

March 31, 2023

Company Name: The Chiba Bank, Ltd.
Representative: Tsutomu Yonemoto, President
Stock Exchange Listing: Tokyo (code: 8331)

Chiba Bank Announces Sustainability Linked Loan Initiative for AEON TOWN Co., Ltd.

March 31, 2023 - The Chiba Bank (President: Tsutomu Yonemoto) (“Chiba Bank” or “the Bank”) today announced its support for the establishment of AEON TOWN Co., Ltd.’s (President and Representative Director Kyusei Kato) (“Aeon Town”) “Comprehensive Sustainability Linked Loan Scheme (“Comprehensive SLL Scheme”) in its role as a Sustainability Coordinator*¹. In addition, the Bank also announced the execution of a Sustainability Linked Loan (“SLL”) based on the Comprehensive SLL Scheme.

Sustainability Linked Loans are loans whose terms and conditions, including interest rates, are tied to the assessment of a borrower's sustainability performance targets (“SPTs”) established within their SDGs and ESGs strategies. The loans also aim to promote and provide ongoing support for sustainable economic activity and growth by creating incentives and disincentives for the borrower based on the achievement of said targets. The Comprehensive SLL Scheme provides a framework that allows financial institutions to offer their support to Aeon Town’s efforts to achieve their SPTs and will also be used by other financial institutions in the future as a framework when developing SLL initiatives for Aeon Town, opening up opportunities to create a wider circle of support.

Aeon Town is a fully-owned subsidiary of AEON Co., Ltd, and has built 154 shopping centers across Japan as the Aeon Group’s development company. They have a long history of energy conservation and generation initiatives as well as actively promoting the use of renewable energy. In the “Aeon Town SDGs Declaration”, they set targets for switching over to the use of 100% renewable energy at their shopping centers by 2030. As part of this loan scheme, Aeon Town has set SPTs regarding CO₂-free energy usage as way to advance initiatives designed to realize a decarbonized society.

In addition, the Bank has set a “sustainable finance*²” target of 2 trillion yen (including 1 trillion yen for “environmental finance”) during the period from FY2019 to FY2030. Going forward, Chiba Bank will further promote sustainable finance initiatives across the entire Bank Group.

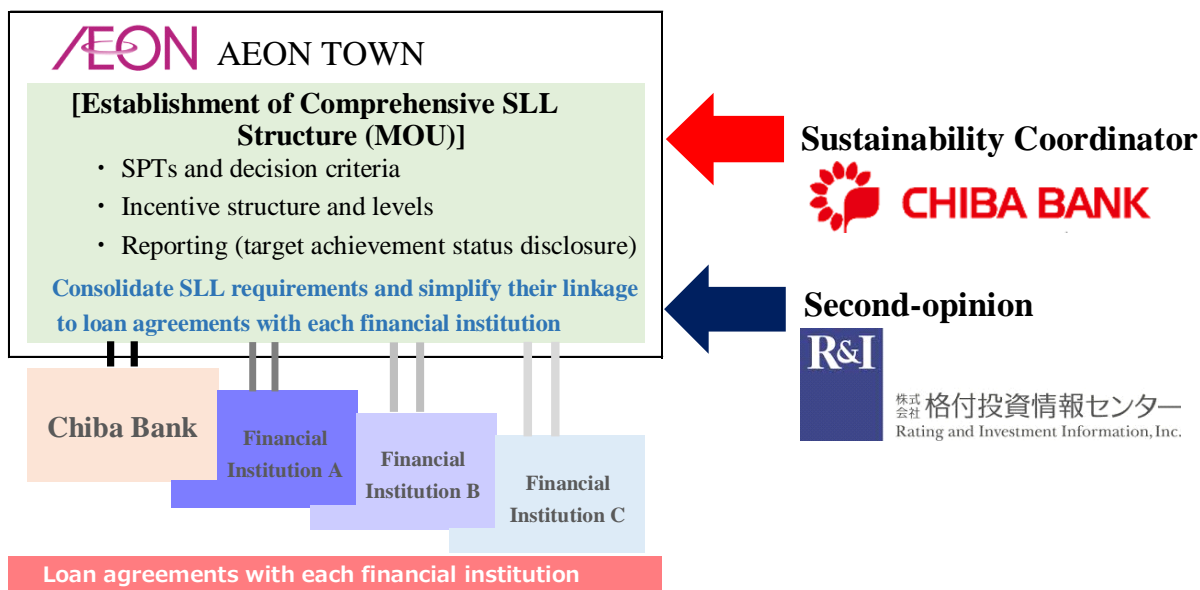
*1 A role that involves assisting borrowers in setting SPTs (Sustainability Performance Targets) when designing and structuring sustainability linked loan products.

*2 Financing that uses funds to address environmental and social issues, including financing to support customers' ESGs and SDGs initiatives.

<Reference> The Chiba Bank Integrated Report 2021:

https://www.chibabank.co.jp/english/ir/library/annual_report/

[Loan Scheme Overview]



[Sustainability Linked Loan Overview]

Borrower	AEON TOWN Co., Ltd.
Sustainability Coordinator	The Chiba Bank, Ltd.
Date of execution	Friday, March 31, 2023
SPTs	Target ratio for CO ² -free energy usage at all shopping centers managed by the borrower
Disincentives	Donations to organizations that engage in activities that contribute to the Aeon Sustainability Basic Policy, entitled “Realizing a Decarbonized Society”
Third-Party Opinion	Rating and Investment Information, Inc.