

July 28, 2023

Sumitomo Mitsui Banking Corporation

Syndicated Transition Linked Loan for Kirin Holdings Company, Limited

Sumitomo Mitsui Banking Corporation (“SMBC”, President and CEO: Akihiro Fukutome) has signed an agreement of syndicated transition linked loan (“The Loan”) with Kirin Holdings Company, Limited (“Kirin Holdings”, President & CEO: Yoshinori Isozaki). The loan is based on the Kirin Sustainable Finance Framework (“The Framework”).

The objective of transition finance is to support companies that are making efforts to reduce greenhouse gas emissions in accordance with the long-term transition strategy toward achieving carbon neutrality, which is the goal of the Paris Agreement. Transition finance is also one of the concrete efforts to realize the 2050 Carbon Neutrality Declaration of the Government of Japan.

Furthermore, The Loan aims to set sustainability performance targets (SPTs) that are consistent with the borrower's transition strategy, align loan conditions with the borrower's performance against SPTs, and motivate the borrower to achieve SPTs. The Loan thereby promotes environmentally and socially sustainable economic activities and economic growth, and financially supports the efforts of companies that lead the realization of a decarbonized society.

**【Outline of the loan】**

|                |  |
|----------------|--|
| Loan Execution | July 28, 2023  |
| Arranger       | Sumitomo Mitsui Banking Corporation  |
| Loan amount    | 67 billion yen   |
| Loan term      | 5 years: 30 billion yen, 7 years: 37 billion yen   |
| Lender         | Syndicate Group organized by the arranger  |
| SPTs           | GHG emission reduction rate in Scope 1 and Scope 2 (Base year: FY 2019)<br>*Multiple SPTs have been set over the loan period |

Kirin Holdings sets the Kirin Group’s Environmental Vision 2050 as the guidepost for our long-term environmental initiatives and is pursuing a target of net-zero emissions across our value chain by 2050 to address climate actions.

The Kirin Group’s business operations constitute a global value chain with a wide variety of GHG emission sources. Kirin Holdings considers a phased transition to be a practical path to achieving net-zero emissions across the entire value chain and has formulated a transition roadmap and begun actions based on the roadmap (from January 2022).

To take steps toward the transition from the area of finance, Kirin Holdings became the first Japanese food and beverages company to establish a framework which complies with transition finance-related guidelines. SMBC received a second party opinion from DNV Business Assurance for The Loan for its alignment with Climate Transition Finance Handbook 2020 published by The International Capital Market Association

(ICMA), Japan Basic Guidelines on Climate Transition Finance published by Financial Services Agency, Ministry of Economy, Trade and Industry, and Ministry of the Environment, Sustainability-Linked Loan Principles 2022 published by Loan Market Association (LMA), Loan Syndications and Trading Association (LSTA) and Asia Pacific Loan Market Association (APLMA), and Green Loan and Sustainability-Linked Loan Guidelines 2022 published by Ministry of Environment.

Sumitomo Mitsui Banking Corporation will further contribute to achieving sustainable society by providing solutions and engaging in dialogue for our clients' sustainable management.

(Reference)

Kirin Holdings website:

<https://www.kirinholdings.com/jp/>

Kirin Group Environmental Vision 2050:

<https://www.kirinholdings.com/en/impact/env/mission/>

DNV Business Assurance, Japan website for details about the second party opinion:

<https://webmagazine.dnv.co.jp/797>

[Contact Information]  
Sustainable Solution Department  
TEL: 03-4333-6964

This announcement is not intended as a recommendation to invest or solicit.