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To Whom It May Concern

Company name: Sanken Electric Co., Ltd.  
Representative: Hiroshi Takahashi  
Representative Director, President  
Code No.: 6707(the TSE Prime Market)  
Inquiries: Takuya Iwata  
Manager, Investor Relations Department  
TEL: (048)472-1111

### **Notice Regarding Green Bond Issuance**

Sanken Electric Co., Ltd. (headquartered in Niiza City, Saitama Prefecture, hereinafter "we") is our first green bond. We have decided to prepare for the issuance of the Bonds (the "Bonds").

The issuance of this bond was scheduled in March of this year, and the issuance of this bond was temporarily postponed in light of market conditions. However, the Company decided to start preparing for issuance again after comprehensively assessing the current market environment and other factors.

#### **1.Outline of the Bonds**

Name	14th Series of Unsecured Bonds of Sanken Electric Co., Ltd. (With limited inter-bond pari passu rider) (Green Bond)
Total issuance	5 billion yen (planned)
Maturity of issue	5 years (planned)
Issue timing	June, 2022 (scheduled)
Use of proceeds	Semiconductors for electric vehicles (EV) <ul style="list-style-type: none"><li>• Power Modules for EV Traction Motors</li><li>• Silicon Carbide (SiC) Devices for EV</li></ul>
Structuring agent*	Daiwa Securities Co., Ltd.
Lead managing securities company	Daiwa Securities Co., Ltd. Mizuho Securities Co., Ltd. Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.

※Other details will be announced after the decision.

\*"Structuring agent" refers to a person who assists in issuing SDGs bonds by formulating a framework and advising on acquiring a second opinion when issuing them.



## 2.Establishment of a green finance framework and acquisition of a second opinion

In issuing the Bonds, the Company developed a Green Financing Framework (the "Framework") based on the Green Bond Principles 2021 established by the International Capital Markets Association (ICMA), the Green Bond Guidelines 2020 established by the Ministry of the Environment, the Loan Market Association (LMA), the Green Loan Principles 2021 established by the Asia-Pacific Loan Association (APLMA) and the Loan Syndication and Trading Association (LSTA), and the Green Loan and Sustainability-Linked Loan Guidelines 2020 established by the Ministry of the Environment, with the following four elements:

- ① Use of proceeds from the current offering
- ② Project evaluation and selection process
- ③ Management of Procured Funds
- ④ Reporting

■ Green Finance Framework of Sanken Electric Co., Ltd.

[For more information on the framework, please refer to the attachment dated February 10, 2022 Release] <https://ssl4.eir-parts.net/doc/6707/tdnet/2083131/00.pdf>

The Framework has been externally evaluated (Second Opinion) by Rating and Investment Information, Inc. ("R&I") for compliance with each of the aforementioned principles.

■ R&I Second Opinion

<https://www.r-i.co.jp/rating/esg/greenfinance/index.html>

## 3.Use of proceeds from the current offering

The proceeds from the issuance of the Bonds will be used to fund new expenditures and refinance existing expenditures for projects that meet the following qualifying criteria:

Green Bond Principles Business Segments	Qualified criteria	Examples of Qualified Products
Clean transportation	<ul style="list-style-type: none"> <li>• Capital Expenditures and R&amp;D for Semiconductor Products for Electric Vehicles (EV)</li> </ul>	<ul style="list-style-type: none"> <li>• Power Modules for EV Traction Motors</li> <li>• Silicon carbide for EV (SiC) Devices</li> </ul>