

## UNOFFICIAL TRANSLATION

Although Japan Post Insurance pays close attention to providing an English translation of the information disclosed in Japanese, the Japanese original prevails over the English translation in the case of any discrepancy.

January 13<sup>th</sup>, 2021

Company name: JAPAN POST INSURANCE Co., Ltd.

Representative: SENDA Tetsuya, Director and President, CEO, Representative Executive Officer

Investment in first EBRD's "Green Transition Bond"  
exclusively placed with a Japanese investor  
~ to support the transition of high carbon intensive industries  
to low carbon ones~

JAPAN POST INSURANCE Co., Ltd. (hereinafter "Japan Post Insurance") considers "green transition" as an important theme aiming to promote environmental consideration and just transition to a sustainable economy. Japan Post Insurance also underlines the importance of a "green recovery" that accelerates countermeasures against climate change to underpin the economic recovery from the Covid-19 crisis. Japan Post Insurance invested AUD 280 million (approximately JPY 22.5 billion) in a "Green Transition Bond" issued by the European Bank for Reconstruction and Development (hereinafter "EBRD"). The bond is EBRD's first "Green Transition Bond" that is exclusively placed to a single Japanese investor. Japan Post Insurance has bought the whole amount of the bond.

Green transition is the "shift" of business models in industrial, agricultural, constructional and other sectors which emit a large amount of greenhouse gas (GHG), to a low carbon ones. It mainly focuses on the significant reductions of fossil fuel use and also on the improvement of the usage of resources. The industries that emit a large amount of GHG often need support to articulate their transition strategy and identify and implement projects consistent with the strategy. Funds raised by the Green Transition Bond will be used only to finance projects that lead to a significant reduction of GHG emissions, such as the improvement of fuel consumption efficiency and switching to cleaner fuels in power plants, in the industrial sectors that highly impact the environment. Japan Post Insurance believes that investment in the bond will play an extremely important role in promoting the transition to a net-zero carbon society.

In recent years, EBRD has been strongly committed to support the transition to a green low carbon economy in its countries of operations, and reflecting this, EBRD has set a target annual green investment ratio of more than 50% by 2025 under its Green Economy Transition 2021-2025 strategy. The proceeds of the issuance of the bond will be used towards the EBRD's Green Transition projects, which contribute to the ambitions of the UN SDGs, including #13 "Take urgent action to combat climate change and its impacts", and support the countries in which the projects are situated to fulfill their Paris Agreement objectives.

In order to fulfill its social responsibilities as a life insurance company, Japan Post Insurance has established an "ESG investment policy" (\*) in asset management. Japan Post Insurance considers various factors of ESG in making investment decisions, in order to realize a sustainable society, improve investment results and reduce risks in the long-term.

In addition, under the "Basic Environmental Declaration", with the aim of passing on a sound global environmental resources to the next generation, Japan Post Insurance strives to operate businesses that are adapted to the effects of climate change. Additionally, Japan Post Insurance promotes business activities and environmental conservation activities that take into consideration the reduction of the burden on the global environment.

Japan Post Insurance invests in ESG themed bonds. Japan Post Insurance selects themes that can widely contribute to the achievement of the SDGs and the resolution of issues related to them, and invests in projects beneficial to the resolution of ESG issues.

Japan Post Insurance will work proactively to contribute to the achievement of SDGs and the resolution of issues related to them through asset management.

(\*) ESG Investment Policy

[https://www.jp-life.japanpost.jp/aboutus/csr/responsible\\_investment/esg.html](https://www.jp-life.japanpost.jp/aboutus/csr/responsible_investment/esg.html)

#### ■ Outline of the Bond

Issuer	European Bank for Reconstruction and Development
Ratings	Standard & Poor's : AAA / Moody's : Aaa
Tenor (Maturity)	10 years (28 <sup>th</sup> January, 2031)
Issued Amount	AUD 280,000,000 (JPY 22.5 billion equivalent)
Coupon	1.20%

## About EBRD

The European Bank for Reconstruction and Development (EBRD) is a supranational institution founded in 1991, and owned by 69 countries as well as the European Union and the European Investment Bank. The EBRD's mission is to foster the transition to open, market-based economies and to promote sustainable growth in the 38 economies where it works across three continents. It finances projects that strengthen the private sector and help make economies more competitive, well-governed, green, inclusive, resilient and integrated.

The EBRD has a strong relationship with Japan. In addition to Japan's position as a major stakeholder in the EBRD (the second largest holder with a 9% stake), the cooperative relationship has been deepened since the EBRD's representative office in Tokyo was opened in 2016. In Oct 2020, EBRD and NEXI concluded a memorandum of understanding (MOU), aiming at work together to provide more effective support for overseas projects developed by Japanese companies.

## SUSTAINABLE DEVELOPMENT GOALS

