

————— JCR Green Bond Evaluation by Japan Credit Rating Agency, Ltd. —————

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

## JCR Assigned Green 1 to the Bonds of Shizen Energy Inc.

Subject	:	Shizen Energy 5th Unsecured Private Placement Corporate Bonds
Type	:	Private Placement Bonds
Issue Amount	:	JPY 300 million
Issue Date	:	November 29, 2019
Redemption Date	:	November 30, 2022
Method of Repayment	:	Timely redemption every 6 months
Use of proceeds	:	New expenditures and refinancing for development costs of the solar power generation facilities

### <Green Bond Evaluation Results>

Overall evaluation	Green 1
Greenness Evaluation (Use of Proceeds)	g1
Management, Operation and Transparency Evaluation	m1

### Chapter 1: Evaluation Overview

Shizen Energy Inc. (the “Company”) was established in June 2011. The Company is primarily engaged in the generation of solar, wind, and small-scale hydroelectric power and other Renewable energy power generation business. The Company completed construction of the “Koshi-City Kumamoto Flour Milling Solar Power Plant in Kumamoto Prefecture (capacity: 1.2MW)”, the first mega-solar power plant of the Shizen Energy Group in December 2012. The company has been involved in the development of wind and small-scale hydroelectric power plants, including solar power, and has a track record of developing solar power plants of approximately 698MW, wind power of approximately 250MW, and small-scale hydroelectric power of 0.2MW. The Company is also focusing on the introduction of advanced know-how in Europe. In 2013, the Company established a joint venture, juwi Shizen Energy Inc. and juwi Shizen Energy Operation Inc., with German juwi AG, which has a wealth of experience developing renewable energy in Europe. The Shizen Energy Group has positioned "connecting the blue earth to the future" as its own PURPOSE (raison d'être). The Shizen Energy Group aims to build energy power plants worldwide and to expand the livelihoods in which safe and sustainable electricity is used. The Company is continuing its development with a

target of 5GW in total power generation capacity by 2022.<sup>1</sup>

The Private Placement Bonds (the “Bonds”) subject to this evaluation will be used to finance for new solar power generation projects (estimated project amount: about JPY 7 billion) that satisfy the eligibility criteria of the Green Finance Framework established by the Shizen Energy Group. The annual reductions of CO<sub>2</sub> emissions for this project are expected to be 14,666 t-CO<sub>2</sub> per year, which is highly effective in improving the environment. JCR confirmed that the Company has taken appropriate measures to avoid or mitigate the negative environmental impacts through identifying any possible adverse effects internally, developing a response system, and providing explanations to stakeholders.

Regarding the management and operation system, the management was involved in selecting and monitoring the eligible projects. Institutional decisions were also made. JCR evaluates that the management, operation, and transparency of the Company are appropriate, with the fact that internal control in fund management is properly implemented and the contents of reporting is appropriate.

Based on the JCR Green Finance Evaluation Methodology, JCR assigned “g1” for the “Greenness Evaluation (Use of Proceeds)” and “m1” for the “Management, Operating System and Transparency Evaluation.” As a result, JCR assigned “Green 1” for overall “JCR Green Bond Evaluation.” The evaluation results are described in detail in the next chapter. The Bonds are considered to meet the standards for the items required by the Green Bond Principles<sup>2</sup> and the Ministry of the Environment's Green Bond Guidelines<sup>3</sup>.

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<sup>1</sup> Domestic and overseas results including joint development and consulting. Solar power and wind power as of the end of June 2019, and small hydroelectric power as of the end of December 2017.

<sup>2</sup> ICMA (International Capital Market Association) Green Bond Principles 2018 Edition  
<https://www.icmagroup.org/green-social-and-sustainability-bonds/green-bond-principles-gbp/>

<sup>3</sup> Ministry of the Environment Green Bond Guidelines 2017  
[http://greenbondplatform.env.go.jp/pdf/greenbond\\_guideline2017.pdf](http://greenbondplatform.env.go.jp/pdf/greenbond_guideline2017.pdf)

## Chapter 2: Current Status of the Project on Each Evaluation Factor and JCR's

### Evaluations

#### Evaluation Phase 1: Evaluation of Greenness

Based on the current situation and JCR's assessment of it, JCR assessed that 100% of the funds of this Private Placement Bond were green projects, and Phase 1: Evaluation of Greenness was at the top of the target: 'g1'.

#### (1) JCR's key consideration in this factor

In this section, JCR first assesses whether the proceeds will be allocated to green projects that have explicit improvement effects on the 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 the 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's Evaluation

##### a. The environmental improvement effects of the project

**i. All of the funds will be allocated to new expenditures for and refinancing development costs in the solar power generation projects. This project is highly likely to be completed the construction and to start operations as scheduled. Consequently, JCR concludes that it is highly effective in improving the environment.**

##### [1]Use of Proceeds

All the funds raised through the Bonds will be allocated to new expenditures for and refinancing the development costs in the solar power generation projects under development. Specifically, these funds will be used as part of the development costs for the following projects (assumed project amount: approximately JPY 7 billion).

(Summary of Projects)

Description of Project	Location	Power Generation Output (MW)	Annual Power Generation (Estimated) (MWh / year)	Annual CO <sub>2</sub> Emission Reductions (t CO <sub>2</sub> /year)	Project Progress
Solar power generation project	Kanto region	20	29,568	14,666	Under development

※ Annual power generation is based on materials provided by the Company.

※ Methodology of calculating CO<sub>2</sub> Emission reductions = Annual Power Generation (Estimated) × Adjusted emission factor for FY2017 (latest figures)

Construction of the projects is scheduled to start in 2022 and operations are scheduled to begin in 2024. Annual power generation is based on data provided by the Company. Annual CO<sub>2</sub> emissions reductions were calculated by JCR multiplying the annual power generation (estimated) by the adjusted emission factor of the electric power companies in charge of the project location. Current project plans estimate annual CO<sub>2</sub> emissions reductions of 14,666 t CO<sub>2</sub> per year.

## **[2]Probability of completion and operation**

The Company has a track record of developing many renewable power plants since its founding in 2011. The Company owns juwi Shizen Energy, which designs, procures, and managements power plants, and juwi Shizen Energy Operation, which maintains and operates power plants. The Company and Group companies employ various experts in accordance with their business activities, and cooperate with external specialist organizations as necessary to conduct business operations utilizing their knowledge. The group companies have an abundant track record in developing and operating renewable power plants.

The subject project are met for the eligibility criteria described in Evaluation Phase 2, and all the examination items required for commercialization in the Company are met. It has also already obtained approval for transmission and distribution connections. Therefore, it is highly probable that the project will be completed and operated as planned.

The project is expected to have greater CO<sub>2</sub> emissions reductions stably. Therefore, JCR evaluates that the project has a high environmental improvement effect.

### **ii. The Use of Proceeds falls under the category of "renewable energy" as defined in the Green Bond Principles or the Ministry of the Environment's Green Bond Guidelines.**

The Fifth Strategic Energy Plan approved by the Cabinet in 2018 states that "Japan contributes to the development of the Japanese economy and society, and the sustainable development of the world by providing stable, sustainable and independent energy over the long term." Renewable energy is positioned as an important low-carbon energy source. The plan considers renewable energy to be important for energy security, regional revitalization, and reduction of environmental negative impact, focusing on the fact that renewable energy is produced domestically and does not emit CO<sub>2</sub>, while there are various issues such as stable supplies and costs at present. The plan aims to convert renewable energy sources to mainstay domestic power sources with benchmarks for 2030 and 2050, and to actively promote the introduction of renewable energy sources.

Solar power generation can be used not only as distributed power system for large-scale development, in-house consumption and local consumption, but also as emergency power sources in times of disaster. It is expected to overcome issues such as stable supplies and costs and demonstrate the potential of renewable energy. Not only does solar power generation not emit CO<sub>2</sub> at the time of power generation, it also accounts for a few tenth of thermal power generation in terms of life-cycle CO<sub>2</sub> emissions that take into account CO<sub>2</sub> in the production of power generation equipment, and its CO<sub>2</sub> emissions reductions are significant.

Renewable energy is emphasized as a policy issue in Japan from various viewpoints, and it is regarded as a high-quality social capital that should be truly passed on to the next generation. The solar power generation business, for which the Company is used to allocate the Bonds, contributes to the introduction of such renewable energy sources, falls under "renewable energy" defined in the Green Bond Principles and the Green Bond Guidelines, and contributes to resolving policy issues in Japan.

## b. Negative impact on the environment

In implementing this project, the Company has identified the negative impacts on the environment as follows and has taken appropriate mitigation measures.

### Negative impacts on the environment of projects and how to deal with them

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#### 1. Assumed risks

The Company recognizes the possibility of negative impacts (such as sand disasters, light pollution, aesthetics, etc.) on the environment and the community as a result of the installation of solar power generation facilities.

#### 2. Risk mitigation measures

- It identifies the necessary laws and regulations and confirms compliance and response policies with applicable them in the progress management and examination system.
  - It complies with the Guidelines for Formulating Business Plans (Solar power generation) and the FIT Scheme for Renewable Energy formulated in accordance with the Act on Amendment of the Act on Special Measures Concerning Procurement of Electricity from Renewable Energy Sources by Electricity Utilities.
  - It explains the project to local residents and obtain their understanding.
  - Concerning the civil engineering preparation and design, the amount of cutting soil and banking and the deforested area are controlled as much as possible to reduce the risk of sediment disasters.
  - Based on the required permits, forests are left around the land for business to reduce light pollution and landscape deterioration. It makes the plant a power plant with low negative environmental impact.
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The Company has established system for identifying and responding to the negative environmental impacts. JCR evaluates that avoidance and mitigation measures have been taken through appropriate applications for permits and prior explanations.

## c. Consistency with SDGs goals and Targets

This project is classified into renewable energy. JCR evaluated the projects as contributing to the following SDGs goals and targets, while referring to ICMA's SDGs mappings.



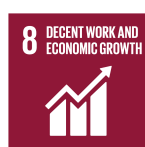
**Goal 3: Ensure healthy lives and promote well-being for all at all ages**

**Target 3.9. By 2030 substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil contamination**



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

**Target 7.2. By 2030, increase substantially the share of renewable energy in the global energy mix**



**Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all**

**Target 8.2. Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors**



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

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**Target 9.1. Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all**

**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**

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**Target 11.3. By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries**



**Goal 13: Take urgent action to combat climate change and its impacts**

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**Target 13.1. Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries**

## Evaluation Phase 2: Management, Operation and Transparency Evaluation

Based on the current status detailed below and JCR's evaluation of the status, JCR assessed that the management and business system was well developed, transparency was extremely high, and that the planned implementation of the project and the appropriation of the proceeds could be sufficiently expected. Phase 2: Management, Operation and Transparency Evaluation was the highest "m1."

### 1. Appropriateness and Transparency Concerning Selection Standard and Processes of the Use of Proceeds

#### (1) JCR's key consideration in this factor

In this section, JCR confirms that the objectives to be achieved through the Bonds, the criteria for selecting green projects, the appropriateness of the process, and the series of processes are appropriately disclosed to investors.

#### (2) Current Status of Evaluation Targets and JCR's Evaluation

##### a. Goal

The Green Finance Framework referred to by the Bonds sets out the following Goals to be achieved through the Bonds.

##### Investment policies based on the long-term vision (excerpt)

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With the PURPOSE (raison d'être) of "Connecting the Blue Earth to the Future," we are promoting our business with the aim of "Building a World with 100% Renewable Energy." Specifically, it has set a quantitative target of working on renewable power generation projects worth 5GW in 2022 and 10GW in 2030. The Company aims to build renewable power generation plants worldwide and expand lifestyles in which safe and sustainable electricity is used.

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The solar power generation business, which uses the funds raised through the Bonds, contributes to the achievement of the quantitative targets in the above investment policies and is consistent with the PURPOSE and vision of the Company.

##### b. Selection criteria

The selection criteria in the Green Finance Framework are set out as follows. As described in Phase 1, the use of proceeds is entirely for the solar power generation business.

##### Eligibility criteria

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The Company believes that all of its businesses have greenness because it is engaged in renewable energy power generation projects, including solar and wind power as its main businesses. Among these projects, the project was selected after a comprehensive examination of the output scale, design concepts (deforestation and civil engineering), and project progress. It applies a unified progress management and review system to all its renewable power generation businesses. The projects to be funded are currently under development, but they shall satisfy all the screening items required for commercialization. Examination items include the following:

- Applications and procedures required for the operation of renewable power generation plants, such as applications for certification of facilities etc. are appropriately and legally executed.
  - When constructing solar generation plants, it complies to the forest act and other regulations, the necessary procedures are taken and acquisitions of licenses are taken. (This is expected to be done for
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projects under development as well.)

- In constructing solar generation plants, preliminary explanations are given to local governments and residents in the vicinity.

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JCR evaluates that the selection criteria are for projects with environmental improvement effects. It was confirmed that avoidance and mitigation measures were taken for environmental negative impacts through appropriate applications for permits and prior explanations.

### **c. Processes**

The processes for selecting projects within the Green Finance Framework of the Company are set out as follows:

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#### **Project selection processes**

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##### **1. Project Selection Participants**

Projects for which funds are to be allocated are evaluated and selected by General Manager of Finance and approved by the Representative Director in charge of Finance.

##### **2. Project selection process**

We believe that all of our businesses have greenness because we are engaged in renewable energy power generation projects, including solar and wind power as our main businesses. Among these projects, the project was selected by General Manager of Finance and approved by the Representative Director in charge of Finance after a comprehensive examination of the output scale, design concepts (deforestation and civil engineering), and project progress.

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JCR evaluates that the management is appropriately involved in the project selection process. It was also confirmed that the use of proceeds of the Bonds was decided in line with the procedures defined in the above framework.

The Goal, Selection Criteria, and processes have been disclosed to investors on the Bonds, and transparency to investors has been ensured.



## 2. Appropriateness and Transparency of Management of the Proceeds

### (1) JCR's key consideration in this factor

The management method of the proceeds is usually assumed to be diverse by the issuer. JCR evaluates 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 bond will be allocated to the green project at once.

JCR also considers the evaluation of asset management of unallocated money. 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 bond will be allocated to the green projects at an early stage.

### (2) Current Status of Evaluation Targets and JCR's Evaluation

- a. The funds raised through the Bonds will be fully allocated to new expenditures and refinancing for the development costs of the solar power generation project and will not be allocated to any other purposes. The funds raised through the Bonds will be allocated in a lump sum until May 2020 for new expenditures and at the time of issuance of the Bonds for refinancing.
- b. Funds raised from the Bonds are recorded on a dedicated form prepared by the Finance Department staff on each funding allocation (allocation to the existing expenditure and new expenditure) and the entire amount is linked to the Green Project for the use of proceeds. The relevant ledger is checked by the Finance Manager for each allocation.
- c. These forms will be appropriately stored until the redemption of the Bonds.
- d. The tracking management of the funds raised in the Bond is subject to annual audits and the forms are confirmed by the auditors.
- e. The funds raised through the Bonds will be managed by cash or cash equivalents until they are allocated to the green project. The management and operation of unallocated funds will be disclosed to investors in this report and in interviews with investors prior to the issuance of the Bonds.

JCR evaluates that the Company's management of the proceeds is appropriate and transparent in light of the fact that the allocation plan is appropriately prepared to secure the proceeds will be allocated to the green projects, the tracking of the fund allocation is expected to properly implemented, the internal control for the tracking is secured, and there are no particular concerns about the operation of unallocated funds.

### 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 issuance of green bonds is planned in a detailed and effective manner at the time of the issuance of green bonds

#### (2) Current Status of Evaluation Targets and JCR's Evaluation

##### a. Reporting on the proceeds allocation

The Company plans to report on the proceeds allocation to investors only once at the time of full allocation or one year after the issuance because the funds raised by the Bonds are scheduled to be fully allocated to the development costs of the solar power generation project within one year after the issuance of the bonds.

In the event of a sale of the subject property prior to the redemption of the Bonds, the Company will disclose the fact and discuss with the investors in a timely manner to reallocate the unallocated portion to other green projects that meet the eligibility criteria. If the proceeds of the Bonds are to be refinanced, the Company will be disclosed annually to investors until the funds are fully allocated.

##### b. Reporting on environmental improvement effects

The company plans to report on the environmental improvement effects of the solar power generation project. Since the Bonds will be redeemed prior to the commencement of operations of the project for which the funds are allocated, the Company will disclose to investors the estimated figures at the time of issuance regarding the reporting on the environmental improvement effect. Reporting will use the following indicators as KPIs (key performance indicator)

- Amount of the CO<sub>2</sub> emissions reduction by green projects (theoretical values based on output standards)
- Amount of power generated by the green project (theoretical value based on the output standard)

Considering the subject bond is privately placed, JCR evaluates that this is an appropriate reporting plan because it discloses both the proceeds allocation and the environmental improvement effects in a detailed and effective manner to its investors.

## 4. Environmental Initiatives of the Organization

### (1) JCR's key consideration in this factor

In this section, JCR evaluates whether the issuer's management positions environmental issues as a high priority management issue, and whether the green bond 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's Evaluation

The Company has positioned "connecting the blue earth to the future" as its own PURPOSE. The Company's foundation is the desire to create a 100% renewable energy world in the wake of the Great East Japan Earthquake in 2011. The Company aims to build renewable power plants around the world and expand the lifestyles that use safe and sustainable electricity. Since its establishment in 2011, the Company has consistently managed its business as a pure player, with 100% of its sales coming from the renewable energy business.

Based on the business stance described above, the Company has set a quantitative target of working on renewable power generation projects equivalent to 5GW in 2022 and 10GW in 2030, and is developing its business in all areas of the electric power business, including power generation, transmission and distribution, and wholesaling and retailing. As of July 2019, the Company's total renewable power generation business exceeded 1GW, and it plans to continue to build on its track record in the future as it operates renewable energy businesses centered on solar and wind power.

The Company has steadily accumulated a track record in the renewable energy business, and while expanding its renewable energy business globally, including in Brazil and Indonesia, it is also actively engaged in business management from a local perspective through initiatives such as "1% for Community" in community returns. This initiative aims to contribute positively to the local economy through renewable energy power generation projects. It plans to allocate about 1% of their electricity sales to seed money for regional development. The Company has been implemented in all projects since its foundation as a unique initiative. This initiative has been put into practice as a variety of activities, including the Koshi Agricultural Vitalization Project, which develops agricultural infrastructure in Koshi-City, Kumamoto Prefecture and products development such as craft beer and other specialty products. In addition, these initiatives have developed in tandem with the business growth of the Company. For example, Shizen-foundation Institute has been established as a fund for these initiatives, placing emphasis on social impact, such as community formation and investment to resolve local and social issues. These global and local-oriented business operations are a characteristic of the Company and strength for other renewable energy business company. The implementation of regional revitalization projects as well as the installation of renewable energy facilities contributes to the establishment of favorable relationships with local residents and to both the environmental and socioeconomic aspects of the region.

The Company itself is positioned as possessing specialized knowledge of the environment. The Company is operated as a pure player of the renewable energy business, with many experts from its own grope. The company also cooperates with external specialist organizations as necessary, and makes use of their knowledge. Such expertise is fully reflected in the formulation of the Green Finance Framework to be referred to by the Bonds and in the selection of the uses of proceeds.

JCR evaluates that the Company's management addresses the environmental issues as a high priority issue, and that the selection criteria for green projects, green bonds procurement policies, and processes are clearly positioned through the establishment of the departments specializing in the environment or through cooperation with external organizations.

■Evaluation result

Based on JCR Green Finance Evaluation Methodology, JCR assigns "g1" for the "Greenness Evaluation (Use of Proceeds)" and "m1" for the "Management, Operation and Transparency Evaluation." As a result, JCR assigns "Green 1" for overall "JCR Green Bond Evaluation." The Bonds are considered to meet the standards for the items required by the Green Bond Principles and the Ministry of the Environment's Green Bond Guidelines.

[JCR Green Bond Assessment Matrix]

		Management, Operations and Transparency Evaluation				
		m1	m2	m3	m4	m5
Greenness Evaluation	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

■Scope of Evaluation

Issuer: Shizen Energy Inc. (Security code:-)

[Assignment]

Subject	Issuance amount	Issue Date	Redemption Date	Evaluation
5th Unsecured Private Placement Bonds	JPY 300 million	November 29, 2019	November 30, 2022	JCR Green Bond Evaluation : Green1 Greenness Evaluation : g1 Management, Operations and Transparency Evaluation : m1

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## Important explanation of the Green Bond Evaluation

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### 1. Assumptions, Significance, and Limitations of JCR Green Bond Evaluation

JCR Green Bond Evaluation, which is assigned and provided by Japan Credit Rating Agency (JCR), is a comprehensive expression of JCR's current opinion on the extent to which the proceeds of green bonds, 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 bonds are ensured. This does not perfectly disclose all the efforts taken by the issuer/borrower to ensure the use of proceeds, administration, management of the proceeds and the transparency.

JCR Green Bond Evaluation is to evaluate the plan or status of the proceeds to green projects at the time of issuing green bonds or planning to issue, and does not guarantee the future actual allocation of the proceeds. JCR does not guarantee the positive environmental effects of green bonds nor is liable for their expected impacts. JCR confirms that the environmental impacts, which will be realized by the allocated proceeds, are calculated quantitatively and qualitatively by the issuer or by a third party requested by the issuer, but in principle JCR does not calculate them by itself.

### 2. Methodologies used in the conduct of this evaluation

The methodology used in this evaluation are listed on JCR website (Sustainable Finance & ESG in <https://www.jcr.co.jp/en>) as JCR Green Finance Evaluation Methodology.

### 3. Relationship with Acts Related to Credit Rating Business

JCR Green Bond 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 Evaluation differs from the Credit Rating and does not promise to provide or make available for inspection a predetermined Credit Rating.

### 5. Third-party character of JCR

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

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#### ■Glossary

JCR Green Bond Evaluation: JCR Green Bond Evaluation evaluates the extent to which the funds procured from the Green bond are allocated to the Green Project as defined by JCR, and the extent to which the management, operation, and transparency of the Green Bond 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 reviewer of green finance

- Ministry of the Environment's external green bond reviewer registration
- ICMA (registered as an observer with the International Capital Markets Association)
- Members of the Working Group on UNEP FI Positive Impact Finance Principles
- CBI Approved Verifier

#### ■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 the JCR website (<https://www.jcr.co.jp/en/>).

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