SECOND PARTY OPINION

MITSUBISHI HEAVY INDUSTRIES, LTD.
3RD TRANSITION BOND PERIODIC REVIEW (#1)

Prepared by: DNV Business Assurance Japan K.K.

Location: Kobe, Japan

Date: 5 December 2025

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Revision History

Revision number	Date of issue	Remarks
0	2 August 2024	Initial: MHI Green/Transition Finance Framework Second Party Opinion
1	5 December 2025 (This report)	Transition Bond Post-Issuance Periodic Review (#1) Mitsubishi Heavy Industries, Ltd. 44th Series Unsecured Bond (The 3rd Mitsubishi Heavy Industries Transition Bond)

Disclaimer

Our assessment relies on the premise that the data and information provided by Issuer to us as part of our review procedures have been provided in good faith. Because of the selected nature (sampling) and other inherent limitation of both procedures and systems of internal control, there remains the unavoidable risk that errors or irregularities, possibly significant, may not have been detected. Limited depth of evidence gathering including inquiry and analytical procedures and limited sampling at lower levels in the organization were applied as per Scope of work. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Statement.

Statement of Competence and Independence

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17021:2011 - Conformity Assessment Requirements for bodies providing audit and certification of management systems, and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We have complied with the DNV Code of Conduct1 during the assessment and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. DNV was not involved in the preparation of statements or data included in the Framework except for this Statement. DNV maintains complete impartiality toward stakeholders interviewed during the assessment process.

[1] DNV Code of Conduct is available from DNV website (www.DNV.com)

I . Scope and Objectives

Mitsubishi Heavy Industries, Ltd. (hereinafter, “MHI” (including MHI Group) or the “Issuer”) has engaged DNV Business Assurance Japan K.K. (hereinafter, “DNV”) to provide a periodic review on the 3rd Mitsubishi Heavy Industries, Ltd. Transition Bond.

The purpose of the periodic review of DNV is to conduct an assessment on whether the 3rd Mitsubishi Heavy Industries Transition Bond meets the Climate Transition Finance Handbook 2023 (hereinafter, “CTFH”), the Basic Guidelines on Climate Transition Finance (Financial Services Agency, Ministry of Economy, Trade and Industry, Ministry of the Environment, 2021; hereinafter, “CTFBG”), and the four core elements of transition (applicable standards at the time of issuance), and is consistent with the Green Bond Principles 2021 (hereinafter, “GBP”) and the Green Bond Guidelines (Ministry of the Environment, 2022; hereinafter, “GBGL”) as a bond with specific use of proceeds, and provide a second party opinion on the eligibility of the 3rd Mitsubishi Heavy Industries Transition Bond.

MHI issued the 3rd Mitsubishi Heavy Industries Transition Bond (Mitsubishi Heavy Industries, Ltd. 44th Series Unsecured Bond) with 10 billion yen on 5 September 2024. DNV's review team conducted the periodic review for the period from September 2024 to March 2025 for the 3rd Transition Bond based on the CTFH/CTFBG and the GBP/GBGL.

This report provides a post-issuance periodic review of the requirements of the Transition Bond with specific use of proceeds (Principles 1 to 4 below).

DNV, as an independent external reviewer, has identified no real or perceived conflict of interest associated with the delivery of this second party opinion for MHI.

In this paper, no assurance is provided regarding the financial performance of the Transition Bond, the value of any investments, or the long-term environmental benefits of the transaction.

Standards/guidelines to be applied

No.	Standards/guidelines	Scheme owner
1.	Climate Transition Finance Handbook (CTFH)	International Capital Market Association (ICMA), 2023
2.	Basic Guidelines on Climate Transition Finance (CTFBG)	Financial Services Agency, Ministry of Economy, Trade and Industry, Ministry of the Environment, 2021
3.	Green Bond Principles (GBP)	International Capital Market Association (ICMA), 2021
4.	Green Bond Guidelines (GBGL)	Ministry of the Environment, 2022

Ⅱ. Responsibilities of MHI and DNV

MHI's management has provided the information and data used by DNV during the delivery of this review.

DNV's statement represents an independent opinion and is intended to inform MHI and other interested stakeholders in the Transition Bonds as to whether the established criteria have been met, based on the information provided to us.

In our work, we have relied on the information and the facts presented to us by MHI. DNV is not responsible for any aspect of the nominated transition projects and assets referred to in this opinion.

Thus, DNV shall not be held liable if any of the information or data provided by MHI's management and used as a basis for this review were not correct or complete.

Ⅲ. Basis of DNV's Opinion

To provide an issuer-specific Transition Bond Eligibility Assessment Protocol (hereinafter, the "Protocol"), we have adapted our Transition Bond assessment methodologies, which incorporates the requirements of the CTFH/CTFBG and the GBP/GBGL that are required for the management of transition bonds with specific use of proceeds. Please refer to Schedule-1. The Protocol is applicable to transition bonds with specific use of proceeds under the CTFH/CTFBG and the GBP/GBGL.

Our Protocol includes a set of suitable criteria that can be used to underpin DNV's opinion. The overarching principle behind the criteria is that a transition bond should "provide an investment opportunity with transparent sustainability credentials."

DNV conducted the periodic review by applying the following four core elements related to the operation and management of transition finance (with specific use of proceeds).

- **Principle One: Use of Proceeds**

  The Use of Proceeds criteria are guided by the requirement that a fundraiser of a transition finance with specific use of proceeds must use the proceeds from eligible transition finance. The eligible activities should produce clear environmental benefits.

- **Principle Two: Process for Project Evaluation and Selection**

  The Process for Project Evaluation and Selection criteria are guided by the requirements that a fundraiser of a transition finance (with specific use of proceeds) should outline the process it follows when determining eligibility of an investment using the proceeds from transition finance and outline any impact objectives it will consider.

- **Principle Three: Management of Proceeds**

  The Management of Proceeds criteria are guided by the requirements that a transition finance should be tracked within the fundraiser organization, that separate portfolios should be created when necessary and that a declaration of how unallocated funds will be handled should be made.

- **Principle Four: Reporting**

  The Reporting criteria are guided by the recommendation that at least Sustainability Reporting to the bond investors should be made of the allocation status of proceeds and that quantitative and/or qualitative performance indicators should be used, where feasible.

Ⅳ. Work Undertaken

Our work constituted a comprehensive review of the available information, based on the understanding that this information was provided to us by the Issuer in good faith. We have not performed an audit or other tests to check the veracity of the information provided to us. The work undertaken to form our opinion included:

i. Pre-issuance assessment of transition bond *(*not included in this report)*

- Creation of MHI-specific Protocol to be adapted to the Transition Bond with regard to the above and Schedule-1 contributing to this assessment;
- Assessment of documentary evidence provided by MHI on the Transition Bond and supplemented assessment by a comprehensive desktop research. These checks refer to current assessment best practice and standards methodologies;
- Discussions with MHI, and review of relevant documentation;
- Documentation of findings against each element of the criteria.

ii. Post-issuance periodic review of transition bond **This report*

- Assessment of documentary evidence provided by MHI related to the implementation of the Transition Bond, a high-level desktop research, documentation review, and supplemented documentary evidence by interviews with MHI's major persons in charge. These checks refer to current assessment best practice and standards methodologies;
- Discussions with MHI, and review of relevant documentation;
- Field research and inspection (if necessary);
- Review of nominated projects and assets at the time of the periodic assessment;
- Document creation of observation results through the periodic review described in this report.

V. Findings and DNV's Opinion

DNV's findings and opinions are as described below.

Principle One: Use of Proceeds

DNV has confirmed that MHI has allocated or plans to allocate 7.6 billion yen out of the proceeds from the 3rd Mitsubishi Heavy Industries Transition Bond (10 billion yen) to the following projects as of 31 March 2025.

1. Project: Hydrogen gas turbine･･･5.3 billion yen allocated (refinancing 1.5 billion yen)

This project is categorized as decarbonize existing infrastructure, which aims to reduce emissions from other companies in the “MHI Green/Transition Finance Framework,” and is consistent with the Agency for Natural Resources and Energy's Transition Roadmap for Power Sector and will contribute to achieving its goals.

The overview of the project is the development of hydrogen single-fired and hydrogen co-fired gas turbines that complies with the EU Taxonomy, the world's most stringent CO_2 emission regulations (including operation of an actual-pressure combustion test facility and a demonstration power generation facility).

The project is developing large, medium, and small gas turbines. The large gas turbines are expected to be commercially available with hydrogen single-firing from 2030 onwards, while the medium and small gas turbines are expected to be commercially available with hydrogen single-firing from 2025 onwards. In November 2023, MHI carried out the world's first power generation demonstration operation using a large gas turbine with natural gas mixed with hydrogen (hydrogen produced and stored at the Takasago Hydrogen Park, which is located on the same premises) at a ratio of 30% by volume and connected to the local power grid.

In FY2024, an actual-pressure combustion test was conducted using a medium- to small-sized H-25 gas turbine at the Takasago Hydrogen Park and confirmed hydrogen single-firing operation (see Figure-1). The insights and data obtained from the test are utilized to accelerate the development of hydrogen single-fired combustors for large gas turbines.

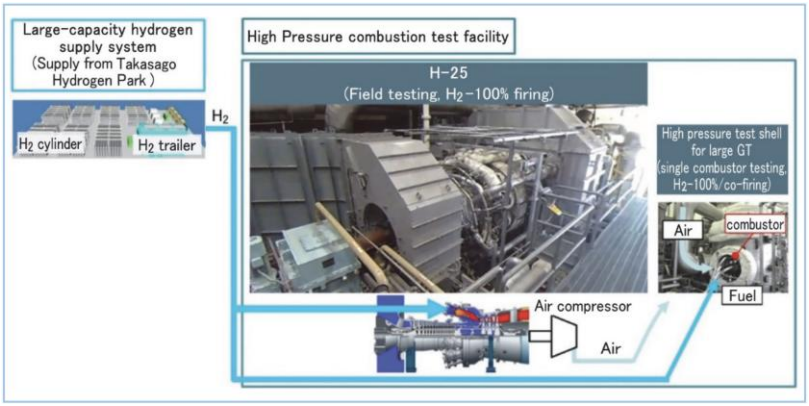

Figure-1 H-25 gas turbine actual-pressure combustion test facility for hydrogen single-firing verification

2. Project: Hydrogen production (blue or turquoise, etc.) ･･･2.2 billion yen allocated (refinancing 1.0 billion yen)

This project is categorized as build a hydrogen solutions ecosystem, which aims to establish a hydrogen value chain etc. in the “MHI Green/Transition Finance Framework,” and is consistent with the Ministry of Economy, Trade and Industry's Technology Roadmap in Chemical Sector and will contribute to achieving its goals.

The project overview is development of the Takasago Hydrogen Park (located at MHI’s Takasago Machinery Works in Takasago City, Hyogo Prefecture), an integrated validation facility for technologies from hydrogen production to power generation aimed at the early commercialization of hydrogen gas turbines.

MHI started operation of a test module of the Solid Oxide Electrolysis Cell (SOEC), a next-generation, high-efficiency hydrogen production technology, at the Takasago Hydrogen Park in April 2024 (see Figure-2). This test module applies Solid Oxide Fuel Cell (SOFC) technology, following development of core technologies at the Nagasaki Carbon Neutral Park (Nagasaki City). In addition to its advantage of high efficiency, the use of MHI's proprietary tubular cell stack supports development as a technology capable of operating at high pressures, setting it apart from competing systems. . MHI is advancing the development of this technology toward higher output and greater capacity.

Figure-2 400kW class SOEC test module (Takasago Hydrogen Park)

Principle Two: Process for Project Evaluation and Selection

In evaluating and selecting the transition project, DNV has confirmed that MHI meets the eligibility criteria and that MHI has confirmed that the transition project does not conflict with any of the following internal policies, etc.

- ・CSR Action Guidelines
- ・MHI Group Global Code of Conduct
- ・MHI Group Human Rights Policy
- ・Basic Policy on Environmental Matters and Action Guidelines
- ・Privacy Policy
- ・Policy of Safety and Health
- ・Procurement Policy
- ・MHI Group Supply Chain CSR Promotion Guidelines Basic Policy Concerning Conflict Minerals
- ・MHI Group's Declaration on Biodiversity

As a specific evaluation and selection process, DNV has confirmed that the Finance Department confirmed that the projects selected by the business divisions met the eligibility criteria, and the Chief Financial Officer made the final decision.

Principle Three: Management of Proceeds

DNV has reviewed the evidence presented on how MHI has managed the proceeds from the issuance of the 3rd Mitsubishi Heavy Industries Transition Bond through March 2025. The allocation status of the proceeds is shown in Table-1.

DNV has confirmed that 9.9 billion yen as net proceeds out of the 10 billion yen raised from the 3rd of Mitsubishi Heavy Industries Transition Bond was deposited into MHI's common account, and that the allocation was subsequently managed by the finance department on a project-by-project basis using an internal management system etc. In addition, DNV has confirmed that unallocated 2.3 billion yen shown in Table-1 was managed in cash or cash equivalents and will be fully allocated within FY2025.

As described above, no assurance is provided regarding the financial performance of the Transition Bond, the value of any investments, or the long-term environmental benefits of the transaction.

Table-1: The 3rd Mitsubishi Heavy Industries Transition Bond allocation status of proceeds (as of March 2025) (Unit: billion yen)

Item			Amount
Amount of proceeds (bond issuance amount excluding issuance costs)			9.9
Allocated amount (transition projects)			7.6
	Hydrogen gas turbine	New investment	3.7
		Refinancing	1.5
	Hydrogen production (blue or turquoise, etc.)	New investment	1.2
		Refinancing	1.0
Unallocated balance			2.3

*All amounts are rounded down to the nearest 100 million yen.

Principle Four: Reporting

DNV has confirmed that MHI will disclose the allocation status of proceeds and the environmental benefits on its website. The allocation and management of proceeds and the environmental benefits are as follows:

(1) Allocation and management of proceeds

As shown in Table-1 of the Principle Three: Management of Proceeds, DNV has confirmed that 7.6 billion yen out of 9.9 billion yen as net proceeds from the 3rd Mitsubishi Heavy Industries Transition Bond was managed by the finance department on a project-by-project basis using an internal management system etc. DNV has also confirmed that the unallocated proceeds of 2.3 billion yen was managed in cash or cash equivalents and will be fully allocated within FY2025.

(2) Environmental benefits

The 3rd Mitsubishi Heavy Industries Transition Bond (44th Series Unsecured Bond)

Table-2: Environmental benefits (project overview and progress)

Project name	Project overview and progress	
Expenditures related to decarbonize existing infrastructure		
Hydrogen gas turbine	Project overview	Development of hydrogen co-firing, single-fuel hydrogen firing gas turbines, consideration of operation in actual pressure combustion test facility and power generation demonstration facility (planned by FY2030)

	Progress	In FY2024, an actual-pressure combustion test was conducted using a medium- to small-sized H-25 gas turbine at the Takasago Hydrogen Park and confirmed operation using 100% hydrogen (single-firing). The insights and data obtained from the test are utilized to accelerate the development of hydrogen single- fired combustors for large gas turbines. The development of gas turbines for both hydrogen single-firing and co-firing is progressing as planned.
Expenditures related to build a hydrogen solutions ecosystem		
Hydrogen production (blue or turquoise, etc.)	Project overview	Establishment of the "Takasago Hydrogen Park" to comprehensively verify technologies spanning hydrogen production to power generation, aiming for the early commercialization of hydrogen-fueled gas turbines
	Progress	Hydrogen production is progressing as planned, including the start of operation of a demonstration unit for "SOEC (Solid Oxide Electrolysis Cell)," a next-generation, high-efficiency hydrogen production technology toward higher output and larger capacity.

Ⅵ. Assessment Conclusion

On the basis of the information provided by MHI and the work undertaken, it is DNV's opinion that the 3rd Transition Bond issued by MHI meets the criteria established in the Protocol, and that it is aligned with the definition or purpose of transition bond that is to "enable capital-raising and investment for new and existing projects with environmental benefits" and "provide an investment opportunity with transparent sustainability credentials" within the CTFH/CTFBG and the GBP/GBGL.

DNV Business Assurance Japan K.K.

5 December 2025

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About DNV

Driven by our purpose of safeguarding life, property and the environment, DNV enables organisations to advance the safety and sustainability of their business. Combining leading technical and operational expertise, risk methodology and in-depth industry knowledge, we empower our customers' decisions and actions with trust and confidence. We continuously invest in research and collaborative innovation to provide customers and society with operational and technological foresight.
With our origins stretching back to 1864, our reach today is global. Operating in more than 100 countries, our 16,000 professionals are dedicated to helping customers make the world safer, smarter and greener.

Disclaimer

Responsibilities of the Management of the Issuer and the Second-Party Opinion Providers, DNV: The management of Issuer has provided the information and data used by DNV during the delivery of this review. Our statement represents an independent opinion and is intended to inform the Issuer management and other interested stakeholders in the Bond as to whether the established criteria have been met, based on the information provided to us. In our work we have relied on the information and the facts presented to us by the Issuer. DNV is not responsible for any aspect of the nominated assets referred to in this opinion and cannot be held liable if estimates, findings, opinions, or conclusions are incorrect. Thus, DNV shall not be held liable if any of the information or data provided by the Issuer's management and used as a basis for this assessment were not correct or complete.

Schedule-1 Green Bond Eligibility Assessment Protocol

The following GBP-1 to 4 are DNV's Eligibility Assessment Protocol created for MHI Transition Bond with specific use of proceeds based on the requirements of GBP (2021).

GBP-1 Use of Proceeds

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
1a	Types of funds	The types of transition bonds are classified into one of the following types defined by GBP. ・(Standard) Transition Bond ・Transition Revenue Bond ・Transition Project Bond ・Other	Confirmed documents - Framework Interviews with stakeholders	**<Pre-issuance assessment result>** Through the evaluation work, DNV has confirmed that the 3rd Mitsubishi Heavy Industries Transition Bond falls into the following categories. ・(Standard) Transition Bond
1b	Green/transition Project Classification	The key to a transition bond is that the proceeds will be used for a green/transition project, which should be properly stated in the legal documents relating to the security.	Confirmed documents - Framework - Information related to each project - Transition Bond reporting (draft) - Relevant documents Interviews with stakeholders	**<Pre-issuance assessment result>** DNV has confirmed that the MHI Transition Bond is intended to fund a wide range of transition projects focused on MHI's environmental goals as described in the Framework. **<Post-issuance assessment result (this time)>** DNV has confirmed that the nominated transition projects have been evaluated to meet the Transition Strategy, and the proceeds from the transition bond were allocated to one or more of the nominated transition projects. Specific allocated projects are as follows: The 3rd Mitsubishi Heavy Industries Transition Bond: ・Hydrogen gas turbine ・Hydrogen production (blue or turquoise, etc.) Through the assessment, DNV concludes that the nominated transition projects will provide tangible and true environmental benefits.

<table>
<tr><th>Ref.</th><th>Criteria</th><th>Requirements</th><th>Work Undertaken</th><th>DNV Findings</th></tr>
<tr><td></td><td></td><td></td><td></td><td>Table: MHI Transition Finance Eligible Project Category
(Allocated projects for this time are highlighted in yellow.)<table><tr><th>Project</th><th>Eligibility Criteria</th></tr><tr><td>Decarbonize existing infrastructure</td><td>· LNG-fueled high-efficiency gas turbine
· Steam Power (conversion to ammonia co-firing)
· Nuclear Energy Systems
· Gas engine for power generation (hydrogen co-firing)
· Metals machinery (hydrogen-reduced ironmaking, etc.)
· Material Handing (high efficiency and fuel cell powered)
· Hydrogen gas turbine (co-firing)
· Ammonia gas turbine (co-firing)
· Synthetic fuel such as Sustainable Aviation Fuel (SAF)</td></tr><tr><td>Build a hydrogen solutions ecosystem</td><td>· Hydrogen compressors (for hydrogen production, transport and storage, etc.)
· Hydrogen production (blue or turquoise, etc.)
· Ammonia production (blue or turquoise, etc.)</td></tr><tr><td>Build a CO_2 solutions ecosystem</td><td>· CO_2 capture and storage
· CO_2 transport (liquefied CO_2 carries, etc.)</td></tr></table></td></tr>
<tr><td>1c</td><td>Environmental Benefits</td><td>All transition projects to which the funds are used should have clear environmental benefits, the effects of which should be assessed by the issuer and, where possible, quantitatively demonstrated.</td><td>Confirmed documents
- Framework
- Information related to each project
- Transition Bond reporting (draft)</td><td><Post-issuance assessment result (this time)>

Transition projects will have environmental benefits, including CO_2 emission reduction through low carbonization or decarbonization, that contributes to MHI's Transition Strategy-based goals and is classified under the project categories and eligibility criteria shown in 1b. DNV has confirmed as for the environmental benefits that quantified evaluation in</td></tr>
</table>

<table>
<tr><th>Ref.</th><th>Criteria</th><th>Requirements</th><th>Work Undertaken</th><th>DNV Findings</th></tr>
<tr><td></td><td></td><td></td><td>- Relevant documents

Interviews with stakeholders</td><td>terms of CO_2 emission reductions, the project summary, and progress, taking into account the specific characteristics of each project will be reported annually, to the extent practicable.</td></tr>
<tr><td>1d</td><td>Refinancing rate</td><td>If all or part of the proceeds are used or may be used for refinancing, the issuer will indicate the estimated ratio of the initial investment to the refinancing and, if necessary. Therefore, it is recommended to clarify which investment or project portfolio is subject to refinancing.</td><td>Confirmed documents
- Framework
- Information related to each project
- Transition Bond reporting (draft)
- Relevant documents

Interviews with stakeholders</td><td><Pre-issuance assessment result>

DNV has confirmed that MHI plans to allocate all proceeds to make new investments, refinance, or both in one or more of the nominated eligible projects.

<Post-issuance assessment result (this time)>

DNV has confirmed that MHI disclosed the estimated amount of the proceeds that was allocated to refinancing through reporting (annual report).

The 3rd Mitsubishi Heavy Industries Transition Bond allocation status of proceeds (as of March 2025) (Unit: billion yen)

<table>
<tr><th colspan="3">Item</th><th>Amount</th></tr>
<tr><td colspan="3">Amount of proceeds (bond issuance amount excluding issuance costs)</td><td>9.9</td></tr>
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<tr><td colspan="3">Unallocated balance</td><td>2.3</td></tr>
</table>
</td></tr>
</table>

GBP-2 Process for Project Evaluation and Selection

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
2a	Project selection process	Transition bond issuers should provide an overview of the process of qualifying projects for which transition bond funding will be used. This includes (but is not limited to): ・The process by which the issuer determines that the project in question is included in the business category of a qualified transition project. ・Creation of criteria for eligibility of projects for which transition bond funding will be used ・Environmental sustainability goals	Confirmed documents - Framework - Information related to each project - Transition Bond reporting (draft) - Relevant documents Interviews with stakeholders	**<Pre-issuance assessment result>** DNV has confirmed that MHI has a process and structure that determine the eligibility of the project for which the transition finance proceeds are to be allocated and that it is clearly outlined in the Framework. **<Post-issuance assessment result (this time)>** DNV has confirmed that the projects were selected by MHI as its priority projects at this time from the perspective of systematically promoting its energy transition, taking into consideration the allocation plan of proceeds and the progress of the projects.
2b	Issuer's Environmental and Social Governance Framework	In addition to criteria and certifications, the information published by issuers regarding the transition bond process also considers the quality of performance of the issuer's framework and environmental sustainability.	Confirmed documents - Framework - Information related to each project - Transition Bond reporting (draft) - Relevant documents Interviews with stakeholders	**<Pre-issuance assessment result>** When selecting transition projects, MHI considers compliance with environmental laws, ordinances, and regulations, as well as clear environmental benefits such as CO_2 reductions throughout the life cycle or in each process. In operating and implementing its projects, MHI is committed to preserving the surrounding environment in all relevant departments. DNV has confirmed that the transition projects implemented by MHI are consistent with its management and environmental policies, as well as with the transition strategy, goals, and pathways.

GBP-3 Management of Proceeds

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
3a	Tracking procedure-1	The net proceeds from transition bonds should be managed in sub-accounts, included in sub-portfolio, or otherwise tracked. It should also be certified by the issuer in a formal internal process related to the issuer's investment and financing operations for the transition project.	Confirmed documents - Framework - Information related to each project - Transition Bond reporting (draft) - Relevant documents Interviews with stakeholders	**<Post-issuance assessment result (this time)>** DNV has confirmed that the tracking control of the proceeds was evidenced by MHI by confirming that the allocated and unallocated proceeds out of the net proceeds were managed in accordance with MHI's internal management system and documents prepared exclusively for collaboration with the departments.
3b	Tracking procedure-2	During the transition bond redemption period, the balance of funds raised that is being tracked should be adjusted at regular intervals to match the amount allocated to eligible projects undertaken during that period.	Confirmed documents - Framework - Information related to each project - Transition Bond reporting (draft) - Relevant documents Interviews with stakeholders	**<Post-issuance assessment result (this time)>** DNV has confirmed that MHI reviewed the balance of the transition finance once a year since the implementation of the transition finance through the internal control system described in 3a.
3c	Temporary holding	If no investment or payment has been made in a qualified transition project, the issuer should also inform the investor of the possible temporary investment method for the balance of unallocated proceeds.	Confirmed documents - Framework - Information related to each project - Transition Bond reporting (draft) - Relevant documents Interviews with stakeholders	**<Post-issuance assessment result (this time)>** DNV has confirmed that the confirmation process through MHI's internal management system and specific documents created is a mechanism that allows for the sequential recognition of unallocated balances. DNV has confirmed that the balance of unallocated proceeds was managed in cash or cash equivalents. DNV has also confirmed that the unallocated proceeds will be continuously allocated to two projects, hydrogen gas turbine and hydrogen production (blue or

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
				turquoise, etc.), and that the allocation will be completed within FY2025.

GBP-4 Reporting

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
4a	Periodical Reporting	In addition to reporting on the use of proceeds and the temporary investment of unallocated proceeds, the issuer will consider each project at least once a year for projects to which the transition bond proceeds have been allocated, taking into account the following: A list of each project should be provided. - Confidentiality and competitive considerations - Outline of each project, expected sustainable environmental and social effects	Confirmed documents - Framework - Information related to each project - Transition Bond reporting (draft) - Relevant documents Interviews with stakeholders	**<Post-issuance assessment result (this time)>** DNV has confirmed that MHI will conduct transition finance reporting (annual reporting) until the proceeds are allocated, disclosing information on the allocation status of proceeds, the projects to which the proceeds have been allocated, and the environmental benefits. In addition, DNV has confirmed that even after the allocation is completed, any changes in the transition strategy or pathway, or any major changes in the allocation plan or project implementation status (e.g., suspension of a project that has initiated allocation, significant deferral on an annual basis, sale or retirement, etc.) will be reported in a timely manner or in the reporting, which will be published on the website. <Allocation status> ◆ Amount and status of allocation to eligible projects ◆ Amount of unallocated proceeds and the method to manage unallocated proceeds ◆ Amount of new financing and refinancing <Environmental benefits> ◆ Disclose the overview (including progress of research and development, operation, etc.) of the project within the scope of confidentiality and to the extent practicable and taking into account the characteristics of the project.