

FUND PORTFOLIO RATING

25-D-0356
July 14, 2025

Japan Credit Rating Agency, Ltd. (JCR) announces the following fund portfolio rating.

Instrument Name	Renewable Trust
Rating	<Affirmation> A (fp)

Rationale

This is a fund portfolio rating for "Renewable Trust" (the Fund), a jointly managed designated money trust with performance-based distribution, for which Mitsubishi UFJ Trust and Banking Corporation ("MUTB") conducts asset management and administration as the trustee and fund manager.

The Fund will invest in loan claims for renewable energy facilities and loans for listed infrastructure funds. By continuously soliciting short-term (6-month and 1-year) investment funds for long-term investment assets (over 10 years), the Fund aims to achieve a yield that exceeds the deposit interest rate for short-term investments. Therefore, in principle, principal redemptions will be funded by new trust funds, but in the event that trust funds are insufficient, MUTB will provide liquidity facility.

The Fund's investment policy is to maintain JCR's fund portfolio rating of "A (fp)," and its investment objective is to ensure the stability of principal redemption and scheduled dividends by investing in safe assets under conservative internal standards. While the portfolio is mainly composed of solar power generation projects, the share of the same projects and the share of projects connected to the same general power transmission and distribution companies are capped in consideration of diversification.

After confirming the Fund's investment policy regarding the quality of assets under management, JCR conducts a risk assessment of individual investment targets using a method equivalent to or similar to credit ratings. Specifically, the main items of consideration are cash flow generation capacity of power generation business, scheme's provisions for disaster risk and operational risk, leverage level and liquidity facility measures, creditworthiness of the parties involved in the scheme and track record in the power generation business. JCR is monitoring the operational status of power generation facilities during the period. Although there are some power generation facilities that show a tendency for the actual electricity sold to fall short of the plans, JCR has determined that there is no need to significantly revise the level of cash flow assumptions at this time. As a result, JCR has affirmed the fund portfolio rating of "A (fp)" for the average asset quality of the Fund as a whole.

(Analysts) Tetsuya Nakagawa, Emi Koyama

Start Date	November 25, 2021
Scheme	Jointly Managed Designated Money Trust with performance-based distribution
Trustee	Mitsubishi UFJ Trust and Banking Corporation
Investment Target	Loan claims with a limited liability clause executed for renewable energy power generation projects that meet the following conditions using project finance method. <ul style="list-style-type: none"> - The project must be located in Japan. - The project must have been completed. - The project must be covered by the FIT system.
Credit Enhancement & Liquidity Facility	Liquidity Facility provided by Mitsubishi UFJ Trust and Banking Corporation



Important Description on This Fund Portfolio Rating

1. Difference from an Act Pertaining to the Credit Rating Business

Determining a Fund Portfolio Rating and providing it to someone are acts pertaining to the Ancillary Business conducted by Japan Credit Rating Agency, Ltd. (JCR), and these acts are not acts pertaining to the Credit Rating Business.

2. Difference from Credit Rating

A Fund Portfolio Rating is an evaluation of a fund for its asset quality, which is different from evaluation of certainty to honor the financial obligations. This assessment result provided above is expressed using the similar system of symbols as that used for a rating pertaining to the Credit Rating Business ("Credit Rating"). However, the assessment result is different from the Credit Rating and does not mean that JCR promises to provide or make available to the public a certain Credit Rating in the future.

3. Methodologies

Outline of the methodology for determination of the Fund Portfolio Rating is shown as "Rating Methodology for Fund Portfolio Rating" in Intelligence & Solution on JCR's website (<https://www.jcr.co.jp/en/>).

4. Difference from Advisory

This assessment result provided does not constitute any advice to the fund rated and its stakeholders on the scheme or to the composition of the principal assets and liabilities of the fund.

5. Definitions of Fund Portfolio Rating

AAA (fp):	Average quality of fund portfolio is equivalent to AAA Long-term Issue Rating
AA (fp):	Average quality of fund portfolio is equivalent to AA Long-term Issue Rating
A (fp):	Average quality of fund portfolio is equivalent to A Long-term Issue Rating
BBB (fp):	Average quality of fund portfolio is equivalent to BBB Long-term Issue Rating
N (fp):	Not included in any of the upper grades

Japan Credit Rating Agency, Ltd.

Jiji Press Building, 5-15-8 Ginza, Chuo-ku, Tokyo 104-0061, Japan
Tel. +81 3 3544 7013, Fax. +81 3 3544 7026

Information herein has been obtained by JCR from the issuers and other sources believed to be accurate and reliable. However, because of the possibility of human or mechanical error as well as other factors, JCR makes no representation or warranty, express or implied, as to accuracy, results, adequacy, timeliness, completeness or merchantability, or fitness for any particular purpose, with respect to any such information, and is not responsible for any errors or omissions, or for results obtained from the use of such information. Under no circumstances will JCR be liable for any special, indirect, incidental or consequential damages of any kind caused by the use of any such information, including but not limited to, lost opportunity or lost money, whether in contract, tort, strict liability or otherwise, and whether such damages are foreseeable or unforeseeable. JCR's ratings and credit assessments are statements of JCR's current and comprehensive opinion regarding redemption possibility, etc. of financial obligations assumed by the issuers or financial products, and not statements of opinion regarding any risk other than credit risk, such as market liquidity risk or price fluctuation risk. JCR's ratings and credit assessments are statements of opinion, and not statements of fact as to credit risk decisions or recommendations regarding decisions to purchase, sell or hold any securities such as individual bonds or commercial paper. The ratings and credit assessments may be changed, suspended or withdrawn as a result of changes in or unavailability of information as well as other factors. JCR receives a rating fee paid by issuers for conducting rating services in principle. JCR retains all rights pertaining to this document, including JCR's rating data. Any reproduction, adaptation, alteration, etc. of this document, including such rating data, is prohibited, whether or not wholly or partly, without prior consent of JCR.

JCR is registered as a "Nationally Recognized Statistical Rating Organization" with the U.S. Securities and Exchange Commission with respect to the following four classes. (1) Financial institutions, brokers and dealers, (2) Insurance Companies, (3) Corporate Issuers, (4) Issuers of government securities, municipal securities and foreign government securities.

Copyright © Japan Credit Rating Agency, Ltd. All rights reserved.

