

Social Bond Framework

- JASSO issues social bonds under the following framework, based on the Social Bond Principles (2020 edition) defined by International Capital Market Association (ICMA).

1 Use of proceeds

- The funds raised through JASSO Bonds are used for Category 2 Loans.
- The Category 2 Loans contribute to the achievement of UN Sustainable Development Goal (SDGs) #4 “Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.”



2 Process for project evaluation and selection

- In selecting the scholarship students, JASSO selects the students who are recommended by school principals. In the selecting, students are judged comprehensively based on criteria such as personality, academic ability and family financial status in accordance with the stipulations of the statement of operation procedures.
- The criteria applied for Category 2 Loans are less strict than Category 1 Loans. In principle, JASSO provides the loans to all applicants who satisfy the criteria.

3 Management of proceeds

- The issuance dates of JASSO bonds are scheduled two business days before the dates when scholarship loans are deposited in recipient accounts. The entire amount raised in the issuance is appropriated and the scheme ensures there will be no unappropriated funds.

4 Reporting

- In accordance with Article 32 of the Act on General Rules for Incorporated Administrative Agencies, JASSO prepares reports such as business results every business year, which are reviewed by the Minister of Education, Culture, Sports, Science and Technology.
- JASSO prepares financial statements, etc. every business year and receives approval from the Minister of Education, Culture, Sports, Science and Technology.



- Sustainable Development Goals (SDGs): 17 goals and 169 targets to be achieved by UN member states by 2030. These are defined in the 2030 Agenda for Sustainable Development, which was adopted at the UN Sustainable Development Summit in September 2015.