








ESG bonds: How to Post Information on the Platform

Exchange & beyond

Tokyo Stock Exchange, Inc.

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Description

- ❖ Allows issuers to post information pertaining to ESG bonds, from among those listed on TOKYO PRO-BOND Market, on the JPX website.
- ❖ Provides issuers with a space to showcase and promote their initiatives/activities related to projects that contribute to solving environmental and social problems.

Features

- 1 Posting/displaying of information pertaining to ESG bonds
- 2 Posting/displaying of such information as use of proceeds, external reviews, reporting, and other related information

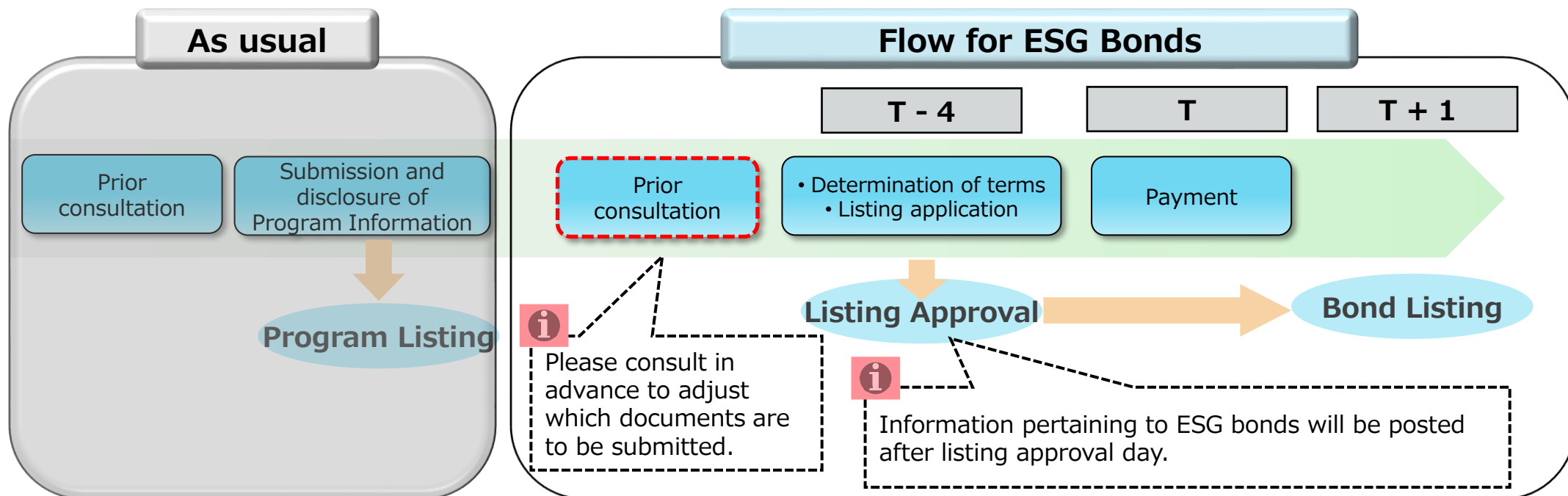
2 Information that can be posted on the Platform

Issuers can post the following information on the platform.

Information	Contents
Use of proceeds	<ul style="list-style-type: none">• Content that can be evaluated on the appropriateness of the use of funds by investors and other market participants (e.g., category of green or social project(s) to which proceeds have been allocated, project evaluation and selection process)
External review	<ul style="list-style-type: none">• Objective evaluation by a third party of the suitability of the described project(s) in regards to the use of proceeds and alignment/reference with ESG bond frameworks. (Such external reviews might include: consultant review, verification, certification, or rating)
Reporting	<ul style="list-style-type: none">• Description of project(s) to which proceeds have been allocated• Amount(s) allocated to the described project(s)• Expected impact of the described project(s)
Other related information	<ul style="list-style-type: none">• Press releases by the issuer• Projects targeted for investment• Web links to pages containing relevant information such as press releases by investors

3 Standard schedule for listing

Standard Schedule for Listing



Notes

- ✓ The flow of from Program Listing to Bond Listing is the same as that for ordinary bonds. **In the case of ESG bonds, please consult in advance to adjust which documents are to be submitted for the platform.**
- ✓ When applying for listing as ESG bonds, please **check "Yes"** in "Security Initial Listing Application Form", and submit the document(s) to TSE (details on next page).
- ✓ For Program Listing, the issuer does not need to express intention whether to post as ESG bonds. Please submit "Security Initial Listing Application Form" to TSE **at the time of individual listings on program information.**

4 Documents to be submitted (1)

List of documents

Below are the documents that the issuer submits to TSE upon initial listing application, which are **the same as those for ordinary bonds**. Please state **information pertaining to ESG bonds** in **Security Initial Listing Application Form**.

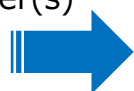
	No Change	Changed	
Documents to be Submitted	Program Listing <ul style="list-style-type: none"> Program Information Written Assurance regarding Program Listing Information Sheet 	Drawdown under a Listed Program <ul style="list-style-type: none"> Security Initial Listing Application Form Supplemental Specified Securities Information 	Stand-Alone <ul style="list-style-type: none"> Security Initial Listing Application Form Specified Securities Information Listing Agreement Written Oath Regarding Initial Listing Application Information Sheet

Note: An ESG Bond Information section has been the added to Security Initial Listing Application Form.

Items to be stated in Security Initial Listing Application Form

1. Trade Name or Official Name
2. Address of Head Office or Main Office of Business
3. Contact Person of Applicant
4. Issue Name and Other Information of Bond pertaining to Initial Listing Application
5. Preferred Date of Listing Approval
6. Other Confirmation Matters
 - (a) Status of Obtaining Credit Rating
 - (b) Name(s) of Lead Managing Underwriter(s)

7. ESG Bond Information

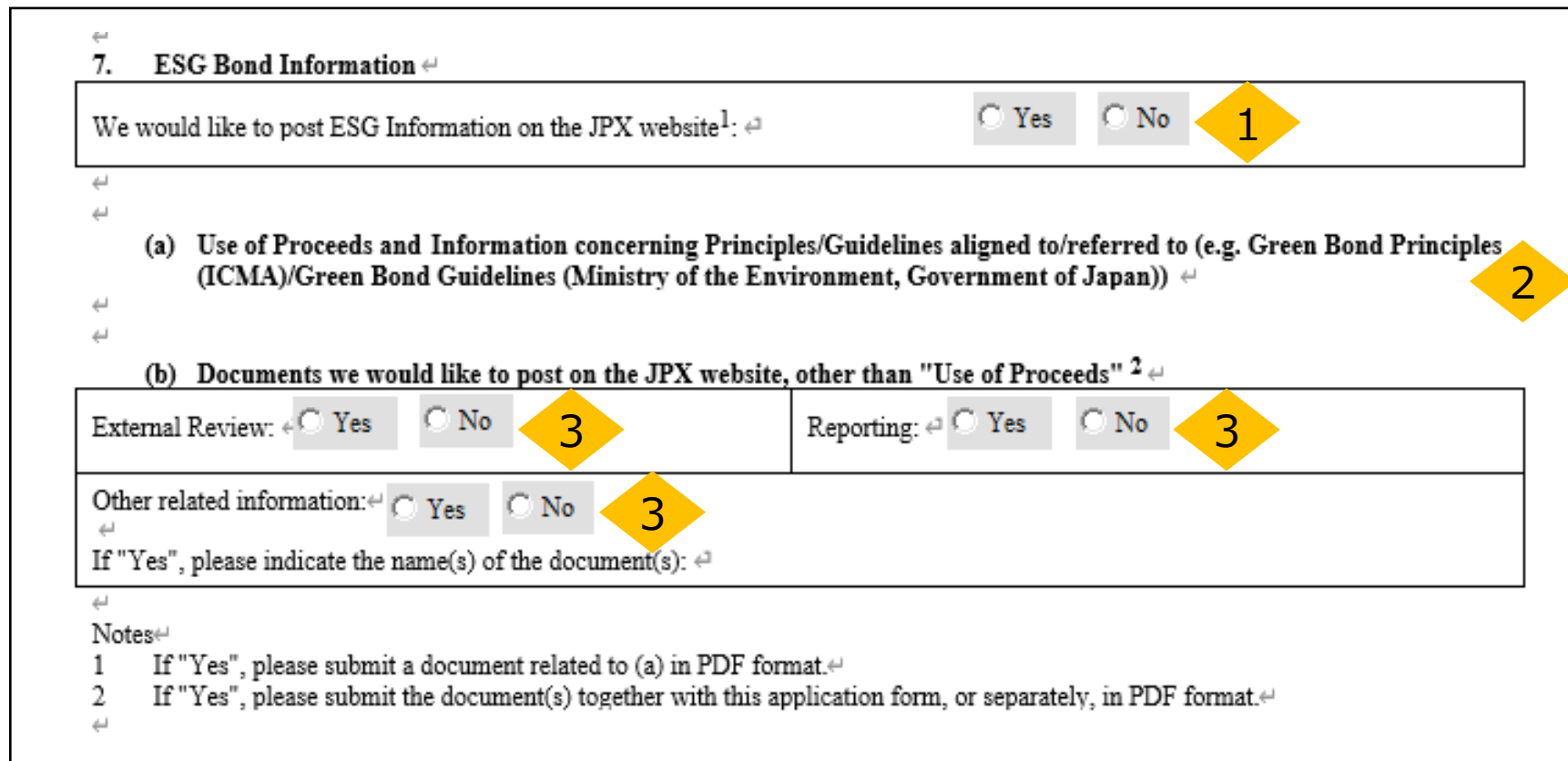


For 7., state only when applying for ESG bonds (details on next page).

4 Documents to be submitted (2)

Image of Security Initial Listing Application Form

When issuers choose to label said bond as an ESG bond, they are required to submit Security Initial Listing Application Form with “**ESG Bond Information**” as follows.



7. **ESG Bond Information**

We would like to post ESG Information on the JPX website¹: Yes No **1**

(a) **Use of Proceeds and Information concerning Principles/Guidelines aligned to/referred to (e.g. Green Bond Principles (ICMA)/Green Bond Guidelines (Ministry of the Environment, Government of Japan))** **2**

(b) **Documents we would like to post on the JPX website, other than "Use of Proceeds"**²

External Review: <input type="radio"/> Yes <input type="radio"/> No 3	Reporting: <input type="radio"/> Yes <input type="radio"/> No 3
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Other related information: Yes No **3**

If "Yes", please indicate the name(s) of the document(s):

Notes

1 If "Yes", please submit a document related to (a) in PDF format.

2 If "Yes", please submit the document(s) together with this application form, or separately, in PDF format.

➔ Details of **1** **2** **3** are shown on the next page.

4 Documents to be submitted (3)

Items to be stated for ESG Bonds Information

1 Posting ESG bonds information

Please check "Yes" and state information described in **2** and **3**.

2 Use of proceeds and alignment/reference to Principles/Guidelines

Please submit the document(s) on use of proceeds to TSE in PDF format.

In addition, please state compatibility with the principles/guidelines aligned to/referred to upon implementing ESG bonds project.

If there is no principles/guidelines aligned to/referred to, please state the reason.

(For example: "The issuer has its own guidelines.")

3 Documents the issuer wishes to post in addition to "Use of Proceeds"

(1) External review

If the issuer wishes to post external review, please check "Yes" and submit the document(s) to TSE in PDF format.

(2) Reporting

If the issuer wishes to post reporting documents such as positive environmental impact after the bond is listed, please check "Yes" and submit the document(s) to TSE in PDF format.

(3) Other related information

If the issuer wishes to post other information such as press releases, please check "Yes" and submit the document(s) to TSE in PDF format. In addition, if these are press releases by investors, the Web link can also be posted on the platform.

Q Do we have to comply with/refer to some kind of principles or guidelines in order to post information about ESG bonds?

A Although there are no internationally uniform definitions or standards for ESG bonds, in order to ensure market transparency and credibility, it is desirable for issuers to indicate the standards they comply with/refer to. Some examples of guidelines pertaining to Green Bonds include: ICMA's "Green Bond Principles", which are widely referred to around the world; "Climate Bonds Standards", which have been developed by Climate Bonds Initiative (CBI); and, "Green Bond Guidelines", which were established by the Ministry of the Environment, Japan. One example of guidelines for Social bonds is ICMA's "Social Bond Principles". These guidelines provide a certain level of guidance on such matters as the use of proceeds, process for project evaluation and selection, management of proceeds, and reporting. It is desirable for issuers to state the standards they comply with/refer to and their specific initiatives and activities for each item in the standards in addition to information about the use of proceeds. If the issuer uses its own guidelines or the issuer finds it is difficult to indicate it for any reason, it is desirable for the issuer to state the reason together with information about the use of proceeds.

Q Do we have to obtain an external review to post information on ESG bonds?

A External reviews (including, but not limited to, a consultant review, verification, certification, or rating) are not required. However, the aforementioned guidelines recommend that issuers use external reviews to confirm the alignment of their ESG bonds with the principles/guidelines.

Q Are we required to consistently report after bond issuance to be able to post information about ESG bonds?

A There is no such requirement. However, the aforementioned guidelines recommend that the issuer periodically publish up-to-date information on the use of proceeds from the issuance of ESG bonds, such as the outline of projects funded by the proceeds, the amount allotted to the projects, and expected results of the projects.

Q Where is information pertaining to ESG bonds posted?

A You can access the relevant section by clicking the "ESG Bonds Information" button on the "TOKYO PRO-BOND Market" webpage. Or, you can reach said section from the "Listed Issues" webpage under "TOKYO PRO-BOND Market" in the JPX Official Website.

Q Are there any fees for posting information about ESG bonds on the platform?

A No additional fees will be charged to post information about ESG bonds.

Contact

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