

(Joint press release)

March 1, 2023  
Japan Airlines Co., Ltd.  
Japan Bank for International Cooperation

*Japan's First in Airline*  
*Execution of Transition-Linked Loans with Specific Use of Proceeds*  
- Japan Airlines, supporting flows of people, sales and distribution channels, and Japan Bank for International Cooperation collaborate to promote initiatives toward net-zero CO<sub>2</sub> emissions in 2050 -

Japan Airlines Co., Ltd. (Representative Director, Executive President: AKASAKA Yuji, hereinafter "JAL") and the Japan Bank for International Cooperation (Governor: HAYASHI Nobumitsu, hereinafter "JBIC") announced today that they executed Transition-Linked Loans, specifying use of proceeds, which is Japan's first in airline industry (Guaranteed Loan, Borrower: JAL, Guarantor: JBIC).

JAL has positioned ESG strategies as its medium to long term growth strategy by focusing on "solving social issues and creating sustainable flows of people, and sales and distribution channels". In particular, reducing CO<sub>2</sub> emissions from aircraft is one of the most important issues in aviation industry. JAL has announced its commitment to achieve virtually net zero CO<sub>2</sub> emissions by 2050 and will steadily promote initiatives including upgrading to fuel-efficient aircraft, improving daily flight operations, and utilizing Sustainable Aviation Fuel (SAF).

In its Medium-term Business Plan, JBIC states "JBIC will address global issues toward realizing sustainable development for the global economy and society." JBIC provides financial support to private companies taking steps to address climate change, which is a common challenge for the international community, and to realize sustainable development and growth that balances economy, society, and environment.

Through this loan, JAL will introduce fuel-efficient equipment, and JBIC will provide financial support. The two companies will collaborate with each other in order to steadily promote efforts to realize JAL's net zero CO<sub>2</sub> emissions by 2050.

A Transition-Linked Loan is a form of financing that supports borrower companies who take actions to reduce CO<sub>2</sub> emissions in alignment with their long term strategy. In addition, borrower companies set targets aligned with the strategy, and the financial characteristics of the loan may vary depending on achievement of the targets. JAL has set Sustainability Performance Targets (hereinafter "SPTs") of CO<sub>2</sub> emissions reduction in FY 2025 and FY 2030 during the borrowing period, as commitment toward net zero CO<sub>2</sub> emission by 2050.

JAL has newly developed "Transition Loan and Transition-Linked Loan Framework (\*1)" and has received Green 1 (T) (F), the highest rating from Japan Credit Rating Agency, Ltd., an external reviewer, for its evaluation of alignment with relevant principles, as well as a third party opinion that the framework is aligned with the Sustainability Linked Loan Principles, etc. (\*2) The project was selected as a recipient of METI's "FY2022 subsidy for

global warming countermeasures promotion project”.

Implementing finance using both this framework and “Transition Bond Framework (\*3)”, which was developed in February 2022, JAL will continue to actively upgrade to the latest and fuel-efficient aircraft and accelerate its transition and efforts toward eventual decarbonization in air transportation business.

Also, JBIC will continue to actively provide financial support, together with private financial institutions, to private companies such as JAL that have decarbonization initiatives, in order to address global issues toward realizing sustainable development for the global economy and society and contribute to realization of global sustainability.

(\*1) Transition Loan and Transition Linked Loan Framework

<https://www.jal.com/en/sustainability/transition-linked-loan/pdf/framework.pdf>

(\*2) Third Party Opinion from Japan Credit Rating Agency:

<https://www.jal.com/en/sustainability/transition-linked-loan/pdf/second-party-opinion.pdf>

(\*3) Transition Bond Framework:

[https://www.jal.com/en/sustainability/transitionbond/pdf/framework\\_en.pdf](https://www.jal.com/en/sustainability/transitionbond/pdf/framework_en.pdf)

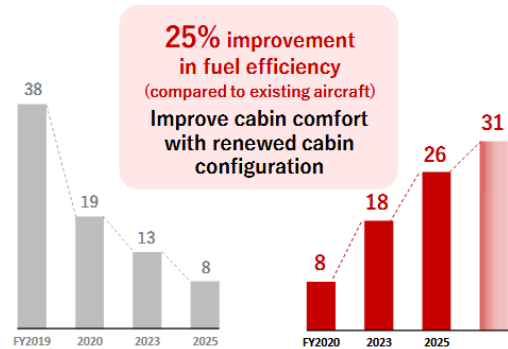
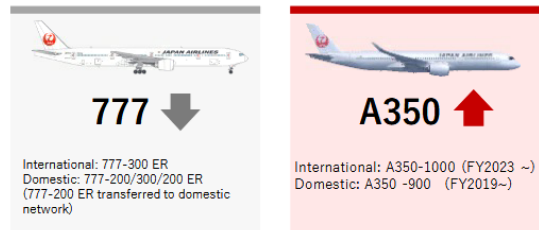
#### ■Summary of the Guaranteed Loan

(1) Borrower	Japan Airlines Co., Ltd.
(2) Amount borrowed (principal guaranteed)	About 26.5 billion yen
(3) Loan Execution	March 1, 2023
(4) Use of Proceeds	Purchase of 2 fuel-efficient A350-900 aircraft
(5) External Reviewer	Japan Credit Rating Agency, Ltd.
(6) Structuring Agent	MUFG Bank, Ltd. Mizuho Bank, Ltd.
(7) Guarantor	Japan Bank for International Cooperation
(8) Lender	MUFG Bank, Ltd. Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation The Bank of Kyoto, Ltd. The Chiba Bank, Ltd. The Nanto Bank, Ltd. The Nishi-Nippon City Bank, Ltd.
(9) KPI	Total GHG emissions (Direct emissions, Scope 1)
(10) SPTs	SPT 1: Maintain Total GHG emissions (direct emissions, Scope1) in FY2025 compared to FY2019 (Less than 9.09 million tons) SPT 2: Reduce Total GHG emissions (direct emissions, Scope1) by 90% in FY2030 to FY2019(Less than 8.18 million tons)
(11) Loan Characteristics	Change depending on achievement of SPTs (determination period: 2026 and/or 2031)

■Use of Proceeds from Guaranteed Loan

JAL will use the proceeds from this Loan to purchase 2 fuel-efficient A350-900 aircraft. JAL will continue to use this framework after 2023, in order to finance new and existing investments related to upgrading to fuel-efficient aircraft (A350 and 787), as set forth in the "CO<sub>2</sub> Reduction Targets and Initiatives by 2030."

Steadily promote renewal of flagship fleet



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