

February 16, 2021  
Mizuho Bank, Ltd.

## **Mizuho concludes sustainability-linked syndicated loan agreements with Thai Union Group**

Mizuho Bank, Ltd. (President & CEO: Koji Fujiwara) has been appointed as one of the arrangers of the first-ever sustainability-linked syndicated loans (SLLs)<sup>1</sup> for Thai Union Group PCL (President and CEO: Mr. Thiraphong Chansiri; “Thai Union”). We have signed Facility Agreements with Thai Union for both a sustainability-linked cross-border syndicated loan<sup>2</sup> and a sustainability-linked onshore syndicated loan in Thailand.

Headquartered in Thailand, Thai Union is one of the world’s largest seafood producers, leading the market in canned tuna and also dealing in ambient seafood, frozen and chilled seafood, pet care products, and value-added products, among others. It is recognized as an industry leader in sustainability with its global sustainability strategy SeaChange® and has been included in the Dow Jones Sustainability Indices (DJSI) for seven consecutive years, topping the Food Products Industry Index in 2018 and 2019. Thai Union is committed to driving meaningful change across the industry, including protecting marine resources and human rights.

One goal of this loan agreement is for Thai Union to increase the percentage of its ingredients sourced from suppliers that use electronic monitoring and/or human observers onboard their fishing vessels. Other goals include Thai Union maintaining a high ranking in DJSI and achieving greenhouse gas emission reduction targets. Interest rate calculations will depend on the degree to which these goals are achieved.

Currently, Illegal, Unreported and Unregulated (IUU) fishing poses a major threat to the sustainable use of marine resources, the diversity of marine ecosystems, and the protection of labor rights. Addressing IUU fishing is part of the UN’s Sustainable Development Goal 14, Life Below Water. By enhancing the traceability of sourcing throughout the supply chain, Thai Union seeks to play a role in eliminating IUU fishing, and Mizuho and other participating banks will support Thai Union’s initiatives through finance.

At Mizuho, we are enhancing our sustainability initiatives on a group-wide basis and aligning them with our business strategy. We will leverage our insight as a financial services group to provide advisory, financial, and a range of other solutions to companies promoting ESG efforts.

### **Loan overview 1: Cross-border syndicated loan**

Originated amount: USD 183,000,000 equivalent denominated in USD and JPY

Term: 5 years

Arrangers: Mizuho Bank, Ltd.; MUFG Bank, Ltd.; Bank of Ayudhya PCL

Lenders: 21 financial institutions worldwide

### **Loan overview 2: Onshore syndicated loan in Thailand**

Originated amount: THB 6,500,000,000 equivalent denominated in THB and USD

Term: 5 years

Arrangers: Mizuho Bank, Ltd.; MUFG Bank, Ltd.; Bank of Ayudhya PCL

Lenders: 7 financial institutions in Thailand

Notes:

1. Sustainability-linked loans: A financing structure which links preferential terms, such as lower interest rates, to the achievement of ESG goals established in alignment with the borrower's sustainability strategy. By providing incentives for the borrower to achieve these goals, this form of financing aims to promote sustainable economic activities and growth.
2. Corporate syndicated loans extended from Japanese banks to non-Japanese or offshore entities and sold mainly to Japanese investors, like in this case, are often called "ninja loans" or "samurai loans" in Japan. Mizuho Bank has trademarked the term "ninja loan" in the United States and other jurisdictions.

Reference:

Thai Union's press release URL

<https://www.thaiunion.com/en/newsroom/press-release/1292/thai-union-launches-inaugural-sustainability-linked-loan>