

September 12, 2019
KANEKA CORPORATION

Kaneka to issue a green bond

Today Kaneka Corporation issued a green bond (environmental bond) as their 7th unsecured straight bond. As announced on August 26, this green bond, as a bond limited for use in projects that contribute to solving environmental problems, has the purpose of procuring funds for the manufacture, research and development of Kaneka Biodegradable Polymer PHBH (referred to below as PHBH). It is the first such industrial bond issued by a Japanese chemical company. A wide range of investors have shown great interests in this green bond, and there have been purchase requests that considerably exceed the amount to be raised. Thanks to these funds, the manufacturing of PHBH will be reinforced and research and development will be further advanced.

Kaneka established the ESG Charter in 2018 in order to work on evolving into an ESG business, and since then has worked on protecting the environment in each stage of the product lifecycle and has been aiming for the sustained development of society and the realization of a more qualitative society through preserving resources and lessening the burden on the environment. Also, as a solutions provider, Kaneka will continue to provide values around the globe based on our mission of “Kaneka thinks Wellness First”.

As of today, the investors who have declared their investment in this green bond are those listed below.

<List of investors who have declared their investment (Japanese syllabary order)>

- Asset Management One Co., Ltd.
- The Oita Bank, Co., Ltd.
- OTEC
- The Kita Osaka Shinkin Bank
- The Shiga Bank, Ltd.
- The 77 Bank, Ltd.
- Sumitomo Life Insurance Company
- Sony Assurance Inc.
- Daitokyo Shinyokumiai
- Tokio Marine Asset Management Co., Ltd.
- The Bank of Nagoya, Ltd.
- Hanno Shinkin Bank
- The Higashi-Nippon Bank, Ltd.

- Sumitomo Mitsui Trust Asset Management Co., Ltd.

<Outline of the green bond issuance>

- Name: Unsecured Straight Bond No. 7 of Kaneka Corporation (with special contract for preventing disadvantages among multiple unsecured bonds)
- Issue amount: 5 billion yen
- Issuance term: 5 years
- Interest rate: 0.110% per annum
- Usage of funds: Costs for the manufacturing, research and development of
Kaneka Biodegradable Polymer PHBH
- Acquisition rating: A (Rating and Investment Information, Inc., referred to below as R&I)
- Eligibility as a green bond:

In their green bond assessment, a second opinion was obtained from R&I regarding the conformity to the Green Bond Principles 2018 and the Green Bond Guidelines 2017 Edition. Also in this assessment, the top level evaluation of GA1 was obtained*.

* As posted on R&I's website: <https://www.r-i.co.jp/en/index.html>