

Responsibilities as a Member of Society

DBJ considers CSR as not only contributing to society through the Bank's principal financial activities, but also taking societal needs seriously and living up to its responsibilities as a member of society. This requires all of the Bank's executives and regular employees to conduct their daily activities with a constant awareness of society, the environment and the economy. We believe our efforts will build DBJ into a financial institution trusted, favored and chosen by the public.



◆ Communicating with the Public

DBJ believes that today's social and environmental problems can best be resolved by communication and the exchange of opinions. Accordingly, the Bank strives to communicate with as many people as possible through

seminars, symposiums and lectures, and Internet (www.dbj.go.jp/japanese/environment/commu/index.html). DBJ will continue working with communities to create a sustainable society.

Communication Focused on the Environment

Environmental problems such as global warming must be resolved, starting with individual awareness of the severity of the issue.

DBJ promotes understanding of the relationship between the environment and financial and business activities by participating in the Eco-Products exhibit—Japan's largest environmental event—and holding seminars and symposiums in conjunction with relevant organizations.

DBJ has exhibited at the Eco-Products exhibit every year since fiscal 2001. Through descriptive panels we introduce various DBJ activities, such as the Program for Promoting Environmentally Responsible Management, our tie-up with the UNEP Finance Initiative (see page 68) and emissions credit trading. At our booth, we distribute reports that promote an understanding of our activities. We also hold quizzes that tie in with our display panels to help elementary, junior high and high school students understand the role that financing plays in resolving

environmental problems.

We also took part in the June 2008 Integrated Exhibition of the Environment in celebration of the G8 Hokkaido Toyako Summit. As at the Eco-Products exhibit, we introduced DBJ's initiatives and communicated with many exhibit-goers to promote deeper understanding of the interplay between the environment and financing.

DBJ also cooperates with related institutions on seminars and symposiums that communicate the role of companies in environmental issues. We have held special seminars with the Carbon Disclosure Project (CDP) and the UNEP Finance Initiative, as well as a joint symposium, "Principles for Responsible Investment: Toward a Sustainable Society," held with Social Investment Forum Japan (SIF-Japan), a non-profit organization. Through such efforts, we strive to promote environmentally responsible management.

Communication with Local Communities for Revitalization

DBJ considers working with local citizens to build communities that suit each region an important part of supporting independent community development. To this end, the Bank holds seminars and symposiums in collaboration with local authorities and universities.

In DBJ's Community Diagnosis Program, our employees use objective indicators and original analytical methods to hold discussions with residents and help them identify their community's issues and potential. DBJ

employees interview community stakeholders in advance; study the region's resources; and on the final day, hold a participatory workshop with residents.

In addition to these activities, DBJ is strengthening its cooperation with financial institutions in local communities. These successes feed into the local community development activities described in the Bank's medium-term vision.

Communication in International Cooperation

In cooperation with Japan Economic Research Institute, DBJ shares its experience in applying policy-based financing to support the industrial economy of post-war Japan with developing countries, primarily in Asia. We also offer the expertise we have accumulated in recent policy issues, such as environmental measures and private infrastructure. For example, since 1967 DBJ has held its annual Developmental Finance Course for development finance institutions. Since its beginning, 346 people from more than 30 countries have participated in this course, which we held for the 40th time in fiscal 2008.

Examples of our activities for individual development finance institutions include our cooperation with Japanese and other institutions to provide technical assistance to the China Development Bank and the Development and the Infrastructure Bank of Malaysia. In 2007, we entered into an agreement with the Vietnam Development Bank on operational cooperation, for which we have already begun exchanging opinions. In these ways, DBJ is using the experience and expertise it has gained over the years to offer intellectual support to development finance institutions overseas. At the same time, DBJ is strengthening its channels of communication with these institutions.

Other Communication Efforts

●Providing Information

Issuing Corporate Social Responsibility (CSR) Reports

To expand communication with all stakeholders, in 2003 DBJ issued the *Environmental Report 2003 for a Sustainable Society*, the first report of its kind by a Japanese policy-based financial institution. This was followed by similar reports in 2004 and 2005. In 2006, DBJ published the *CSR Report*.

In 2007, DBJ merged the *CSR Report* into this *Annual Report & CSR Report* following the concept of “disclosure from a CSR perspective.” DBJ will continue publishing CSR information introducing the Bank’s initiatives to help realize a sustainable society.

●Participating in Local Community Activities

Flower Hospitality Program

DBJ participates in the Flower Hospitality Program, a beautification effort in central Nagoya. Employing the Sponsorship System, a cooperative government and private-sector effort, the Bank works with the Chubu Association of Corporate Executives to beautify the urban landscape by planting and tending flowers.

Support for the Operation of Environmentally Friendly Buses

Since fiscal 2003, DBJ has co-sponsored the operation of environmentally friendly buses carrying passengers free of charge on a route in the Otemachi, Marunouchi and Yurakucho area of Tokyo’s business district. These buses help raise awareness about environmental issues. Not only do the buses reduce environmental impact and noise but they are also barrier-free with a low-floor design, ensuring easy access for disabled users.



Marunouchi shuttle bus

◆ Fostering Human Resources and Creating a Comfortable Work Environment

Developing Employee Potential

DBJ is proudest of its human resources assets. The Bank actively works to build a systematic human resource development system and a comfortable work environment

to bring out the best in every employee. The Bank's superior employee performance resulting from such efforts is what drives DBJ to be a pioneer in Japan's finance sector.

Human Resource Development Vision

DBJ's role has evolved and developed substantially to meet the needs of the times. The Bank considers such innovation crucial to maintaining its leadership position in the constantly advancing financial field. To develop its all-important human resources assets, DBJ encourages autonomous and pioneering behavior in its employees as financial professionals through the vision of "generalists

who can be specialists in many fields." Although gaining specialist skills is certainly important, responding to the constantly changing demands of the times requires broad experience, deep knowledge and the ability to see the big picture. DBJ has therefore created a human resource development system that incorporates job rotation, performance evaluation, education, and training.

Introduction of the Target Management System

DBJ is implementing a Target Management System to encourage employees to work autonomously and reform their actions and to accurately evaluate such efforts. The Bank is working to enrich this system by having subordinates meet individually with superiors to set goals and receive feedback, autonomously running through the Plan-Do-Check-Act (PDCA) cycle. Particularly in goalsetting, DBJ emphasizes enhancing medium- and longterm value internally and externally, while motivating employees by offering bonuses and other benefits based on performance.



Creating a Comfortable Work Environment

DBJ actively strives to cultivate a comfortable work environment.

To maintain an environment in which all employees can feel secure, DBJ has notified employees of its campaign to prevent sexual harassment and has set up a hotline to deal with such issues. Furthermore, to support mental and physical health, the Bank has created systems with

training and self-assessment, in addition to regular medical examinations.

DBJ has also introduced pioneering programs to give motivated employees better opportunities for long-term employment by allowing leave for childbirth, childcare and nursing care, as well as a system for continued employment after retirement.

A Solid Human Resource Development System

DBJ's financial professionals are supported by a well developed education and training system. The Bank's combination of mandatory training by level and elective self-training according to skills and interests enables each employee to plan his or her career.

In addition to practical on-the-job training (OJT), which gives employees responsibility regardless of age, DBJ's job rotation system positions employees for the medium- to long-term according to skills and career choices, after having worked in several departments. This system enables employees to build practical experience and develop skills with a medium- to long-term vision.

In 2008, we established the DBJ Financial Academy,

which meets weekly throughout the year and is designed to help employees acquire and maintain basic competencies and deepen their understanding of finance, assuming they will become involved in advanced financial operations.

In step with globalization, DBJ cultivates employees able to perform in domestic and international settings. To achieve this, the Bank actively assigns employees to a wide variety of external organizations, including graduate schools in Europe and the United States, overseas research institutes, international institutions, related government agencies, and domestic research institutes, thereby supporting skill development and network expansion.

DBJ's Human Resource Development System

	Mandatory Training by Level		Elective Training				Business-Related (Self-Training)		External Assignments, etc.		
Position ↑		Top management training						Distance learning, night courses, acquiring public qualifications	External seminars, lectures, etc.	Domestic and overseas exchange students, trainees, etc.	
	Life Plan training		<ul style="list-style-type: none">• Practical training in investment and loans• Rating and asset assessment training• Basic loan interest training• Training in debt management, etc.	<ul style="list-style-type: none">• Compliance training• Practical legal training• Training in corporate and financial law, etc.	Basic knowledge areas <ul style="list-style-type: none">• Accounting• Finance, etc.	<ul style="list-style-type: none">• Practical business revitalization training• Structured finance training• Training in syndicated loans• Seminars on creation of industries• Environmental and disaster-prevention seminars, etc.	<ul style="list-style-type: none">• Finance theory training• Finance case-study training• Valuation training• Equity-related training• Practical risk management training, etc.				Common skill areas <ul style="list-style-type: none">• Problem solving and communication• Logical thinking• English conversation• Business comportment, etc.
		Management training									
	Career development plan training										
	Secondary training after joining DBJ										
	DBJ Financial Academy										
Introductory training for new employees		Accounting system and related training	Legal training		Financial analysis training	Basic finance training for new employees					
	Autonomous career development	Cultivation of management and leadership skills	Mastery of DBJ procedures and basic processes	Mastery of finance and law	Acquisition of financial accounting knowledge	Strategic and focus areas, such as financial skills	Focus enhancement areas, such as financial skills for privatization	Mastery of basic business execution skills	Financial knowledge, etc.	Cultivation of work-related knowledge, mastery of specialized knowledge, HR development	
	Planned and continuous HR development		Mastery of knowledge and skills needed for work			Addressing strategic and focus areas	Preparing for privatization	Mastery of knowledge and skills needed for work			

Seeking Higher Ethical Standards

For half a century, DBJ has led Japan's economy as a general policy-based financial institution. As the Bank transforms into a private-sector financial institution that values the long-term perspective, neutrality, public mindedness, and reliability it has cultivated, each employee is being held to a higher ethical standard. DBJ has long sought to enhance employees' ethical standards by

requiring training to assure legal compliance, ISO training to deepen ISO 14001 understanding and promote eco-friendly conduct, and information security training to address the risk of fraudulent access and information leaks.

DBJ will henceforth devote even more resources toward such efforts.

◆ DBJ's Environmental Management

DBJ not only strives to reduce the environmental impact of its operations but also actively pursues environmental

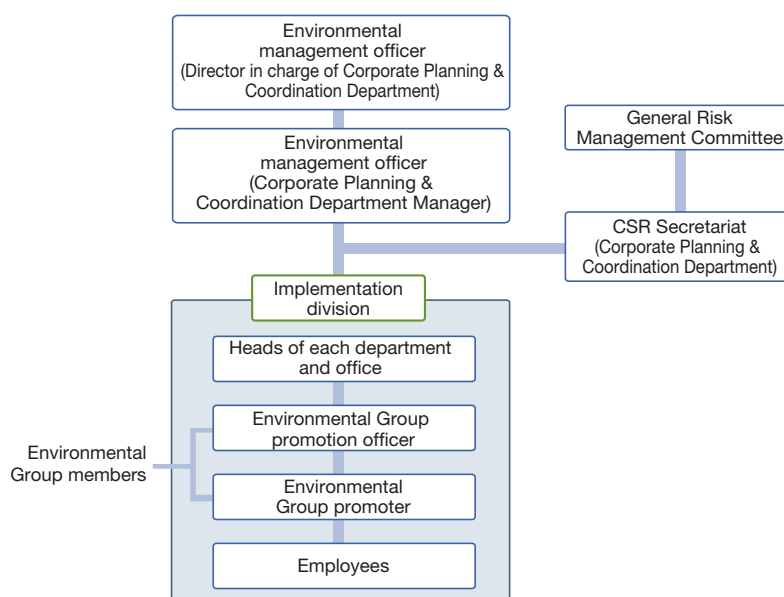
activities with full member participation in the projects it supports.

Alignment with the UNEP FI

In June 2001, DBJ became the first Japanese bank to sign the UNEP Statement by Financial Institutions on the Environment and Sustainable Development. In doing so, DBJ joined other financial institutions in the UNEP FI (Financial Initiatives), a voluntary organization. In

November 2002, we became Japan's first government-affiliated financial institution to receive ISO 14001 certification. This certification is part of the Bank's efforts to protect the environment and work toward a sustainable society.

■ Environmental Management Structure



The Basic Environmental Policy

DBJ established an environmental policy in July 2002. Based on our expanded involvement in this area, in April 2008 we introduced the more extensive DBJ Basic Environmental Policy. In addition to specifying environmental activities within our offices, such as reducing the use of paper and electricity, and the amount of trash we generate,

the new policy clearly spells out our promotional activities. Categories include investment and loan activities, information transmission and environmental activities in local communities. The Program for Promoting Environmentally Responsible Management (see page 77) is one activity based on this environmental policy.

Alignment with the UNEP FI

In June 2001, DBJ became the first Japanese bank to sign the UNEP Statement by Financial Institutions on the Environment and Sustainable Development, promising to strive for harmony between economic development and environmental conservation and to cooperate in resolving environmental problems. Since joining the UNEP FI, the Bank has continued to work with the UNEP FI and other institutions to pursue measures in accordance with the UNEP Statement's intent.

As part of these efforts, the UNEP FI 2003 Global Roundtable in Tokyo was held in October 2003. DBJ co-sponsored the meeting under the theme, "Sustaining Value: Finance's Roles in a Creating a Sustainable Society and Realizing Value," as a representative of the Japanese financial institutions that have joined the UNEP FI. The Tokyo Principles were issued in the form of a conference statement for this meeting.

The conference served as a good opportunity to raise Japanese and other Asian financial institutions' awareness of environmental problems. In January 2005, the Asia Pacific Task Force was founded as a parent organization for independent activities at the regional level. DBJ plays a pivotal role, having served as chairman of the task force until October 2006 and continuing to serve as the chairman of its Japan Group. The Bank also displayed its proactive stance by hosting a Tokyo press conference

in May 2006 for the announcement of the Principles for Responsible Investment and its signatory institutions and by helping prepare the necessary public relations materials.

Moreover, at the UNEP FI 2005 Global Roundtable held in New York in October 2005, DBJ presented Japan's efforts to tackle the issue of global climate change. The Bank is striving to actively provide information to the UNEP FI by participating in the Climate Change Working Group, representing the Asia region.

The Tokyo Principles

1. Select investment, lending and insurance activities desirable for society and the environment.
2. Endeavor to develop and sell financial products that contribute to the environment and society.
3. Incorporate the most appropriate governance structures, including management policy.
4. Endeavor to achieve a sustainable society through dialogue with stakeholders.

Principles for Responsible Investment

These principles were established with the goal of ensuring that issues related to the environment, society and governance are reflected in the investment decision-making processes of the world's institutional investors. Signatory institutions of these principles are working together for their implementation worldwide.

Visit <http://www.unpri.org> for more details.

Efforts to Conserve Resources and Energy

As part of its environmental management system, DBJ sets numerical targets and uses posters and other means to enlighten employees. This entails reducing paper waste (e.g., making double-sided copies, using the reverse side

of remaining single-sided copies and printing only as many copies as needed); reducing energy use (e.g., minimizing elevator use); and utilizing recycled boxes (e.g., separating recyclables such as plastics and cans).

Green Purchasing

Following the Green Purchasing Law (official title: Law Concerning the Promotion of Procurement of Eco-Friendly Goods and Services by the State and Other Entities), which went into effect in April 2001, DBJ has set annual numerical goals for purchasing products and services effective in reducing environmental impacts.

In 2001, DBJ also became the first government-affiliated financial institution to join the Green Purchasing Network, which was formed to promote the purchase of products with low environmental impact. The Bank has since run voluntary initiatives inspired by the network's guidelines.

Refer to the following link for DBJ's procurement policy and past performance.
<http://www.dbj.go.jp/japanese/environment/office/enviro01.html>

Achievements of the Green Procurement Program for Typical Items

		Fiscal 2008 Procurement Achievements	Fiscal 2009 Procurement Targets
Paper	Copy paper, etc.	99.2~100%	100%
Stationery	Files, office envelopes, notebooks, etc.	73.1~100%	100%
Equipment	Chairs, desks, shelves, whiteboards, etc.	98.3~100%	100%
Office equipment	Copiers, printers, fax machines, etc.	96.2~100%	100%
Lighting	Fluorescent lighting, etc.	100%	100%
Interior items	Tile carpeting, etc.	100%	100%

Resource- and Energy-Saving Efforts

	Fiscal 2008		Fiscal 2009 Target
	Target	Result	
Copy paper usage	2.5% savings	4.8%	1% savings
Printing paper usage	5% savings	23.4% savings	1% savings
Waste emissions	10% savings	24.5% savings	1% savings
Energy consumption	0% decrease	4.0%	1% decrease

Note: Fiscal 2007 figures are in comparison with fiscal 2004. Targets for fiscal 2008 are in comparison with fiscal 2007.



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DBJ's Primary Achievements in the Environmental Sector since its Establishment

October	1999:	The new Bank's stipulated objective is explicitly stated as "sustainable development."
April	2001:	Starts green procurement and environmental training.
June	2001:	Becomes first Japanese bank to sign the UNEP Statement by Financial Institutions on the Environment and Sustainable Development.
October	2001:	Forms the Social Environment Committee and Social Environment Group; hosts discussions between UNEP and Wa no Kuni Financial Institutions on Environmental Considerations for Financial Institutions.
March	2002:	Attends UNEP FI 2002 Global Roundtable in Rio de Janeiro, Brazil.
July	2002:	Launches Development Bank of Japan Environmental Policy.
November	2002:	Obtains ISO 14001 certification.
October	2003:	Publishes Environmental Report 2003 for a Sustainable Society (first annual edition).
October	2003:	Jointly sponsors UNEP FI 2003 Global Roundtable in Tokyo, an international conference on finance and the environment.
April	2004:	Starts Loans for Promoting Environmentally Conscious Management.
September	2004:	Issues the second annual Sustainability Report.
November	2004:	Establishes Japan Carbon Finance, Ltd. (JCF).
December	2004:	Establishes Japan Greenhouse Gas Reduction Fund (JGRF).
January	2005:	Assumes chairmanship of the UNEP FI Asia Pacific Task Force.
April	2005:	Starts program to promote the spread of equipment meeting Top Runner standards in accordance with the Energy Conservation Law.
September	2005:	Issues the third annual Sustainability Report.
October	2005:	Presents at the UNEP FI 2003 Global Roundtable.
November	2005:	Renews ISO 14001 certification.
April	2006:	Starts program to support projects in line with the Kyoto Protocol Target Achievement Plan.
May	2006:	Holds press conference to announce DBJ status as a signatory institution to the Principles for Responsible Investment.
August	2006:	Publishes CSR Report 2006 (fourth annual Sustainability Report).
April	2007:	Starts interest subsidy system for the global warming countermeasure portion of the Promoting Environmentally Conscious Management financing system.
April	2008:	Revises the environmental policy to create the Basic Environmental Policy.

Development Bank of Japan Environmental Policy

Environmental Mission

With a more prosperous sustainable society as our goal, we recognize solving environmental problems as a topmost imperative. We comply with environmental laws and regulations and support the UNEP Statement by Financial Institutions on the Environment and Sustainable Development. By conducting our business in accordance with the environmental principles outlined below, we contribute to the creation of an environmentally responsible society.

Environmental Principles

Promotion of environmental measures through our investment and lending operations

- DBJ supports projects beneficial to the environment in light of Japan's environmental policies.
- Provision of funds for projects that do not contribute to global warming but promote the creation of a recycling-oriented society
 - Ongoing improvement and quality enhancement of investment and lending operations addressing environmental measures
 - Evaluation of risk from an environmental perspective in our investment and lending operations

Promotion of environmental awareness through environmental communication

DBJ raises environmental awareness and contributes to the

solution of problems by performing such knowledge accumulation functions as contributing and sharing information.

- Continuous research and wide-ranging advisory activities relating to environmental issues
- Activities to promote international cooperation, including the distribution of information about environmental initiatives by Japan
- Sharing of information about DBJ's environmental efforts, including the Environment Policy

Promotion of environmental awareness activities in offices

DBJ complies with environmental laws and regulations and promotes activities to reduce the environmental impact of our operations.

- Promotion of resource and energy conservation and recycling activities
- Promotion of environmentally friendly sourcing of supplies under the Green Purchasing Law and other systems
- Prevention of environmental pollution

Promotion of environmental awareness activities in communities

DBJ endeavors to promote environmental awareness activities in individual communities.

- Cooperation with environmental activities in local communities
- Support for environmental improvement initiatives