18-D-1181
March 27, 2019

JCR Green Loan Evaluation by Japan Credit Rating Agency, Ltd.

Japan Credit Rating Agency, Ltd. (JCR) announces the following preliminary Green Loan Evaluation Results.

JCR Assigned Preliminary Evaluation of Green1 to Long-term loan borrowed by United Urban Investment Corporation (Green Trust Loan 2, Green Trust Loan 3)

Subject	:	Long-term loan borrowed by United Urban Investment Corporation (Green Trust Loan 2, Green Trust Loan 3)
Type	:	Long-term loan
Lender	:	Sumitomo Mitsui Trust Bank (SuMi TRUST)
Amount	:	Green Trust Loan 2: JPY 2.5 billion Green Trust Loan 3: JPY 2.0 billion
Interest rate	:	Green Trust Loan 2: 0.29% (per annum) Green Trust Loan 3: 0.39% (per annum)
Date of Borrowing	:	March 29, 2019
Repayment date	:	Green Trust Loan 2: March 29, 2024 Green Trust Loan 3: March 31, 2026
Repayment method	:	Lump-sum repayment at maturity
Use of proceeds	:	Refinancing of assets held for acquisition and new investments

<Green Loan Preliminary Evaluation Results>

Overall evaluation	**Green 1**
Evaluation of Greenness (use of proceeds)	g1
Evaluation on Management, Operation and Transparency	m1

Chapter 1: Evaluation Overview

United Urban Investment Corporation (UUR) was established in November 2003 under the Investment Trust Law and listed on the Tokyo Stock Exchange Real Estate Investment Trust Market (J-REIT Market) in December 2003. The asset management business is conducted by Japan REIT Advisors Co., Ltd. (JRA).

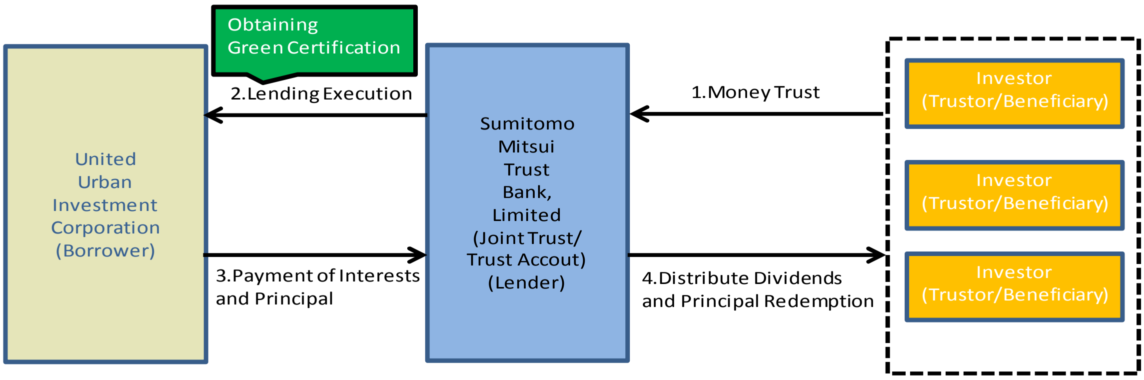
UUR defines real estate that can secure stable profitability over the medium to long term as real estate that has "intrinsic value," and aims to become a comprehensive portfolio with diversified uses and investment areas (comprehensive J-REIT), and is working to secure stable earnings over the medium to long term by investing in carefully selected properties from a wide range of investment targets, identifying the "intrinsic value" of individual properties.

UUR also merged with Nippon Commercial Investment Corporation in 2010. Even after the merger, the company continued to acquire assets by raising funds through loans and public offerings. As a result, it was one of the largest assets in the J-REIT market.

UUR is strengthening its ESG efforts to achieve "sustainable growth", and has already achieved its target of raising the coverage ratio of various types of environmental certifications for properties owned to 50% by 2020. In addition, JRA also strengthening its ESG efforts with the signing of the Principles for Responsible Investment (PRI) and the acquisition of ISO14001, an international certification for environmental management.

This evaluation is based on two long-term loans borrowed by the UUR from the trust account (joint money trust) of the SuMi TRUST. The overview of finance is shown below.

(Scheme Diagram)



SuMi TRUST receives money in trust (or borrowing from ABLs) from investors (1) lend the fund to UUR (2). Principal and interest paid by UUR to SuMi TRUST (3) Dividend income (4).This is a mechanism for returning profits to investors.

The Loans will be used to refinance the existing office buildings and to fund the acquisition of a new hotel acquired by UUR. JRA, which is an asset management company of UUR, defines "green eligible assets" as properties that have acquired or are expected to be acquired any of three stars or more of DBJ Green Building certification, CASBEE Real Estate Evaluation Certification A or higher, or two or more stars of BELS. JCR evaluates that the definition of green eligible assets established by the JRA covers buildings with environmental improvement effects.

JCR has confirmed that the target asset to refinancing and newly acquired assets under these loans is "green eligible assets" as defined in the asset management guidelines of JRA, the asset management company of UUR. JCR confirmed from the Environmental Performance Evaluation Report and the hearing with JRA that there is no possibility that the target assets will have a serious negative impact on the environment that exceeds the effects of environmental improvement. From the above, JCR evaluates that the use of proceeds subject to this evaluation has a high environmental improvement effect, such as reduction of CO_2 emissions and reduction of water use.

JCR affirmed the firm management and operation system and high transparency of UUR's green loans as well as the establishment of internal approval processes and cash management systems for UUR and JRA.

As a result, JCR assigns "g1" for "Evaluation of Greenness (Use of Proceeds)" and "m1" for "Evaluation on Management, Operation and Transparency". Consequently, JCR assigns "Green1" as an overall preliminary evaluation results to these loans. The evaluation results are described in detail in the next chapter.

These loans are considered to meet the standards for items required by the Green Loan Principles and the Green Bond Guidelines issued by the Ministry of Environment of Japan.[1][2]

[1] LMA (Loan Market Association) Green Loan Principles 2018

[2] Ministry of the Environment Green Bond Guidelines 2017. This is not a Green Bond, but the four principles required are very similar

Chapter 2: Current Status of the project on each evaluation factor and JCR's evaluations

Evaluation Phase 1: Greenness Evaluation

JCR assigns "g1", the highest grade, to "Evaluation Phase 1: Greenness Evaluation"

Rationale: 100% use of proceeds of the loan will be allocated to green projects, considering the factors described below.

(1) JCR's key consideration in this factor

In this section, we first assesses whether the funding money will be allocated to green projects that have explicit improvement effects on environment. Next, JCR assesses whether an internal department/division which is exclusively in charge of environment issues or a third party agency prove it sufficiently and have taken necessarily workaround or mitigation measures, in case of possibility on use of proceeds have negative impact on the environment. Finally, JCR confirms consistency with the Sustainable Development Goals (SDGs).

(2) Current status of evaluation targets and JCR evaluation

Overview of Use of Proceeds

a. On the environmental improvement effects of the project

i. 100% of the proceeds will be allocated to the refinance or acquire existing or new "green eligible assets," which has highly environmental improvement effect.

JRA Asset Management Guidelines (excerpt)

(2)Specific Investment Criteria 2. Other Attributes of the Target Investment Property (b) Green Eligible Assets

New and existing management assets that have acquired or are expected to obtain DBJ Green Building certification (three stars or more), CASBEE real estate certification (A rank or higher), and BELS evaluation (two stars or more) (collectively referred to as "environmental certification") shall be defined as "green eligible assets," and efforts shall be made to acquire environmental certification through initiatives such as improving the environmental performance of those management assets that have not acquired environmental certification.

The use of proceeds of the loan will be allocated to the existing or new "green eligible assets" set forth in the guidelines. The proceeds of the loan will be allocated to an office building and a hotel that are classified as green eligible assets shown on the next page. These office building and hotel will be refinanced or acquired in March 2019 and May 2019 respectively. JCR confirmed that the office building obtained three stars of DBJ Green Building certification and energy-saving measures are being implemented in the scoring sheet. JCR also confirmed that the hotel is planning to acquire BELS certification, and result will be good figure and that it is expected to have a strong environmental impact. Therefore, 100% of the proceeds will be allocated to properties with environmental improvement effects.[3]

to Green Bond. Therefore, we will also consider compliance with the Ministry of the Environment's Green Bond Guidelines in our evaluation.

[3] Abbreviation of Building Energy Index. The ratio of the design primary energy consumption of the property to the standard primary energy consumption is shown. The smaller the value, the higher the energy saving effect.

(Subject property)

Property Name	Tsubogawa Square Building
Location	3-3-5, Tsubogawa, Naha, Okinawa
Principal uses	Office
Site area	5,294.63 ㎡
Total floor area	14,742.80 ㎡
Number of stories	11 floors
Completion	June 2009
Acquisition value	JPY 4,150 million
Environmental certification	Three stars of DBJ Green Building
Features and environmental performance	・The office is located in front of Tsubogawa Station of Okinawa Urban Monorail(Yui Rail). In addition to using LED lighting in proprietary areas, energy-saving glass is used in windows.

Property Name	Henn-na Hotel Tokyo, Hamamatsucho
Location	1-24-11, Hamamatsucho, Minato, Tokyo
Principal uses	Hotel
Site area	365.81 ㎡
Total floor area	2,293.64 ㎡
Number of stories	14 floors
Completion	April 2018
Acquisition value	JPY 4,456 million (planned)
Environmental certification	Two or more stars of BELS certification (planned)
Features and environmental performance	・Sixth Robotic Hotel Chain, located three minutes' walk from Hamamatsucho Station. ・The hotel equipped with the latest air conditioning equipment and using the LEDs which reduces power consumption by lighting.

ii. The use of proceeds falls under the category of "Green buildings which meet regional, national or internationally recognised standards or certifications" and "Energy efficiency" among the green projects defined in the Green Loan Principles or the Ministry of Environment of Japan's Green Bond Guidelines.

b. Negative impact on the environment

JRA checks and evaluates green eligible assets using checklists, etc. at due diligence meetings. At this time, the negative impact on the environment of the two properties for which this loan is expected to be applied has not been identified. JCR confirms that if there is a negative impact on the environment, it is necessary to take corrective measures by the seller as a precondition to avoid or mitigate the negative impact.

c. Consistency with SDGs goals and Targets

This project is classified into ”Energy efficiency" and "Green buildings with regional, national or internationally recognised standards and certifications". JCR evaluated the project to contribute to the following SDGs targets and targets, referring to ICMA's SDGs mapping.

Goal 7: Ensure access to affordable, reliable, sustainable, and modern energy for all.

Target 7.3. By 2030, double the global rate of improvement in energy efficiency.

Goal 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.

Target 9.4. By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities

Goal 11: Make cities and human settlements inclusive, safe, resilient and sustainable.

Target 11.6. By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management.

(Reference) Certification System for each Green Building

① CASBEE

CASBEE is an acronym for the English name of Comprehensive Assessment System for Built Environment Efficiency.

This is a method for evaluating and rating the environmental performance of buildings. In April 2001, the Comprehensive Environmental Evaluation Research Committee for buildings was established as a joint project with industry, government, and academia with the support of the Housing Bureau of the Ministry of Land, Infrastructure, Transport and Tourism. Since then, the committee has been continuously conducting development and maintenance. In addition to CASBEE for Buildings and CASBEE for Urban Development, assessment tools include CASBEE for Real Estate developed to provide easy-to-understand environmental performance to the real estate market.

The evaluation results are divided into five grades: Rank S (Excellent), Rank A (Very Good), Rank B+ (Good), Rank B (Slightly Poor), and Rank C (Poor) (CASBEE-real estate scoring has four grades: Rank S (Excellent), Rank A (Very Good), Rank B+ (Good), and Rank B (Satisfaction of mandatory items)).

② DBJ Green Building

A certification system provided by DBJ (Development Bank of Japan) that evaluates properties with environmental and social considerations. The evaluation results are expressed as the number of stars, and the evaluation axis is "Buildings with consideration for the environment and society."Each is represented by five stars (the best class in Japan), four stars (exceptionally high), three stars (excellent), two stars (high), and one star (satisfactory). Although it is not an environmental performance-specific evaluation, it is highly recognized in Japan and has a certain evaluation item regarding environmental performance. Therefore, JCR has evaluated this certification as equivalent to "Green buildings with regional, national or internationally recognized standards and certifications" in the category of green projects as defined in Green Loan Principle. However, since the certification is not limited to environmental performance, JCR believes that it is desirable to confirm the evaluation of environmental performance individually.

③ BELS

"BELS" is an acronym for the English name of Building-housing Energy-efficiency Labeling System.

In October 2013, the Ministry of Land, Infrastructure, Transport and Tourism formulated the "Guidelines for Labeling Energy Conservation Performance for Non-Residential Buildings (2013)." Based on these guidelines, a third-party organization was established with the purpose of properly evaluating and labeling the energy-saving performance of non-residential buildings. Subsequently, in July 2015, the Act on Improvement of Building Energy Consumption Performance (Building Energy Conservation Act) was promulgated, and Article 7 of the Act stipulates that business owner of housing business and other businesses selling or leasing buildings must make efforts to indicate the energy consumption performance of buildings. Along with the enforcement of the Act on the Rational Use of Energy in Buildings, BELS is positioned as a third-party certification system for the guideline for energy conservation performance labeling based on Article 7 of the Act. From April 2016, housing was added to the scope of evaluation and currently all new and existing buildings are subject to evaluation.

The evaluation results are expressed in stars by the achievement values of the energy efficiency standards.

They are represented by five stars, four stars, three stars (guidance criteria), two stars (energy efficiency criteria), and one star (existing energy efficiency criteria).

Evaluation Phase 2: Evaluation on Management, Operation and Transparency

JCR assigns "m1", the highest rating on JCR Evaluation Phase 2: Evaluation on Management, Operation and Transparency.

Rationale: These projects will be allocated the funding and implemented the businesses as planned through a firmly equipped management and operation system and high transparency as described below.

1. Appropriateness and Transparency concerning selection standard and processes of the use of proceeds

(1) JCR's key consideration in this factor

This section confirms that the objectives to be achieved through the green loan, the criteria for selecting green projects, the appropriateness of the process, and the series of processes are appropriately disclosed to lenders.

(2) Current status of evaluation targets and JCR evaluation

a. Goal

In the "Sustainability Targets" published in its website, the UUR states that "As the owner of a large-scale facility that is believed to emit a considerable amount of greenhouse gases, the UUR aims to reduce the energy consumption per unit of production, which is calculated by taking into account the energy consumption and the total floor area of its facilities, by an average of 1% per year over a five-year period. Specific measures to reduce the emissions include upgrading the efficiency of air conditioning systems and adopting high-efficiency equipment at the time of renewal of lighting, etc., in accordance with the conditions of the facilities." The refinancing and acquisition of new green eligible assets are part of this plan.

In addition, UUR is strengthening its ESG initiatives with the aim of achieving "sustainable growth" and has objectives of increasing the coverage ratio for acquiring various environmental certifications for owned properties (gross floor area) to 50% by 2020. JCR confirmed that this objective has already achieved ahead of schedule.

JCR believes that these set of targets are specific, with numerical targets.

b. Selection standard

JRA's Sustainability Committee, which has specialized knowledge, evaluates green assets.

The Sustainability Committee evaluates based on the criteria set out in the JRA Asset Management Guidelines. The Sustainability Committee also plays a principal role in selecting "green eligible assets" to be eligible for refinancing and new acquisition. In addition, when the acquisition of "green eligible assets" is considered to have a negative impact on the environment, the company has adopted a limited impact measure, such as requiring the seller to take corrective measures for the purpose of complying with laws and regulations as a precondition for avoiding or mitigating the negative impact.

JRA's criteria for selecting "green eligible assets" are new and existing operating assets that have acquired or are expected to acquire either DBJ Green Building certification (three stars or more), CASBEE real estate certification (A rank or higher), or BELS assessment (two stars or more), as described above on page 3 of this evaluation report. JCR appreciates this selection criterion in that they are limited to having an environmental improvement impact.

c. Processes

JRA's Sustainability Committee evaluates the green quality of its "green eligible assets," and the Finance Team proposes the appropriation of these assets to be acquired and refinancing of "green eligible assets," which is approved and resolved by the JRA Board of Directors.

The Sustainability Committee consists of the Chief Executive Officer, the Chief Investment Officer, the Chief Financial Officer, and the Chief Compliance Officer (CCO). JCR also evaluates that the management is involved in the selection process of green eligible assets appropriately and the institutional decision-making process is clear.

JCR believes that goal, selection criteria, and process are outlined in this evaluation report and that transparency for lenders is ensured.

2. Appropriateness and Transparency of management of the proceeds

(1) JCR's key consideration in this factor

The management method of the procured funds is usually assumed to be diverse by the borrower. JCR assesses whether the proceeds firmly allocated to the green project, the project have internal systems to easily track the allocation of the proceeds and the money funded by the loan will be allocated to the green project at once.

It also attaches importance to evaluating the management and operation of the unallocated funds, as well as to confirming that the funds procured from the loan will be allocated to the green projects at an early stage.

(2) Current status of evaluation targets and JCR evaluation

a. The total amount of long-term loan will be allocated to the refinancing and new acquisitions of two "green eligible assets" described on page 4 of this report.

b. With regard to account management, JCR confirmed that JRA's department in charge (finance team, etc.) confirms that the use of proceeds, dates, and balances are managed via electronic media, such as Excel files, for each procurement fund. The loan is expected to be allocated to refinancing and new acquisition of "green eligible assets" by May 2019. JCR confirms that tracking of proceeds is done on a fund-by-fund basis.

c. JRA's asset management guidelines revised on July 31, 2018, JRA is required to confirm the status of its portfolio at least once a year and obtain CFO approval when publishing it on the website. Therefore, the internal control system is in place.

d. The use of proceeds is to refinance and acquire green eligible assets as soon as possible after procurement, and therefore, no unallocated proceeds will be generated. JCR confirmed that if there is an event that unallocated proceeds are generated by the sale of "green eligible assets" before repayment of all long-term loans, the JRA will endeavor to reallocate the balance to green projects such as the acquisition funds and refinancing funds of other green eligible assets at the earliest possible stage after recognizing and management the balance.

JCR has confirmed that proceeds are securely allocated to "green eligible assets", which management of proceeds is appropriate within JRA and that internal management systems are in place, and that "green eligible assets" are appropriately selected and that proceeds are appropriately substituted even if unallocated funds are generated. JCR has evaluated that funds management is highly appropriate and transparent. From the above, JCR evaluates the appropriateness and transparency of the fund management of UUR as high.

3. Reporting

(1) JCR's key consideration in this factor

In this section, JCR evaluates whether the disclosure system for investors, etc. before and after the execution of green loans is planned in a detailed and effective manner at the time of the execution of green loans

(2) Current status of evaluation targets and JCR evaluation

a. Reporting on the proceeds allocation

As confirmed in the previous section, the proceeds allocation plan will be disclosed to the lender. JCR confirmed that annual reporting of unallocated proceeds will be disclosed on UUR's website after obtaining approval from management such as CEO, CFO, CIO and CCO.

b. Reporting on environmental improvement effects

A list and outline of "green qualifying assets" are presented in Phase 1 of this Report. UUR plans to disclose the amount of electricity, gas consumption, CO_2 emissions, and water consumption once a year on its website.

UUR will also receive a third-party review of the accuracy of the reporting status once a year by JCR until the due date.

JCR believes that the above-mentioned reports are intended to be appropriately disclosed to lenders regarding both the proceeds allocation and the effects of environmental improvement

4. Organization's environmental activities

(1) JCR's key consideration in this factor

This section evaluates whether the borrower's management positions environmental issues as a high-priority management issue, and whether the green loan borrowing policy, process and the criteria for selecting green projects are clearly defined through the establishment of a department specializing in the environmental field or through the assistance of external organizations.

(2) Current status of evaluation targets and JCR evaluation

UUR formulated its Environmental Policy in May 2012, and declared that UUR will contribute to the development of a sustainable society by taking environmental considerations and reducing environmental impact.

According to the Environmental Policy, as measures against "1.Energy efficiency and global warming prevention", the report states that "we will actively promote the efficient use of resources and energy and strive to realize a low-carbon society through the introduction of environmentally friendly technologies and systems." In addition, regarding "2.Reduction of environmental impact", the report states that "we will strive to reduce environmental impact and realize a realization of recycle-oriented society by reducing water consumption, reducing waste generation, reusing (reuse), recycling (recycling), etc., in addition to reducing carbon."

UUR also revised its Environmental Policy in November 2018, stating that UUR will continue to enhance its environmental management system, and is continuing its ongoing efforts to improve its environmental performance.

In addition, the UUR has independently established key sustainability issues (materiality), linking each materiality with each objective of the Sustainable Development Goals (SDGs), and evaluating and publishing each fiscal year on the website.

In particular, with regard to the environmental, JRA publishes the following as "Sustainability Targets" on its website;

"As the owner of a large-scale facility that generates a considerable amount of greenhouse gas emissions, we are aiming to reduce the energy consumption per unit of energy, which is calculated by taking into account the energy consumption in the facility and the total floor area, by an average of 1% per year over a five-year period. As a concrete measure to reduce emissions, we will adopt high-efficiency equipment by replacing air-conditioning systems and adopting high-efficiency equipment when replacing lighting, etc., in accordance with the conditions of the facility."

Every fiscal year, the amount of electricity used, gas used, CO_2 emissions, and water consumption for properties owned by the UUR is disclosed. As for reducing waste, in addition to the amount of non-hazardous and hazardous waste, the recycling rate, incineration rate, landfill rate, etc. are also disclosed every fiscal year. In this way, information on environmental performance is actively disclosed to the public.

In November 2018, UUR's asset management company, JRA, also signed the "Principles for Responsible Investment" (PRI), which advocates incorporating ESG issues into investment decisions. JRA also participates in the PRI real estate working group and regularly exchanges opinions with other companies. In February 2019, JRA has obtained ISO14001, an international certification for environmental management, and JRA is further strengthening its environmental and other ESG initiatives.

JCR also believes that JRA's Sustainability Committee, which has expert knowledge and includes management as a member, is involved in determining the investment policy for "green eligible assets," and that JRA has clearly positioned the funding policy, process, and green project selection criteria as an organization.

JCR recognizes that environmental problems are a high priority for these organizations, and that departments with expertise are clearly involved in green loan procurement policies and processes and the selection of green projects.

■Evaluation result

Based on JCR Green Loan Evaluation Method, JCR assigns "g1" for "Evaluation of Greenness (Use of Proceeds)" and "m1" for "Evaluation on Management, Operation and Transparency". Consequently, JCR assigns "Green1" as an overall preliminary evaluation results to the loan. This loan is considered to meet the criteria for items in Green Loan Principle and MOE's Green Bond Guidelines.

[JCR Green Loan Evaluation Matrix]

		Management, Operation and Transparency				
		m1	m2	m3	m4	m5
Greenness	g1	Green 1	Green 2	Green 3	Green 4	Green 5
	g2	Green 2	Green 2	Green 3	Green 4	Green 5
	g3	Green 3	Green 3	Green 4	Green 5	Not qualified
	g4	Green 4	Green 4	Green 5	Not qualified	Not qualified
	g5	Green 5	Green 5	Not qualified	Not qualified	Not qualified

■ Subject

Borrower: United Urban Investment Corporation (Securities Code: 8960)

[Assignment]

Target	Borrowing Amount	Date of Borrowing	Maturity date	Interest rate	Preliminary evaluation
Green Trust Loan 2	JPY 2.5bil	March 29, 2019	March 29, 2024	0.29% (per annum)	JCR Green Loan Evaluation:Green1 Evaluation of Greenness :g1 Management, Operation and Transparency:m1
Green Trust Loan 3	JPY 2bil	March 29, 2019	March 31, 2026	0.39% (per annum)	

Analysts in charge of this evaluation: Atsuko Kajiwara and Kosuke Kajiwara

Important explanation of the Green Loan Evaluation

1. Assumptions, Significance, and Limitations of JCR Green Loan Evaluation

JCR Green Loan Evaluation, which is granted and provided by the Japan Credit Rating Agency (JCR), is a comprehensive expression of JCR's current opinion on the extent to which the funds procured green loans, which are subject to evaluation, are allocated to green projects defined by JCR and the extent to which the management, operation, and transparency of the use of green loans are ensured. JCR Green Loan Evaluation does not fully indicate the extent to which the funds procured from such green loans are allocated and the management, operation, and transparency of the use of the funds are ensured.

JCR Green Loan Evaluation evaluates the appropriation of funds at the time of the Green Loan program or at the time of the loan execution. It does not guarantee the appropriation of funds in the future. In addition, JCR Green Loan Evaluation does not prove the environmental effects of green loans and is not responsible for their environmental effects. JCR confirms that the effects of the funds procured green loans on the environment are measured quantitatively and qualitatively by the borrower or by a third party requested by the borrower, but in principle it does not directly measure the effects.

2. Methods used in the conduct of this evaluation

The methods used in this evaluation are listed on JCR website (Sustainable Finance and ESG in https://www.jcr.co.jp/en)) as JCR Green Finance Evaluation Method.

3. Relationship with Acts Related to Credit Rating Business

JCR Green Loan Evaluation is determined and provided by JCR as a related business, which is different from the activities related to the credit rating business.

4. Relationship with Credit Ratings

The Assessment differs from the Credit Rating and does not promise to provide or make available for inspection a predetermined Credit Rating.

5. Third-Party Evaluation of JCR's Green Loan

There is no conflict of interest related to capital or human resources relationships between the subject of this evaluation and JCR.

■Glossary

JCR Green Loan Evaluation: JCR Green Loan Evaluation evaluates the extent to which the funds procured from the Green Loan are allocated to the Green Project as defined by JCR, and the extent to which the management, operation, and transparency of the Green Loan are ensured. Evaluations are graded on a scale of 5, beginning with the top, using the Green1, Green2, Green3, Green4, and Green5 symbols.

■Status of registration as an external assessor of green finance

- Registration of Green Bond Issuance Supporters by the Ministry of the Environment
- ICMA (Registered as an observer of the International Capital Markets Association)

■Status of registration as a credit rating agency, etc.

- Credit Rating Agency: the Commissioner of the Financial Services Agency (Rating) No.1
- EU Certified Credit Rating Agency
- NRSRO: JCR has registered with the following four of the five credit rating classes of the Securities and Exchange Commission's NRSRO(Nationally Recognized Statistical Rating Organization. (1)Financial institutions, broker dealers, (2) insurance companies, (3) general business corporations, and (4) government and local governments. If the disclosure is subject to Section 17g-7(a) of the Securities and Exchange Commission Rule, such disclosure is attached to the news releases posted on JCR website (https://www.jcr.co.jp/en/).

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