

## Green Bond Fact Sheet

NYK - Nippon Yusen Kaisha			Date: 30-May-2018
Issue date: 24-May-2018 Maturity date: 24-May-2023 Tenor: 5			
Issuer Name	NYK – Nippon Yusen Kaisha	Amount Issued	JPY10bn (USD91.5m)
Country of risk	Japan	CBI Database	Included
Issuer Type <sup>1</sup>	Non-Financial Corporate	Bond Type	Green Bond
Green Bond Framework	N/A	Second party opinion	<a href="#">Vigeo Eiris</a>
Certification Standard	Not certified	Assurance report	N/A
Certification Verifier	N/A	Green bond rating	N/A
Use of Proceeds			
<input type="checkbox"/> Energy	<input type="checkbox"/> Solar <input type="checkbox"/> Onshore wind <input type="checkbox"/> Offshore wind <input type="checkbox"/> Geothermal <input type="checkbox"/> Hydro <input type="checkbox"/> Tidal	<input type="checkbox"/> Biofuels <input type="checkbox"/> Bioenergy <input type="checkbox"/> Waste to energy <input type="checkbox"/> District heating <input type="checkbox"/> Electricity grid	<input type="checkbox"/> Energy storage <input type="checkbox"/> Energy performance <input type="checkbox"/> Infrastructure <input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input type="checkbox"/> Buildings	<input type="checkbox"/> Certified Buildings <input type="checkbox"/> HVAC systems <input type="checkbox"/> Energy performance	<input type="checkbox"/> Water performance <input type="checkbox"/> Energy storage/meters <input type="checkbox"/> Other energy related	<input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input checked="" type="checkbox"/> Transport	<input type="checkbox"/> Electric vehicles <input type="checkbox"/> Low emission vehicles <input type="checkbox"/> Bus rapid transit <input type="checkbox"/> Passenger trains <input type="checkbox"/> Urban rail	<input type="checkbox"/> Freight rolling stock <input type="checkbox"/> Coach / public bus <input checked="" type="checkbox"/> Shipping <input type="checkbox"/> Bicycle infrastructure <input type="checkbox"/> Energy performance	<input type="checkbox"/> Transport logistics <input type="checkbox"/> Infrastructure <input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input type="checkbox"/> Water & wastewater	<input type="checkbox"/> Water distribution <input type="checkbox"/> Water treatment <input type="checkbox"/> Wastewater treatment <input type="checkbox"/> Water storage	<input type="checkbox"/> Storm water mgmt <input type="checkbox"/> Desalination plants <input type="checkbox"/> Erosion control <input type="checkbox"/> Energy performance	<input type="checkbox"/> Infrastructure <input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience

<input type="checkbox"/> Waste management	<input type="checkbox"/> Recycling <input type="checkbox"/> Waste prevention <input type="checkbox"/> Pollution control	<input type="checkbox"/> Landfill, energy capture <input type="checkbox"/> Energy performance <input type="checkbox"/> Infrastructure	<input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input type="checkbox"/> Land use & agriculture	<input type="checkbox"/> Afforestation/parks <input type="checkbox"/> FSC Forestry <input type="checkbox"/> FSC Cellulose, paper	<input type="checkbox"/> Land remediation <input type="checkbox"/> Energy/water efficiency	<input type="checkbox"/> Sustainable agriculture <input type="checkbox"/> Adaptation & resilience
<input type="checkbox"/> Other	<input type="checkbox"/> Adaptation & resilience	<input type="checkbox"/> ICT	<input type="checkbox"/> Industry: process
<b>Issue details</b>			
Reporting	Proceed allocation and impact reporting will be made available on the issuer's <a href="#">website</a> annually until full allocation.		
Company information	NYK provides ocean, land, and air transportation services worldwide. It offers various logistics services, including liner trading services, such as container shipping, and terminal and stevedoring services for containerships, car carriers, and cruise ships; and air cargo transportation services.		
Firsts, records and certifications	First shipping GB		
Proceeds description	Proceeds will finance and refinance LNG-fuelled ships, LNG-bunkering ships, ballast water management systems and SOx scrubber systems. Vigeo Eiris provided the <a href="#">second party opinion</a> and stated “LNG is the best available option for full scale application to reduce emissions in the global shipping industry, especially for long-distance navigation purposes”.		
Climate Bonds view	<p>The decision to include the bond in our green bond database hinges on GHG emission reductions and NYK's adoption of fuel efficiency optimisation alongside the switch to LNG, measures to keep methane leakage to an absolute minimum and a commitment to provide impact reporting using operational data. On its own, the switch to LNG does not provide sufficient emission cuts. Renewable fuels are not yet a commercially viable option for long-haul shipping, so best practice would be to incorporate flexibility at the design stage to easily retrofit the vessels to run on renewable fuel in the future, i.e. to avoid lock-in of fossil fuel technology. The decision to include this bond was not a simple one – our <a href="#">special briefing</a> provides details.</p> <p>Climate Bonds is currently establishing a technical and an industry working group to develop specific eligibility requirements for shipping-related green bonds.</p>		
Underwriters	MUFJ, Nomura		
<b>Deal comments</b>			
Credit Rating	A (JCR)		
Pricing summary			
Investors summary			

<sup>1</sup> Issuer categories: ABS, development bank, financial corporate, government-backed entity, loan, local government, non-financial corporate, sovereign