

News Release

December 14, 2022

Formulated Sustainability Linked Financing Framework

EXEO Group, Inc. (the “Company”; head office: Shibuya-ku, Tokyo; Tetsuya Funabashi, President) has formulated the EXEO Group Sustainability Linked Financing Framework (*1) (the “Framework”) as a financing method that promotes solutions to social and environmental issues. In November 2021, the Company issued its first green bonds based on a green bond framework formulated at that time. The Framework developed this time will allow flexible financing through the issuance of sustainability linked bonds or sustainability linked loans.

Regarding the subject matter, the Company has obtained a third-party opinion (*2) from Japan Credit Rating Agency, Ltd. (President: Shokichi Takagi) about conformity with the Sustainability Linked Loan Principles, etc. and reasonableness of the KPIs and sustainability performance targets (SPTs) the Company established.

The Company defined the practice of ESG management as one of the challenges toward sustainable growth in its 2030 Vision announced in May 2021, and set environmental, social, and governance KPIs as well as specific targets in Medium-Term Management Plan (2021-2025), which it is working systematically and continuously to achieve. The Company will contribute to the realization of a sustainable society, through the use of the Framework for implementing sustainable financing from diversified funding sources (*3), through the reduction of greenhouse gas emission and the conduct of eco-friendly management with an eye on solving environmental and climate change-related issues, and through proactive development of renewable energy-related business, etc., among other things.

*1. EXEO Group Sustainability Linked Financing Framework

URL;<https://www.exeo.co.jp/ir/siryou/pdf/sustainafw202211.pdf>

*2. Third-party opinion from Japan Credit Rating Agency, Ltd. regarding conformity with the Sustainability Linked Loan Principles, etc. and reasonableness of the KPIs and sustainability performance targets (SPTs) the Company established

URL;<https://www.jcr.co.jp/en/greenfinance/>

*3. Sustainability linked loans (“SLL”) to be implemented this time

(i) Domestic syndicated SLL to the Company with Sumitomo Mitsui Trust Bank acting as arranger: 15.0 billion yen

URL;<https://www.smtb.jp/-/media/tb/about/corporate/release/pdf/221214.pdf>

(ii) Bilateral SLL conducted by Sumitomo Mitsui Banking to the Company: 10.0 billion yen

URL;<https://www.smbc.co.jp/hojin/financing/sustainable/kokusai/>

Contact for inquiries

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