



To whom it may concern:

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(Stock code: 8098, Prime Market of the Tokyo
Stock Exchange)
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Notice of Issuance of Green Bonds

Inabata & Co., Ltd. (Director, President: Katsutaro Inabata, Chuo-ku, Tokyo; the “Company”) plans to issue its first Green Bonds from December 2024 onward. The Company hereby announces that it has submitted an amended shelf registration statement to Director-General of the Kanto Local Finance Bureau today regarding the issuance of said Green Bonds.

1. Background and purpose of issuing Green Bonds

In June 2022, the Company announced the “Carbon Neutrality Declaration 2050,” which aims to achieve net zero (effectively zero) greenhouse gas (GHG) emissions from business activities by fiscal 2050, and at the same time, it identified six materialities (key issues to be addressed as a priority).

In order to address these medium- to long-term goals and challenges, the Company is promoting its three-year Medium-term Management Plan “New Challenge 2026” (“NC2026”) from April 2024, with the fiscal year ending March 31, 2027 set as the final year.

“NC2026” sets out “Sustainability Strategy” that addresses the six materialities, such as “achieving carbon neutrality in business activities” and “contributing to the global environment through business.” Specific KPIs include “reducing GHG emissions (Scopes 1 and 2) by 25% in the fiscal year ending March 31, 2027 compared to the fiscal year ended March 31, 2023” and “achieving net sales of ¥100 billion from environment-related business.”

In addition, as part of “Financial Strategy,” the Company has also set out “diversifying funding methods, including sustainability finance,” and the issuance of these Green Bonds is in line with this strategy.

In July 2024, the Company raised funds through a Green Loan, and with this issue of Green Bonds, the

Company will further accelerate its efforts to create sustainable value, such as achieving carbon neutrality and contributing to the global environment through business.

<Excerpt from the “NC2026” Sustainability Strategy>

Creating sustainable value	Contributing to a decarbonized and circular society; sustainable use of natural capital Contributing to safety, security, and well-being Providing value through resilience in procurement and supply functions	
Strategy	KPIs and Targets (April 2024 to March 2027)	Boundary
– Achieve carbon neutrality in business activities	» Reduce GHG emission (Scopes 1 and 2) by 25% compared to FY2022 levels	Consolidated
– Contribute to the global environment through the business	» Achieve net sales of 100 billion yen ¹ for environment-related business	Consolidated
– Ensure safe and secure quality through stronger management of compliance with chemical substances regulations	» Understand and share trends in chemical substances regulations in Japan and overseas in a timely manner, and strengthen the compliance management framework	Consolidated
– Enhance resilience in procurement and supply functions by strengthening supply chain management	» Clarify the Company’s position on responsible procurement, and communicate it internally and externally	Non Consolidated
– Establish supply chains that respect human rights	» Establish the human rights DD cycle ² for selected operations as a model case	Non Consolidated

2. Overview of the Green Bonds

Maturity	Medium to long term (planned)
Total amount of issue	¥7.5 billion (planned)
Issue timing	From December 2024 onward
Use of funds	<ul style="list-style-type: none"> · Funds for the construction of a biomass power plant · Funds for the new construction (rebuilding) of the Tokyo Head Office Building, which reduces the environmental impact and improves the responsiveness for disaster preparedness
Lead underwriters	Nomura Securities Co., Ltd., Mizuho Securities Co., Ltd., SMBC Nikko Securities Inc. and Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.
Structuring agent	Nomura Securities Co., Ltd.
Third-party evaluation	Rating and Investment Information, Inc. (R&I)

In issuing these Green Bonds, the Company formulated a Green Finance Framework that complies with the Green Bond Principles 2021 (ICMA) and obtained a second opinion from R&I that the framework complies with those principles.

■ Green Finance Framework (in Japanese)

https://www.inabata.co.jp/themes/inabata/pdf/sustainability/greenfinance_framework_jp.pdf

- Second opinion from R&I (in Japanese)

https://www.inabata.co.jp/themes/inabata/pdf/sustainability/second_party_opinion_jp.pdf

[Reference]

- The Company's policy and basic approach to climate change
https://www.inabata.co.jp/english/sustainability/environment/climate_change/
- Announcement of the "Carbon Neutrality Declaration 2050"
https://www.inabata.co.jp/english/sustainability/environment/climate_change/
- Medium-term Management Plan "New Challenge 2026"
https://www.inabata.co.jp/themes/inabata/pdf/company/midterm_plan2026_en.pdf?0
- "Notice of Establishment of New Company for Investment in Biomass Power Generation Business"
(in Japanese)
<https://ssl4.eir-parts.net/doc/8098/tdnet/2076876/00.pdf>
- "Notice of Rebuilding the Tokyo Head Office Building" (in Japanese)
<https://www.inabata.co.jp/news/entry-1217.html>