

<b>Name</b>	NYK Unsecured Corporate Bonds No.40 (Green Bonds)
<b>Issue Date</b>	May 24, 2018
<b>Pricing Date</b>	May 18, 2018
<b>Maturity</b>	5 years
<b>Issue Amount</b>	10 billion yen
<b>Coupon Rate</b>	0.290%
<b>Use of Proceeds</b>	Investment toward mainly new, but including existing (refinancing) projects indicated in NYK's "Roadmap for Environmentally Friendly Vessel Technologies," such as (1) LNG-fueled ships, (2) LNG bunkering vessels, (3) ballast water treatment equipment, and (4) SOx (sulfur oxides) scrubber systems.
<b>Credit Rateings</b>	A (Japan Credit Rating Agency, Ltd.)

## Monitoring and reporting

### Third-party Evaluation

#### · POST ISSUANCE REVIEW OF THE MANAGEMENT OF NYK'S GREEN BOND ISSUED IN MARCH 2021

### Report on Use of Proceeds

All proceeds of the bond has been allocated in October 2020.

- Allocated to LNG-related investments (LNG-fueled vessels, LNG bunkering vessel): ¥8.6 billion
- Allocated to regulation compliance-related investments (scrubbers, ballast water management systems): ¥1.4 billion
- Percentage used for refinancing related to the above: 24%

### Impact Report

	FY2018	FY2019
(1) LNG-fueled vessels	1 ship	2 ships
GHG emissions	35,730 mt per ship per year	
GHG reduction rate	21%	
CO2 reduction rate	30%	
NOx reduction rate	30%	
SOx reduction rate	99%	
(2) LNG bunkering vessels	1 ship	1 ship
GHG emissions	3,647 mt per ship per year	
GHG reduction rate	15%	
CO2 reduction rate	30%	
NOx reduction rate	76%	
SOx reduction rate	99%	
(3) BWMS	1 ship	2 ships
Volume managed	348,000 mt per ship per year	
(4) SOx scrubber	—	9 ships
SOx reduction rate	86% per ship	

\*The period in the Impact Report is from April 1 to March 31.

\*The number of vessels above shows the cumulative number of vessels the proceeds have been allocated to and does not include ones under construction.

\*The figures regarding environmental benefits are based on annual impact assumption model,

of which formalized in Vigeo Eiris' Second Party Opinion.

\*Emissions of unburnt methane through handling and combustion of LNG are taken into consideration when calculating overall GHG emissions and its reduction rate.

\*LNG-fueled vessels have no involvement in the controversial activities analyzed by Vigeo Eiris.

## **Others**

NYK participates in a shipping industry working group established by the Climate Bonds Initiative<sup>\*2</sup> and cooperates in formulating evaluation criteria for green bonds issued by shipping companies.

### <sup>\*2</sup>Climate Bonds Initiative

The Climate Bonds Initiative: The Climate Bonds Initiative is an international, investor-focused not-for-profit working to mobilize bond markets for climate change solutions. The Initiative also provides a journal of record for relevant bond issuance, develops green bond evaluation criteria such as the Climate Bonds Standard, and provides policy proposals to government, finance, and industry sectors.

- [NYK Receives Ministry of Environment Award](#)
- [NYK Receives Green Bond Award at 2018 Sustainable Finance Awards](#)
- [NYK Receives Award for Innovation at Environmental Finance Bond Awards 2019](#)