Green Bond Fact Sheet

Meidensha Corporation			**Date: 29 July 2019**
Issue date: 23 July 2019 Maturity date: 23 July 2024 Tenor: 5 years			
Issuer Name	Meidensha Corporation	**Amount Issued**	JPY 6 bn (USD 55.5m)
Country of risk	Japan	**CBI Database**	Included
Issuer Type[1]	Non Financial Corporate	**Bond Type**	Use of Proceeds
Green Bond Framework	N/A	**Second party opinion**	N/A
Certification Standard	Climate Bonds Standard V2.1 including Sector Criteria for • Low Carbon Transport • Solar	**Assurance report**	Pre Issuance Verification by DNV GL
Certification Verifier	DNV GL	**Green bond rating**	"Green 1", from Japan Credit Rating Agency

Use of Proceeds			
☒ **Energy**	☒ Solar ☐ Onshore wind ☐ Offshore wind ☐ Geothermal ☐ Hydro ☐ Tidal	☐ Biofuels ☐ Bioenergy ☐ Waste to energy ☐ District heating ☐ Electricity grid	☐ Energy storage ☐ Energy performance ☐ Infrastructure ☐ Industry: components ☐ Adaptation & resilience
☐ **Buildings**	☐ Certified Buildings ☐ HVAC systems ☐ Energy performance	☐ Water performance ☐ Energy storage/meters ☐ Other energy related	☐ Industry: components ☐ Adaptation & resilience
☒ **Transport**	☒ Electric vehicles ☐ Low emission vehicles ☐ Bus rapid transit ☐ Passenger trains ☐ Urban rail	☐ Freight rolling stock ☐ Coach / public bus ☐ Bicycle infrastructure ☐ Energy performance	☐ Transport logistics ☐ Infrastructure ☐ Industry: components ☐ Adaptation & resilience
☐ **Water & wastewater**	☐ Water distribution ☐ Water treatment ☐ Wastewater treatment ☐ Water storage	☐ Storm water mgmt ☐ Flood protection ☐ Desalinisation plants ☐ Erosion control ☐ Energy performance	☐ Infrastructure ☐ Industry: components ☐ Adaptation & resilience

☐ **Waste management**	☐ Recycling ☐ Waste prevention ☐ Pollution control	☐ Landfill, energy capture ☐ Energy performance ☐ Infrastructure	☐ Industry: components ☐ Adaptation & resilience
☐ **Land use & agriculture**	☐ Afforestation/parks ☐ FSC Forestry ☐ FSC Cellulose & paper	☐ Land remediation ☐ Energy/water efficiency	☐ Sustainable agriculture ☐ Adaptation & resilience
☐ **Other**	☐ Adaptation & resilience	☐ ICT	☐ Industry: process

Issue details	
Reporting	Annual reports will be made available publicly on the issuer's website. The reports will have details of the allocation of proceeds as well as brief details of the three factories. The reports will also include estimated amounts of avoided CO2 emissions, which will be verified by DNV GL.
Company information	Meidensha claims its heritage back to 1897 when it began manufacturing electrical components. In recent years, it has invested into developing motors for electric vehicles. For example, in 2009, it became the supplier of motors for the Mitsubishi i-MiEV, which was the first mass produced electric vehicle on the market. Since 2013, it has supplied the motors for the Mitsubishi Outlander plug-in hybrid electric car. It is involved in other industries related to the low carbon agenda, such as components in solar energy generation, electrical grid transmission, and power supply systems in electric train networks. Meidensha has signed up to the Science Based Targets Initiative (SBTI) and introduced a GHG reduction target for itself and its supply chain. As an indicator of size, in FY 2017, as a group, they had sales of JPY 242 billion (USD 2.2 billion).
Firsts, records and certifications	This is the first Certified Climate Bond linked to the manufacture of motors for electric and hybrid vehicles.
Proceeds description	The proceeds will be used to finance and refinance the expansion of existing and the construction of new facilities at three manufacturing sites across Japan. These facilities will be solely and wholly for the purpose of manufacturing motors and related car parts of electric and hybrid electric vehicles. There will also be investments into rooftop solar panels on the factory buildings. These factories are due to be completed and operational later in 2019.
Climate Bonds view	This is the second issuer in Japan to issue a Certified Climate Bond and it is a very welcome signal of the growing green bond market in Japan
Underwriters	SMBC Nikko Securities Inc
Deal comments	
Credit Rating	BBB+ (Japan Credit Rating Agency)
Pricing summary	Coupon – 0.26% per annum

Investors summary	

[1] *Issuer categories: ABS, development bank, financial corporate, government-backed entity, loan, local government, non-financial corporate, sovereign*