



# NEWS RELEASE

Sep 28, 2018

## 【R&I Green Bond Assessment】

### ANA HOLDINGS INC. ANA Holdings Green Bond

: GA1 (Preliminary)

: Second Opinion

(The second opinion is an opinion regarding the alignment with Green Bond Principles, etc.)

Rating and Investment Information, Inc. (R&I) has announced the following R&I Green Bond Assessment (GA1 (Preliminary), Second Opinion).

#### 【DESCRIPTION OF INSTRUMENT】

INSTRUMENT NAME	ANA Holdings Green Bond
ISSUER	ANA HOLDINGS INC.
ISSUE AMOUNT (mn)	JPY 10,000 scheduled
R&I GREEN BOND ASSESSMENT	GA1 (Preliminary)
ISSUE DATE	October 2018 scheduled
MATURITY DATE	October 2028 scheduled

#### 【Summary】

ANA HOLDINGS INC. is the holding company of ANA Group, whose core company is Japan's largest airline ALL NIPPON AIRWAYS Co., Ltd. ANA Group is engaged in a wide range of environmental activities including the reduction of CO<sub>2</sub> emissions from airplanes.

ANA HOLDINGS INC. is considering to issue a green bond and use the proceeds to finance expenditures to the new construction of General Training Center (tentative), a building with superior energy-saving capabilities. For this purpose, the issuer has developed a green bond framework which addresses the four core components of the Green Bond Principles: use of proceeds, process for project evaluation and selection, management of proceeds, and reporting.

#### 【R&I Green Bond Assessment】

R&I has judged, in accordance with R&I Green Bond Assessment Methodology, that the proceeds from the green bond would be invested into projects with significant environmental benefits, and assigned GA1 (preliminary) to the green bond. This is a preliminary assessment and will be reassessed after the final confirmation of bond issuance details.

#### 【Second Opinion on the alignment with Green Bond Principles, etc.】

R&I has also provided a second opinion that the green bond framework is aligned with Green Bond Principles 2018 and Green Bond Guidelines 2017 by Ministry of the Environment of Japan.

Note that R&I has confirmed that the green bond under consideration is going to be in conformity to the said framework from the perspectives of issue amount and term, details of eligible projects, assets and investment schedule, etc.

【Rationale】

- The proceeds will be used to finance the expenditures to the new construction of General Training Center (tentative) that is scheduled to start operations in March 2020. The building is designed in an environmentally conscious manner with solar power generation equipment, LED lighting, super-thermally insulated and high-airtight pair glasses, etc. The ERR (Energy Reduction Ratio), an energy-saving capability index of Tokyo Metropolitan Government Green Building Program (submission system of building environment plan), of the building is as high as 33% (Rank 3 which is the highest of the three levels). It is equivalent to A-rank by CASBEE certification (self-assessment).
- R&I has confirmed the superior energy-saving capabilities and environmental consideration paid to the surrounding environment, and determined that the use of proceeds of this project is appropriate as that from the issuance of a green bond.
- Evaluation and selection of the project is conducted by Treasury Dept. and CSR Dept. of ANA HOLDINGS in a cross-sectional manner and finalized by Group CSR / Risk Management /Compliance Committee under the supervision of the President.
- The construction of the training center is in line with ANA Group's objective to "reduce energy use at all worksites by 1% each year". The project also aims to accelerate the introduction of energy-saving aircrafts including Boeing 787 and Airbus A320neo and A321neo to reduce the Group's CO<sub>2</sub> emissions. This aim is in line with the Group's target to "for the end of FY2020, achieve a 20% reduction in CO<sub>2</sub> emissions per revenue ton-kilometer (total of domestic and international routes) compared with FY2005".
- The entire proceeds from the bond will be allocated to eligible projects during the period from November 2018 to May 2019. Management of the proceeds will be conducted by Treasury Dept. of ANA HOLDINGS and the actual allocation will be tracked by an internal system. Moreover, Corporate Officer in charge of Treasury will verify the allocation of the proceeds on an annual basis. Unallocated proceeds will be reinvested into risk-free, liquid assets such as certificate of deposit.
- With regard to reporting, the status of fund allocation and impact reporting will be disclosed via annual report and the corporate website on an annual basis until the bond matures (allocation status reporting will continue until the completion of allocation).
- ANA HOLDINGS INC. developed environmental policies and structures from early on and has actively engaged in environmental activities including the reduction of CO<sub>2</sub> emissions from aircrafts.

R&I Green Bond Assessment is not the Credit Rating Business, but one of the Ancillary Businesses (businesses excluding Credit Rating Service but are ancillary to Credit Rating Activities) as set forth in Article 299, paragraph (1), item (xxviii) of the Cabinet Office Ordinance on Financial Instruments Business, etc. With respect to such business, relevant laws and regulations require measures to be implemented so that activities pertaining to such business would not unreasonably affect the Credit Rating Activities, as well as measures to prevent such business from being misperceived as the Credit Rating Business.

## ■ Outline of Issuer (ANA HOLDINGS)

ANA HOLDINGS INC. is the holding company of ANA Group, whose core company is Japan's largest airline ALL NIPPON AIRWAYS Co., Ltd. Under the holding company, the Group owns ALL NIPPON AIRWAYS, as well as other aviation business subsidiaries and companies engaged in aviation-related business and travel business, etc.

ANA HOLDINGS established an environmental policy and environmental system from early on and has actively conducted environmental activities. In 2008, the issuer set a CO<sub>2</sub> emissions reduction target (domestic route), among other initiatives, as the world's first airline company, and became the first airline and transportation company certified as ECO FIRST company by the Minister of the Environment of Japan.

Among its environmental activities, the issuer particularly emphasizes the reduction of CO<sub>2</sub> emissions from airplanes. ALL NIPPON AIRWAYS at the time (present ANA HOLDINGS) was the launch customer for new generation aircraft with superior energy saving capability including Boeing 787 and next-generation regional jet MRJ, introducing cutting-edge environmental conservation technologies.

Compared to the former mainstream medium-sized aircraft Boeing 767, Boeing 787 is more fuel-efficient, reducing fuel consumption and CO<sub>2</sub> emissions by approximately 20% and NO<sub>x</sub> by approximately 15%. ALL NIPPON AIRWAYS aggressively introduced this aircraft, and as of August 2018, became the world's largest user of Boeing 787. The introduction of these fuel-efficient aircraft contributes to the reduction of CO<sub>2</sub> emissions per revenue ton kilometer of the entire company.

In its mid- to-long-term plan ANA FLY ECO 2020, ANA Group aims to achieve a 20% reduction in CO<sub>2</sub> emissions per revenue ton kilometer (total of domestic and international routes) compared with FY2005 by the end of FY2020.

On the longer term, in view of the target presented by ICAO<sup>1</sup> and IATA<sup>2</sup>, the issuer plans to reduce CO<sub>2</sub> emissions toward 2050 by aggressively introducing fuel-efficient aircraft. For example, the international aviation area is required to practice MRV (monitoring, reporting and verification) by accurately assessing the quantity of fuels consumed by aircraft and reporting externally-certified results to the national government. In response to this demand, ANA Group is preparing for a system to ensure the transmission of data on the quantity of fuel oil on board to the ground data system for assessment, among others things. Moreover, for the reduction of ground energy consumption, the Group introduced a new energy data administrative management system for the whole Group in 2017 to enhance a system that facilitates inputting, monitoring and analysis of accurate environmental data.

To make these initiatives known to a wide range of stakeholders, ANA HOLDINGS has established a green bond framework and is considering to issue a green bond.

<sup>1</sup> International Civil Aviation Organization. One of the international agencies of United Nations Economic and Social Council established in 1947.

ICAO provides global targets of CO<sub>2</sub> emissions to 1) maintain an annual 2% reduction of CO<sub>2</sub> emissions per transportation unit until 2050, and 2) restrain emissions below an upper limit of emission target for 2020 (carbon-neutral growth).

<sup>2</sup> International Air Transport Association. An industry association consisting of global aviation companies, established in 1945. IATA provides global targets of CO<sub>2</sub> emissions to 1) peak out the CO<sub>2</sub> emissions by 2020, and 2) maintain an annual 1.5% reduction of CO<sub>2</sub> emissions per transportation unit until 2020, and 3) halve the emissions from 2005 by the year of 2050.

## ■ Outline of Green Bond Framework (ANA HOLDINGS Green Bond)

At the issue of its green bond, ANA HOLDINGS INC. has prepared a green bond framework that constitutes issuer's practical guidelines for the four standards of Green Bond Principles including use of proceeds, process for project evaluation and selection, management of proceeds, and reporting. The outline of the framework is as follows:

### 1. Use of Proceeds

- The proceeds from the green bond will be allocated to projects that satisfy the following selection criteria.

Project category	Project Name
Green Building	New construction of General Training Center (tentative)

- General Training Center (tentative) is a training facility that has the world's cutting-edge training equipment, under construction in Ota-ku, Tokyo.
- The building of the training center is designed in an environmentally conscious manner with solar power generation equipment, LED lighting, super-thermally insulated and high-airtight pair glasses, roof greening, natural ventilation, high efficiency heat source equipment, and building energy management system, etc.
- The building is considered to have high energy saving capability, as the ERR<sup>3</sup> (Energy Reduction Ratio) is as high as 33% (Rank 3 which is the highest of the three levels) and PAL\* reduction ratio<sup>4</sup> is 11% (Rank 2), both of which are energy saving capability indices of Tokyo Metropolitan Government Green Building Program (submission system of building environment plan)<sup>5</sup>. The energy efficiency of the building is also ranked A by CASBEE<sup>6</sup> certification (self-assessment).
- Assumed negative aspects of environmental impacts are construction work-related noise and vibration, light pollution, and other bad effects to surrounding area. To address these negative impacts, the training center is constructed in compliance with environmental laws, and its procedural status is regularly reported by Kajima Corporation responsible for design and construction to ANA HOLDINGS and ALL NIPPON AIRWAYS. Moreover, meetings are held for local residents to explain the consideration paid to maintain and preserve their healthy living environment.
- Based on its "Social Responsibility Guidelines" stipulating legal compliance, respect for human rights and diversity, and environmental consciousness, etc., ANA GROUP conducts environmentally and socially conscious business activities.

<sup>3</sup> An index that expresses primary energy consumption of a building as the percentage of reduction from the standard ratio.

$$ERR(\%) = \left(1 - \frac{\text{design based primary energy consumption}}{\text{reference level of primary energy consumption}}\right) \times 100$$

<sup>4</sup> Building envelope performance that is expressed as the percentage reduction from the standard ratio.

<sup>5</sup> An environmental consideration system for buildings started by Tokyo Metropolitan Government (TMG) in September 2002. In cases of newly construction or extension of a building over a certain size, the system mandates a registration that proves environmental consideration efforts paid by the project to be submitted at the time of planning and completion. Along with the submission of the plan, a building owner must also submit notification documents based on the Energy Conservation Act of the country as materials indicating reasonable grounds for the plan. TMG confirms the consistency of the plan and the material submitted and publicizes the plan. Projects are ranked by environmental consideration check item on a three-level scale (Level 3 is the highest).

<sup>6</sup> Comprehensive Assessment System for Built Environment Efficiency (CASBEE) is a method for evaluating and rating the environmental performance of buildings and the built environment. CASBEE was developed by a research committee established in 2001 as part of a joint industrial/government/academic project. The CASBEE assessment is ranked in five grades: Superior (S), Very Good (A), Good (B+), Slightly Poor (B-) and Poor (C).

<Outline of eligible project>

Item	Contents
Major purpose of use	Offices, etc.
Total space	Site area of about 33 thousand square meters; floor space of about 59 thousand square meters
Structure	Eight- above-ground story steel structure
Construction start date	July 2017
In service date (plan)	March 2020
Design and construction	Kajima Corporation
Major environmental consideration	Solar power generation equipment, LED lighting, super-thermally insulated and high-airtight pair glasses, roof greening, natural ventilation, high efficiency heat source equipment, and building energy management system, etc. are introduced.
Major environmental certifications, etc.	Rank 3 of ERR and Rank 2 of PAL* reduction ratio of Tokyo Metropolitan Government Green Building Program; A-Rank of CASBEE (self-assessment)
Energy-saving capability	Primary energy consumption: ERR 33% Building envelope performance: PAL* reduction ratio 11%
Major training equipment to be introduced	Full flight simulator: A flight-training device that enables pilots obtain steering training under simulated bad weather conditions or aircraft malfunction while experiencing a real machine movement not only visually but also physically Motion Mock-up: The world's cutting-edge movable cabin training device that enables cabin attendants obtain cabin service training and others under a simulated shaking condition

<Purpose of foundation of the training center>

- In preparation for a future aviation demand, ANA HOLDINGS newly constructs the training center and enrich training equipment including a full-flight simulator and mock-up.
- Through trainings offered by the training center, the issuer pursues to ensure its management foundation "Safety" by developing human resources from which the quality and services are originated.
- ANA GROUP plans to raise the share of fuel-efficient aircraft, chiefly Boeing 787 and Airbus A320neo and A321neo, and reduce the CO<sub>2</sub> emissions per unit (total of domestic and international routes) in the medium term.
- Compared to Boeing 767, the former mainstream medium-sized aircraft, Boeing 787 is a more fuel-efficient aircraft that can reduce fuel consumption and CO<sub>2</sub> emissions by approximately 20%. ANA HOLDINGS intends to use this training center to train personnel involved in fuel-efficient aircraft operations and advance a company-wide introduction of fuel-efficient aircraft.

## 2. Process for Project Evaluation and Selection

- ANA GROUP reviewed its Environmental Principles and prepared Environmental Philosophies in 1998, which was revised as "ANA GROUP Environmental Philosophies" in 2010, and established "ANA GROUP Environmental Policies" in June 2017. Based on these principles and policies, the Group's mid- to long-term environmental plan ANA FLY ECO 2020 sets an environmental burden reduction-related target and manage the progress.
- One of the targets set by ANA FLY ECO 2020 is to achieve a 1% reduction in annual total energy consumption of the entire business sites. The construction of this training center with superior energy saving capability is in line with these targets.
- ANA FLY ECO 2020 also sets a target, for the end of FY2020, of 20% reduction in CO<sub>2</sub> emissions per revenue ton-kilometer (total of domestic and international routes) compared with FY2005. ANA HOLDINGS intends to use this training center for advancing the introduction of fuel-efficient aircraft, aiming to reduce CO<sub>2</sub> emissions. The proceeds from the bond issuance will be invested into a project in line with the targets mentioned above.
- Considering the training center's superior environmental capability and consciousness of environmental and social risks, and others, ANA HOLDINGS determined whether the project is appropriate as an eligible green bond project.
- Evaluation and selection of the project is conducted by Treasury Dept. and CSR Dept. of ANA HOLDINGS in a cross-sectional manner and finalized under the supervision of the President by Group CSR / Risk Management / Compliance Committee consisting of the full-time Directors and full-time Audit and Supervisory Board Members of ANA HOLDINGS and its subsidiaries including ALL NIPPON AIRWAYS.

### < Environmental principles, policies and target of ANA GROUP >

ANA Group Environmental Principles
<ul style="list-style-type: none"> <li>• The mindset to value the environment starts with recognition of the burden we place on the Earth.</li> <li>• We will use natural resources and energy with care, and contribute to attaining a prosperous and sustainable society.</li> <li>• We will take initiative in environment conservation activities and share our care for the Earth with people around the world.</li> </ul>



ANA GROUP Environmental Policies
<p>ANA Group recognizes environmental initiatives such as measures against global warming and biodiversity conservation as critical business issues and aims to be a Leading Environmental Airline Group through all corporate activities.</p> <ol style="list-style-type: none"> <li>1. We will precisely identify and analyze the impact of our business activities on the environment and publicly disclose them.</li> <li>2. We will promote environmental protection in line with social needs and go beyond relevant laws and regulations, through a wide range of dialogue with stakeholders.</li> <li>3. We will promote measures to reduce the environmental impact in all businesses operations, and actively pursue possibilities of new technologies and services for this purpose.</li> <li>4. We will continuously pay close attention to the environmental consideration of our supply chains and promote environmentally conscious procurement.</li> <li>5. We will enhance our 3R (Reduce, Reuse, Recycle) practices and waste management to contribute toward the creation of a recycling-based society.</li> <li>6. We will encourage our workforce to engage in environmental preservation activities, raising each employee's awareness.</li> </ol>



## ANA FLY ECO 2020 Targets and Performance

Item	Target	Results in the fiscal year 2017
Climate change measures	<b>Reduce CO2 emissions from aviation fuel</b>	
	[Unit Target] For the fiscal year ending March 2021, achieve a 20% reduction in CO2 emissions per revenue ton-kilometer (total of domestic and international routes) compared with the fiscal year ended March 2006.	<ul style="list-style-type: none"> <li>Progressed to 23% reduction (compared with the fiscal year ended March 2006)</li> <li>Reference: Total emissions of 11.48 million tons (increase of 3% year on year) CO2 emissions per revenue ton-kilometer reduced to 0.96kg-CO2</li> </ul>
	[Total Target] Starting from the fiscal year ended March 2013 through March 2021, keep average annual CO2 emissions on domestic routes below 4.4 million tons.	<ul style="list-style-type: none"> <li>Emissions of 4.13 million tons (below target annual average)</li> </ul>
	<b>Reduce ground energy</b>	
	Reduce energy use at all worksites by 1% each year (In accordance with the revised Law Concerning the Rational Use of Energy).	<ul style="list-style-type: none"> <li>Ground energy consumption down 4.7% year on year on a crude oil equivalent basis (Preliminary)</li> </ul>
Introduce alternative aviation fuel		
	Conduct a study toward the start of full-scale use of alternative aviation fuel by the fiscal year ending March 2021.	<ul style="list-style-type: none"> <li>Participated in "Aviation Roadmap Committee" as a part of governmental strategical initiative to realize Bio-Jet flight in 2020 Tokyo Olympic Games.</li> <li>Continual support for R&amp;D into fuels using Euglena and other non-plant materials</li> </ul>
Air pollution measures	<b>Conform with aircraft emission standards</b>	
	All aircraft, including leased aircraft, to conform to Chapter 4 of the International Civil Aviation Organization (ICAO) emission standards.	All aircraft in conformance
Introduce lowpollution vehicles		
	Actively introduce low-pollution vehicles, and study the use of biofuel.	<ul style="list-style-type: none"> <li>Out of the 4283 vehicles introduced this year by the ANA Group, 1779 (approx. 41.5%) were low-pollution vehicles*.</li> <li>*Fuel cell, electric, hybrid or emission constraint vehicles</li> </ul>
Noise measures	All aircraft, including leased aircraft, to conform to Chapter 4 of the ICAO noise standards.	All aircraft in conformance
Resource savings	Reduce waste and promote paperless operations, including sales.	<ul style="list-style-type: none"> <li>Total volume of overall waste 32,100 tons (23% reduction)</li> <li>Total volume of industrial waste 3,700 tons (27% reduction)</li> <li>*Plastic waste decreased by 1000 ton</li> </ul>
	Promote 3R activities, including closed recycling of in-flight magazines and other items.	<ul style="list-style-type: none"> <li>Total paper usage (various types): 4,000 tons (down 600 tons year on year)</li> <li>*Half of the reduced amount attributed to pamphlets, fliers, and calendars. Continual efforts will be made to reduce waste emissions through resource conservation and recycling initiatives.</li> </ul>
Environmental contribution activities for local communities	Conduct sustainable forestation that provides new value to communities and society.	<ul style="list-style-type: none"> <li>Continued afforestation activities twice a year in July* and October, as "ANA Hearty Forest" in Minamisanriku, Miyagi Prefecture.</li> <li>*Collaborated with Boeing Japan in July</li> <li>Continued support for the Ten-year Coastal Forest Restoration Project in the Tohoku region, damaged by the tsunami arising from the Great East Japan Earthquake, through the dispatch of company volunteers to the affected area in June. Donations also made through Environmental Support Miles from ANA Mileage Club members. (0.7million yen)</li> </ul>
	Enhance environmental education activities through the Team Tyura Sango coral regeneration project.	<ul style="list-style-type: none"> <li>*"Team Tyura Sango" coral regeneration project are conducted four times a year (May, June, October, November), and 256 volunteer divers and helpers attended the events this year. A total of 3204 volunteers have planted 8906 coral seeds and seedlings to date. Newly started a nighttime diving event in June to see the spawning of the transplanted corals.</li> <li>*Coral seeds and seedlings have been continuously donated through Environmental Support Miles from ANA Mileage Club and ANA Diamond Club members. (equivalent to 300 coral seedlings)</li> </ul>

### 3. Management of Proceeds

- The entire proceeds from the bond will be allocated to eligible projects from November 2018 to May 2019.
- Management of the proceeds shall be conducted by Treasury Dept. of ANA HOLDINGS and the actual allocation will be tracked by the issuer's internal system. The consistency between the amount of proceeds and the sum of the amount allocated to the eligible project and the unallocated amount shall be checked periodically until the green bond matures. Corporate Officer in charge of Treasury will verify the allocation of the proceeds once a year.
- Unallocated proceeds will be held in risk-free, liquid assets such as certificate of deposit.

### 4. Reporting

- After the issuance of the green bond, ANA HOLDINGS will disclose the status of fund allocation and impact reporting via annual report and the corporate website once a year.
- Regarding the allocation status, an amount allocated to projects and project details shall be disclosed until the entire proceeds are invested.
- Regarding impact reporting, the issuer shall disclose information on the items listed below within the bound of confidentiality and to the reasonably practical extent until the bond matures.

<Information concerning eligible projects>

1. Energy consumption (ten thousand kl of crude oil equivalent)
2. Actual energy usage by type (electricity in kWh; gas in cubic meter)
3. CO<sub>2</sub> emissions (t)
4. Solar power generation (kWh)
5. Water consumption (cubic meter)

<Information associated with eligible projects>

6. The share of fuel-efficient aircraft of the whole aircraft (%) (ANA brand only)
7. CO<sub>2</sub> emissions per revenue ton-kilometer (total of domestic and international routes; ANA brand only) (kg CO<sub>2</sub>/RTK)

## ■ Evaluation on Green Bond Framework (Second Opinion)

In line with R&I Green Bond Assessment Methodology, R&I evaluated if the green bond framework prepared by ANA HOLDINGS INC. is in conformity to Green Bond Principles 2018 and Green Bond Guidelines 2017 by Ministry of the Environment of Japan.

### 1. Use of Proceeds

For green bond proceeds to be used to invest in projects with environmental benefits, the eligible projects in which the funds are invested must be identified as being environmentally beneficial.

#### Main basis for evaluation

- Details of the framework
- Submitted plan required by Tokyo Metropolitan Government Green Building Program
- Materials related to a construction plan
- Materials concerning the legal compliance status and consideration paid to the surrounding environment

#### Evaluation

- Under the framework, the proceeds will be allocated to finance expenditures to the new construction of General Training Center (tentative) scheduled to start operation in March 2020.
- R&I confirmed the energy saving capability (primary energy consumption and building envelope performance) using the data provided in the submitted plan required by Tokyo Metropolitan Government Green Building Program.
- ERR and PAL\* reduction of the training center is 33% and 11%, which are equivalent to Rank 3 and Rank 2 of the said program, respectively. Below describes the categorization of these evaluation items under Tokyo Metropolitan Government Green Building Program. (The application of the building is offices, i.e. Application 1.)

Grade	Concept of Grading	ERR (Application 1) *	ERR (Application 2) *	PAL <sup>*</sup> reduction rate
Grade 3	As a measure for consideration to the environment, it has a remarkably high effect in reducing the burden on the environment.	$30\% \leq \text{ERR}$	$25\% \leq \text{ERR}$	$20\% \leq \text{PAL}^*$ reduction rate
Grade 2	As a measure for consideration to the environment, it has a high effect in reducing the burden on the environment.	$20\% \leq \text{ERR} < 30\%$	$20\% \leq \text{ERR} < 25\%$	$10\% \leq \text{PAL}^*$ reduction rate $< 20\%$
Grade 1	As a measure for consideration to the environment, it has what is necessary in reducing the burden on the environment.	$0\% \leq \text{ERR} < 20\%$		$0\% \leq \text{PAL}^*$ reduction rate $< 10\%$

\* Application 1: Offices, schools and plants, etc. Application 2: Hotels, hospitals, restaurants and meeting places, etc.

- R&I also examined a plan for solar panel installation and natural ventilation systems, etc. to be introduced to the building.
- For the reasons stated above, R&I has judged the building is assumed to have a sufficient environmental capacity compared with typical newly-constructed buildings.
- In addition, based on the status of compliance with relevant laws and regulations, consideration paid to surrounding environment, and contents of explanatory meetings held for local residents, R&I has judged negative aspects of environmental impacts of the training center is reduced.

For the reasons stated above, R&I has judged the use of proceeds under the framework is in conformity to Green Bond Principles 2018 and Green Bond Guidelines 2017 by Ministry of the Environment of Japan.

## 2. Process for Project Evaluation and Selection

For green bond proceeds to be used to invest in projects with environmental benefits, the issuer's rationale and process regarding the selection of eligible projects must be clear and reasonable.

### Main basis for evaluation

- Details of the framework
- ANA GROUP Environmental Principles
- ANA GROUP Environmental Policies
- ANA GROUP's mid- to long-term environmental plan ANA FLY ECO 2020

### Evaluation

- Eligible projects are in line with ANA GROUP Environmental Principles, Environmental Policies, and mid- to long-term environmental plan.
- The eligible project expects to produce sufficient environmental improvement and takes into consideration potentially negative aspects of environmental and social impacts.
- Evaluation and selection of the project is conducted by Treasury Dept. and CSR Dept. that discuss on environmental capacity of the training center, and finalized by Group CSR / Risk Management / Compliance Committee. The decision-making process is deemed adequate.

For the reasons stated above, R&I has judged the process for project evaluation and selection under the framework is in conformity to Green Bond Principles 2018 and Green Bond Guidelines 2017 by Ministry of the Environment of Japan.

### 3. Management of Proceeds

For the green bond proceeds to be used to invest in projects with environmental benefits, the proceeds must be allocated to eligible projects, and must not be invested in projects other than eligible projects.

#### Main basis for evaluation

- Details of the framework

#### Evaluation

- ANA HOLDINGS will track the allocation status using an internal system to ensure the proceeds be invested into eligible projects, and periodically confirm that an amount allocated to eligible projects exceeds the amount of proceeds until the green bond matures. The proceeds management method is deemed appropriate.
- The proceeds will be allocated into eligible projects within one year from the issuance of the bond, which is deemed appropriate.
- Unallocated proceeds will be held in risk-free, liquid assets such as certificate of deposit. The proceeds management plan is deemed appropriate.

For the reasons stated above, R&I has judged that the policy for management of proceeds under the framework is in conformity to Green Bond Principles 2018 and Green Bond Guidelines 2017 by Ministry of the Environment of Japan.

### 4. Reporting

To ensure that green bond proceeds are used to invest in projects with environmental benefits, the issuer is expected to provide details on the eligible projects, the timing of investments, and the environmental benefits yielded by the projects.

#### Main basis for evaluation

- Details of the framework

#### Evaluation

- The reporting on the green bond will be disclosed via ANA HOLDINGS' annual report and corporate website once a year. It includes the status of fund allocation and impact reporting of eligible projects, which constitute adequate contents.

For the reasons stated above, R&I has judged that reporting under the framework is in conformity to Green Bond Principles 2018 and Green Bond Guidelines 2017 by Ministry of the Environment of Japan.

## <Comprehensive Evaluation>

In line with the assessment methodology of R&I green bond assessment, R&I has judged that the framework is in conformity to Green Bond Principles 2018 and Green Bond Guidelines 2017 by Ministry of the Environment of Japan.

This second opinion shall be applied to the green bond to be issued at this time. For subsequent issues, R&I will review the status and then release its second opinion again.

## ■ Evaluation Result on the Green Bond

In line with the assessment methodology of R&I Green Bond Assessment, R&I confirmed if the amount and term of the green bond to be issued, as well as details of eligible projects and the allocation schedule, etc. thereof, are in conformity to the provisions of the framework. Also, in accordance with the details of the framework and specific measures to be taken for the green bond, R&I evaluated the extent the proceeds from the green bond are used to invest in businesses with environmental benefits.

### 1. Use of Proceeds

- As provided in the framework, the eligible project is financing the expenditures to the construction of General Training Center (tentative) scheduled to start operation in March 2020.
- R&I confirmed the status of environmental improvement produced by the project and consideration paid to potentially negative aspects of environmental impacts.
- Accordingly, R&I confirmed that sufficient environmental improvement is expected and due consideration is paid to negative impacts.
- R&I also confirmed that the amount allocated to eligible projects substantially exceed the proceeds from the issuance of the green bond.

For the reasons stated above, R&I has judged the extent to which the proceeds from the issuance of the green bond are used to invest in projects with environmental benefits is excellent.

### 2. Process for Project Evaluation and Selection

- R&I confirmed that eligible projects for the green bond will be selected based on the framework established by the issuer.
- R&I has judged that the process for project evaluation is very clear and reasonable.

### 3. Management of Proceeds

- R&I confirmed that the proceeds will be managed based on the framework established by the issuer.
- R&I has judged that the proceeds management framework of the green bond is excellent.

### 4. Reporting

- R&I confirmed that reporting will be implemented in accordance with the framework stipulated by the issuer.
- R&I has judged that the policy for reporting on the green bond is excellent in content and frequency.

## 5. Environmental activities of the issuer

The extent the proceeds from a green bond is used to invest in businesses with environmental benefits is considered to be affected by issuer's attitude toward environmental activities and track records of such activities. This is because an issuer with higher interest in and more track records of environmental activities are more likely to allocate proceeds from a green bond to businesses with environmental benefits and get those businesses done.

- ANA HOLDINGS established an environmental policy and structure from early on and has conducted advanced environmental activities as an airline company including taking the lead to introduce fuel-efficient aircraft.
- R&I has judged the issuer's attitude toward environmental activities is especially excellent.

## <Comprehensive evaluation>

For the reasons stated above, R&I has judged that the green bond will be issued under the framework established by the issuer and is in conformity to Green Bond Principles 2018 and the four requirements of Green Bond Guidelines 2017 by Ministry of the Environment of Japan.

R&I also evaluated the green bond in line with R&I Green Bond Assessment. In accordance with the comprehensive evaluation based on individual evaluation result by item, R&I has judged that the proceeds from the green bond subject to evaluation is highly likely to be used to invest in businesses with environmental benefits and assigned GA1 (preliminary) to the bond. Individual evaluation result by item is as follows:

### 【Assessment of each item】

Each item has been assessed on a scale of one to five, with  being the highest and  being the lowest.

Item	Assessment	Summary
Use of proceeds		The eligible training center is expected to produce sufficient environmental improvement and takes into consideration potentially negative aspects of environmental impacts. R&I has judged the project has significant environmental benefits.
Process for project evaluation and selection		The process for project evaluation and selection of the green bond has been judged to be excellent in clarity and reasonableness.
Management of proceeds		Management of proceeds from the green bond has been judged to be appropriately established and excellent.
Reporting		Reporting policy of the green bond has been judged to be excellent in content and frequency.
Issuer's environmental contribution activities		The issuer established an environmental policy and structure from early on, and has conducted advanced initiatives including taking the lead to introduce fuel-efficient aircraft and promoting the reduction of CO <sub>2</sub> emissions.

The methodology for R&I Green Bond Assessment is disclosed on R&I's website.  
[https://www.r-i.co.jp/en/rating/products/green\\_bond/methodology.html](https://www.r-i.co.jp/en/rating/products/green_bond/methodology.html)

R&I Green Bond Assessment is R&I's opinion regarding the extent to which the proceeds from the issuance of green bonds are used to invest in projects with environmental benefits. In R&I Green Bond Assessment, R&I may also provide a second opinion on a green bond framework. R&I Green Bond Assessment does not certify the environmental benefits and other qualities of the eligible projects. Hence, R&I will not be held responsible for the effectiveness of the projects, including their environmental benefits. R&I Green Bond Assessment is not the Credit Rating Business, but one of the Ancillary Businesses (businesses excluding Credit Rating Service but are ancillary to Credit Rating Activities) as set forth in Article 299, paragraph (1), item (xxviii) of the Cabinet Office Ordinance on Financial Instruments Business, etc. With respect to such business, relevant laws and regulations require measures to be implemented so that activities pertaining to such business would not unreasonably affect the Credit Rating Activities, as well as measures to prevent such business from being misperceived as the Credit Rating Business.

R&I Green Bond Assessment is not, in any sense, statements of current, future, or historical fact and should not be interpreted as such, and R&I Green Bond Assessment is not a recommendation to purchase, sell, or hold any particular securities and does not constitute any form of advice regarding investment decisions or financial matters. R&I Green Bond Assessment does not address the suitability of an investment for any particular investor. R&I issues R&I Green Bond Assessment based on the assumption that each investor will investigate and evaluate the securities which they plan to purchase, sell, or hold for themselves. All investment decisions shall be made at the responsibility of the individual investor.

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The Assessment Methodologies R&I uses in connection with evaluation are R&I's opinions prepared based on R&I's own analysis and research, and R&I makes no representation or warranty, express or implied, as to the accuracy, timeliness, adequacy, completeness, merchantability, fitness for any particular purpose, or any other matter with respect to the Assessment Methodologies. Further, disclosure of the Assessment Methodologies by R&I does not constitute any form of advice regarding investment decisions or financial matters or comment on the suitability of any investment for any party. R&I is not liable in any way for any damage arising in respect of a user or other third party in relation to the content or the use of the Assessment Methodologies, regardless of the reason for the claim, and irrespective of negligence or fault of R&I. All rights and interests (including patent rights, copyrights, other intellectual property rights, and know-how) regarding the Assessment Methodologies belong to R&I. Use of the Assessment Methodologies, in whole or in part, for purposes beyond personal use (including reproducing, amending, sending, distributing, transferring, lending, translating, or adapting the information), and storing the Assessment Methodologies for subsequent use, is prohibited without R&I's prior written permission.

【Japanese is the official language of this material and if there are any inconsistencies or discrepancies between the information written in Japanese and the information written in languages other than Japanese the information written in Japanese will take precedence.】

## Green Bond / Green Bond Programme

### Independent External Review Form

#### Section 1. Basic Information

Issuer name: ANA HOLDINGS INC.

Green Bond ISIN or Issuer Green Bond Framework Name, if applicable:

Independent External Review provider's name: Rating and Investment Information, Inc. (R&I)

Completion date of this form: September 28, 2018

Publication date of review publication: September 28, 2018

#### Section 2. Review overview

##### SCOPE OF REVIEW

*The following may be used or adapted, where appropriate, to summarise the scope of the review.*

The review assessed the following elements and confirmed their alignment with the GBPs:

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> Use of Proceeds        | <input checked="" type="checkbox"/> Process for Project Evaluation and Selection |
| <input checked="" type="checkbox"/> Management of Proceeds | <input checked="" type="checkbox"/> Reporting                                    |

##### ROLE(S) OF INDEPENDENT EXTERNAL REVIEW PROVIDER

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> Second Party Opinion | <input type="checkbox"/> Certification             |
| <input type="checkbox"/> Verification                    | <input checked="" type="checkbox"/> Scoring/Rating |
| <input type="checkbox"/> Other (please specify):         |  |

*Note: In case of multiple reviews / different providers, please provide separate forms for each review.*

Latest update: June 2018

## EXECUTIVE SUMMARY OF REVIEW and/or LINK TO FULL REVIEW (if applicable)

[R&I Green Bond Assessment]

R&I has judged, in accordance with R&I Green Bond Assessment Methodology, that the proceeds from the green bond would be invested into projects with significant environmental benefits, and assigned GA1 (preliminary) to the green bond. This is a preliminary assessment and will be reassessed after the final confirmation of bond issuance details.

[Second Opinion on the alignment with Green Bond Principles, etc.]

R&I has also provided a second opinion that the green bond framework is aligned with Green Bond Principles 2018 and Green Bond Guidelines 2017 by Ministry of the Environment of Japan.

For details, please refer to R&I Green bond assessment report above.

### Section 3. Detailed review

*Reviewers are encouraged to provide the information below to the extent possible and use the comment section to explain the scope of their review.*

#### 1. USE OF PROCEEDS

**Overall comment on section (if applicable):**

< Evaluation on the Green Bond Framework >

Under the framework, the proceeds will be allocated to finance expenditures to the new construction of General Training Center (tentative) scheduled to start operation in March 2020.

R&I confirmed the energy saving capability (primary energy consumption and building envelope performance) using the data provided in the submitted plan required by Tokyo Metropolitan Government Green Building Program.

ERR and PAL\* reduction of the training center is 33% and 11%, which are equivalent to Rank 3 and Rank 2 of the said program, respectively. Below describes the categorization of these evaluation items under Tokyo Metropolitan Government Green Building Program. (The application of the building is offices, i.e. Application 1.)

Grade	Concept of Grading	ERR (Application 1) *	ERR (Application 2) *	PAL* reduction rate
Grade3	As a measure for consideration to the environment, it has a remarkably high effect in reducing the burden on the environment.	$30\% \leq \text{ERR}$	$25\% \leq \text{ERR}$	$20\% \leq \text{PAL}^*$ reduction rate
Grade2	As a measure for consideration to the environment, it has a high effect in reducing the burden on the environment.	$20\% \leq \text{ERR} < 30\%$	$20\% \leq \text{ERR} < 25\%$	$10\% \leq \text{PAL}^*$ reduction rate $< 20\%$
Grade1	As a measure for consideration to the environment, it has what is necessary in reducing the burden on the environment.	$0\% \leq \text{ERR} < 20\%$		$0\% \leq \text{PAL}^*$ reduction rate $< 10\%$

\* Application 1: Offices, schools and plants, etc. Application 2: Hotels, hospitals, restaurants and meeting places, etc.

R&I also examined a plan for solar panel installation and natural ventilation systems, etc. to be introduced to the building.

For the reasons stated above, R&I has judged the building is assumed to have a sufficient environmental capacity compared with typical newly-constructed buildings.

In addition, based on the status of compliance with relevant laws and regulations, consideration paid to surrounding environment, and contents of explanatory meetings held for local residents, R&I has judged negative aspects of environmental impacts of the training center is reduced.

For the reasons stated above, R&I has judged the use of proceeds under the framework is in conformity to Green Bond Principles 2018 and Green Bond Guidelines 2017 by Ministry of the Environment of Japan.

#### < Evaluation on the Green Bond >

As provided in the framework, the eligible project is financing the expenditures to the construction of General Training Center (tentative) scheduled to start operation in March 2020.

R&I confirmed the status of environmental improvement produced by the project and consideration paid to potentially negative aspects of environmental impacts.

Accordingly, R&I confirmed that sufficient environmental improvement is expected and due consideration is paid to negative impacts.

R&I also confirmed that the amount allocated to eligible projects substantially exceed the proceeds from the issuance of the green bond.

For the reasons stated above, R&I has judged the extent to which the proceeds from the issuance of the green bond are used to invest in projects with environmental benefits is excellent.

### Use of proceeds categories as per GBP:

- |  |  |
|--|--|
| <input type="checkbox"/> Renewable energy  | <input type="checkbox"/> Energy efficiency   |
| <input type="checkbox"/> Pollution prevention and control  | <input type="checkbox"/> Environmentally sustainable management of living natural resources and land use |
| <input type="checkbox"/> Terrestrial and aquatic biodiversity conservation   | <input type="checkbox"/> Clean transportation  |
| <input type="checkbox"/> Sustainable water and wastewater management   | <input type="checkbox"/> Climate change adaptation   |
| <input type="checkbox"/> Eco-efficient and/or circular economy adapted products, production technologies and processes                             | <input checked="" type="checkbox"/> Green buildings  |
| <input type="checkbox"/> Unknown at issuance but currently expected to conform with GBP categories, or other eligible areas not yet stated in GBPs | <input type="checkbox"/> Other (please specify):   |

If applicable please specify the environmental taxonomy, if other than GBPs:

## 2. PROCESS FOR PROJECT EVALUATION AND SELECTION

### Overall comment on section (if applicable):

#### < Evaluation on the Green Bond Framework >

Eligible projects are in line with ANA GROUP Environmental Principles, Environmental Policies, and mid- to long-term environmental plan.

The eligible project expects to produce sufficient environmental improvement and takes into consideration potentially negative aspects of environmental and social impacts.

Evaluation and selection of the project is conducted by Treasury Dept. and CSR Dept. that discuss on environmental capacity of the training center, and finalized by Group CSR / Risk Management / Compliance Committee. The decision-making process is deemed adequate.

For the reasons stated above, R&I has judged the process for project evaluation and selection under the framework is in conformity to Green Bond Principles 2018 and Green Bond Guidelines 2017 by Ministry of the Environment of Japan.

#### < Evaluation on the Green Bond >

R&I confirmed that eligible projects for the green bond will be selected based on the framework established by the issuer.

R&I has judged that the process for project evaluation is very clear and reasonable.

## Evaluation and selection

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> Credentials on the issuer's environmental sustainability objectives            | <input checked="" type="checkbox"/> Documented process to determine that projects fit within defined categories               |
| <input checked="" type="checkbox"/> Defined and transparent criteria for projects eligible for Green Bond proceeds | <input checked="" type="checkbox"/> Documented process to identify and manage potential ESG risks associated with the project |
| <input checked="" type="checkbox"/> Summary criteria for project evaluation and selection publicly available       | <input type="checkbox"/> Other ( <i>please specify</i> ):   |

## Information on Responsibilities and Accountability

- |   |   |
|---|---|
| <input type="checkbox"/> Evaluation / Selection criteria subject to external advice or verification | <input checked="" type="checkbox"/> In-house assessment |
| <input type="checkbox"/> Other ( <i>please specify</i> ):   |   |

## 3. MANAGEMENT OF PROCEEDS

### Overall comment on section (*if applicable*):

< Evaluation on the Green Bond Framework >

ANA HOLDINGS will track the allocation status using an internal system to ensure the proceeds be invested into eligible projects, and periodically confirm that an amount allocated to eligible projects exceeds the amount of proceeds until the green bond matures. The proceeds management method is deemed appropriate.

The proceeds will be allocated into eligible projects within one year from the issuance of the bond, which is deemed appropriate.

Unallocated proceeds will be held in risk-free, liquid assets such as certificate of deposit. The proceeds management plan is deemed appropriate.

For the reasons stated above, R&I has judged that the policy for management of proceeds under the framework is in conformity to Green Bond Principles 2018 and Green Bond Guidelines 2017 by Ministry of the Environment of Japan.

< Evaluation on the Green Bond >

R&I confirmed that the proceeds will be managed based on the framework established by the issuer. R&I has judged that the proceeds management framework of the green bond is excellent.

### Tracking of proceeds:

- |   |
|---|
| <input checked="" type="checkbox"/> Green Bond proceeds segregated or tracked by the issuer in an appropriate manner          |
| <input checked="" type="checkbox"/> Disclosure of intended types of temporary investment instruments for unallocated proceeds |
| <input type="checkbox"/> Other ( <i>please specify</i> ):   |

**Additional disclosure:**

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> Allocations to future investments only       | <input type="checkbox"/> Allocations to both existing and future investments |
| <input checked="" type="checkbox"/> Allocation to individual disbursements       | <input type="checkbox"/> Allocation to a portfolio of disbursements          |
| <input type="checkbox"/> Disclosure of portfolio balance of unallocated proceeds | <input type="checkbox"/> Other ( <i>please specify</i> ):                    |

**4. REPORTING**

**Overall comment on section (if applicable):**

< Evaluation on the Green Bond Framework >

The reporting on the green bond will be disclosed via ANA HOLDINGS' annual report and corporate website once a year. It includes the status of fund allocation and impact reporting of eligible projects, which constitute adequate contents.

For the reasons stated above, R&I has judged that reporting under the framework is in conformity to Green Bond Principles 2018 and Green Bond Guidelines 2017 by Ministry of the Environment of Japan.

< Evaluation on the Green Bond >

R&I confirmed that reporting will be implemented in accordance with the framework stipulated by the issuer.

R&I has judged that the policy for reporting on the green bond is excellent in content and frequency.

**Use of proceeds reporting:**

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> Project-by-project | <input type="checkbox"/> On a project portfolio basis     |
| <input type="checkbox"/> Linkage to individual bond(s) | <input type="checkbox"/> Other ( <i>please specify</i> ): |

**Information reported:**

- |   |  |
|---|--|
| <input checked="" type="checkbox"/> Allocated amounts     | <input type="checkbox"/> Green Bond financed share of total investment |
| <input type="checkbox"/> Other ( <i>please specify</i> ): |  |

**Frequency:**

- |   |                                      |
|---|--------------------------------------|
| <input checked="" type="checkbox"/> Annual                | <input type="checkbox"/> Semi-annual |
| <input type="checkbox"/> Other ( <i>please specify</i> ): |                                      |

## Impact reporting:

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> Project-by-project | <input type="checkbox"/> On a project portfolio basis     |
| <input type="checkbox"/> Linkage to individual bond(s) | <input type="checkbox"/> Other ( <i>please specify</i> ): |

### Frequency:

- |   |                                      |
|---|--------------------------------------|
| <input checked="" type="checkbox"/> Annual                | <input type="checkbox"/> Semi-annual |
| <input type="checkbox"/> Other ( <i>please specify</i> ): |                                      |

### Information reported (expected or ex-post):

- |   |  |
|---|--|
| <input checked="" type="checkbox"/> GHG Emissions / Savings | <input type="checkbox"/> Energy Savings  |
| <input type="checkbox"/> Decrease in water use              | <input checked="" type="checkbox"/> Other ESG indicators ( <i>please specify</i> ): Energy consumption (ten thousand kl of crude oil equivalent), Actual energy usage by type (electricity in kWh; gas in cubic meter), Solar power generation (kWh), Water consumption (cubic meter), The share of fuel-efficient aircraft of the whole aircraft (%) (ANA brand only), CO <sub>2</sub> emissions per revenue ton-kilometer (total of domestic and international routes; ANA brand only) (kg CO <sub>2</sub> /RTK) |

## Means of Disclosure

- |  |  |
|--|--|
| <input type="checkbox"/> Information published in financial report   | <input type="checkbox"/> Information published in sustainability report                              |
| <input type="checkbox"/> Information published in ad hoc documents   | <input checked="" type="checkbox"/> Other ( <i>please specify</i> ): issuer's website, annual report |
| <input type="checkbox"/> Reporting reviewed ( <i>if yes, please specify which parts of the reporting are subject to external review</i> ): |  |

Where appropriate, please specify name and date of publication in the useful links section.

### USEFUL LINKS (*e.g. to review provider methodology or credentials, to issuer's documentation, etc.*)

The methodology for R&I Green Bond Assessment

[https://www.r-i.co.jp/en/rating/products/green\\_bond/methodology.html](https://www.r-i.co.jp/en/rating/products/green_bond/methodology.html)

**SPECIFY OTHER EXTERNAL REVIEWS AVAILABLE, IF APPROPRIATE**

**Type(s) of Review provided:**

- |   |   |
|---|---|
| <input type="checkbox"/> Second Party Opinion             | <input type="checkbox"/> Certification  |
| <input type="checkbox"/> Verification                     | <input type="checkbox"/> Scoring/Rating |
| <input type="checkbox"/> Other ( <i>please specify</i> ): |   |

**Review provider(s):**

**Date of publication:**

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**Rating and Investment Information, Inc.** TERRACE SQUARE, 3-22 Kanda Nishikicho, Chiyoda-ku, Tokyo 101-0054, Japan <https://www.r-i.co.jp>

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## ABOUT ROLE(S) OF INDEPENDENT REVIEW PROVIDERS AS DEFINED BY THE GBP

1. **Second Party Opinion:** An institution with environmental expertise, that is independent from the issuer may issue a Second Party Opinion. The institution should be independent from the issuer's adviser for its Green Bond framework, or appropriate procedures, such as information barriers, will have been implemented within the institution to ensure the independence of the Second Party Opinion. It normally entails an assessment of the alignment with the Green Bond Principles. In particular, it can include an assessment of the issuer's overarching objectives, strategy, policy and/or processes relating to environmental sustainability, and an evaluation of the environmental features of the type of projects intended for the Use of Proceeds.
2. **Verification:** An issuer can obtain independent verification against a designated set of criteria, typically pertaining to business processes and/or environmental criteria. Verification may focus on alignment with internal or external standards or claims made by the issuer. Also, evaluation of the environmentally sustainable features of underlying assets may be termed verification and may reference external criteria. Assurance or attestation regarding an issuer's internal tracking method for use of proceeds, allocation of funds from Green Bond proceeds, statement of environmental impact or alignment of reporting with the GBP, may also be termed verification.
3. **Certification:** An issuer can have its Green Bond or associated Green Bond framework or Use of Proceeds certified against a recognised external green standard or label. A standard or label defines specific criteria, and alignment with such criteria is normally tested by qualified, accredited third parties, which may verify consistency with the certification criteria.
4. **Green Bond Scoring/Rating:** An issuer can have its Green Bond, associated Green Bond framework or a key feature such as Use of Proceeds evaluated or assessed by qualified third parties, such as specialised research providers or rating agencies, according to an established scoring/rating methodology. The output may include a focus on environmental performance data, the process relative to the GBP, or another benchmark, such as a 2-degree climate change scenario. Such scoring/rating is distinct from credit ratings, which may nonetheless reflect material environmental risks.