

**Initiative for Reducing Environmental Load through
New Application of Whey at Taiki Plant, Megmilk Snow Brand**

Megmilk Snow Brand ("the Company") has started investigating new applications of whey to efficiently use dairy resources. As part of this initiative, the Company will set up facilities converting whey into methane gas at Taiki Plant.

Whey, a by-product of cheese production, contains a number of useful components. Whey is processed into a powder and used in infant formula and confectionery ingredients. The Company has commenced a specific investigation to establish a technology to optimally collect the useful components in whey in a usable form to extend applications.

Taiki Plant will use as energy all methane gas generated from the fermentation of biomass and residues stemming from the collection of useful components from whey.

Through this initiative, the Company seeks to establish a technology for a new utilization of whey, and will also reduce the environmental load not only through the use of methane gas generated from biomass but also by reducing water consumption and CO₂ emissions associated with whey processing.

Equipment overview

Facility name	Methane fermentation system
Investment amount	Approx. 2.9 billion yen
Application for methane gas	Taiki Plant will use all methane gas generated as energy.
Reducing environmental load (Forecast)	CO ₂ emissions: Approx. annual reduction of 8,400 tons Water consumption: Approx. annual reduction of 150,000 tons
Planned date for commencement of operations	First half of FY2023

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