

————— 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 Subordinated Bonds of Tokyo Tatemono Co., Ltd.

Subject	:	Tokyo Tatemono Co., Ltd. 2nd Series Deferrable Interest and Callable Unsecured Subordinated Bonds
Type	:	Unsecured bonds
Issue amount	:	JPY 50 billion
Interest rate	:	Through March 15, 2029 : 2.15% After March 15, 2029 : 6 month Euro-yen LIBOR + 3.00%
Issue date	:	March 15, 2019
Redemption date	:	March 15, 2059
Method of repayment	:	Bullet ※With prepayment clauses after 10 years of issuance
Use of proceeds	:	Funds for the acquisition and construction of the Green Building or the refinancing of the funds

<Green Bond Evaluation Results>

Overall evaluation	Green 1
Evaluation of Greenness (use of proceeds)	g1
Evaluation on Management and Operating Systems and Transparency	m1

Chapter 1: Evaluation Overview

Tokyo Tatemono Co., Ltd. (the “Company”) is a general real estate company established in 1896 by Zenjiro Yasuda, the founder of former Yasuda Zaibatsu (business conglomerate). It has two core earnings sources, the Office Buildings business focusing on the leasing of office buildings in central Tokyo and the Residences business engaged in development of condominiums and single-family houses for sale.

The Company addresses environmental issues as one of the four CSR themes and formulated the "Group Environmental Policy" as a guideline for carrying out environment-conscious activities (creating a pleasant city and

living with greenery, climate change prevention that leads the community, resource-saving activities that are kind to the earth, and developing employees with high environmental awareness). Environmental activities are promoted by presenting and implementing these policies in specific activities.

The subject of this evaluation is the 2nd series deferrable interest and callable unsecured subordinated bonds (the "securities") to be issued by Tokyo Tatemono. 100% of proceeds of the securities will be used for new investments or refinancing in properties that meet the eligibility criteria of the Company's Green Finance Framework.

The Green Finance Framework defines the "Green Building" as a property of which the Company acquired or is expected to acquire four stars or more in DBJ Green Building certification, Rank A or higher in CASBEE Certification, or four stars or more in BELS certification. New investment property (Toshima Project), which is one of the candidates for this use of proceeds, is scheduled to be certified as S rank, the highest ranking in the CASBEE. In addition, a property already developed (Nakano Central Park (South)), which is also a candidate for this use of proceeds, has received five stars of DBJ Green Building certification. Consequently, the proceeds are used for the investing in properties with high environmental improvement effects.

Tokyo Tatemono has determined to issue the Green Bonds based on its clear environmental targets. The internal system for addressing environmental issues has been appropriately established, and a system has been established whereby departments with specialized knowledge of the environment are involved in selecting the projects for which the proceeds are to be used. As part of the information to be disclosed as environmental improvement effects assessed by a third-party evaluation organization, JCR confirmed its robust management and operating system and high transparency regarding the green bond related procedures.

Based on the JCR Green Finance Evaluation Methodology, JCR assigned "g1" for the "Greenness Evaluation (use of proceeds)" and "m1" for the "Evaluation on Management, Operating System and Transparency." As a result, the JCR assigned "Green 1" for overall "JCR Green Bonds Evaluation." Detailed evaluation results are discussed in the next chapter.

The securities meet the standards for items required by the Green Bond Principles and the Ministry of the Environment's Green Bond Guidelines.¹²

¹ ICMA(International Capital Market Association) Green Bond Principles 2018

² Ministry of the Environment Green Bond Guidelines 2017

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

Evaluation Phase 1: Greenness Evaluation

Based on the current status described below and JCR's evaluation of the subject, JCR evaluated 100% of the use of proceeds was green project, and assigned "g1", the highest rank for Phase 1: Greenness Evaluation.

(1) JCR's key consideration in this factor

In this section, JCR confirms whether the proceeds are used for green projects that have a clear environmental improvement effect. Next, JCR confirms 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 use of proceeds has 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. On the environmental improvement effects of the projects

i. The use of proceeds meets the Company's Green Eligibility Criteria. 100% of the use of proceeds is to acquire and construct a green building or refinance the green buildings, which have or are scheduled to have the highest certification level. In conclusion, the use of proceeds has high environmental improvement effects.

Tokyo Tatemono defines the use of proceeds under the Green Finance Framework as follows.

Funds raised by Green Bond or Green Loan will be used to acquire and/or construct a Green Building that meets the following eligibility criteria or to refinance such funds.

[Eligibility Criteria]

Certified/re-certified or expected to be certified/re-certified by a third party certification organization as described in (1)-(3) below

- (1) 5-star or 4-star in DBJ Green Building certification
- (2) Rank S or Rank A in CASBEE-Construction (new construction)
- (3) 5-star or 4-star in BELS Certification

The proceeds will be allocated to any or all of the new investments in the Hareza Ikebukuro (Toshima Project) and refinancing of Nakano Central Park (South) for acquisition and construction.

<New investment target projects>

Project name	Hareza Ikebukuro (tentative name: Toshima Project)	
Building name	Hareza Tower	Hall building
Location	1-18-1, Higashi-Ikebukuro, Toshima-ku, Tokyo	1-19, Higashi-Ikebukuro, Toshima-ku, Tokyo, etc.
Principal uses	Offices, cinema complexes, etc.	Hall, live theater, etc.
Site area	3,619.67m ²	2,983.59m ²

Start	December 2016	January 2017
Completion	May 2020 (planned)	April 2019 (planned)
Number of stories	33 floors and 2 basement floors	8 floors and 1 basement floor
Environmental certification	CASBEE S Rank (scheduled)	
Features and environmental performance	<ul style="list-style-type: none"> Hareza Ikebukuro (Toshima Project) is a joint public-private project aimed at redeveloping the former Toshima Ward government building. In addition to Hareza Tower and Hall Building, which are eligible for use of proceeds, the project aims to construct the city center and renovate the Naka Ikebukuro Park. Hareza Ikebukuro is designated as the "Tokyo Metropolitan Area National Strategy Special Zone" under the National Strategic Special Zones Act. It is developed with the purpose of providing international cultural information, development bustling bases, and establishing business exchange bases through eight theatres. Hareza Tower is scheduled to install Low-E pair glass, natural ventilation systems, solar panels, and other equipment, and is scheduled to receive S rank, the highest ranking in CASBEE. In addition, with the PAL reduction rate of 20% and the ERR value of 31%, it is planned that the system will be highly energy-efficient from the viewpoint of insulation of the periphery of the building and equipment. 	

<Properties Owned>

Building name	Nakano Central Park (South)
Location	4-10-2 Nakano, Nakano-ku, Tokyo
Principal uses	Offices, stores, parking lots and halls
Site area	23,835m ²
Total floor area	151,523m ²
Number of stories	22 floors and 1 basement floor
Completion	May 2012
Environmental certification	Five stars in DBJ Green Building certification
Features and environmental performance	<ul style="list-style-type: none"> This is a former site of the National Police Academy and part of the Nakano Station Vicinity Development Plan, a redevelopment project around Nakano Station. After the redevelopment, Nakano Shiki-no-Mori Park and public vacant land, totaling three hectares, are now located in the neighborhood, and the lifestyle that has not been achieved in the past, such as working in the greenery, has been realized. Low-E double glass, high-efficiency lighting, automatic dimming systems, natural ventilation systems, and solar power generation, etc. are used, and they have energy-saving performance equivalent to the S-rank in CASBEE (2010 version). In addition, the PAL reduction rate is approximately 25% and the ERR value is approximately 27%.

The new project is expected to be ranked S in CASBEE. In addition, the owned property was highly evaluated for its environmental specification and received five stars in DBJ Green Building certification, and all of the projects were confirmed to meet the "Eligibility Criteria" set forth in the Green Finance Frame of the Company.

The DBJ Green Building certification evaluates the properties to be evaluated in three categories: Ecology (environmental), Amenity (comfort) and Risk Management (crime and disaster prevention), Community (community and landscape), and Partnership (collaboration with stakeholders). Nakano Central Park (South)

has been developed with the aim of creating a place where people can gather and relax, and it is considered that this point was highly evaluated in the certifications.

Therefore, JCR evaluates that the use of proceeds for the securities has a high environmental improvement effect.

- ii. **The use of proceeds falls under the categories of "green buildings which meet regional, national or internationally recognized standards or certifications" and "Energy Efficiency" among the green projects defined in the Green Bond Principles or the Ministry of the Environment's Green Bond Guidelines."**

b. Negative impact on the environment

With regard to the project subject to the use of proceeds, JCR confirms that Tokyo Tatemono conducts an environmental impact assessment in accordance with the Tokyo Metropolitan Environmental Impact Assessment Ordinance, which requires the implementation of surveys to reduce the potential negative impact on the environment, and predicts and evaluates the impact of such surveys. From this, JCR evaluates that the Company has been adequately addressed so as to minimize the negative impact that it may have on the environment.

c. Consistency with SDGs goals and targets

The projects are classified as energy conservation project and green building projects with recognized standards and certification from the region/country or internationally. JCR evaluated the projects contributes to the following SDGs objectives and targets, referring to the SDGs mapping of ICMA.



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

An acronym for the 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 with the support of the Ministry of Land, Infrastructure, Transport and Tourism's Housing

Bureau as a joint project between industry, government, and academia. Since then, the committee has been continuously developing and maintaining the assessment system.

Evaluation tools include CASBEE-buildings, CASBEE-districts, and CASBEE-properties developed for the real estate market with the aim of showing environmental performance in an easy-to-understand manner.

The assessment results are divided into five grades: S rank (excellent), A rank (excellent), B+ rank (good), B-rank (slightly inferior), and C-rank (inferior) (CASBEE-real estate is classified into four grades: S rank (excellent), A rank (excellent), B+ rank (good), and B rank (satisfying essential items)).

CASBEE-buildings used by Tokyo Tatemono as eligible criteria is a tool that can measure the environmental performance of buildings in detail from the planning stage.

The evaluation method is a reconfiguration and quantification of the performance in the four fields of energy consumption, resource recycling, regional environment, and indoor environment in buildings from the viewpoints of environmental quality of buildings (Q = Quality) and environmental burden of buildings (L = Load).

Evaluation is based on the BEE (Building Eco-Efficiency) value with L as the denominator and Q as the numerator.

In addition to environmental considerations such as energy conservation and the use of materials and equipment with low environmental impact, it is necessary to give consideration to indoor comfort and landscape, and the high quality of comprehensive buildings is required for high evaluation.

Buildings of A rank or more in CASBEE defined by Tokyo Tatemono are those of BEE 1.5 or more and those for which the quality is clearly superior to the environmental load.

② DBJ Green Building

A certification system offered by DBJ (Development Bank of Japan) to evaluate real estate that is environmentally and socially conscious.

The evaluation results are expressed by the number of stars, and the evaluation axis is "buildings with consideration for the environment and society."

The certification evaluates three major categories: "Ecology (Environment)", "Amenity (Comfort) and Risk Management (Crime and Disaster Prevention)" and "Community (Region and Landscape) and Partnership (Cooperation with Stakeholders)."

It is represented by five stars (the best in the country), four stars (very good), three stars (very good), two stars (good), and one star (good).

Although it is not an evaluation specializing in environmental performance, it has a high level of recognition in Japan and a certain level of evaluation items are about environmental performance. Therefore, JCR evaluates the certification as equivalent to the "Green Building with Recognized Standards and Certification" in the Green Project Classification as defined in the Green Bond Principles.

However, as the certification is not limited to environmental performance, JCR considers it desirable to confirm the evaluation of environmental performance on a case-by-case basis.

DBJ Green Building certification is based not only on the environmental performance of the property to be evaluated, but also on overall evaluations including the comfort of tenants, risk management such as disaster prevention and crime prevention, consideration for the surrounding environment and communities, and cooperation with stakeholders.

This certification is designed for scoring while aggregating specific "excellent efforts" for the environment and society, there are many properties that do not reach the target of the certification in the real estate market.

To get the high evaluation, buildings are required to be appropriately conscious not only of the environment but also of all stakeholders.

By the end of November 2018, the number of DBJ Green building applications had risen to 1,166, but the percentage of applications for the top two ranks of four stars and five stars was only about 30% of the number of applications.

③ BELS

BELS is a certification that evaluates and certifies the energy conservation performance of new and existing buildings by a third-party evaluation organization under the Building Energy Conservation Performance Indication System.

External performance (performance and specification standards) and primary energy consumption (performance and specification standards) are subject to evaluation, and the evaluation results are expressed in the number of stars based on the achievement values of the energy conservation standards.

In order to be highly evaluated, it is necessary to have superior energy-saving performance.

In BELS, the number of stars is determined according to the level of BEI (Building Energy Index).

The BEI is a measure of energy conservation performance relative to the reference value, using the design primary energy consumption as the numerator and the reference primary energy consumption as the denominator.

One star is the existing energy conservation standard, two stars is the energy conservation standard, and three stars is the guidance standard.

④ For buildings with 4 stars or more in BELS that are defined as eligible criteria by Tokyo Tatemono, the standard is based on high energy conservation performance (BEI of 0.75 or lower for offices and commercial buildings) that exceeds the guidance standard.PAL (Perimeter Annual Load) Reduction Rate

Indicator showing the insulation and heat shielding performance of a building in terms of heat load per unit area. The higher the PAL reduction rate, the higher the insulation performance of the building. In the Tokyo Metropolitan Government's Environmental Plan for Buildings, the buildings with 20% and more PAL reduction rate are evaluated as Level 3 (a measure for environmental consideration that has a significant effect on reducing the environmental load).

⑤ ERR (Energy Reduction Rate)

ERR is an indicator of the energy efficiency of equipment. The higher the ERR, the higher the energy saving efficiency of the building. In the Tokyo Metropolitan Government's Environmental Plan for Buildings, the buildings with 10% and more ERR are evaluated as Level 3 (a measure for environmental consideration that has a significant effect on reducing the environmental load).

Evaluation Phase 2: Evaluation on Management, Operating System and Transparency

Based on the current situation described below and JCR's evaluation of the subject, JCR evaluated that the management and operational system had been well developed, that transparency was very high, and that it was fully expected that the project would be implemented as planned and that the proceeds would be adequately allocated. In Phase 2, JCR evaluated "m1" as the highest level in terms of management, operating system and transparency.

1. Validity and Transparency of the Criteria for Selection of use of proceeds and their Processes

(1) JCR's key consideration in this factor

In this section, JCR confirms that the objectives to be achieved through the green bond, 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. Target

Tokyo Tatemono Group formulated the Group Environmental Policy in 2011 to contribute to the creation of a sustainable society through environmentally conscious business activities.

Group Environmental Policy

Creating a pleasant city and living with greenery

We will create a rich and comfortable environment for earth and people by utilizing the strength of greenery as much as possible with consideration to biodiversity.

Climate change prevention that leads the community

We will actively implement environmentally-friendly technologies and ideas into our products and services to lead the community in building a low-carbon city.

Resource-saving activities that are kind to the earth

We will strive to reduce the use of resources and environmental impact through all available opportunities and contribute in creating a recycling-oriented society.

Developing employees with high environmental awareness

We will comply with laws related to the environment and educate and raise the awareness of our employees about the environment.

The issuance of the securities is considered to contribute to "Creating a pleasant city and living with greenery" and "Climate change prevention that leads the community" as stated in the Group Environmental Policy, and therefore, JCR evaluated that the objective for the issuance of the Green Bond is appropriate.

b. Selection standard

The Selection Standards of the Green Eligibility Criteria) are as described in Phase 1 of this report. JCR evaluates these criteria with high environmental improvement effects.

The Finance Department and the Corporate Communications Department of Tokyo Tatemono have confirmed that the properties met the eligibility criteria for the use of proceeds.

c. Processes

The selection of the use of proceeds shall be proposed by the Finance Department of Tokyo Tatemono, and it is officially determined by the approval of the Director in charge of the Finance Department or the President.

The issuance of the securities is drafted by the Finance Department. Next, it is necessary to get an approval of the Corporate Communications Department and finally get an approval of the Director in charge of the Finance Department or the President. JCR evaluates that the management is appropriately involved in the selection process and that the institutional decision-making process is clear for both the selection of use of proceeds and the issuance of green bonds.

The above target setting, selection criteria, and process are to be disclosed in the Shelf Registration Supplements and the evaluation report for the issue of the securities in order to ensure the transparency to investors.

2. Appropriateness and Transparency of management of the proceeds

(1) JCR's key consideration in this factor

It is usually assumed that the management of the proceeds varies widely depending on the issuer. JCR confirms whether the proceeds are securely appropriated to the green project and whether a mechanism and internal system are in place to enable easy tracking and management of the appropriation of funds.

JCR also emphasizes evaluating whether proceeds are scheduled to be used for green projects at an early stage, and the management and operation methods of unallocated funds.

(2) Current status of evaluation targets and JCR's evaluation

The proceeds of the securities will be used to all/either of the new investments and refinancing for Hareza Ikebukuro (Toshima Project) and the construction and acquisition of Nakano Central Park (South) described in this evaluation report, and will not be used for any other purposes.

The proceeds are intended to be allocated to the acquisition and construction of the Green Building or refinancing of the Green Building within one year after the securities' issuance. Therefore, JCR confirms that it is sufficient to track the allocation status in the first year after the issuance.

The linkage of funding and assets and the management of funding appropriation are tracked and managed by the Finance Department using the Company's internal management system. In addition, the tracking results are expected to be checked by the director in charge of the Finance Department or the treasurer on a quarterly basis, and the internal control system is also appropriately established.

Consequently, JCR evaluates that Tokyo Tatemono's management of the use is appropriate and transparent.

3. Reporting

(1) JCR's key consideration in this factor

This section evaluates whether or not the disclosure system to investors 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 funds allocation

The proceeds are expected to be used for the green eligible projects within one year after the issuance. Tokyo Tatemono will disclose the status of the proceeds allocation on its website until the unallocated funds are fully allocated.

b. Reporting of Key Performance Impact (environmental improvement effects)

In the Company's Green Finance Framework, Tokyo Tatemono plans to publish the following items as KPIs on its website once a year:

(1) During construction

- Progress of Certification Acquisition Procedures

(2) After completion

- List of valid environmental certifications
- Energy consumption *
- CO2 emissions*
- Water consumption*

*: Total amount of issuers' facilities subject to notification under the Energy Conservation Law

Until the securities are redeemed, Tokyo Tatemono will report environmental improvement effects on new projects and owned properties respectively. Based on the Green Bond Principles, JCR evaluates that disclosure items and frequency are appropriate.

4. Organization's environmental activities

(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

Tokyo Tatemono's CSR policy is aimed at realizing town development that "contributes to the future of cities." The Company actively promotes environmental and sustainable initiatives by treating cities as places for solving environmental problems.

Environmental initiatives are one of the Company's CSR themes (Community Involvement, Responding to Social Change, Environment, Safety & Security). As part of the CSR activities, the Company is implementing a variety of initiatives, including those in accordance with the Group Environmental Policy established in 2011.

In particular, since the building business (97.0% of the Company's energy use) is the most energy-consuming area of the Company, the Building Business Division has formulated an Environmental Execution Plan consisting of seven items, including the acquisition of environmental certification for new buildings, and publicizes the activities related to energy conservation together with the results of the activities as a specific item. The Group Environmental Policy states "Climate change prevention that leads the community", and the Company promotes the development of real estate with excellent environmental performance, such as energy-saving equipment, and the efforts to reduce the amount of energy used in the building business as a whole (with the goal of reducing the basic unit by 1% per year on a moving average over a five-year period based on the Energy Conservation Act) as "global warming prevention measures" in the Environmental Action Plan.

Tokyo Tatemono considers that real estate development is closely related to local ecosystem services, and aims to create a biodiversity-friendly environment. The "Otemachi-no-Mori", approximately 3,600 square meters in the Otemachi Tower and "Kyobashi-no-oka" in the Tokyo Square Garden, which is a greening space from the basement to the fifth floor is one of its symbolic activities. These activities contribute to "Creating a pleasant city and living with greenery", which is one of the Group's Environmental Policies.

Tokyo Tatemono holds up "Resource-saving activities that are kind to the earth" as one of its Group Environmental Policies and is making efforts to reduce environmental impact through activities for resource conservation through not only energy saving but also reducing water consumption and waste. With regard to water resources, the Company renews facilities and reduces waste at office buildings owned and managed by it by promoting the use of reused and recycled materials in the property management manual. In addition, the Company periodically monitors and publishes the monitoring results; the changes in water consumption (including basic unit) and total waste emissions (including basic unit) from April to March of the following year on its website for the aggregation period.

Tokyo Tatemono Group provides knowledge to implement and promote the environmental policy, with the Energy Management Supervisor, the Energy Management Leader, and the advisors selected from both inside and outside the Company. It also receives advice from consulting firms on ESG in general and regularly reviews its approach to environmental issues.

In recognition of its sustainability activities, including those described above, and its environmental impact activities on its real estate, Tokyo Tatemono has been awarded a "Green Star" rating for the third consecutive year in the GRESB Real Estate Assessment, given to participants who have made outstanding efforts in terms of both "management and policy" and "execution and measurement" related to sustainability. In addition, the Company received the top five-star rating in the "GRESB evaluation" based on the global comparative assessment of the total score introduced in FY2016.

Based on the above, JCR evaluates that the Company considers environmental issues as a material and highly prioritized matter in its management, and is implementing various measures to prevent global warming in the development and construction of its core businesses, such as office and commercial buildings, while utilizing consulting by various outside experts and third-party certification.

■ Evaluation Results

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

[JCR Green Bond Evaluation Matrix]

		Evaluation on management, operating system and transparency				
		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: Tokyo Tatemono Co., Ltd. (Security Code: 8804)

[Assignment]

Issue	Issue amount	Issue Date	Redemption date	Interest rate	Evaluation
2nd Series Deferrable Interest and Callable Unsecured Subordinated Bonds	JPY 50 bil.	March 15, 2019	March 15, 2059	(Note)	JCR Green Bond Evaluation :Green1 Greenness evaluation :g1 Evaluation on management, operating system and transparency :m1

Note: 2.15% for the interest period through March 15, 2029. 6 month Euro-yen LIBOR + 3.00% after that date.

(Responsible analyst for this evaluation) Atsuko Kajiwara and Rieko Kikuchi

Important explanations on this Green Bond Evaluation

1. Assumptions, meaning and limits of JCR Green Bond Evaluation

JCR Green Bond 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 from the issuance of green bonds, which are subject to evaluation, are allocated to green projects defined by JCR and the extent to which the management, operation system, and transparency of the use of green bonds are ensured. JCR Green Bond Evaluation does not fully indicate the extent to which the funds procured from such green bonds are allocated and the management, operation, and transparency of the use of the funds are ensured.

JCR Green Bond Evaluation assesses the plan or status of the appropriation of funds at the time of the green bond issuance plan or at the time of issuance, and does not guarantee the status of the appropriation of funds in the future. In addition, JCR Green Bond Evaluation does not prove the environmental effects of green bonds and is not responsible for their environmental effects. JCR confirms that the effects of the funds procured from the issuance of green bonds on the environment are measured quantitatively and qualitatively by the issuer or by a third party requested by the issuer, 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's website (Sustainable Finance & 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 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 Green Bond Evaluation

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

■Disclaimers

The information contained in this document has been obtained by JCR from the Issuer and from accurate and reliable sources. Provided, however, that such information may be erroneous due to human, mechanical or other reasons. Accordingly, JCR makes no representation or warranty, express or implied, as to the accuracy, results, accuracy, timeliness, completeness, marketability, or fitness for a particular purpose of such information, and JCR assumes no responsibility for any error, omission, or result of using such information. In no event shall JCR be liable for any special, indirect, incidental or consequential damages of any kind, including opportunity loss, monetary loss, which may arise from any use of such information, whether contractual, tort, negligence or other cause of liability, and whether or not such damages are foreseeable or unforeseeable. The JCR Green Bond Evaluation does not express any opinion on the various risks (credit risk, price fluctuation risk, market liquidity risk, price fluctuation risk, etc.) associated with the green bond subject to the assessment. The JCR Green Bond Evaluation is a comprehensive statement of opinion at the present time of the JCR and is not a statement of fact and does not make any recommendations regarding risk judgment or the decision to purchase, sell or hold individual bonds, commercial paper, etc. JCR Green Bond Evaluations may be changed, suspended, or withdrawn due to changes in information, lack of information, or other reasons. All rights to this document, including data from the JCR Green Bond Assessment, are held by JCR. Reproduction, adaptation, modification or alteration of this document, in whole or in part, including data from the JCR Green Bond Assessment, without the permission of JCR is prohibited.

■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 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

- Ministry of the Environment's external green bond reviewer registration
- ICMA (registered as an observer with 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 the JCR website (<http://www.jcr.co.jp/en/>).

■For further information, contact

Information Service Dept. TEL: 03-3544-7013 FAX: 03-3544-7026

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

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