



**Morinaga & Co., Ltd., Limited 15th unsecured straight bonds
(Sustainability bond with specific inter-bond pari passu clause for short)
2nd Reporting**

Morinaga & Co., Ltd. (“the Company”) reports on the Sustainability Bond issued on December 8, 2022 as follows.

1. Allocation Reporting (November 30, 2024)

| Projects | The amount of proceeds ¹ | The amount of net proceeds allocated (The amount or share of refinancing) | The amount of net proceeds pending allocation (Expected timing for allocation) |
|--|-------------------------------------|--|---|
| Expenditure for rebuilding the Morinaga Shibaura Building ² | JPY 8.945 billion | JPY 8.945 billion ³ (0) | 0 |

About rebuilding the Morinaga Shibaura Building

The Morinaga Group formulated a new corporate philosophy in 2021 with the aim of achieving sustained growth. It also established a 2030 vision in order to realize the purpose set out in the corporate philosophy and declared its commitment to change into a wellness company to help bring about a sustainable and prosperous society by continuously providing the three stakeholders of customers, employees, and society with the three values of a “health of mind”, “health of body”, and “health of environment”.

The Morinaga Shibaura Building (completed in 1972) is now 50 years old and dilapidated, declining its function as an office building, so the Company decided to rebuild this building and relocate its head office functions from the Morinaga Plaza Building. Construction has been completed and the building has been in use since March 2024.

The Morinaga Shibaura Building uses an energy-saving design certified as 'ZEB Ready'. This design, which aims to maximize energy efficiency, is one of the building's features. Furthermore, the building incorporates a design which utilizes rainwater in order to make effective use of water resources and reduce environmental impact. In terms of energy supply, the building normally uses only electricity, and the Company has introduced a renewable energy-derived electricity plan as the source of this energy supply. These initiatives have actually reduced CO₂ emissions to zero and embodies an environmentally friendly design. In addition, the Company is also working on solar power generation.

¹ Approximate net proceeds

² The name of the building was "the Morinaga Shibaura Building (tentative name)" at the time of the Sustainability Bond issuance, but it has been changed.

³ In June 2024, the amount of proceeds has been fully allocated.

In addition, the building will be equipped with barrier-free facilities, gender-free SOGI restrooms, prayer rooms and nursing rooms for a better workplace and different needs from diverse workforce, and an evacuation space for neighboring companies and local residents in the event of a disaster. We will orient our offices to embody our corporate philosophy and 2030 Vision.



2. Impact Reporting

【Green Projects】

| Eligible Projects | Indices |
|--|--|
| Green Buildings / Energy efficiency | <ul style="list-style-type: none"> Acquisition of third-party green building certifications: ZEB Ready CO₂ emissions avoided: About 386 (t-CO₂) (Theoretical values⁴) <p>※The Morinaga Shibaura Building normally uses only electricity, and the Company has introduced a renewable energy-derived electricity plan as the source of this energy supply. The actual emissions from the building are zero.</p> |

【Social Projects】

| Eligible Projects | Output | Outcome | Impact |
|--|--|--|--|
| Setting up evacuation sites <ul style="list-style-type: none"> evacuation space for stranded people of not only the company staffs but of neighboring businesses and local residents A warehouse for stockpiling emergency supplies | <ul style="list-style-type: none"> Setting up space for stranded people of not only the company staffs but of neighboring businesses and local residents Setting up a warehouse for stockpiling emergency supplies | <ul style="list-style-type: none"> Capacity (number of people) who can be accepted (186 people) Stockpiles in disaster prevention stockpile warehouses (For a minimum of 3 days) | Sustainable society resilient to natural disasters |

⁴ The actual emissions from the Morinaga Shibaura Building are zero, but CO₂ emissions avoided is calculated using adjusted emission factors for electricity companies published by the Ministry of the Environment (2024), reference and design values for primary energy consumption in order to demonstrate the energy efficiency of the building.

| | | | |
|--|---|--|--|
| <p>Projects to promote diversity</p> <ul style="list-style-type: none"> · Installation of barrier-free facilities (ramps, accessible restrooms) for the elderly and disabled people, etc. · Installation of gender-free restrooms · Setting up nursing rooms · Setting up prayer rooms | <ul style="list-style-type: none"> · Installation of barrier-free facilities (ramps, accessible restrooms) for the elderly and disabled people, etc. · Installation of gender-free restrooms · Setting up nursing rooms · Setting up prayer rooms | <ul style="list-style-type: none"> · Number of ramps (in various locations) and number of accessible restrooms installed (7 places) · Number of gender-free restrooms installed (3 places) · Number of nursing rooms installed (1 place) · Number of prayer rooms set up (1 place) | <p>Barrier-free and gender-free environment and inclusive-society with respect for diversity</p> |
|--|---|--|--|