the value of any investment in the Social Bond, or the long-term social benefits of the transaction.

Standards to be Applied

No.	Standards/Guidelines	Scheme owner	Applied level
1.	Social Bond Principles 2021 (SBP)	International Capital Market Association (ICMA), 2021	Apply
2.	Social Bond Guidelines 2021 (SBGL)	Financial Services Agency, 2021	Apply

Apply: Eligibility for all four common elements to each principle and guideline was evaluated.

Responsibilities of Kirin Holdings and DNV

Kirin Holdings has provided the information and data used by DNV during the delivery of this review. DNV's Statement represents an independent opinion and is intended to inform Kirin Holdings and other interested stakeholders in the Bonds as to whether the established criteria have been met, based on the information provided to us. In our work, we have relied on the information and the facts presented to us by Kirin Holdings. DNV is not responsible for any aspect of the nominated social project assets referred to in this Statement and cannot be held liable if estimates, findings, opinions, or conclusions are incorrect.Thus, DNV shall not be held liable if any of the information or data provided by the management of Kirin Holdings and used as a basis for this review were not correct or complete.

Basis of DNV's Opinion

To provide as much flexibility for the issuer, Kirin Holdings, as possible, DNV adapted its Social Bond assessment methodology, which incorporates the requirements of the SBP and SBGL, to create a Social Bond Eligibility Assessment Protocol (hereinafter, the "Protocol"). The Protocol is applicable to Social Bonds based on the SBP and SBGL.

Our Protocol includes a set of suitable criteria that can be used to underpin DNV's opinion. The overarching principle behind the criteria is that a Social Bond should "enable capital-raising and investment for new and existing projects with social benefits."

As part of the periodic review, DNV applied the following four Principles relating to the implementation and management of the Social Bond.

Use of Proceeds Financing (SBP, SBGL)

Principle One: Use of Proceeds

The Use of Proceeds criteria are guided by the requirement that a Social Bond issuer must use the funds raised to eligible activities. The eligible activities should produce clear social benefits.

Principle Two: Process for Project Evaluation and Selection

The Project Evaluation and Selection criteria are guided by the requirements that a Social Bond issuer should outline the process it follows when determining the eligibility of an investment using Social Bond proceeds and outline any impact objectives it will consider.

Principle Three: Management of Proceeds

The Management of Proceeds criteria are guided by the requirements that a Social Bond should be tracked within the issuing organization, that separate portfolios should be created when necessary and that a declaration of how unallocated funds will be handled should be made.

Principle Four: Reporting

The Reporting criteria are guided by the recommendation that at least Sustainability Reporting to the bond investors should be made of the use of finance proceeds and that quantitative and/or qualitative performance indicators should be used, where feasible.

Work Undertaken

Our work constituted a high-level review of the available information, based on the understanding that this information was provided to us by Kirin Holdings in good faith. We have not performed an audit or other tests to check the veracity of the information provided to us. The work undertaken to form our opinion included:

Pre-Issuance Assessment of Social Bond (*not included in this report)

- Assessment of documentary evidence provided by the issuer on this bond and supplemented by high-level desktop research. These checks refer to current assessment best practices and standards methodology;
- Discussions with the issuer, and review of relevant documentation;
- Documentation of findings against each element of the criteria.

Review following the change in the allocation of proceeds *This Report

- Assessment of evidential documents provided by Kirin Holdings after the Social Bond issuance, and supplemental by desk review from a higher perspective;
- Interview with key personnel of Kirin Holdings and review the relevant documentation;
- Field research and inspection (if necessary);
- Review of the nominated projects and assets at the time of the post-allocation review following the change in the allocation of proceeds.
- Documentation of the findings of the post-allocation assessment following the change in the allocation of proceeds, as described in this report.

Findings and DNV's Opinion

A summary of DNV's findings is presented below. Further details are provided in Schedule-1 and the following sections.

UoP : Four Common Elements of Finance with Specific Use of Proceeds (SBP and SBGL)

UoP-1. Use of Proceeds

- DNV confirmed the amount that had been allocated to the discontinued social project, "capital investment contributing to the production of Human Milk Oligosaccharides," following the Business Transfer in November 2024, as well as the social projects following the change in the allocation of proceeds and the corresponding amounts allocated to them.
- The discontinued social project and the social projects following the change in the allocation of proceeds are shown in Tables 1 and 2, respectively. DNV confirmed that the amount corresponding to the proceeds allocated to the discontinued social project had been fully reallocated to the social projects shown in Table 2.

Table-1. Discontinued Social Project (Please refer to Schedule-1 for details.)

Social project categories	Social project		Time of allocation (actual)	Allocated amount
	Social project overview	Target population		
■ Access to essential services	Capital investment contributing to the production of Human Milk Oligosaccharides	- General public - People with specific nutrient needs due to illness etc.	June to December 2022 (completed)	JPY 7.3 billion

Table-2. Social Projects Following the Change in the Allocation of Proceeds (Please refer to Schedule-1 for details.)

Social project categories	Social project		Time of allocation (actual)	Allocated amount
	Social project overview	Target population		
■ Access to essential services	Capital investment to the production of Lc-PLASMA raw material powder and the research and development of Lc-PLASMA	- General public - Older adults - Frail young people	February 2025 (completed)	JPY 5.5 billion
■ Access to essential services ■ Food security and sustainable food systems	Acquisition of the shares in Blackmores Limited	- General public - People with specific nutrient needs due to illness etc.	February 2025 (completed)	JPY 1.8 billion
			Total	JPY 7.3 billion

- Overview of Social Projects Following the Change in the Allocation of Proceeds are presented below.

Overview of Social Projects Following the Change in the Allocation of Proceeds

Capital investment to the production of Lc-PLASMA raw material powder: Total amount allocated: JPY 5.5 billion

- This project is a social project that meets the eligible criteria set out in the “Kirin Sustainable Finance Framework” published in March 2022.
- Specifically, the proceeds have been allocated to the following two projects:

① iMUSE Health Science Factory (capital investment): Amount allocated: JPY 2.8 billion (see Figure 1)

Figure 1. Exterior view of the iMUSE Health Science Factory

② Kirin Beverage Shonan Plant (small-size PET bottle production facilities): Amount allocated: JPY 2.7 billion

- The allocated amount was determined by proportionally allocating the total investment amount of the ultra-small PET bottle production line based on the percentage attributable to the manufacture of Lc-PLASMA-related products, calculated from the actual production results for FY2024.

Figure 2. Exterior view of the Kirin Beverage Shonan Plant

Acquisition of the shares in Blackmores Limited: Amount allocated: JPY 1.8 billion

- This project is a social project that meets the eligible criteria set out in the “Kirin Social Finance Framework” published in February 2025.
- Blackmores Limited is a leading health and wellness company primarily operating in Australia, China, and Southeast Asia. Leveraging its sales channels across the Asia-Pacific (APAC) region, Blackmores Limited provides products that contribute to addressing a wide range of health challenges faced by people.
- The amount available for allocation under the Social Bond was estimated and determined based on a proportional allocation methodology applied to the acquisition price of Blackmores Limited, taking into account the sales of business segments and products that are aligned with the SBP and SBGL. DNV confirmed that the full amount of the Social Bond proceeds was allocated to a portion of such eligible amount.

Figure 3. Synergies Expected from the Acquisition of Blackmores Limited

UoP-2. Process for Project Evaluation and Selection

- DNV confirmed through the review that Kirin Holdings selected, as projects following the change in the allocation of proceeds, social projects that meet the eligible criteria defined in its Framework.

UoP-3. Management of Proceeds

- DNV confirmed how Kirin Holdings tracked and managed the amount corresponding to the proceeds allocated to the discontinued social project, "capital investment contributing to the production of Human Milk Oligosaccharides" (JPY 7.3 billion).
- DNV confirmed that Kirin Holdings reallocated the full amount corresponding to the proceeds previously allocated to the Human Milk Oligosaccharide project to the three projects shown in the table below, and that no unallocated proceeds have arisen.

<table>
<tr><th>No.</th><th colspan="2">Social project</th><th>Time of allocation (actual)</th><th>Allocated amount</th></tr>
<tr><td>1</td><td rowspan="2">Capital investment to the production of Lc-PLASMA raw material powder and the research and development of Lc-PLASMA</td><td>iMUSE Health Science Factory</td><td>February 2025 (completed)</td><td>JPY 2.8 billion (Refinancing ratio: 100%)</td></tr>
<tr><td>2</td><td>Kirin Beverage Shonan Plant (small-size PET bottle production facilities)</td><td>February 2025 (completed)</td><td>JPY 2.7 billion (Refinancing ratio: 100%)</td></tr>
<tr><td>3</td><td colspan="2">Acquisition of the shares in Blackmores Limited</td><td>February 2025 (completed)</td><td>JPY 1.8 billion (Refinancing ratio: 100%)</td></tr>
<tr><td colspan="4">Total</td><td>JPY 7.3 billion (Refinancing ratio: 100%)</td></tr>
</table>

UoP-4. Reporting

- DNV confirmed that the full amount corresponding to the proceeds allocated to “capital investment contributing to the production of Human Milk Oligosaccharides” has been allocated to the social projects described above and that no unallocated proceeds have arisen. DNV also confirmed that certain information regarding the social benefits generated by the social projects will be published on Kirin Holdings’ website on an annual basis until the proceeds are redeemed. Although the proceeds have been fully allocated, if any significant event occurs in the future, such as a major change in the implementation status of the allocated social projects, such information will be disclosed in a timely manner, as was the case with this reallocation. Key reporting items are expected to include the following.

  <Allocation of Proceeds>

  - Social projects eligible for allocation and amount of allocated proceeds:
    - Capital investment to the production of Lc-PLASMA raw material powder, and the research and development of Lc-PLASMA (JPY 5.5 billion)
    - Acquisition of shares in Blackmores Limited (JPY 1.8 billion)
  - Management methods and balance of unallocated proceeds: No balance of unallocated proceeds

  <Social benefits>

  - Lc-PLASMA production: Number of continuing users of products containing Lc-PLASMA: 745 thousand people
    (Calculation method: Sales volume ÷ daily intake amount ÷ 12-month usage period)
  - Acquisition of shares in Blackmores Limited: Improved access to products offered by Blackmores Limited
    - Global customer awareness of the Blackmores Limited brand increased to 606 million people
    - Progress made in working with Blackmores Limited to support the global expansion of Kirin’s specialty materials

Based on the findings of the the eligibility assessment conducted by DNV regarding the Social Bond following the change in the allocation of proceeds associated with the discontinuation of the social project, “Capital Investment Contributing to the Production of Human Milk Oligosaccharides,” as described in the section “DNV’s Opinion,” nothing has come to our attention that would lead us to believe that this Bond does not comply, in all material respects, with the requirements of the applicable criteria referred to above.

DNV Business Assurance Japan K.K.

Kobe, Japan 31 August 2026

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DNV Business Assurance Japan K.K.

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Schedule-1 Social Bond Projects

Discontinued Social Project

Social Projects Categories		Social Projects			Contribution to the SDGs	Time of allocation (actual)	Allocated amount
Business category	Subdivision of Business category	Social project overview	Target population	Social benefit			
• Access to essential services (health, healthcare)	- Health, healthcare	Capital investment contributing to the production of Human Milk Oligosaccharides	- General public - People with specific nutrient needs due to illness etc.	Contributing to the health of a wide range of our customers through providing products containing Human Milk Oligosaccharide (HMO)		June to December 2022 (completed)	JPY 7.3 billion
Reason for Project Discontinuation	Business transfer to a special purpose company, a subsidiary of Meihua Holdings Group Co., Ltd., a leading bio-manufacturing company in China, in November 2024.						

Social Projects Following the Change in the Allocation of Proceeds

<table>
<tr><th colspan="2">Social Projects Categories</th><th colspan="4">Social Projects</th><th rowspan="2">Contribution to the SDGs</th><th rowspan="2">Time of allocation (actual)</th><th rowspan="2">Allocated amount</th></tr>
<tr><th>Business category</th><th>Business category</th><th colspan="2">Social project overview</th><th>Target population</th><th>Social benefit</th></tr>
<tr><td rowspan="2">• Access to essential services (health, healthcare)</td><td rowspan="2">- Health, healthcare</td><td rowspan="2">Capital investment to the production of Lc-PLASMA raw material powder and the research and development of Lc-PLASMA</td><td>iMUSE Health Science Factory</td><td rowspan="2">- General public
- Older adults
- Frail young people</td><td rowspan="2">Contributing to the maintenance of immune function of our customers through providing products containing Lc-PLASMA</td><td rowspan="2"></td><td rowspan="2">February 2025 (completed)</td><td>JPY 2.8 billion (refinancing ratio: 100%)</td></tr>
<tr><td>Kirin Beverage Shonan Plant (small-size PET bottle production facilities)</td><td>JPY 2.7 billion (refinancing ratio: 100%)</td></tr>
<tr><td>• Access to essential services (health, healthcare)
• Food security and sustainable food systems</td><td>- Health, healthcare
- Physical, social, and economic access to safe, nutritious, and sufficient food that meets dietary needs and requirements
- Improvement of eating habits and management of presymptomatic disease</td><td colspan="2">- Acquisition of shares in Blackmores Limited</td><td>- General public
- People with specific nutrient needs due to illness etc.</td><td>Help to solve more health issues for people all over the world, aiming to "increase the number of healthy people, reduce the number of people who get ill, and contribute to those involved in treatment"</td><td></td><td>February 2025 (completed)</td><td>JPY 1.8 billion (refinancing ratio: 100%)</td></tr>
<tr><td colspan="8">Total</td><td>JPY 7.3 billion (refinancing ratio: 100%)</td></tr>
</table>

Schedule-2 Social Bond Eligibility Assessment Protocol

The following SBP-1 to SBP-4 are DNV's Social Bond Eligibility Assessment Protocol developed for the assessment of Kirin Holdings' Social Bonds, based on the requirements of the Social Bond Principles (SBP).

UoP-1 Use of Proceeds

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
1a	Type of bond	The bond must fall in one of the following categories: • Use of Proceeds Bond • Revenue Bond • Project Bond • Securitized or covered Bond	Confirmed Documents: • Framework • Social bond eligibility assessment materials Interviews with stakeholders	Through the evaluation process, DNV confirmed that Kirin Holdings' Social Bond falls into the following categories. (Standard) Social Bond
1b	Social Project Categories	The cornerstone of a Social Bond is the utilization of the proceeds of the bond which should be appropriately described in the legal documentation for the security.	Confirmed Documents: • Framework • Social bond eligibility assessment materials Interviews with stakeholders	DNV confirmed that all of the proceeds have been allocated to the following projects. "Access to essential services (health, healthcare)" "Food security and sustainable food systems (physical, social, and economic access to safe, nutritious, and sufficient food that meets dietary needs and requirements, improvement of eating habits and management of presymptomatic disease)"
1c	Social benefits	All designated Social Project categories should provide clear socially sustainable benefits, which, where feasible, will be quantified or assessed by the issuer.	Confirmed Documents: • Framework • Social bond eligibility assessment materials Interviews with stakeholders	DNV confirmed that the social project addresses objective social issues identified by Kirin Holdings, that local characteristics have been taken into consideration, and that the target population and social contribution (outcome) resulting from the implementation of the project have been clearly identified. Specifically, DNV confirmed that the production of Lc-PLASMA contributes to the maintenance of customers' immune function, and that the acquisition of Blackmores

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
				Limited is expected to help solve more health issues for people all over the world, aiming to “increase the number of healthy people, reduce the number of people who get ill, and contribute to those involved in treatment.” through improved access to Blackmores Limited’ products,
1d	Refinancing share	In the event that a proportion of the proceeds may be used for refinancing, it is recommended that issuers provide an estimate of the share of financing vs. refinancing, and where appropriate, also clarify which investments or project portfolios may be refinanced.	Confirmed Documents: • Framework • Social bond eligibility assessment materials Interviews with stakeholders	DNV confirmed that the amount corresponding to the proceeds allocated to the discontinued social project, “capital investment contributing to the production of Human Milk Oligosaccharides,” had been fully allocated to the social projects as refinancing.

UoP-2 Process for Project Evaluation and Selection

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
2a	Investment-decision process	The issuer of a Social Bond should outline the decision making process it follows to determine the eligibility of projects using Social Bond proceeds. This includes, without limitation: • A process to determine how the projects fit within the eligible Social Projects categories identified in the ICMA SBP 2020; • The criteria making the projects eligible for using the Social Bond proceeds; • The social sustainability objectives	Confirmed Documents: • Framework • Social bond eligibility assessment materials Interviews with stakeholders	DNV confirmed that the Finance Department and the CSV Strategy Department of Kirin Holdings selected the projects that meet the eligible criteria defined by the Framework as eligible projects, and that the General Manager of the Finance Department, to whom authority had been delegated by the Executive Officer in charge of the Finance Department, made the final decision on the selected eligible projects. DNV also confirmed that Kirin Holdings has met the eligibility criteria set out in the “Standards to be applied” in selecting the project in question, and that it has assessed and considered the negative impacts associated with the implementation of the project and identified the environmental and social risks in advance.
2b	Issuer’s environmental social governance framework	In addition to information disclosed by an issuer on its Social Bond process, criteria and assurances, Social Bond investors may also take into consideration the quality of the issuer’s overall framework and performance regarding social sustainability.	Confirmed Documents: • Framework • Social bond eligibility assessment materials Interviews with stakeholders	DNV confirmed that Kirin Holdings' social projects are in line with Kirin Holdings' “CSV Purpose” and the Long-Term Management Vision “Kirin Group Vision 2027 (KV2027),” and compliance with environmental laws, regulations, ordinances and agreements with the relevant regions was taken into account when implementing the projects, and that risk items specific to eligible projects are identified through various due diligence procedures and appropriate responses and procedures are implemented. DNV also confirmed that the social benefits of social projects have been clearly identified through the review of the Framework and other documents and interviews with relevant stakeholders.

UoP-3 Management of Proceeds

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
3a	Tracking procedure	The net proceeds of Social Bonds should be credited to a sub-account, moved to a sub-portfolio or otherwise tracked by the issuer in an appropriate manner and attested to by a formal internal process that will be linked to the issuer's lending and investment operations for Social Projects.	Confirmed Documents: • Framework • Social bond eligibility assessment materials • Proceeds management information Interviews with stakeholders	DNV confirmed through document review and interviews that the full amount corresponding to the proceeds allocated to the discontinued social project, "capital investment contributing to the production of Human Milk Oligosaccharides," was promptly allocated to the social projects shown in Schedule-1.
3b	Tracking procedure	So long as the Social Bonds are outstanding, the balance of the tracked proceeds should be periodically reduced by amounts matching eligible Social investments or loan disbursements made during that period.	Confirmed Documents: • Framework • Social bond eligibility assessment materials • Proceeds management information Interviews with stakeholders	DNV confirmed that Kirin Holdings managed the allocation status of proceeds from the implementation of the Social Bond to the completion of the allocation.
3c	Temporary holdings	Pending such investments or disbursements to eligible Social Projects, the issuer should make known to investors the intended types of temporary investment instruments for the balance of unallocated proceeds.	Confirmed Documents: • Framework • Social bond eligibility assessment materials • Proceeds management information Interviews with stakeholders	DNV confirmed that the full amount corresponding to the proceeds allocated to the discontinued social project, "capital investment contributing to the production of Human Milk Oligosaccharides," was allocated promptly after the implementation of the change in the allocation of proceeds, and that no unallocated proceeds have arisen.

UoP-4 Reporting

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
4a	Periodical reporting	In addition to reporting on the use of proceeds and the temporary investment of unallocated proceeds, issuers should provide at least annually a list of projects to which Social Bond proceeds have been allocated including - when possible with regards to confidentiality and/or competitive considerations - a brief description of the projects and the amounts disbursed, as well as the expected socially sustainable impact.	Confirmed Documents: • Framework • Social bond eligibility assessment materials • Social Bonds Allocation status of proceeds and Impact reporting (Draft) Interviews with stakeholders	DNV confirmed that Kirin Holdings discloses in a timely manner on its website any significant event that may occur, such as a major change in the implementation status of the social projects to which the proceeds raised through the Social Bond have been allocated. Specifically, DNV confirmed that Kirin Holdings disclosed on its website on 14 February 2025 that the social project, “capital investment contributing to the production of Human Milk Oligosaccharides,” had been discontinued as a result of the business transfer, and that the amount corresponding to the proceeds allocated to this project would be reallocated to the social projects shown in Schedule-1. Furthermore, DNV confirmed that Kirin Holdings has disclosed on its website that the full amount corresponding to the proceeds allocated to the discontinued social project, “capital investment contributing to the production of Human Milk Oligosaccharides,” has been fully allocated to the social projects shown in Schedule-1 and that no unallocated proceeds have arisen. DNV also confirmed that, should any significant event occur in the future, such as a major change in the implementation status of the allocated eligible projects, Kirin Holdings intends to disclose such information in a timely manner, as was the case with this reallocation. (Allocation of Proceeds) • Social projects eligible for allocation and amount of allocated proceeds:

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
				- Capital investment to the production of Lc-PLASMA raw material powder, and the research and development of Lc-PLASMA (JPY 5.5 billion) - Acquisition of shares in Blackmores Limited (JPY 1.8 billion) • Management methods and balance of unallocated proceeds: No balance of unallocated proceeds (Social benefits) • Lc-PLASMA production: Number of continuing users of products containing Lc-PLASMA: 745 thousand people (Calculation method: Sales volume ÷ daily intake amount ÷ 12-month usage period) • Acquisition of shares in Blackmores Limited: Improved access to products offered by Blackmores Limited - Global customer awareness of the Blackmores Limited brand increased to 606 million people - Progress made in working with Blackmores Limited to support the global expansion of Kirin’s specialty materials

ABOUT ROLE(S) OF REVIEW PROVIDERS AS DEFINED BY THE STANDARDS & PRINCIPLES

1. **Second Party Opinion:** An institution with environmental expertise, that is independent from the issuer may issue a Second Party Opinion. The institution should be independent from the issuer's adviser for its Green Loan Framework, or appropriate procedures, such as information barriers, will have been implemented within the institution to ensure the independence of the Second Party Opinion. It normally entails an assessment of the alignment with the Standards & Principles, In particular, it can include an assessment of the issuer's overarching objectives, strategy, policy and/or processes relating to environmental sustainability, and an evaluation of the environmental features of the type of projects intended for the Use of Proceeds.
2. **Verification:** *A/An* *borrower/issuer* can obtain independent verification against a designated set of criteria, typically pertaining to business processes and/or environmental criteria. Verification may focus on alignment with internal or external standards or claims made by the issuer. Also, evaluation of the environmentally sustainable features of underlying assets may be termed verification and may reference external criteria. Assurance or attestation regarding an issuer's internal tracking method for use of proceeds, allocation of funds from Sustainable Financing Instrument proceeds, statement of environmental impact or alignment of reporting with the Standards & Principles, may also be termed verification.
3. **Certification:** *A/An* *borrower/issuer* can have its Sustainable Financing Instrument or associated *Sustainable Financing Framework* or Use of Proceeds certified against a recognised external green standard or label. A standard or label defines specific criteria, and alignment with such criteria is normally tested by qualified, accredited third parties, which may verify consistency with the certification criteria.
4. **Green Loan Scoring/Rating:** *A/An* *borrower/issuer* can have its Sustainable Financing Instrument or associated Sustainable Financing Framework or a key feature such as Use of Proceeds evaluated or assessed by qualified third parties, such as specialised research providers or rating agencies, according to an established scoring/rating methodology. The output may include a focus on environmental performance data, the process relative to the Standards & Principles, or another benchmark, such as a 2-degree climate change scenario. Such scoring/rating is distinct from credit ratings, which may nonetheless reflect material environmental risks.

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About DNV
Driven by our purpose of safeguarding life, property and the environment, DNV enables organisations to advance the safety and sustainability of their business. Combining leading technical and operational expertise, risk methodology and in-depth industry knowledge, we empower our customers' decisions and actions with trust and confidence. We continuously invest in research and collaborative innovation to provide customers and society with operational and technological foresight. With our origins stretching back to 1864, our reach today is global. Operating in more than 100 countries, our 16,000 professionals are dedicated to helping customers make the world safer, smarter and greener group.