

March 10, 2022
The Norinchukin Bank
The Norinchukin Trust & Banking Co., Ltd.
Megmilk Snow brand Co., Ltd.

JA Bank Syndicate signs into Sustainability Linked Loan Agreement with Megmilk Snow Brand Co., Ltd

The Norinchukin Bank (President & CEO: OKU Kazuto) and Megmilk Snow Brand Co., Ltd. (President: NISHIO Keiji, hereinafter "Megmilk Snow Brand") entered into a syndicated loan agreement for the Sustainability Link Loan ("SLL") in line with the SLL Principles established by the Loan Market Association¹ (hereafter "JA Bank Syndicated SLL"). The JA Bank Syndicated SLL is arranged by The Norinchukin Trust & Banking Co., Ltd (President & Representative Director: TAKAHASHI Shigemitsu) and syndicated by JA Bank members. It is the first SLL for JA Bank syndication to the Japanese food industry.

The SLL sets Sustainability Performance Targets ("SPT") that correspond to a borrower's sustainability goals based on its business strategy. By linking loan conditions and SPT progress status, the SLL motivates borrowers to achieve their goals, and supports their sustainable business activities as well as growth from environmental and social perspectives.

Megmilk Snow Brand Group has identified important CSR issues (materiality) target at seeking to achieve both economic and social value as the starting point of its corporate philosophy: "Kendo Kenmin" ("a healthy earth ensures human health²"), and is working to achieve these goals.

The Norinchukin Bank is committed to foster agriculture, fishery and forestry industries and create a prosperous future for food and lifestyle, and thereby contributing to a sustainable global environment under its corporate brand "Dedicated to sustaining all life." The Norinchukin Bank emphasizes deeply with Megmilk Snow Brand Group's corporate philosophy and the bank aims to support its initiatives toward the realization of a "carbon-free society" through this syndicated loan.

In consideration of the Megmilk Snow Brand Group's targets based on the important CSR issues(materiality), we set SPT of reducing CO₂ emissions (50% reduction by fiscal 2030, compared to fiscal 2013) to this SLL..

We obtained third-party opinions from Rating and Investment Information, Inc. that the syndicated loan is in compliance with the SLL Principles and with the expected elements for sustainability linked loans under "the Green Loan and Sustainability Linked Loan Guidelines 2020," established by the Ministry of Environment, Japan.

¹ The Loan Market Association aims to improve the liquidity, efficiency, and transparency of the syndicated loan market in Europe, the Middle East, and Africa. It is comprised of more than 700 institutions in more than 60 countries.

² "A healthy earth ensures human health" is an expression used by Torizo Kurosawa, one of the founders of the Megmilk Snow Brand Group. It expresses his view that dairy farms strengthen the soil, and that the milk and dairy products produced from this rich earth are the ultimate nutritious food that can foster healthy minds and resilient bodies.

[Project overview: Syndicated Loan]

Item	Contents
Implementation date	March 14, 2022
Contract period	6 years
Originated amount	JPY 8,000,000,000
Lenders	JA Hokkaido Shinnoren JA Niigata Shinnoren JA Ibaraki Shinnoren JA Saitama Shinnoren JA Shizuoka Shinnoren JA Kyoto Shinnoren JA Hyogo Shinnoren JA Fukuoka Shinnoren JA Okinawa
Agent	The Norinchukin Bank
Arranger	The Norinchukin Trust & Banking Co., Ltd.

[Reference Link]

Megmilk Snow Brand website CSR initiatives:

<https://www.meg-snow.com/english/sustainability/>

Third-party opinion from Rating and Investment Information, Inc.:

<https://www.r-i.co.jp/rating/esg/sustainabilityfinance/index.html>