January 30, 2025

TRANSLATION - FOR REFERENCE ONLY

Company METAWATER Co., Ltd.
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(Securities code: 9551 Prime Market of Tokyo Stock Exchange)
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Regarding the Issuance of the Second Series of Blue Bonds

METAWATER Co., Ltd. (the "Company") plans to issue Blue Bonds (the second series of unsecured bonds) in February 2025 through a public offering in Japan's domestic market, in which all of the funds raised will be used for eligible Blue Projects. Today on Thursday, January 30, 2025, the Company submitted an amended shelf registration statement for the bonds to the Kanto Local Finance Bureau. This will be the second series of Blue Bonds issued since December 2023.

In April 2022, the Company established its Basic Policy on Sustainability. We are working on enhancing corporate value align with creating the sustainable society by addressing environmental issues like global warming, social issues such as human rights, and issues relating to the business through the implementation of our corporate philosophy of "Continue, to make it sustainable.".

Raising funds through blue finance aligns with our Basic Policy on sustainability, and we believe it could contribute to sustainability for society by solving important issues.

The proceeds would use for investment and financing domestic/overseas water treatment companies.

1. The Group's Sustainability Promotion Activities—Addressing Key Issues (Materiality)

Important issues (materialities)	Policy	Targets	SDGs contributed to	ESG
Water environment	We will contribute to ensuring safe water quality and the recycling and conservation of the water environment by providing the optimal technologies and services in the construction, operation, and maintenance of water supply and sewage works facilities, essential lifelines for people's lives.	■Contribution to sustainable water supply and sewage works facilities ■Contribution to the water environment overseas ■Water source forest conservation		E
Recycling-oriented society	We will contribute to the creation of a recycling-oriented society by effectively using limited resources, in order to continue protecting the rich natural environment.	■Contribution to sustainable recycling facilities ■Promotion of the reduction and reuse of industrial waste ■Reduction of environmental impact		
Reduction of greenhouse gas emissions	We will contribute to the reduction of greenhouse gas (GHG) emissions through our business activities in response to issues such as rising sea levels and abnormal weather patterns caused by global warming.	■Reduction of GHG emissions at water supply and sewage works facilities ■Reduction of supply chain emissions (CO_2)		
Local communities	In order to achieve a sustainable society, it is important that we cooperate with customers, local communities, and business partners, and we will contribute to local communities through our business activities.	■Revitalization of local communities and economies ■Support measures in the event of disaster ■Social contribution activities		S
Human resources	We will recognize diversity, create a variety of work styles, and develop an environment where employees can work comfortably.We will also take into consideration health and safety in operations at our offices and work sites to prevent accidents and injuries.	■Creation of a rewarding work environment ■Supporting education for employees ■Improvement of occupational health and safety		
Governance	We will engage in corporate management with a high level of transparency and reliability and strengthen compliance promotion and internal control functions, as we strive to achieve the best corporate governance to achieve the sustainable enhancement of corporate value.	■Enhancement of corporate governance ■Promotion of compliance		G

2. Outline of Blue Bonds

Maturity of issues	5 years (planned)
Issued amount	10 billion yen (planned)
Issue date	Late February 2025 (planned)
Lead management companies	Mizuho Securities Co., Ltd. Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. Daiwa Securities Co. Ltd. SMBC Nikko Securities Inc. Nomura Securities Co.,Ltd.
Structuring Agent *1	Mizuho Securities Co., Ltd.
Use of Proceeds	Sustainable water treatment (investment and financing) 

3. Blue Finance Framework and Third-Party Assessment

In October 2023, the Company formulated the Blue Finance Framework*2, describing elements set out in the Green Bond Principles, A Practitioner's Guide for Bonds to Finance the Sustainable Blue Economy, etc., which were established by the International Capital Market Association (ICMA). At the same time, the Company has obtained a second-party opinion*3 from DNV Business Assurance Japan K.K. regarding its alignment with ICMA's various principles.

In issuing the corporate bonds, the Company has revised parts of the Blue Finance Framework in accordance with changes in its reporting segments and its release of the Mid-Term Business Plan 2027.

*1 A structuring agent is a party that provides support for the issuance of blue bonds through advice on the formulation of a blue finance framework and the acquisition of external evaluations such as second party opinions.

*2 The Company's Blue Finance Framework
https://www.metawater.co.jp/assets/documents/ir/bluebond/framework.pdf

*3 Second Party Opinion by DNV Business Assurance Japan K.K.
https://www.metawater.co.jp/eng/assets/documents/ir/bluebond/secondpartyopinion.pdf