



December 22, 2021

Mizuho Bank, Ltd.

## **Mizuho signs sustainability-linked loan agreements** **with Formosa Plastics Group**

Mizuho Bank, Ltd. (President & CEO: Koji Fujiwara) has signed sustainability-linked loan agreements with three core companies\* of Formosa Plastics Group (“FPG”). This is the first sustainability-linked loan funding for these three core companies,\* and it is also the first time that a Japanese bank has provided a sustainability-linked loan with a Second Party Opinion in Taiwan.

\* Formosa Chemicals & Fibre Corporation, Nan Ya Plastics Corporation, and Formosa Plastics Corporation.

Sustainability linked loans incentivize the borrower’s achievement of sustainability performance targets (SPTs) by setting targets aligned with the borrower’s CSR strategy and linking loan terms such as the interest rate to the borrower’s performance against the SPTs. This type of loan aims to encourage economic activity and support economic growth in a way that is sustainable for both the environment and society.

The SPTs for the sustainability-linked loans to FPG incorporate CDP scores (in climate change and water security) and greenhouse gas emissions, and interest rates will be calculated based on the degree to which the targets are achieved. In addition, the loans have been externally accredited as having appropriate targets and as being aligned with the Sustainability Linked Loan Principles issued by the Loan Market Association (LMA) and other organizations.

FPG, headquartered in Taiwan, is a conglomerate which originally started as a synthetic resin manufacturer and now operates across multiple industries, including textiles, steel, biotechnology, petrochemicals, electronics, transportation, medical, and education. It continues to take on the challenge of creating new materials and supporting an ecological circular economy. The above SPTs were established in line with FPG’s business strategy and environmental initiatives.

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

### Overview 1

Borrower: Formosa Chemicals & Fibre Corporation

Amount: TWD 2,500,000,000

Effective date: December 15, 2021

### Overview 2

Borrower: Nan Ya Plastics Corporation

Amount: TWD 2,500,000,000

Effective date: December 16, 2021

### Overview 3

Borrower: Formosa Plastics Corporation

Amount: TWD 2,500,000,000

Effective date: December 21, 2021

Note: Figures based on publicly available information.