

PRESS RELEASE

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MIZUHO

横浜銀行

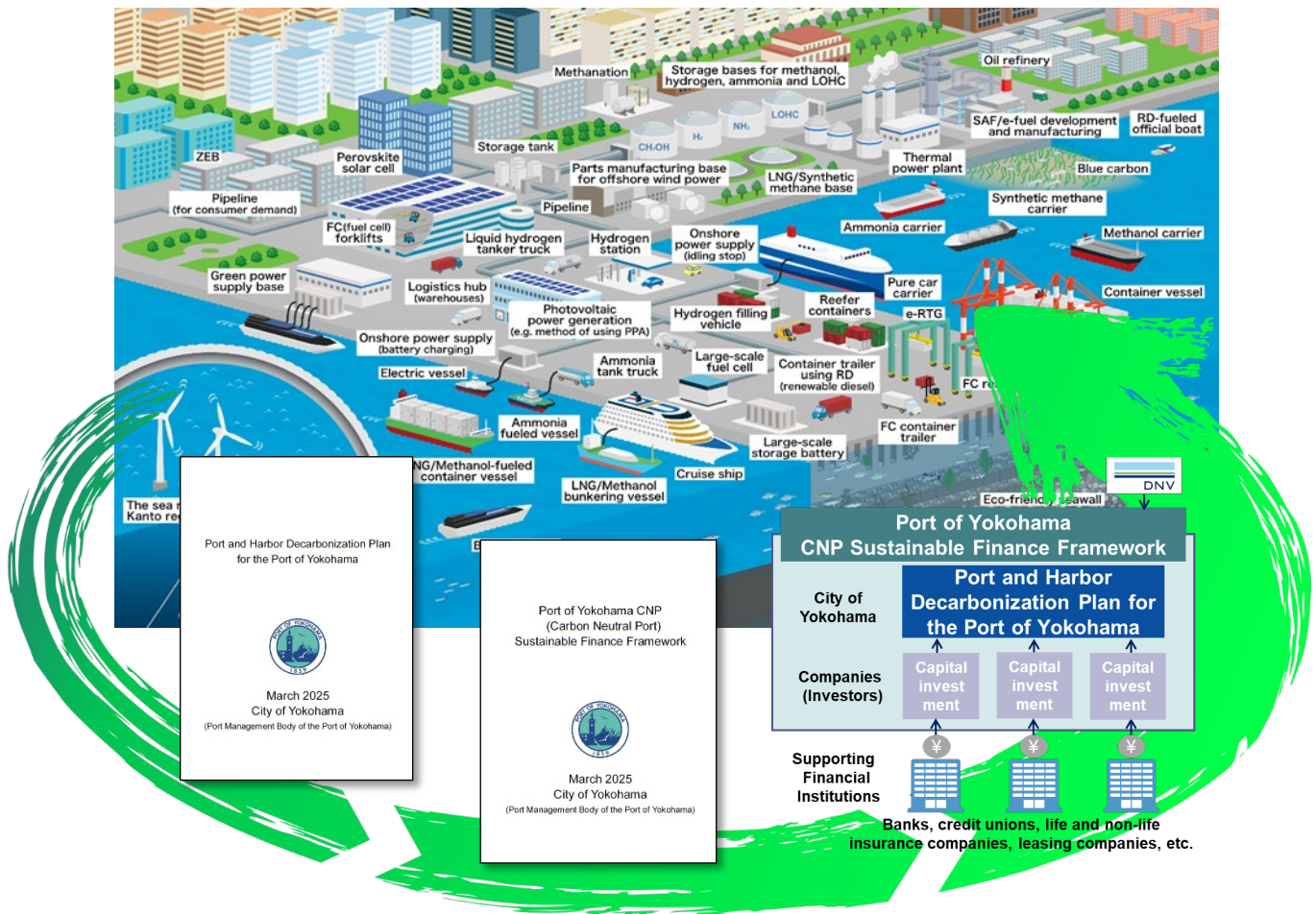
DNV

March 25th, 2025
City of Yokohama
Port and Harbor Bureau
Mizuho Bank, Ltd.
The Bank of Yokohama, Ltd.
DNV Business Assurance Japan

“Port of Yokohama CNP Sustainable Finance Framework” has been released.

Today, the City of Yokohama released the “Port of Yokohama CNP Sustainable Finance Framework” (hereinafter referred to as the “Framework”), which was created with assistance from Mizuho Bank, Ltd. and the Bank of Yokohama, Ltd. Through the development of this framework, we will make it easier for private companies and others to access sustainable finance when financing initiatives regarded as “port decarbonization promotion projects” in the “Port and Harbor Decarbonization Plan for the Port of Yokohama” released by the City of Yokohama on the same day. This provides financial support of their decarbonization initiatives and promotes the formation of a carbon neutral port.

Port of Yokohama's future vision for a "Carbon Neutral Port"



1 What is Sustainable Finance Framework

- Sustainable finance is using funds to address global challenges, including environmental issues such as climate change, in order to achieve a sustainable society. By using sustainable finance, you can publicize your company's environmental initiatives and may be able to obtain financing with better terms and conditions than usual.
- Generally, in order to utilize sustainable finance, a framework (such as an overall plan) that stipulates the fulfillment of requirements stipulated in international rules, such as clarification of the use of funds and the reporting method of investment effects on social issues, must be prepared in advance, and a third-party evaluation that it complies with international rules must be obtained.
The framework created this time has been evaluated by DNV Business Assurance Japan K.K. (hereinafter referred to as "DNV"), an internationally active third-party evaluation organization that is in line with international rules (second-party opinion).
- The City of Yokohama has developed a framework that can be used by companies located in the waterfront area and financial institutions that support this initiative.

2 Port of Yokohama CNP Sustainable Finance Framework Overview

(1) Target Businesses

Those who implement the eligible projects set forth in this Framework within the scope of the Port and Harbor Decarbonization Plan for the Port of Yokohama.

(2) Target Financial Institutions

The financial institutions that can provide sustainable finance utilizing this framework shall be those that agree with the main purpose of the framework, are capable of taking the necessary actions determined by the framework, and have submitted a statement of participation.

(3) Basic Matters Concerning Financing

① Type of finance

- Green Loan (including lease)

This program will target initiatives aimed at mitigating climate change and protecting and improving the environment, such as energy conservation and renewable energy.

- Blue Loan (including lease)

This program will cover initiatives aimed at sustainable water management, use of marine resources, and protection of the marine environment.

- Transition loans (including leases)

This program will target initiatives that promote the transition to a decarbonized society in accordance with a long-term strategy, such as energy transition.

② Use of funds

- All or part of the funds will be used for investment in qualified projects.
- Qualified projects that have been implemented within 3 years can be refinanced.

③ Financing period

In principle, one year or longer

④ Financing amount

No upper or lower limit is set, but financial institutions can determine their own limit.

⑤ Interest rates and other terms and conditions.

Excluding certain implementation details, no common conditions are established for the use of this framework. Each financial institution will make independent decisions.

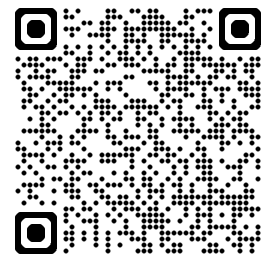
(4) Features of this framework

- This framework is developed by local governments for third-party use to promote decarbonization of ports and harbors in projects regarded as a “Port Decarbonization Promotion Project” in the “Port and Harbor Decarbonization Plan for the Port of Yokohama.” This will enable private companies to have easier access to sustainable finance as they will not be required to develop their own frameworks.
- This is a progressive initiative in which local governments are taking the lead in developing a framework for sustainable finance, including transition finance, to promote local decarbonization.
- The Transition Finance Environment Improvement Study Group, jointly organized by the Financial Services Agency, the Ministry of Economy, Trade and Industry, and the Ministry of the Environment, has also highlighted this initiative as an example of how it can contribute to the further diffusion of transition finance.

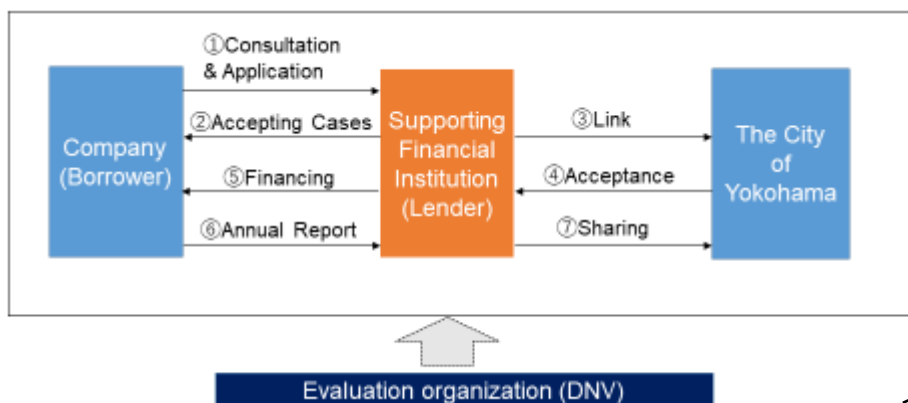
3 How to use this framework

The procedures and required documents for using this framework are available on the website of the City of Yokohama.[Japanese only]

<https://www.city.yokohama.lg.jp/city-info/yokohamashi/yokohamako/kkihon/torikumi/cnp/ycnpfw.html>



< Diagram of the framework use >



If any clarification is needed regarding the fulfillment of requirements, request an individual assessment from the evaluation organization.

4 Second-Party Opinion Provider

(1) About Second-Party Opinion Provider

This framework has received the following evaluation results from the third-party DNV

Judging from the results of the third-party evaluation based on the framework and other information provided by the City of Yokohama, DNV is of the opinion that the framework meets the requirements of international principles and guidelines and that sustainability finance implemented in accordance with the framework is consistent with the following definitions and objectives : “It allows for capital raising and investment for new or existing projects that provide environmental benefits” and “Provides opportunities for the needed investments to be executed with transparency and credibility”.

(2) DNV Business Assurance Japan K.K.

An international third-party evaluation organization founded in 1864 and headquartered in Oslo, Norway. As an independent, self-governing organization, they are active globally in more than 100 countries, providing services in the areas of certification, assessment, and more. In Japan, they have conducted numerous third-party evaluations of government GX Economic Transition Bonds and sustainability finance for domestic companies.

5 Message to financial institutions that support the project

The City of Yokohama is looking forward to the role of finance in creating a flow of funds for the achievement of a sustainable society through initiatives such as sustainable finance, to support the decarbonization efforts of the private sector and others toward the formation of a CNPin the Port of Yokohama.

We expect that financial institutions, particularly regional financial institutions, will be in close contact with private companies and others operating in the waterfront area of Yokohama and will be able to provide community-based support.

We would like to ask financial institutions to participate in this framework as supporting financial institutions and cooperate with us as partners in promoting sustainable initiatives by private companies and others.

6 Message to companies that may consider using this framework

Through this framework, the City of Yokohama hopes to encourage private companies and others to make financial investments in decarbonization. By utilizing this framework, the burden of developing an in-house framework and the cost of obtaining a third-party evaluation, which would normally be required, is reduced and access to sustainable finance becomes easier.

While there are various financing methods, we believe that the use of sustainable finance will help companies promote their initiatives. We hope that you will use it as one of the tools to promote your decarbonization investments.

7 Same day press release

Today, we made three press releases regarding the Port and Harbor Decarbonization Plan for the Port of Yokohama, including this one.

- (1) “Port and Harbor Decarbonization Plan for the Port of Yokohama” was released
Presented by: City of Yokohama
- (2) Port of Yokohama CNP Sustainable Finance Framework” was released. 【This release】
Presented by: City of Yokohama, Mizuho Bank, Ltd., The Bank of Yokohama, Ltd.,
DNV business assurance Japan
- (3) Daito Corporation Signs First Financing Agreement Utilizing
the Port of Yokohama CNP Sustainable Finance Framework
Presented by: City of Yokohama, Daito Corporation, Mizuho Bank, Ltd.,
DNV business assurance Japan



Carbon Neutral Port Initiative at the Port of Yokohama



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