NEWS RELEASE

JCR Sustainable Evaluation

25-D-1702
March 13, 2026

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

The Government of Japan

10-year Japan Climate Transition Bond (4th) — Assignment

<Alignment with Climate Transition Bond Guidelines>

The bond is aligned with Climate Transition Bond Guidelines

Overall Evaluation	Greenness/ Transition Evaluation (Use of Proceeds)	Management, Operation and Transparency Evaluation
Green 1(T)	gt1	m1

Issuer	The Government of Japan
Subject	10-year Japan Climate Transition Bonds (4th)
Type	Interest-bearing government bonds
Issue Amount	JPY 299.9 billion
Interest Rate	Nominal Coupon 2.1 % (per annum)
Auction Date	March 13, 2026
Redemption Date	December 20, 2035
Method of Redemption	Lump-sum redemption at maturity
Use of Proceeds	Projects that meet the eligibility criteria identified in the Climate Transition Bond Framework based on the GX2040 Vision

The planned issuance amount and other details of Japan Climate Transition Bonds to be issued in FY2025 are as follows[1]. For evaluation details of this bond, please refer to the JCR Preliminary Evaluation Report on Japan Climate Transition Bond (FY2025) published on January 19, 2026 (25-D-1420).

Auction Date	Security / Issue Number	Amount	Redemption Date
July 15, 2025	5-year bonds (3rd)	JPY 299.8 billion	June 20, 2030
October 21, 2025	10-year bonds (3rd)	JPY 299.8 billion	September 20, 2035
January 26, 2026	5-year bonds (4th)	JPY 299.9 billion	December 20, 2030
March 13, 2026	10-year bonds (4th)	JPY 299.9 billion	December 20, 2035

[1] Source: Ministry of Finance, "Japan Climate Transition Bonds"
https://www.mof.go.jp/english/policy/jgbs/topics/JapanClimateTransitionBonds/index.html
However, the schedule may be revised depending on the market environment, etc.

Evaluation Result (Conclusion) Green 1(T)

JCR assigned "gt1" to the appraisal of "Greenness/Transition Evaluation (Use of Proceeds,)" "m1" to the appraisal of "Management, Operation and Transparency Evaluation" based on JCR Green Finance Evaluation Methodology. As a result, JCR assigned "Green 1(T)" to the "JCR Climate Transition Bond Evaluation" for this Bonds. This Bonds meet the criteria for the items required in the Green Bond Principles, the Green Bond Guidelines, the Climate Transition Finance Handbook, the Basic Guidelines on Climate Transition Finance, and Climate Transition Bond Guidelines.

		Management/operation/transparency evaluation				
		m1	m2	m3	m4	m5
Greenness/ Transition Evaluation	gt1	**Green 1(T)**	Green 2(T)	Green 3(T)	Green 4(T)	Green 5(T)
	gt2	Green 2(T)	Green 2(T)	Green 3(T)	Green 4(T)	Green 5(T)
	gt3	Green 3(T)	Green 3(T)	Green 4(T)	Green 5(T)	N/A
	gt4	Green 4(T)	Green 4(T)	Green 5(T)	N/A	N/A
	gt5	Green 5(T)	Green 5(T)	N/A	N/A	N/A

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Important Explanation on this Evaluation

1. Assumptions, Significance, and Limitations of JCR Climate Transition Finance Evaluation

   JCR Climate Transition Finance Evaluation provided by Japan Credit Rating Agency (hereinafter referred to as "JCR") covers the policies set out in the JCR Climate Transition Finance Evaluation as an evaluation target and states JCR's comprehensive opinion on the extent to which allocation is made to the Green/Transition Project defined by JCR and on the degree to which the efforts to ensure the management, operation and transparency on the use of proceeds at present. It is therefore not intended to evaluate the specific environmental benefits and the management/operation system/transparency on the use of proceeds, such as individual bonds or borrowings implemented based on the policies. JCR, in principle, does not directly measure the environmental benefits of proceeds financed through the green/transition finance although JCR confirms that the environmental benefits are quantitatively and qualitatively measured by an issuer or borrower (hereinafter the issuer and borrower are collectively referred to as a "finance raiser") or the third parties requested by the finance raiser.

2. Methodology Used in this Evaluation

   The methodology used to make this evaluation is posted as JCR Green Finance Evaluation Methodology in the Sustainable Finance/ESG section on the JCR's website at https://www.jcr.co.jp/

3. Relation with Conduct for Credit Rating Business

   The conduct of assigning and providing JCR Green Finance evaluation is performed by JCR as its related business and is different from the conduct for the credit rating business.

4. Relation with Credit Rating

   This evaluation is different from a credit rating and does not commit to providing a predetermined credit rating or make available for inspection.

5. Impartiality when Evaluating JCR Green Finance

   There are no capital or personnel relationships that could create a conflict of interest between this evaluation target and JCR.

Points to Consider

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Terminology

JCR Climate Transition Finance Evaluation: The assessment of the extent to which proceeds financed by the Climate Transition Finance are allocated to green/transition finance defined by JCR and the degree of management, operation and transparency related to the use of proceeds for the green/transition finance. The evaluation is made on a scale of five in the order from top to bottom with evaluation symbols, Green 1 (T), Green 2 (T), Green 3 (T), Green 4 (T), Green 5 (T)

Status of Registration as External Evaluator of Sustainability Finance

- Ministry of the Environment: Registered as External Reviewer of Green Finance
- ICMA (observer registration as an external evaluator with the International Capital Market Association)
- UNEP FI Positive Impact Financial Principles Working Group Member
- Climate Bonds Initiative Approved Verifier

Other Registration Status as Credit Rating Agency

- Credit Rating Agency: the Commissioner of the Financial Services Agency (Credit Rating) No. 1
- EU Certified Credit Rating Agency
- NRSRO: JCR registered with the following four of the five credit rating classes of the Nationally Recognized Statistical Rating Organization ("NRSRO") as defined by the U.S. Securities and Exchange Commission: (1) financial institutions, broker/dealers, (2) insurance companies, (3) general business corporations and (4) national/local governments. In cases where disclosure is required based on Rule 17g-7(a) of the Securities Exchange Act, such disclosure is attached to News Release on the JCR webpage at https://www.jcr.co.jp/en/.

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