

September 16, 2022
Nippon Life Insurance Company

Nippon Life to Make First Transition Loan Agreement

Nippon Life Insurance Company (President : Hiroshi Shimizu, hereinafter “Nippon Life”) has made a syndicated transition loan agreement (hereinafter “the Loan”) with Sumitomo Chemical Company, Ltd. (President : Keiichi Iwata, hereinafter “Sumitomo Chemical”). The Loan is Nippon Life’s first Transition Loan.

Transition Loan is intended to support the efforts by companies that are steadily reducing greenhouse gas (hereinafter “GHG”) emissions in accordance with their long-term strategies for the realization of a carbon-free society.

Japan Credit Rating Agency, Ltd. and DNV Business Assurance Japan K.K., outsourced agencies by Ministry of Economy, Trade and Industry, provide a third-party evaluation on the Loan in regard to the conformity with the “Basic Guidelines on Climate Transition Finance” formulated by Financial Services Agency, Ministry of Economy, Trade and Industry and Ministry of the Environment.

Funds raised by the Loan will be used for development of a LNG power generation facility on the premises of Sumitomo Chemical’s Chiba Works (hereinafter “the Project”). As a result, a gradual energy conversion from petroleum coke to LNG will be promoted, and it is expected to reduce GHG emissions by 240,000 or more tons per year. The Project is the first model case in the chemical sector in Japan to be selected for the “Climate Transition Finance Model Project” of Ministry of Economy, Trade and Industry.

Nippon Life is strengthening its ESG investment and finance, given its mission and the public nature of the life insurance business and from the standpoint that it has always worked to coexist with the environment, communities and society, and to share stable growth with the economy and other companies. Nippon Life has positioned the Loan as contributing to solving social and environmental issues.

Going forward, Nippon Life will continue to engage in ESG investment and financing with the aim of contributing to the realization of a sustainable society and better serving the interests of policyholders.

<Overview of the Loan>

Borrowers	Sumitomo Chemical Company, Ltd.
Date of Implementation	September 16, 2022
Nippon Life Loan Amount	JPY 950 million
Use of Proceeds	Development of a LNG power generation facility

< SDGs closely related to the Project >

Goal 7: Affordable and clean energy

Ensure access to affordable, reliable, sustainable and modern energy for all



Goal 9: Industry, innovation and infrastructure

Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation



Goal 13: Climate action

Take urgent action to combat climate change and its impact

