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

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

JCR Assigned Green 1(F) to the Green Bond Framework of Asahi Group Holdings, Ltd.

Subject : Green Bond Framework of Asahi Group Holdings, Ltd.

<Green Bond Framework Evaluation Results>

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

Chapter 1: Evaluation Overview

Asahi Group Holdings, Ltd. (AGH) is a holding company of the Asahi Group, which is owned by Asahi Breweries, Ltd. and Asahi Soft Drinks Co., Ltd. Established in 1949, Asahi Breweries (the predecessor company was founded in 1889) became the parent company, and in July 2011, it shifted to a holding company structure. AGH operates the Alcohol Beverages Business (42.5% of revenues in FY2019/Dec.), Soft Drinks Business (18.0%), the Food Business (5.6%), and the Overseas Business (33.5%). For the Alcohol Beverages business, AGH boasts a strong presence in the domestic alcoholic beverage industry, as it produces leading brands, such as “Asahi Super Dry” in beer and in other spirits such as RTD¹, whisky, etc. The Soft Drinks Business also ranks the third in Japan and is one of the leading companies in the industry. As such, AGH has built a solid business foundation in the domestic alcoholic beverages and soft drinks market.

AGH believes that the group's business activities relies much on “the gifts of nature”, such as water and agricultural products and that it is impossible to continue its business without them. Based on this belief, AGH considers it essential for the business management to take a strong initiative in sustainability issues including environmental considerations. AGH has formulated the “Asahi Group Environmental Vision 2050” under such initiative. It also set the group’s environmental goal to pass on the gifts of nature to the next generation based on the “Neutral and Plus” concept by 2050. AGH aims to integrate the sustainability issue into its business management strategy by developing its global sustainability structures. The Global Sustainability Committee is its top decision-making body related to

¹ **Ready To Drink:** Low-alcohol beverages such as canned chew-high and highball (9% or less). It does not need to be mixed with soda water or fruit juice and can be drunk immediately after opening the bottle.

sustainability issues, chaired by the Group CEO, and is responsible for establishing sustainability policies and strategies as well as for making decisions on sustainability-related investments.

The subject of this evaluation is the Green Bond Framework (the “Framework”) of AGH which was established to limit its use of proceeds to the projects which have environmental improvement effects. JCR evaluates whether the Framework aligns with the Green Bond Principles² and Green Bond Guidelines³. These principles and guidelines are not binding as they are voluntarily published by each publisher, respectively, but JCR evaluates the Framework with reference to those principles and guidelines on the basis of globally unified standards.

AGH defines the use of proceeds in the Framework as (1)Asahi Carbon Zero, (2)Sustainable containers/packaging, and (3)Sustainable water resources. AGH has established the eligible criteria for each of these project categories based on acquisition of certification or quantitative environmental improvements. JCR also confirmed that AGH identifies possible negative impacts on the environment and take necessary measures to alleviate such risks. Based on the above, JCR evaluates the use of proceeds in the Framework as having the potential to improve the environment.

The eligible projects are appraised by Sustainability department of AGH and the responsible division of the project, and is evaluated and selected by the corporate strategy board of AGH or by the management board of each group company. The proceeds shall be segregated and managed in a dedicated account and disbursements are executed after the approval of the head of the department. The proceeds are allocated quarterly to green eligible assets and are managed in cash or cash equivalents until they are allocated. The finance department and accounting department confirms the details of expenditures and the balances of dedicated accounts monthly. Internal and external audit shall be implemented regarding the management of the proceeds. The allocation status and impact reporting are also appropriately planned. From the above, the management and operation system of AGH has been established, and AGH ensures the transparency of the green bonds.

Based on JCR Green Finance Evaluation Methodology, JCR assigned “g1 (F)” for “Greenness Evaluation (Use of Proceeds)” and “m1 (F)” for “Management, Operation and Transparency Evaluation.” Consequently, JCR assigned “Green1 (F)” for overall “JCR Green Finance Framework Evaluation” to the Framework.

JCR also evaluated that the Framework meets the requirements of the Green Bond Principles and the Green Bond Guidelines.

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

³ Ministry of the Environment Green Bond Guidelines 2020 https://www.env.go.jp/policy/guidelines_set_version_with%20cover.pdf (pp.12-37)

■ Evaluation Results

Based on the JCR Green Finance Evaluation Methodology, JCR assigns “g1 (F)” for the “Greenness Evaluation (Uses of Proceeds)” and “m1 (F)” for the “Management, Operation, and Transparency Evaluation.” As a result, JCR assigns “Green 1 (F)” for the “JCR Green Finance Framework Evaluation” to the Framework. The Framework meets the standards for the items required in the Green Bond Principles and Green Bond Guidelines.

[JCR Green Bond Framework Evaluation Matrix]

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

■ Scope of Subject

Issuer: Asahi Group Holdings, Ltd. (Securities code:2502)

[Assignment]

Subject	Evaluation
Green Bond Framework	JCR Green Bond Framework Evaluation :Green 1(F)
	Greenness Evaluation :g1(F)
	Management, Operation, and Transparency Evaluation :m1(F)

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Important Explanation of the Green Bond Framework Evaluation

1. Assumptions, significance, and limitations of JCR Green Bond Framework Evaluation

JCR Green Bond Framework evaluation, which is granted and provided by Japan Credit Rating Agency, Ltd. (JCR), covers the policies set out in the Green Bond Framework, and expresses the overall opinion of JCR at this time regarding the appropriateness of the Green Project as defined by JCR and the extent of management, operation and transparency initiatives related to the use of funds and other matters. Therefore, it is not intended to evaluate the effects of specific environmental improvements, management and operation systems, and transparency of individual bonds and borrowings, etc. to be implemented based on these policies. In the event that an individual bond or individual borrowing based on this framework is subject to a green finance evaluation, it is necessary to conduct a separate evaluation. In addition, the JCR Green Bond Framework evaluation does not demonstrate the environmental improvement effects of individual bonds or borrows implemented under this framework, and does not assume responsibility for environmental improvement effects. In principle, JCR does not directly measure the environmental improvement effects of funds procured under the Green Bond Framework, although JCR confirms the quantitative and qualitative measures by the issuer or a third party requested by the issuer.

2. Methodology used to carry out this assessment

The methodologies used in this assessment are described in "JCR Green Finance Evaluation" on the "Sustainable Finance ESG" section of the JCR website (<https://www.jcr.co.jp/en/>).

3. Relationship with Credit Rating Business

The act of granting and providing an evaluation of JCR Green Bond Framework is conducted by JCR as a related business and differs from the act related to the credit rating business.

4. Relationship with Credit Ratings

This evaluation differs from credit ratings and is not intended to provide or guarantee that a predetermined credit rating will be provided or made available for inspection.

5. Third-Party Evaluation of JCR Green Finance Framework Evaluation

There are no capital relationships or personnel relationships that could cause conflicts of interest between the subject party and JCR.

■Matters of Attention

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■ Glossary

JCR Green Bond Framework Evaluation: The extent to which the funds procured through green finance are appropriated for green projects as defined by JCR, and the degree to which the management, operation, and transparency of the green finance are managed. Evaluations are performed on a 5-point scale, from the top to the top using the Green1 (F), Green2 (F), Green3 (F), Green4 (F), and Green5 (F) symbols.

■Status of Registration as an External Evaluator 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

■Other status of registration as a credit rating agency, etc.

- Credit Rating Agency Commissioner (Rating) No. 1
- EU Certified Credit Rating Agency
- NRSRO: JCR is registered in the following 4 classes of 5 credit rating classes (as defined by the NRSRO(Nationally Recognized Statistical Rating Organization of the U.S. Securities and Exchange Commission): (1) Financial institutions, broker-dealers, (2) insurance companies, (3) general business corporations, and (4) governments and municipalities. If we are subject to disclosures under Rule 17g-7(a) of the U.S. Securities and Exchange Commission, such disclosures are attached to news releases appearing on the JCR website (<https://www.jcr.co.jp/en/>).

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