

Press Release



March 26, 2020
GPSS Holdings Inc.

**Notice of highly rated ‘Green1(F)’ in JCR
to Green Finance Framework of GPSS Holdings Inc.**

GPSS Holdings Inc. (Co-Representative Board Director & CEO: Masaaki Mezaki, hereinafter GPSS Holdings) was rated the highest rank ‘Green1(F)’ by Japan Credit Rating Agency, Ltd. (hereinafter JCR) on the Green Finance Framework (hereinafter this framework), which was established for the first time. Specifically, based on the JCR Green Finance Assessment Method, GPSS Holdings’ use of funds in the Green Assessment was defined as ‘g1(F)’ and its Management/Operation/Transparency Assessment was defined as ‘m1(F)’. Therefore, the company was given the highest overall rating.

This framework describes the principles and procedures of GPSS Holdings’ Green Finance (Green Bond Issuance and Green Loan Borrowing based on this framework). Specifically, it stipulates that the funds procured by GPSS Holdings through Green Finance will be used for projects with environmental benefits. In accordance with the Green Bond Principles^{*1}, the Green Loan Principles^{*2}, the Green Bond Guidelines 2020 and the Sustainability Link Loan Guidelines 2020^{*3}, the Framework stipulates that GPSS Holdings will use funds, manage funds, select, evaluate, and report projects for its solar, wind, and small and medium-sized hydro projects in Japan.

The highest rating given by JCR to this framework means that GPSS Holdings’ project selection process and internal governance system are functioning effectively. Disclosing this information will ensure transparency of information regarding the objectives, selection criteria, and processes of Green Bond issuance and other green financing when procuring funds.

In its corporate philosophy, GPSS Holdings is committed to realizing a sustainable society by

realizing Grid Parity in which the cost of electricity from sustainable energy is less than the cost of existing electricity through sustainable energy business (solar power, wind power, small and medium hydropower, geothermal power, and biogas + WTP*4) utilizing local resources. We will continue to aim to build a sustainable society through value sharing and co-creation with people in all fields.

For more information about this framework, please refer to GPSS Holdings Inc. Green Finance Framework Assessment Report on the JCR website.

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

※ 1: ICMA (International Capital Market Association) Green Bond Principles, 2018

※ 2: LMA (Loan Market Association)、APLMA (Asian Market Loan Association))Green Loan Principle 2018

※ 3: Ministry of the Environment's Green Bond Guidelines 2020

※ 4: WTP (Waste to Power) refers to organic waste as a raw material for power generation, and includes not only power generation by methane fermentation using conventional livestock manure but also various organic waste such as food waste, animal and vegetable waste oils, animal and plant residues, and wood waste. This means a power generation method made from raw materials. "Waste" as a "Resource" by effectively utilizing unused waste as a raw material for power generation. We will implement initiatives to change them.

■ Inquiries regarding this release

GPSS Public Relations Office

TEL : 03-6435-2391

Email : pr@gpss.jp

HP : <https://gpssgroup.jp>