



R&I Green Bond Assessment

Tokyo Gas Co., Ltd. Unsec. Str. Bonds No.66 (Green Bonds) : GA1 (Formal)

December 4, 2020

ESG Dept., Credit Rating
Planning and Research Office
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Rating and Investment Information, Inc. (R&I) has assigned an R&I Green Bond Assessment to the financial instrument of Tokyo Gas Co., Ltd.

■ Overview of R&I Green Bond Assessment

Financial Instrument	Tokyo Gas Co., Ltd. Unsec. Str. Bonds No.66 (Green Bonds)
Issue Amount (mn)	JPY 10,000
Issue Date	December 10, 2020
Maturity Date	December 10, 2030
Use of Proceeds	Renewable energy
Assessment	GA1 (Formal)

Assessment by item

Item	Assessment
Use of proceeds	
Process for project evaluation and selection	
Management of proceeds	
fReporting	
Environmental activities of the issuer	

* Each item is assessed on a 5-point scale, from (highest) to (lowest).

Overall Assessment

All proceeds of green bonds will be allocated to solar power projects in Annaka City, Gunma and Texas, USA. Tokyo Gas' structures for renewable energy projects are properly in place, and the two projects have great access to high demand areas. Moreover, the company gives due consideration to negative environmental and social impacts. Overall, R&I considers that the projects are expected to help reduce CO₂ emissions substantially. Tokyo Gas is committed to tackling a challenge of net zero CO₂ in the group's environmental goals, Compass 2030 management vision and FY2020-2022 medium-term management plan. One of the specific actions is to increase the group's renewable energy transaction volume, for which quantitative targets have been disclosed. The issuance of green bonds is positioned as financing for achieving these targets. The Accounting Department will manage proceeds, and all proceeds will be allocated to the two projects promptly after the issuance of green bonds. Reporting on allocation of proceeds and impact reporting will be disclosed for each project category. Impact reporting will cover the

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core indicators for renewable energy projects recommended by the International Capital Market Association (ICMA). The goals Tokyo Gas pursues under Compass 2030 are in line with the global long-term goal of the Paris Agreement, and the company is moving toward ambitious goals to combat global warming.

The R&I Green Bond Assessment Methodology can be found on the following website.
<https://www.r-i.co.jp/en/rating/products/esg/index.html>

I . Outline of the Issuer

- Tokyo Gas is the largest city gas company in Japan. In November 2019, it unveiled the Tokyo Gas Group's management vision "Compass 2030," looking 30 years ahead. The vision shows the course the group should pursue over the next 10 years. One of the three challenges the vision calls for is to achieve net zero CO₂. Tokyo Gas is the first major energy company to set this goal.
- To realize Compass 2030, the company will take five actions, including (1) coordination of renewable energies and natural gas, (2) decarbonization technology innovations and (3) overseas expansion. In overseas markets, the company aims to diversify its business by expanding its renewable energy business significantly in addition to promoting shale gas and other resource development and LNG and gas infrastructure. As one of its key performance indicators (KPIs), it targets renewable energy transaction volume of 2 million kW by FY2022 and 5 million kW by 2030.

II. Assessment by Individual Item

1. Use of Proceeds

(1) Eligible Projects

- Tokyo Gas established the eligibility criteria shown below in its Green Bond Framework. Proceeds of green bonds will be allocated to finance new investments or refinance existing investments related to projects that meet the eligibility criteria. In the case of existing investments, proceeds will be allocated only to expenditures made within 3 years before the issuance of green bonds.

<Eligible Criteria>

Category	Business / Project	Project Category in Green Bond Principles	Alignment with SDGs
Renewable energy	Projects for the development, construction, operation, renovation and other related expenditures of renewable energy (solar PVs) generation facilities	Renewable energy	7. Affordable and clean energy 9. Industry, innovation and infrastructure 11. Sustainable cities and communities 13. Climate action 17. Partnerships for the goals

- All proceeds will be allocated to projects for the solar power generation facilities listed below.

<Project Summary>

Project No.	Project name (Plant name)	Location	Output at generator	Start of operation
1	Annaka Solar Power Plant	Annaka City, Gunma	63,206kW	January 2020
2	Aktina Power Plant	Wharton County, Texas, USA	630,000kW	FY2021

1. Annaka Solar Power Plant (Annaka City, Gunma)

In February 2020, Prominet Power Co., Ltd., a wholly owned subsidiary of Tokyo Gas, acquired the Annaka Solar Power Plant through Annaka Solar LLC, a special purpose company managed by Asia Pacific Land (Japan) Limited. The plant commenced operation in January 2020 as one of the largest solar power plants in the Kanto region in terms of generation capacity. It provides an environmentally valuable power source that helps reduce CO₂ emissions by approximately 56,000 tons annually. After the feed-in tariff period ends, the company plans to use the plant as an in-house power source.

2. Aktina Power Plant (Wharton County, Texas, USA)

In August 2020, Tokyo Gas America Ltd., a wholly owned subsidiary of Tokyo Gas, acquired the

Aktina Solar Project (Aktina) with a maximum output of 630,000kW, which had been developed by Hecate Energy LLC, a renewable energy development company, in Texas, USA. Aktina is planned to be brought online in blocks starting in FY2021. The Tokyo Gas Group takes initiative from construction to commercial operation. With abundant solar resource, Aktina is favorably located for solar power generation. The generated power will be sold to the ERCOT wholesale market in Texas.

- The amount (or percentage) allocated to refinancing will be disclosed on Tokyo Gas' website.
- Use of proceeds will be described in amended shelf registration statements, shelf registration supplements, etc.

(2) Environmental Benefits

- After confirming Tokyo Gas' development and acquisition policies and operation, implementation and monitoring structures, R&I has judged that eligible projects for green bonds are expected to help reduce CO₂ emissions substantially.
- The two projects mentioned above have great access to high demand areas and will likely maintain their significant CO₂ reduction effect. The Annaka Solar Power Plant is situated in the Greater Tokyo area. With output controls unlikely to be imposed, high capacity utilization can be envisaged. The Aktina Power Plant is being constructed in Texas, which has the second largest population in the U.S., and is located approximately 140 kilometers from Houston, the largest city in the state. Moreover, Aktina has acquired its interconnection rights to transmission lines in the high-voltage grid, which are generally considered to have low transmission loss.
- Tokyo Gas plans to report their capacity (MW), energy generation (kWh) and CO₂ reduction amount (t-CO₂) as environmental benefits of eligible projects.
- The Annaka Solar Power Plant promotes decentralized autonomous energy in the Greater Tokyo area and helps strengthen the area's resilience to disasters.

(3) Consideration for Negative Environmental and Social Impacts

- In general, potential negative impacts of solar power generation projects on the environmental and social fronts include destruction of ecosystems or other adverse effects stemming from large-scale land reclamation, outflow of muddy water, light pollution and landscape deterioration, and noise and vibration from related facilities.
- When acquiring a project, Tokyo Gas confirms that measures to protect the surrounding environment have been taken, including necessary permits and licenses, by taking into account the opinions of third-party experts. R&I considers that the company gives due consideration to potential negative impacts of each project on the environmental and social fronts.

Assessment (Use of Proceeds):

All proceeds will be allocated to solar power projects in Annaka City, Gunma and Texas, USA. Tokyo Gas' development and acquisition policies and operation, implementation and monitoring structures for renewable energy projects are properly in place, and the two projects have great access to high demand areas. The company gives due consideration to negative environmental and social impacts. Overall, R&I considers that the projects are expected to help reduce CO₂ emissions substantially.

2. Process for Project Evaluation and Selection

(1) Incorporation into Comprehensive Objectives, Strategies and so on

- The Tokyo Gas Group has environmental policies and environmental goals based on its management philosophy and corporate action philosophy.

● Environmental Policies

Philosophy
The Tokyo Gas Group will promote more sustainable ways of energy use to contribute to the protection of regional and global environments as well as to the sustainable development of society.

Policies

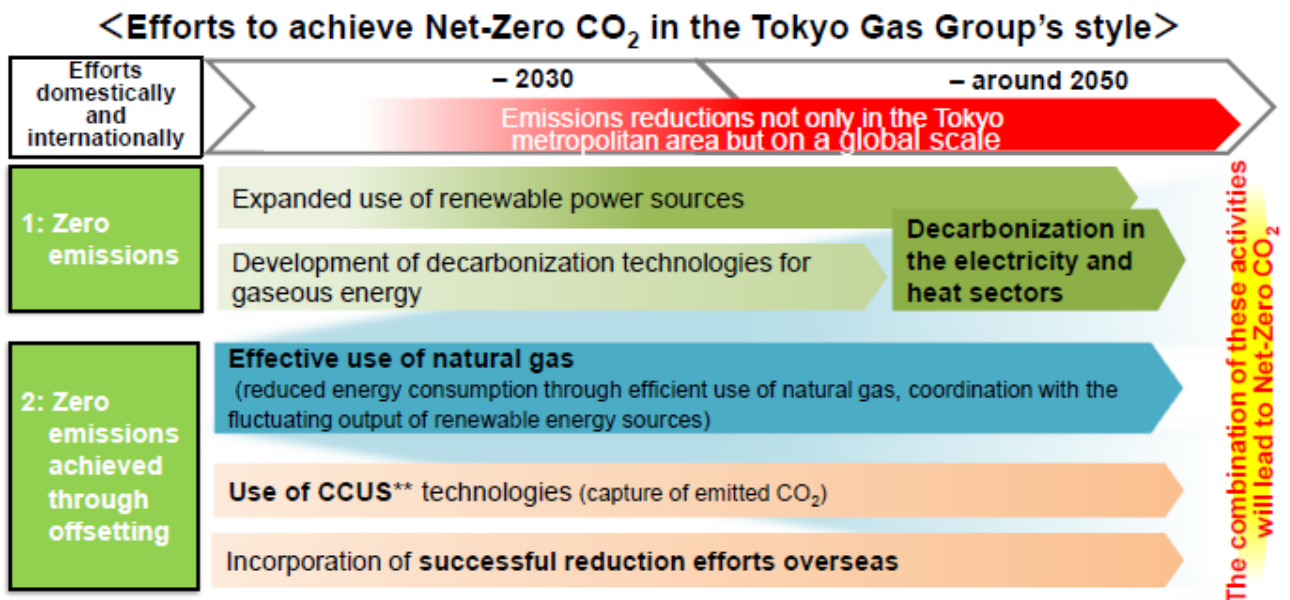
1. Reduction of the Environmental Impact of Customers' Energy Use
2. Reduction of the Total Environmental Impact of Tokyo Gas's Business Operations
3. Strengthening of Environmental Partnerships with Local and International Communities
4. Promotion of Green Technology R&D Programs
5. Biodiversity Conservation and Sustainable Use
6. Compliance with Environmental Law and Fulfillment of Social Responsibilities

● Environmental Goals

- (1) Strive toward Net-Zero CO₂ emissions
- (2) Promote environmental value co-creation
- (3) Develop a resource-efficient recycling society
- (4) Cultivate positive stakeholder relationships regarding the environment



[Source: Exerpt from Tokyo Gas Group Sustainability Report 2020]



[Source: Exerpt from Tokyo Gas Group Compass 2030 Management Vision]

- In November 2019, Tokyo Gas unveiled its Compass 2030 management vision, looking 30 years ahead. The vision shows the course the group should pursue over the next 10 years and calls for three challenges: leadership in the effort to achieve net zero CO₂, establishment of a value co-creation

ecosystem and transformation of the LNG value chain. KPIs for net zero CO₂ are CO₂ reduction contribution and renewable energy transaction volume. The group aims to achieve 10 million tons in CO₂ reduction contribution and 5 million kW in renewable energy transaction volume by 2030.

- Tokyo Gas expects demand for decarbonized energy to become apparent in the industrial arena before decarbonization technologies for gaseous energy¹ including city gas, its core product, are commercialized. The company takes on the challenge of achieving net zero CO₂ by combining various initiatives such as 1) zero emissions through expanded use of renewable power sources and development of decarbonization technologies for gaseous energy and 2) zero emissions achieved through offsetting, where it strives to reduce energy consumption through effective use of natural gas and coordinate the use with the fluctuating output of renewable energy sources while using CCUS technologies and incorporating successful reduction efforts overseas.
- To realize Compass 2030, the company announced a Tokyo Gas Group FY2020-2022 medium-term management plan in March 2020. Over the 3-year period from FY2020, it will mainly focus on balancing the effective use of natural gas with the expansion of renewable energies and virtual power plants and acquiring technologies for CO₂ emissions reduction, capture and use, as well as for zero emissions. KPIs include achieving 6.5 million tons in CO₂ reduction contribution and 2 million kW in renewable energy transaction volume by FY2022.
- The two eligible projects are the acquisition of renewable energy power sources in and outside Japan. Both projects are well positioned in the context of the environmental policies and environmental goals mentioned above and are consistent with the roadmap for Compass 2030 and net zero CO₂.

(2) Criteria for Project Evaluation and Selection

- Tokyo Gas is committed to tackling a challenge of net zero CO₂ in its environmental goals, Compass 2030 management vision and FY2020-2022 medium-term management plan. One of the specific actions is to increase the group's renewable energy transaction volume, for which quantitative targets have been disclosed. The issuance of green bonds is positioned as financing for achieving these targets.
- Projects ineligible for the allocation of green bond proceeds are defined in the exclusion criteria shown below. The criteria are described in the Green Bond Framework.
 - **Unfair transactions that do not comply with the laws and regulations of the country of residence, inappropriate relationships such as bribery, corruption, blackmail, embezzlement, etc.**
 - **Transactions that can cause social problems such as human rights and the environment**

(3) Process for Project Evaluation and Selection

- The Accounting Department selects projects and the accounting officer makes a final decision on eligible projects. The process for project evaluation and selection is described in the Green Bond Framework.

Assessment (Process for Project Evaluation and Selection):

Tokyo Gas is committed to tackling a challenge of net zero CO₂ in the group's environmental goals, Compass

¹ The search for ways to decarbonize gaseous energy has begun across the globe. P2G (power-to-gas) is one example. Empirical projects are underway to utilize hydrogen produced by electrolyzing water using renewable energy or hydrogen extracted from fossil fuels by combining CCS (CO₂ capture and storage) and produce methane from the hydrogen (methanation).

2030 management vision and FY2020-2022 medium-term management plan. One of the specific actions is to increase the group's renewable energy transaction volume, for which quantitative targets have been disclosed. The issuance of green bonds is positioned as financing for achieving these targets. R&I considers the process for project evaluation and selection as clear and reasonable, and has judged it to be excellent.

3. Management of Proceeds

- The Accounting Department will manage proceeds of green bonds using the integrated accounting system, etc. The balance of unallocated proceeds will be confirmed at least quarterly. Unallocated proceeds will be managed in cash or cash equivalents. The method of managing proceeds is described in the Green Bond Framework and disclosed to investors.
- All proceeds will be allocated to the two projects promptly after the issuance of green bonds. The allocation of proceeds will be verified by an external reviewer.
- R&I has confirmed through an interview that the planned allocation amount for each project will not exceed the total project cost.

Assessment (Management of Proceeds):

The Accounting Department will manage proceeds, and all proceeds will be allocated to the two projects promptly after the issuance of green bonds. R&I has confirmed through an interview that the planned allocation amount for each project will not exceed the total project cost. R&I considers that the method of managing proceeds is properly in place, and has judged it to be excellent.

4. Reporting

(1) Overview of Disclosure

- Reporting will be made as follows:

	Items	Timing	Method
Allocation of proceeds	The following will be disclosed for each project category. <ul style="list-style-type: none"> Amount allocated Amount allocated to existing expenditures Amount unallocated 	Disclosed annually until all proceeds are allocated	Website
Impact	The following will be disclosed to the extent practically possible. <ul style="list-style-type: none"> Capacity (MW) Energy generation (kWh) Annual CO₂ reduction amount (t-CO₂) Project summary 	Disclosed annually until redemption	Website

- Disclosures should be made in a timely manner when a significant change is made to the proceeds allocation plan or when a significant change occurs in the allocation status after proceeds are allocated due, for example, to sale of assets.

(2) Indicators to Show Environmental Benefits and Calculation Method, etc.

- Reporting on allocation of proceeds and impact reporting will be disclosed for each project category.
- Impact reporting will cover the core indicators for renewable energy projects recommended by the ICMA. Disclosures will be made in an aggregate format to the extent practically possible.

Assessment (Reporting):

Reporting on allocation of proceeds and impact reporting will be disclosed for each project category. Impact reporting will cover the core indicators for renewable energy projects recommended by the ICMA. R&I has judged reporting to be excellent in terms of frequency and content, among other factors.

5. Environmental Activities of the Issuer

- Tokyo Gas announced its policy toward decarbonization earlier than other major energy companies in Japan and leads the industry. In November 2019, the company committed to tackling a challenge of net zero CO₂ in its Compass 2030 management vision. Together with a roadmap up to around 2050, it disclosed specific actions and quantitative targets. The medium-term management plan announced in March 2020 includes detailed strategies for the 3-year period from FY2020 under Compass 2030 along with quantitative targets.
- Following the publication of the IPCC's Special Report on Global Warming of 1.5°C² in 2018, more countries, local governments and companies have set net zero CO₂ as their new target since 2019 to achieve a global long-term goal under the Paris Agreement³, and this has become a global trend. In October 2020, Japan's Prime Minister Suga also declared in its policy speech the country's aim to reach net zero CO₂ by 2050. The goals Tokyo Gas pursues under Compass 2030 are in line with the global long-term goal of the Paris Agreement, and the company is moving toward ambitious goals to combat global warming.
- In FY2019, Tokyo Gas scored an A- in the Climate Change assessment and an A in the Water assessment by CDP, an international non-profit organization that conducts environmental evaluation.

Assessment (Environmental Activities of the Issuer):

Tokyo Gas announced its policy toward decarbonization earlier than other major energy companies in Japan and leads the industry. In November 2019, it committed to tackling a challenge of net zero CO₂ in its Compass 2030 management vision. Together with a roadmap up to around 2050, the company disclosed specific actions and quantitative targets. The goals Tokyo Gas pursues under Compass 2030 are in line with the global long-term goal of the Paris Agreement³, and the company is moving toward ambitious goals to combat global warming. R&I has judged environmental activities of the issuer to be superior.

² The IPCC stands for Intergovernmental Panel on Climate Change. It was established by the United Nations Environment Programme (UNEP) and the World Meteorological Organization (WMO) in 1988 to provide comprehensive assessments on the scientific, technical and socio-economic aspects of anthropogenic climate change, its impacts and options for adaptation and mitigation. In December 2018, the IPCC published a Special Report on Global Warming of 1.5°C, which calls for achieving net zero global CO₂ emissions by 2050 in order to limit warming to 1.5°C and meet the globally shared goal of the Paris Agreement.

³ In the Paris Agreement adopted in 2015, all countries agreed on a global long-term goal of keeping a global temperature rise well below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase even further to 1.5°C. Following the publication of the IPCC's Special Report on Global Warming of 1.5°C (see footnote 2) in 2018, more countries, local governments and companies have set net zero CO₂ as their new target since 2019, which has become a global trend.

Ⅲ. Overall Assessment

- Prior to the R&I Green Bond Assessment, R&I has confirmed that the Green Bond Framework of these projects is aligned with the “Green Bond Principles 2018” and the Ministry of the Environment’s “Green Bond Guidelines 2020.”
- The green bonds that are assessed this time will be issued based on the above-mentioned Green Bond Framework determined by the issuer.
- All proceeds of green bonds will be allocated to projects for onshore solar power generation facilities (Annaka Solar Power Plant and Aktina Power Plant) in and outside Japan. Tokyo Gas’ structures for renewable energy projects are properly in place, and the two projects have great access to high demand areas. Moreover, the company gives due consideration to negative environmental and social impacts. Overall, R&I considers that the projects are expected to help reduce CO₂ emissions substantially. Tokyo Gas is committed to tackling a challenge of net zero CO₂ in its environmental goals, Compass 2030 management vision and FY2020-2022 medium-term management plan. One of the specific actions is to increase the group’s renewable energy transaction volume, for which quantitative targets have been disclosed. The issuance of green bonds is positioned as financing for achieving these targets. The Accounting Department will manage proceeds, and all proceeds will be allocated to the two projects promptly after the issuance of green bonds. Reporting on allocation of proceeds and impact reporting will be disclosed for each project category. Impact reporting will cover the core indicators for renewable energy projects recommended by the ICMA. The goals Tokyo Gas pursues under Compass 2030 are in line with the global long-term goal of the Paris Agreement, and the company is moving toward ambitious goals to combat global warming.

[Disclaimer]

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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[Expertise and Third-Party Characteristics]

R&I has launched the R&I Green Bond Assessment business in 2016, and since then, R&I has accumulated knowledge through numerous evaluations. Since 2017, R&I has been participating as an observer in the Green Bond Principles and Social Bond Principles, which have their own secretariat at the International Capital Market Association (ICMA). It also has been registered since 2018 as an Issuance Supporter (external review entity) of the Financial Support Programme for Green Bond Issuance, a project by the Ministry of the Environment.

The R&I assessment method and results can be found on the R&I website (<https://www.r-i.co.jp/en/rating/esg/index.html>).

There is no capital or personal relationship between R&I and the fundraiser that could create a conflict of interest.



Green Bond / Green Bond Programme Independent External Review Form

Section 1. Basic Information

Issuer name: Tokyo Gas Co., Ltd.

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

Tokyo Gas Co., Ltd. Unsec. Str. Bonds No.66 (Green Bonds)

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

Completion date of this form: December 10, 2020

Publication date of review publication: December 10, 2020

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

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)*

<Scoring/Rating: R&I Green Bond Assessment>

R&I has judged, in accordance with R&I Green Bond Assessment Methodology, that green bond proceeds are used to invest in projects with environmental benefits to a significant degree, and assigned GA1 (formal) to the green bond.

For details, please refer to the 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)*:

For details, please refer to "II Assessment by Individual Item, 1. Use of Proceeds" in the report above.

Use of proceeds categories as per GBP:

- | | |
|--|--|
| <input checked="" 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 type="checkbox"/> Green buildings (Environmentally Responsible Building) |
| <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 <i>(please specify)</i> : |

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

2. PROCESS FOR PROJECT EVALUATION AND SELECTION

Overall comment on section *(if applicable)*:

For details, please refer to “II Assessment by Individual Item, 2. Process for Project Evaluation and Selection” in the report above.

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

3. MANAGEMENT OF PROCEEDS

Overall comment on section *(if applicable)*:

For details, please refer to “II Assessment by Individual Item, 3. Management of Proceeds” in the report above.

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 type="checkbox"/> Allocations to future investments only | <input checked="" type="checkbox"/> Allocations to both existing and future investments |
| <input 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)*:

For details, please refer to “II Assessment by Individual Item, 4. Reporting” in the report above.

Use of proceeds reporting:

- | | |
|--|--|
| <input type="checkbox"/> Project-by-project | <input checked="" 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 checked="" type="checkbox"/> Other <i>(please specify)</i> : | |

The following will be disclosed for each project category.

Amount allocated/ Amount allocated to existing expenditures/ Amount unallocated

Frequency:

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

Impact reporting:

- | | |
|--|--|
| <input type="checkbox"/> Project-by-project | <input checked="" 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> :
The following will be disclosed to the extent practically possible.
Capacity (MW)/ Energy generation (kWh)/
Annual CO ₂ reduction amount (t-CO ₂)/ Project summary |

Means of Disclosure

- | | |
|--|---|
| <input type="checkbox"/> Information published in financial report | <input type="checkbox"/> Information published in sustainability report |
|--|---|

- Information published in ad hoc documents Other (please specify):
Issuer's website
- Reporting reviewed (if yes, please specify which parts of the reporting are subject to external review):
Allocation of proceeds

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.)

1. The evaluation methodology and services
<https://www.r-i.co.jp/en/rating/products/esg/index.html>
2. Evaluation performance
- (1) Green Finance
<https://www.r-i.co.jp/en/rating/esg/greenfinance/index.html>
- (2) Sustainability Finance
<https://www.r-i.co.jp/en/rating/esg/sustainabilityfinance/index.html>
- (3) Social Finance
<https://www.r-i.co.jp/en/rating/esg/socialfinance/index.html>

SPECIFY OTHER EXTERNAL REVIEWS AVAILABLE, IF APPROPRIATE

Type(s) of Review provided:

- Second Party Opinion Certification
- Verification Scoring/Rating
- Other (please specify):

Review provider(s):

Date of publication:

Second Party Opinion/Verification: DNV GL

Certification: Climate Bonds Initiative

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.