

February 20, 2019

Mizuho Bank, Ltd.

## **Mizuho becomes arranger for sustainability loan**

On February 8, 2019, Mizuho Bank, Ltd. (President & CEO: Koji Fujiwara) became the arranger for a planned syndicated sustainability loan<sup>1</sup> to the Japan Railway Construction, Transport and Technology Agency (JRTT).

Sustainability loans are loans that can only be put towards projects that are environmentally friendly or that contribute positively to society. They are one type of financing under the category of sustainability finance<sup>2</sup>, which requires assessments by third parties.

In relation to its sustainability finance, JRTT has obtained verification of its compliance with multiple international standards from third party assessment organization DNV GL<sup>3</sup> and has also become the first organization in Japan to obtain programmatic certification for its environmental friendliness from the Climate Bonds Initiative<sup>4</sup>, an international NGO that sets strict standards for bonds addressing climate change.

Interest in the Sustainable Development Goals (SDGs)<sup>5</sup> is on the rise worldwide. Within Japan, national government, local government, and corporate initiatives aimed at these goals are rapidly gaining momentum.

JRTT has made contributing to the construction of safe, secure, eco-friendly transportation networks part of its Basic Philosophy and is expanding its SDGs initiatives. It is putting its new sustainability loan towards railroad construction, its main business.

Mizuho is proactively endeavoring to solve various environmental and social issues. We believe it is important to assist in JRTT's initiatives towards the SDGs and will arrange the sustainability loan with this belief in mind.

As our clients' best financial solutions partner, contributing to the sustainable growth of our clients and the communities which we serve, we will continue using our group's full capabilities to proactively support our clients' SDGs initiatives.

## Overview

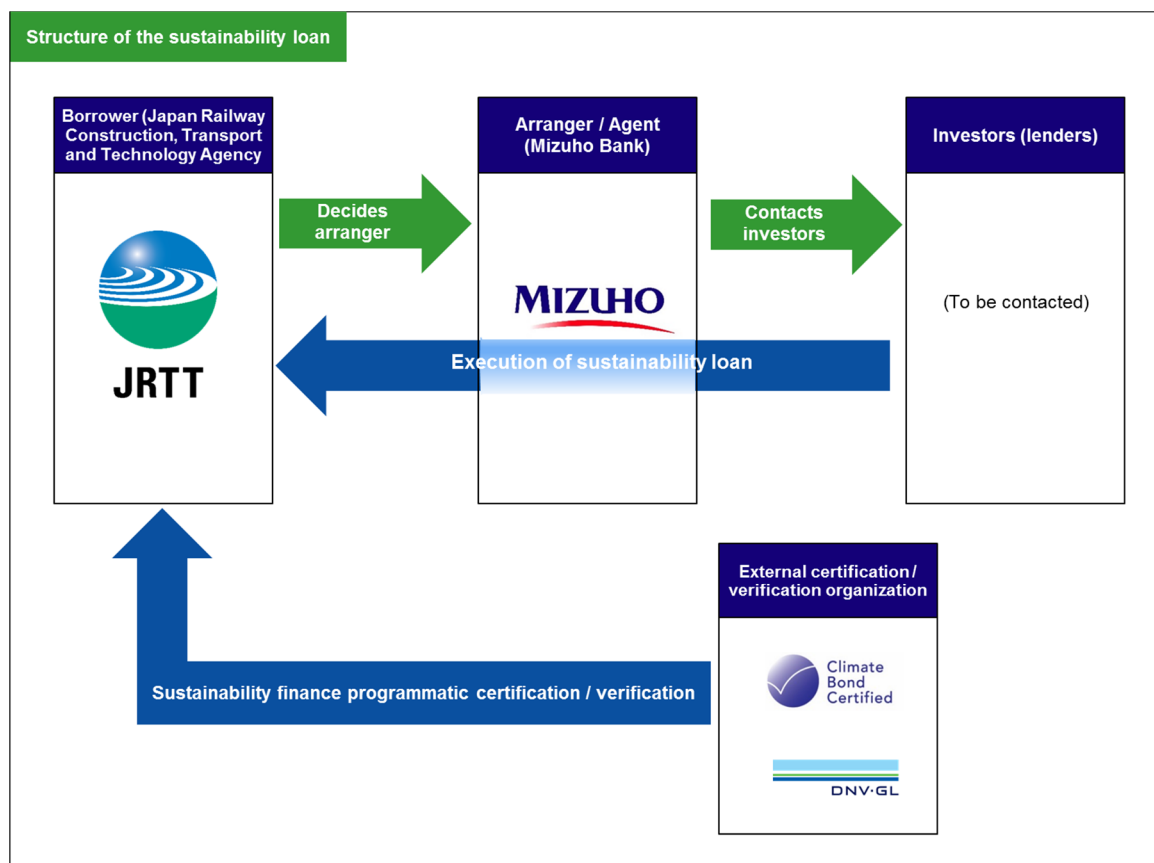
Borrower: Japan Railway Construction, Transport and Technology Agency

Planned amount: 55.3 billion yen

Planned contract date: March 22, 2019

Planned effective date: March 27, 2019

Structure: See below



### 1 Sustainability loan

A loan that conforms to the Sustainability Bond Guidelines<sup>6</sup> and the Green Loan Principles.<sup>7</sup>

### 2 Sustainability finance

Any debt financing, including bonds or loans, used for projects that are both environmentally friendly and socially responsible.

### 3 DNV GL

A third party assessment organization originally founded as a membership organization in 1864. Headquartered in Oslo, Norway. Driven by its purpose of safeguarding life, property, and the environment. Approved by CBI to issue certifications.

4 Climate Bonds Initiative (CBI)

An international NGO established in December 2010 to promote large-scale investment for a low-carbon economy. Has set forth principles, including the Climate Bonds Standard and sector-specific technical criteria, for rigorous regulation of green bonds issuance.

5 Sustainable Development Goals (SDGs)

The United Nations' 17 global goals and 169 targets for sustainable development. A specific plan of action put forth in *Transforming our world: the 2030 Agenda for Sustainable Development*, adopted at the United Nations General Assembly in September 2015.

6 Sustainability Bond Guidelines

A set of guidelines published by the International Capital Market Association in June 2017 to confirm the relevance of the Green Bond Principles and the Social Bond Principles and to facilitate the application of guidance on transparency and disclosure to the sustainability bond market.

7 Green Loan Principles

International guidelines established by the United Kingdom's Loan Market Association and the Hong Kong-headquartered Asia Pacific Loan Market Association in March 2018 to clarify the process for capital-raising and investment for projects with environmental benefits. Published in an extended iteration by the two associations above and the United States' Loan Syndication and Trading Association in December 2018.