



November 30, 2022
Mizuho Bank, Ltd.

Mizuho signs sustainability-linked loan agreement with AEON Credit

Mizuho Bank, Ltd. (President & CEO: Masahiko Kato) provided support for the establishment of a sustainability-linked loan framework and executed a loan for AEON Credit Service (Asia) Company Limited (Managing Director: Tomoharu Fukayama), a consolidated subsidiary of AEON Financial Services, Inc. (President and CEO: Kenji Fujita). This is the first sustainable finance transaction for any company within the AEON Financial Service Group.

Sustainability-linked loans incentivize a borrower to achieve sustainability performance targets (SPTs) by setting targets aligned with the borrower's CSR strategy and linking loan terms such as the interest rate to the borrower's performance against the SPTs. This type of loan aims to encourage economic activity and support economic growth in a way that is sustainable for both the environment and society. The SPTs stipulated under this agreement include: (1) Reduce electricity power usage; (2) Reduce paper usage; and (3) Provide financial incentives to students. The achievement of these targets is incentivized by aligning interest rate terms with the borrower's performance.

AEON Financial Service Group is working to reduce its total greenhouse gas emissions to zero through energy conservation and using renewable energy. The group also engages in various activities to realize a sustainable society, based on the Sustainable Development Goals (SDGs) and other factors, with a focus on financial literacy targeting high school and university students. The SPTs stipulated under this agreement will contribute to such financial education and a reduction of the group's greenhouse gas emissions, in line with its environmental and social measures.

The Hong Kong Quality Assurance Agency, an external reviewer, provided the second party opinion on the sustainability-linked loan regarding its alignment with the Sustainability Linked Loan Principles established by various organizations such as the Loan Market Association.

At Mizuho, we are working to further incorporate sustainability initiatives into our business strategy. We are drawing on our expertise as a financial services group to proactively provide a wide range of solutions, including advisory and capital financing support, to businesses that are contributing to the shift to a low-carbon society.

Overview of agreement

Borrower : AEON Credit Service (Asia) Company Limited
Purpose of loan : Working Capital (Long-term)
Start date : November 30, 2022
Tenor : 3 years
Lender : Mizuho Bank, Ltd.

Reference:

Hong Kong Quality Assurance Agency website:

<http://www.hkqaa.org/>

News release issued by AEON Financial Services, Inc.:

<https://www.aeonfinancial.co.jp/->

[/media/AeonGroup/Aeonfinancial/Files/news/2022/news221130.pdf](https://www.aeonfinancial.co.jp/-/media/AeonGroup/Aeonfinancial/Files/news/2022/news221130.pdf)

News release issued by AEON Credit Service (Asia) Company Limited:

<https://www.aeon.com.hk/en/corporate-info/latest-news.html>