

## Green Bond Fact Sheet

Japan Finance Organization for Municipalities			Date: 05/03/2020
Issue date: 12-02-2020 Maturity date: 12-02-2027 Tenor: 7			
Issuer Name	Japan Finance Organization for Municipalities	Amount Issued	EUR 500 m/USD556m
Country of risk	Japan	CBI Database	Included
Issuer Type <sup>1</sup>	Government-Backed Entity	Bond Type	Sr Unsecured
Green Bond Framework	<a href="#">Link to Framework</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"/> 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 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 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 checked="" type="checkbox"/> Water & wastewater	<input checked="" type="checkbox"/> Water distribution <input checked="" type="checkbox"/> Water treatment <input checked="" type="checkbox"/> Wastewater treatment <input type="checkbox"/> Water storage	<input type="checkbox"/> Storm water mgmt <input type="checkbox"/> Flood protection <input type="checkbox"/> Desalination plants <input type="checkbox"/> Erosion control <input checked="" type="checkbox"/> Energy performance	<input checked="" 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"/> Waste to energy <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>			
<b>Reporting</b>	<p>Japan Finance Organization for Municipalities (JFM) Green Bond Working Group will conduct a survey of its local government borrowers in respect of the environmental impact of their sewerage projects which JFM finances. Projects with positive responses will form the 'Effective Portfolio'. JFM will earmark green bond funds towards such projects.</p> <p>JFM intends to report annually on their website: amount of proceeds allocated to each project in the 'Effective Portfolio' and a breakdown of the 'Effective Portfolio' by project type. JFM also commits to disclose some KPIs which will provide information on: project descriptions, total project costs, population of the covered area, water management capacity and water quality impact (where relevant), absolute amount of sludge treated and disposed of (where relevant), newly constructed pipe length and/or total pipe length (where relevant), and other positive environmental impacts of new construction or update of sewerage management-related facilities, sewerage facilities or equipment and sewerage pipes. Finally, JFM will publish case studies of some eligible projects as well as the refinancing rate (in % of the total amount of proceeds).</p>		
<b>Company information</b>	<p>JFM is a joint funding organisation, the objective of which is to provide Japanese local governments with long-term funding at low interest rates.</p>		
<b>Firsts, records and certifications</b>			
<b>Proceeds description</b>	<p>The net proceeds will be used to make loans to local municipalities to finance or refinance, in whole or in part, existing or future sewerage projects of the local governments that satisfy the eligibility criteria.</p>		
<b>Climate Bonds view</b>	<p>Climate Bonds welcomes green bonds such as the one issued by JFM as they allow municipalities to obtain cheap loans to finance projects with positive environmental impacts. We hope to see more funding organisations come to the market with similar deals, especially to provide funding to entities which might not be able to raise debt in the debt capital markets. Climate Bonds also supports JFM's very good level of commitment in terms of reporting – this is crucial for increasing market transparency.</p>		
<b>Underwriters</b>	<p>J.P. Morgan Securities plc, Barclays Bank PLC, Merrill Lynch International, Mizuho International plc</p>		
<b>Deal comments</b>			
<b>Credit Rating</b>	<p>A+ (S&amp;P) A1 (Moody's)</p>		

Pricing summary	<ul style="list-style-type: none"><li>Coupon: 0.050%</li></ul>
Investors summary	

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