

Ajinomoto Co., Inc. and MUFG Bank, Ltd. Conclude a Sustainability Linked Loan Agreement

Further Expanding Sustainable Finance Credit Lines

TOKYO, December 14, 2022 – Ajinomoto Co., Inc. (“Ajinomoto Co.”) has concluded a “Sustainability-Linked Loan” committed credit line agreement*¹ with MUFG Bank, Ltd. (“MUFG Bank”) on December 14, 2022. This agreement is based on the loan syndication process, whereby MUFG Bank will act as an arranger and form a syndicate of multiple financial institutions to provide loans to Ajinomoto Co.

A Sustainability-Linked Loan is a type of sustainable finance in which the loan terms based on the evaluation framework given in the Sustainability-Linked Loan Principles*² are linked to Ajinomoto Co.’s performance against targets that are consistent with its sustainability strategy.

In the 2020–2025 Medium-Term Management Plan, the Ajinomoto Group (“the Group”) identifies the key principle of focusing all management resources on resolving food and health issues, as laid out in the Group’s vision for 2030. In accordance with this principle, the Group believes that recognizing the business environment surrounding the Group, and working to resolve social challenges in response to changes occurring in that environment, will contribute to the enhancement of corporate value. As part of these efforts, the Group identifies materiality items that substantially affect our ability to create value in the short to medium to long term, and pursues our business activities based on a clear understanding of opportunities and risks.

This agreement was reached based on confirmation and positive assessment of the targets the Group has set for reducing greenhouse gas (GHG) emissions, which were deemed to be “ambitious”*³. These targets are part of the Group’s efforts for the materiality item of “climate change adaptation and mitigation,” which is particularly closely tied to “reducing our environmental impact by 50%,” one of the two outcomes the Group aims for. In addition, for the signing of this agreement, Ajinomoto Co. obtained a third-party opinion from Japan Credit Rating Agency, Ltd.

<https://www.jcr.co.jp/en/greenfinance/>

This is the third example of our use of sustainable finance, following the SDG bonds issued in October 2021 and the Positive Impact Finance agreement of January 2022. In the future, by utilizing sustainable finance schemes, the Group will further accelerate our efforts in the field of finance, as in others, to help achieve a sustainable society.

As professionals in the field of food and health, the Group aims to continue to create unique value through our business activities and to work toward resolving social issues.

Outline of the Agreement

Agreement date	December 14, 2022
Arranger	MUFG Bank
Participating financial institutions	Five financial institutions
Amount	100 billion yen
Agreement period	Three years

Targets Set by the Group for the Sustainability-Linked Loan

A goal has been set of reducing GHG emissions (Scope 1 and Scope 2) by 50% by fiscal 2030 (from fiscal 2018 as base year). The annual targets are given in the table below.

	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
	Actual	Actual	Actual	Actual	Actual	Target	Target
Total Scope 1 and Scope 2 GHG emissions (1,000 tons-CO ₂ e)	2,317	2,213	1,974	1,911	1,612	1,556	1,500
Reduction in Scope 1 and Scope 2 GHG emissions (%) (from FY2018 as base year)	—	—	11%	14%	27%	30%	32%

	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
	Target	Target	Target	Target	Target	Target	Target
Total Scope 1 and Scope 2 GHG emissions (1,000 tons-CO ₂ e)	1,443	1,387	1,331	1,275	1,218	1,162	1,106
Reduction in Scope 1 and Scope 2 GHG emissions (%) (from FY2018 as base year)	35%	37%	40%	42%	45%	47%	50%

Notes:

- *1 A committed credit line is a line of credit in which a financial institution commits to provide loans at the request of its company within a predetermined limit set by the company and the financial institution.
- *2 The Sustainability-Linked Loan Principles were formulated in 2019 by a working party consisting of representatives from leading financial institutions active in the global syndicated loan markets, to promote the development and preserve the integrity of Sustainability-Linked Loan products. The Principles were issued by the Loan Market Association (LMA), the Asia Pacific Loan Market Association (APLMA), and the Loan Syndications & Trading Association (LSTA).
- *3 “Ambitious” targets are those that are beyond a “Business as Usual” trajectory and consistent with the Group’s sustainability strategy.

Reference

Press release dated December 15, 2020

The Ajinomoto Group Enters into its First ESG Finance Agreement in Malaysia

https://www.ajinomoto.com/cms_wp_ajmnt_global/wp-content/uploads/pdf/2020_12_15.pdf

Press release dated September 28, 2021

Ajinomoto to Issue Group's First SDG Bonds

https://www.ajinomoto.com/cms_wp_ajmnt_global/wp-content/uploads/pressreleases/pdf/2021_09_28_02E.pdf

Timely disclosure dated October 15, 2021

Announcement of Decision of Issuance Conditions for Sustainability Bonds

https://www.ajinomoto.com/sustainability/pdf/2021/2021_10_15.pdf

Press release dated January 28, 2022

Ajinomoto Co., Inc. and Mizuho Bank, Ltd. Conclude a Positive Impact Finance Agreement

https://www.ajinomoto.com/cms_wp_ajmnt_global/wp-content/uploads/pdf/2022_01_28E.pdf

The Ajinomoto Group, unlocking the power of amino acids, aims to resolve food and health issues associated with dietary habits and aging, and contribute to greater wellness for people worldwide.

Based on the corporate message “Eat Well, Live Well.”, we have been scientifically pursuing the possibilities of amino acids to aim for future growth by creating new value through sustainable and innovative solutions for communities and society.

The Ajinomoto Group has offices in 36 countries and regions, and sells products in more than 130 countries and regions. In fiscal 2021, sales were 1.1493 trillion yen (10.2 billion U.S. dollars). To learn more, visit www.ajinomoto.com.

For further information, please contact: [HERE](#)