

DBJ provides integrated investment and loan services to resolve the issues its clients face and continues to support the ongoing growth of society from a financial perspective.

At DBJ, corporate social responsibility involves not only contributing to society through investment, loan and other business, but also seriously taking into account societal needs and living up to responsibilities as a member of society.

This requires all DBJ executives and regular employees to conduct their daily activities with constant consideration 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.

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Editorial Policy

To expand communication with all stakeholders, in 2003, DBJ first issued *Environmental Report 2003 for a Sustainable Society*. This was followed by annual sustainability reports in 2004 and 2005. In 2006, DBJ published the *CSR Report*. Since the fiscal year ended March 31, 2008, DBJ has combined its annual report and CSR report under the concept of "disclosure from a CSR perspective." DBJ will continue publishing CSR information introducing its initiatives to help realize a sustainable society.

As in previous years, this report explains how DBJ came into being, as well as the services DBJ provides. The report aims to show that DBJ fulfills its corporate social responsibility through the careful attention it accords to each of its activities, incorporating this discussion of the status of its recent activities. Furthermore, we have employed the following guidelines in our effort to enhance the report's readability.

- We explain DBJ's stance on CSR as a way of addressing the problems society faces.
- To give the reader a clear sense of how DBJ's services relate to society, the report provides case studies of DBJ's ongoing emphasis on CSR through the investment, loan and other businesses it conducts.

DBJ considers this report an important tool for communicating with all manner of stakeholders and hopes to continue improving it. Accordingly, we welcome your comments and suggestions.

Scope of Report

Organizations covered: All DBJ branches, including overseas representative offices and subsidiaries, except where noted.

Japan: Head office, 10 branch offices and eight representative offices

Overseas: One overseas representative office

Period covered: The fiscal year from April 1, 2013, to March 31, 2014

As this report is designed to illustrate ongoing initiatives, some of the case studies for investment, loan and other business contained herein are the same as in past issues. Furthermore, some of the information indicated herein will have been updated by the time this report is published.

Publishing Details

Published: September 2014

Next publication: September 2015 (previous publication: September 2013; frequency: annual)

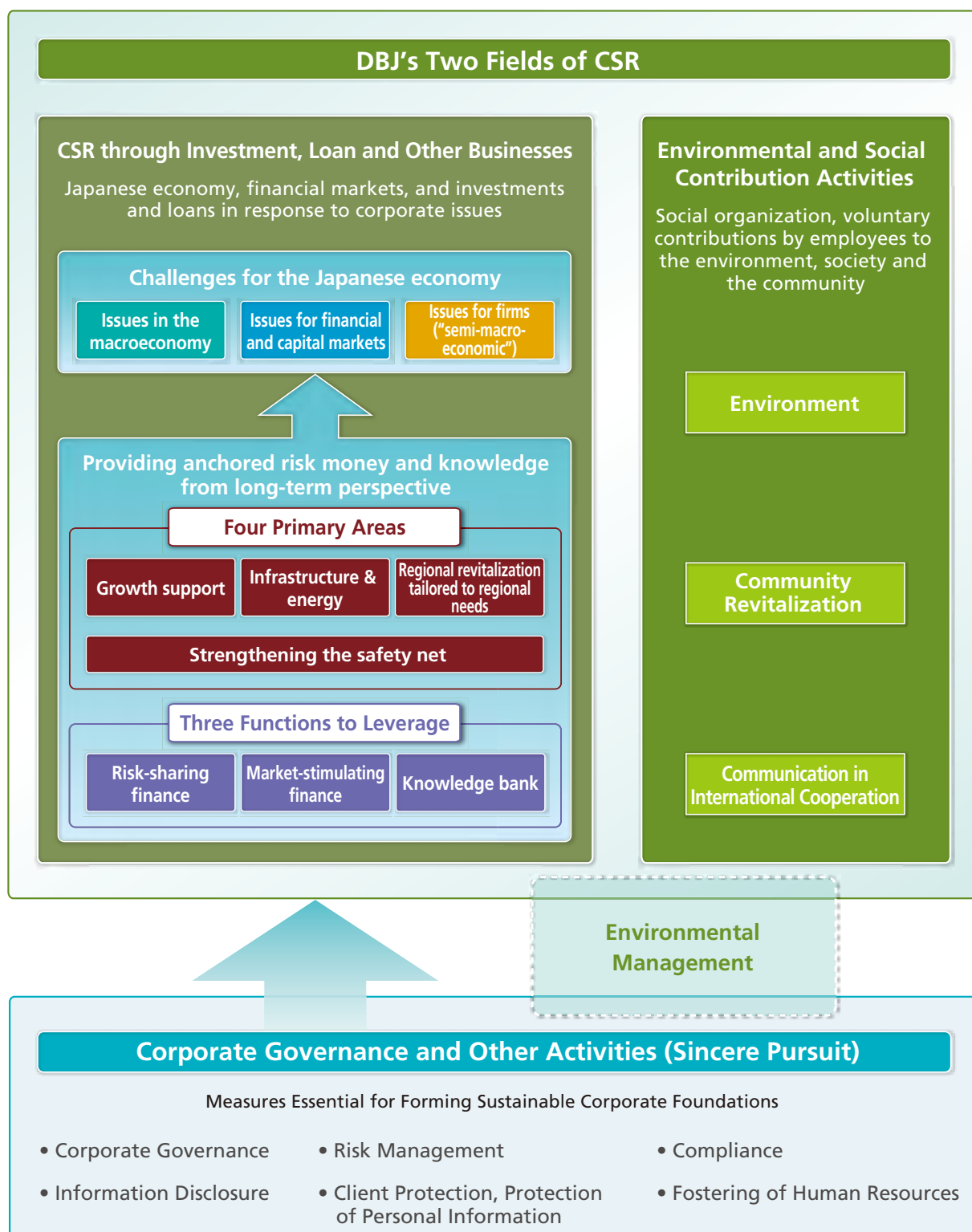
Reference Guidelines

The Sustainability Reporting Guidelines (Fourth Edition), issued by the Global Reporting Initiative (GRI), were used as reference guidelines.

Implementing CSR Management

With corporate governance as its cornerstone, DBJ separates into two fields the scope of the CSR activities through which it addresses the problems society faces: (1) CSR through investment, loan and other businesses and (2) the environmental and social contribution activities it undertakes. The combination of the two fields enhances corporate value.

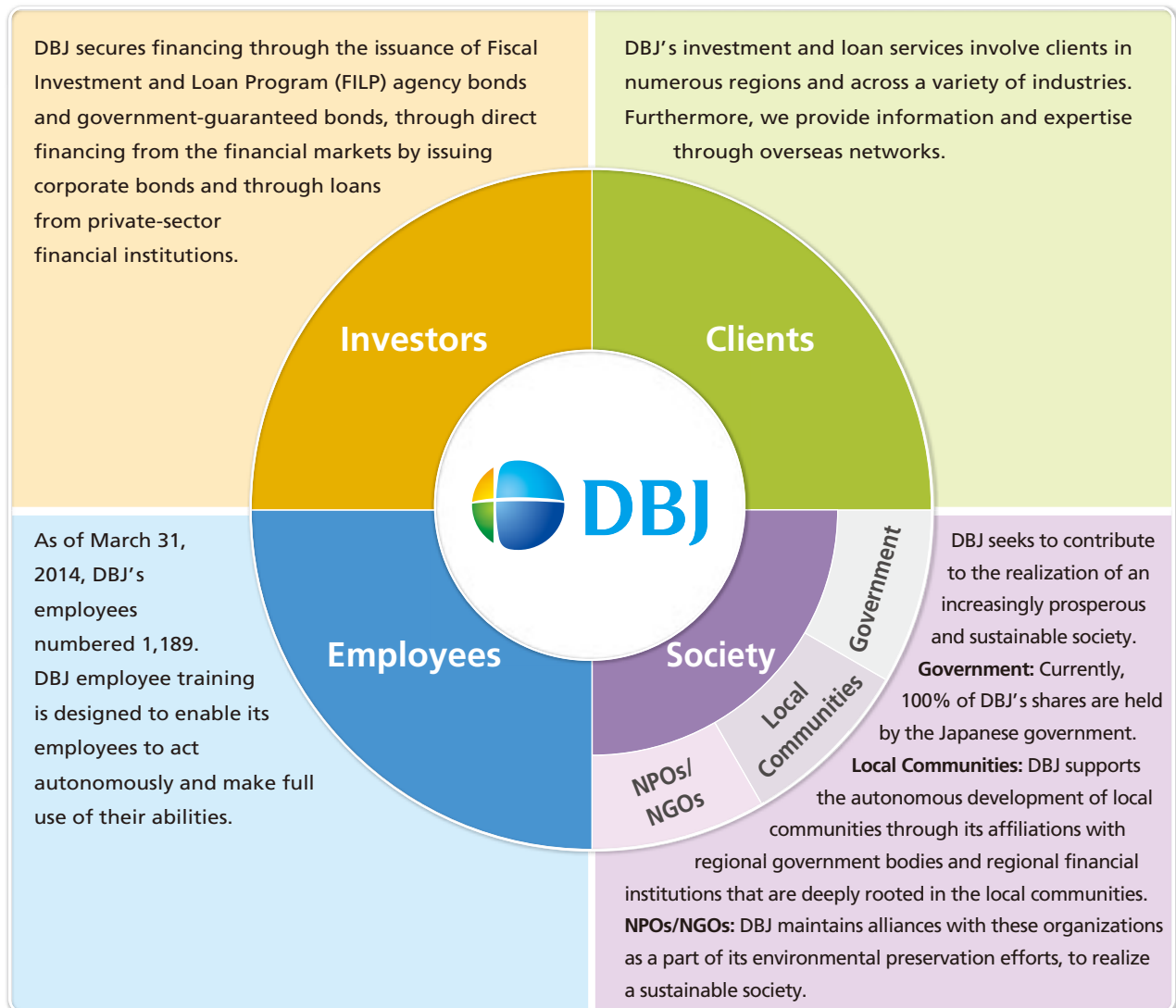
Fields of CSR Implementation at DBJ



DBJ and Its Stakeholders

DBJ comes into contact with a wide variety of organizations, companies and people in the course of its operations.

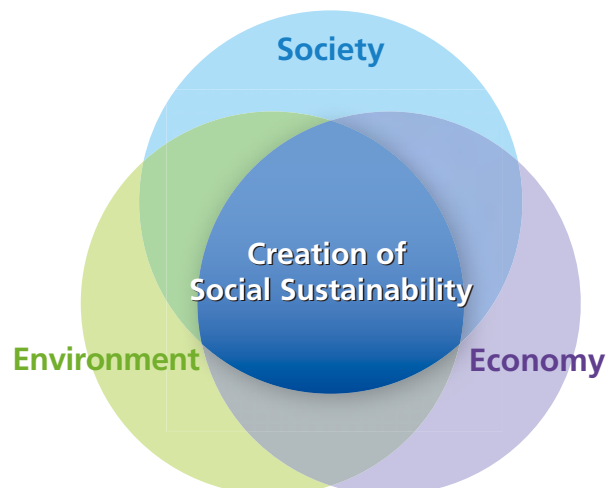
DBJ strives to increase its dialogue with stakeholders in its effort to realize a sustainable society.



Triple Bottom Line

"Triple bottom line" refers to evaluating corporate activity from the three vital perspectives of society, the environment and the economy. It is not simply evaluating a company's financial performance, but rather assessing sustainable development by incorporating environmental, social and economic aspects.

Economic issues are tied to DBJ's investments and loans, and its considerations include region-specific and environmentally time-specific concerns, in addition to the economic issues that a company faces, thus spanning the three elements that make up triple bottom line evaluation. Accordingly, in "CSR through Investment, Loan and Other Businesses," DBJ carries out activities based on triple bottom line evaluations to help build a sustainable society.



Social Effectiveness

During its time as a comprehensive policy-based financial institution, evaluations of DBJ's annual operations raised DBJ's business effectiveness and results, thereby improving its responses to socioeconomic changes facing Japan. These responses were a way to evaluate CSR through Investment, Loan and Other Businesses.

Even after privatization, DBJ aims to continue contributing to building an affluent future by solving problems through creative financial activities. We determine from our own perspective those businesses that are truly useful to society and work to promote the realization of a sustainable society.

CSR through Investment, Loan and Other Businesses

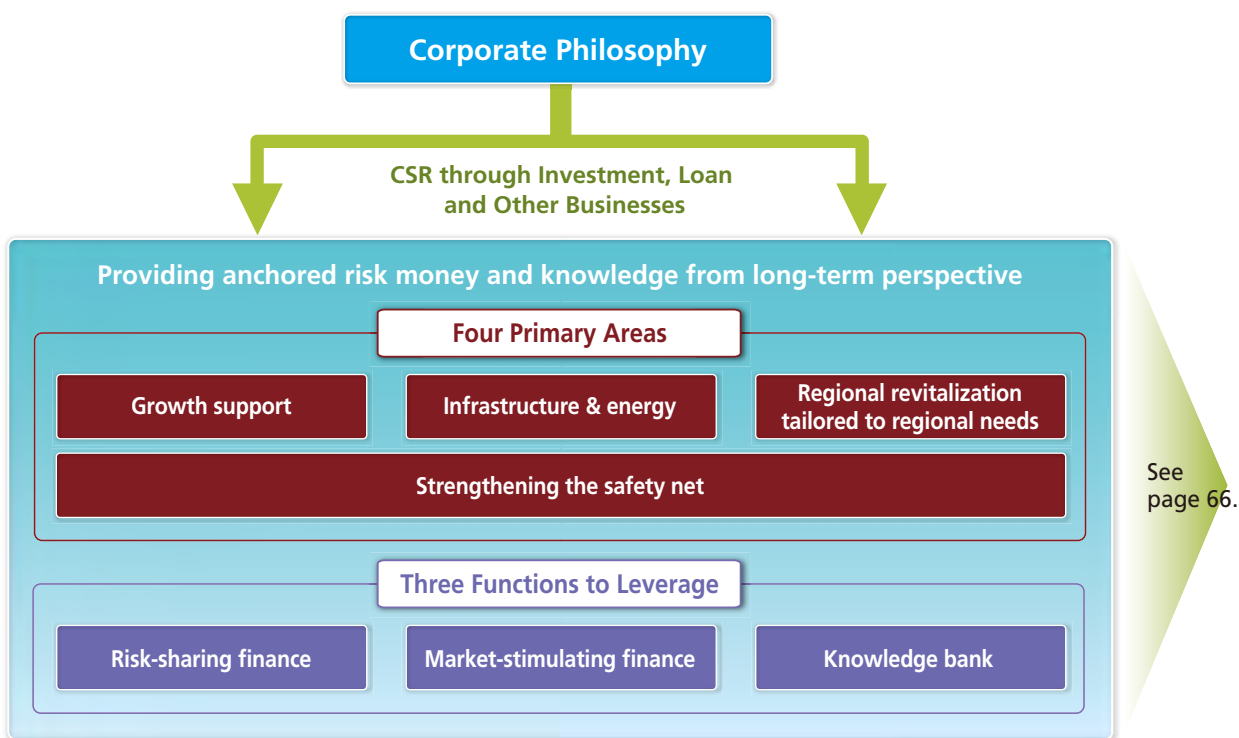
Due consideration of compliance issues is a prerequisite for the sustainable development of enterprises. Accordingly, it is important that a corporation's business activity brings new value to, contributes to problem-solving in, and gains the trust of society.

Financial institutions can play a specific role in building a harmonious society over the long term by identifying truly meaningful projects for the economy and society and providing quality financing and other financial solutions.

We believe that DBJ can gain the trust of society with CSR through investment, loan and other businesses, such as the provision of services that lead to client satisfaction, increases in corporate value, coexistence with regional societies and the creation of employee-friendly workplaces.

Accordingly, DBJ considers the application of its intellectual assets and service platforms for investments and loans to be of vital importance.

Specifically, DBJ will apply the distinctive features and financial services that it has realized in the past to provide to clients various solutions that address expected changes and other issues that are forecast for the economic and social environments. In this way, DBJ will proactively leverage its three functions—risk-sharing finance, market-stimulating finance and knowledge bank—to take part in four primary areas: growth support, infrastructure & energy, regional revitalization tailored to regional needs, and strengthening the safety net.



Environmental and Social Contribution Activities

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

Communication Focused on the Environment

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

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

DBJ has had a booth at the Eco-Products Exhibition every year since fiscal 2001. Through display panels, we introduce various DBJ activities, such as the DBJ Environmentally Rated Loan Program and the DBJ Enterprise Disaster Resilience Rated Loan Program. In fiscal 2012, we also lectured on the theme of Q&A on Financing Employing DBJ Environmental Ratings, attracting numerous visitors to our booth.



Eco-Products 2013 booth



Eco Presentation Stage (Eco-Products 2013)

Communication on Community Revitalization

DBJ considers working with local citizens to build communities that suit their unique environments an important part of supporting independent community development. To this end, DBJ sponsors such events as seminars and

symposiums in collaboration with local authorities and regional branches of the Japan Chambers of Commerce and Industry and other economic organizations.

Tokai Branch

Messe Nagoya

Messe Nagoya 2013 was held to carry forth the philosophies of the 2005 World Exposition, Aichi, Japan, (in the areas of the environment, science and technology, and international cooperation).

DBJ's initiatives were introduced at this exposition, including the environmentally related DBJ Environmentally Rated Loan Program, disaster preparedness related DBJ Enterprise Disaster Resilience Rated Loan Program and DBJ Green Building Certification.



Messe Nagoya 2013 booth

Communication in International Cooperation

DBJ holds seminars for developing countries' governmental and developmental financial institutions, primarily those in Asia, describing the Bank's experience in applying policy-based financing to support the reconstruction and growth of the industrial economy of postwar Japan. Participants also benefit from our accumulated expertise in policy issues such as energy conservation, environmental measures and private infrastructure.

The Development Finance Course, for example, is a seminar that has attracted 346 people from more than 30 countries since it was inaugurated by DBJ in 1967. In recent years, we have responded to requests from the governments of Japan and other countries. Such projects include one to support credit risk management at Vietnam Development Bank, a detailed design project for the Development Bank of Mongolia and a development bank support project in southern Africa.

DBJ is a member of the Association of Development Financing Institutions in Asia and the Pacific (ADFIAP), and since 1976 we have been networking with financial institutions from China, South Korea, ASEAN countries,

India and other areas. In 2014, ADFIAP's annual meeting was held in Moscow, Russia. DBJ received an ADFIAP Award for its efforts through the DBJ Enterprise Disaster Resilience Rated Loan Program, citing their effectiveness in addressing large-scale natural disasters, which have become an increasing point of focus in Asia.



ADFIIAP annual meeting in Moscow, Russia

Other Communication Efforts

Providing Information

Video Introduction to CSR Initiatives

To make DBJ's CSR activities more easily understandable, on our website we have included video content entitled *DBJ's CSR: Strengthening Society through Financial Expertise*. We also showed this video at the Eco-Products 2013 exhibition. <http://www.dbj.jp/co/csr/index.html> (Japanese only)



Issuing CSR Reports

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Participating in Activities That Contribute to Society

TABLE FOR TWO

DBJ began participating in the TABLE FOR TWO* program on March 29, 2010. Under this program, one of the meals in our company cafeteria each day is designated as a "healthy menu" option. Through proactive employee participation in this program, as of the end of May 2014, DBJ's contributions totaled ¥1,445,720—enough to provide 72,286 meals.

*TABLE FOR TWO is a program run by the non-profit organization TABLE FOR TWO International. Under this program, each time a specific food item is purchased, a ¥20 donation (enough money to purchase one school lunch in a developing country) is donated to purchase a school lunch for one child.



A healthy menu



Campaign

Participating in Local Community Activities

Support for the Operation of the Environmentally Friendly Marunouchi Shuttle Bus

Since the year ended March 31, 2004, 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 also they are barrier-free with a low-floor design, ensuring easy access for disabled users.



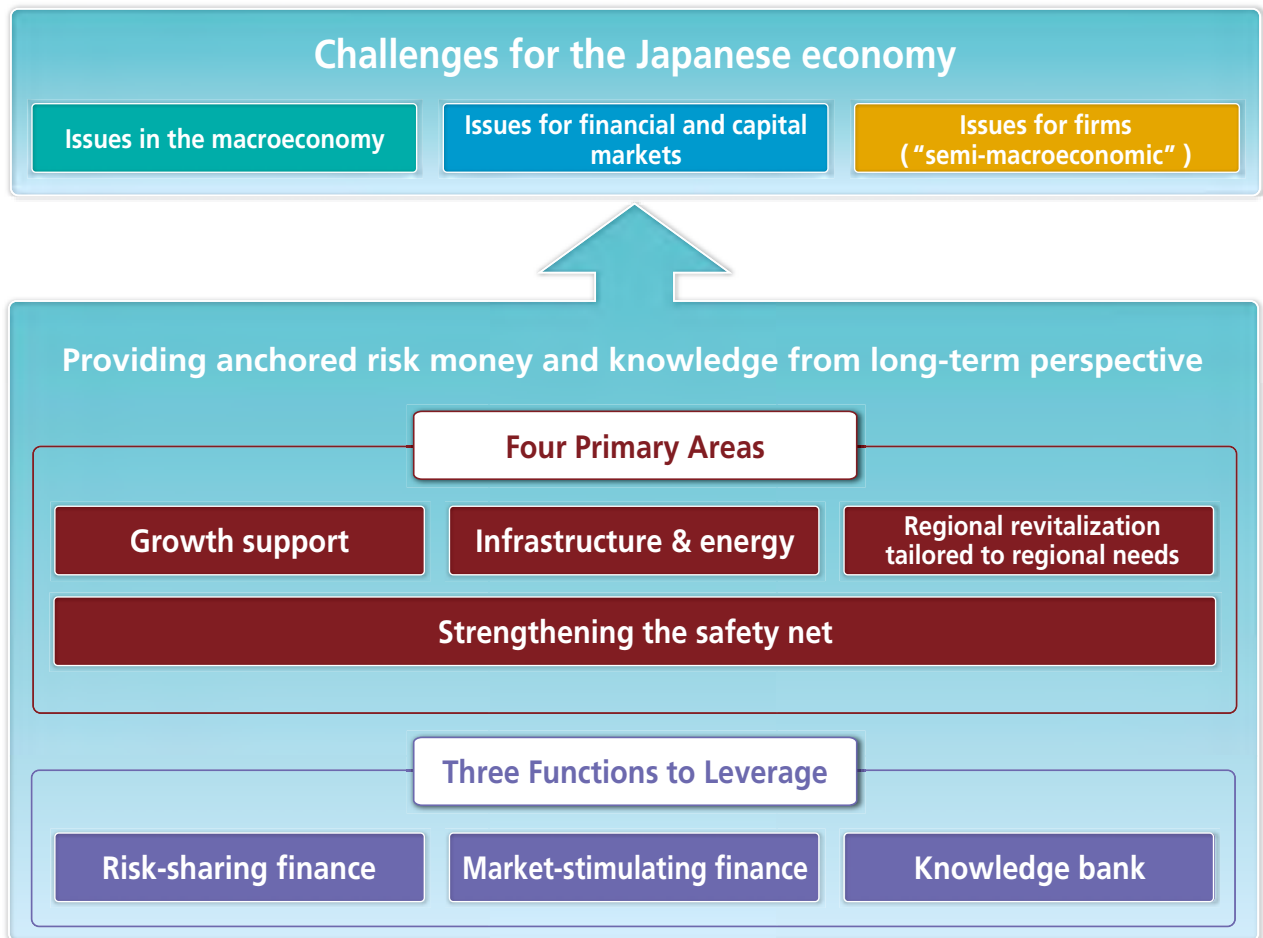
Marunouchi shuttle bus

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CSR through Investment, Loan and Other Businesses

Japanese economy, financial markets, and investments and loans in response to corporate issues



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Growth Support

Promotion of Competitiveness

The current state of the Japanese economy is characterized by a sense of gradual recovery. At the same time, however, the government needs to steadily introduce a variety of strategies and measures to ensure this growth, as well as to reinforce the competitiveness of the country's industries. Particularly important are efforts to maintain core competitiveness (by ensuring human resources, supply chains, R&D site functions and other domestic production infrastructure, as well as appropriately updating capital stock) and to strategically enhance competitiveness (by creating new value through links between different industry sectors and promoting initiatives that span the value chain from the upstream to the downstream ends).

Case Study LIXIL/GROHE

LIXIL Corporation, headquartered in Chiyoda-ku, Tokyo, is the core business company of the LIXIL Group, the largest housing and building materials company in Japan.

LIXIL and DBJ are 50–50 partners in a special-purpose company that has acquired 87.5% of the outstanding shares in GROHE Group S.à r.l., headquartered in Luxembourg, one of the leading providers of premium sanitary fittings. The LIXIL Group's Medium-Term Management Vision, announced in May 2011, expresses its aim as "Becoming a comprehensive housing solutions provider targeting the global market." In 2011, LIXIL acquired Italy's Permasteelisa, which is involved in the

business of curtain wall, and by 2013 had also acquired American Standard Brands, a U.S. company that is a leading North American manufacturer of a wide range of high quality kitchen and bath products. Through these acquisitions, LIXIL is increasing the number of home product brands under its umbrella and proactively expanding its global business.

The acquisition of shares in the GROHE Group was one aspect of LIXIL's efforts to this end. Through its joint investment, DBJ provides support on the financial front, as well as the expertise gained through operations in Japan and overseas, human resources and information networks.

Consequently, DBJ aims to enhance the overall corporate value of the LIXIL Group.



GROHE products

Case Study Omori Machinery

Since its establishment in 1948, Omori Machinery Co., Ltd., headquartered in the city of Koshigaya, Saitama Prefecture, has evolved into an industry leader in the development and provision of various sorts of packaging equipment and systems tailored to customers' needs. The company's management philosophy expresses its aim to "develop packaging systems that satisfy users with their quality and contribute to a more international society." Having succeeded in the development of highly challenging packaging equipment and systems, the company has amassed a wealth of advanced proprietary technologies

and expertise. For this reason, DBJ has identified Omori Machinery as a "core value chain company."*

DBJ provided Omori Machinery with anchored risk money to acquire Multi Pack Systems Private Limited, headquartered in Gujarat, India (now OMORI India Private Limited). Through this acquisition of a local manufacturer of packaging equipment, Omori Machinery aims to participate in the rapidly growing Indian market for packaging equipment. The acquisition extends Omori Machinery's global reach and should enhance its overseas competitiveness.

* A core value chain company is one that plays a key role in the value chain due to its advanced technological capabilities.



OMORI India Private Limited plant

Promotion of Competitiveness

Case Study Maritime Innovation Japan

Maritime Innovation Japan Corporation (MIJAC), headquartered in Shinagawa-ku, Tokyo, was established in April 2013 as an R&D platform for the marine transport sector. Currently, participating members are five shipbuilders (Imabari Shipbuilding Co., Ltd., Oshima Shipbuilding Co., Ltd., Sanoyas Shipbuilding Corporation, Shin Kurushima Dockyard Co., Ltd., and Tsuneishi Shipbuilding Co., Ltd.), NYK Line, Nippon Kaiji Kyokai (ClassNK) and eight manufacturers of marine equipment (Uzushio Electric Co., Ltd., Taiyo Electric Co., Ltd., Daihatsu Diesel Mfg. Co., Ltd., Terasaki Electric Co., Ltd., Nakashima Propeller Co., Ltd., Nabtesco Corporation, Mitsubishi

Heavy Industries Marine Machinery & Engine Co., Ltd., and Yanmar Co., Ltd.). These members jointly invest in MIJAC and take part in business partnerships through the organization.

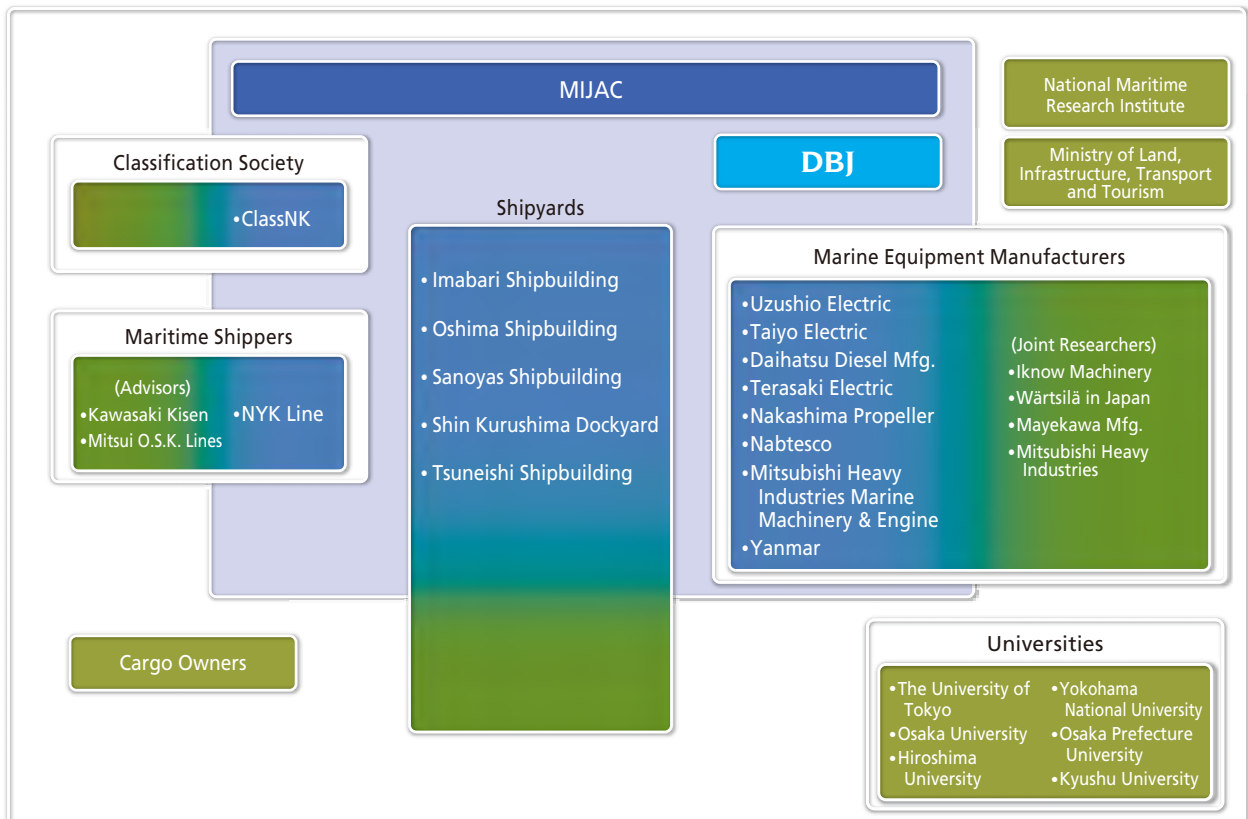
MIJAC was established to raise the level of technologies in Japanese shipbuilding, ocean transport and other marine-related activities. In keeping with its vision of continuing to enhance Japanese technologies and taking them to the world, MIJAC conducts research and development activities on ship design and construction, ship-operating technology, technologies to reduce CO₂ and other noxious emissions from ships, and the efficient use of ocean energy.

DBJ utilized the Fund for Japanese Industrial Competitiveness to provide anchored risk money to support MIJAC's initiatives. This involves forging strategic partnerships among multiple shipbuilders and marine shipping companies to consolidate technological capabilities and expertise in the aim of creating and commercializing the new value needed to enhance the international competitiveness of Japanese shipbuilders.



Bulker

MIJAC's Development Network



M&A

Mergers and acquisitions (M&A) have entered the spotlight with their increasing prevalence, owing to such factors as more diverse forms of business development, overseas expansion, and growing activities in business and industry restructuring. M&As are considered effective and essential for aggressive business restructuring and to overhaul and revitalize underperforming businesses.

Case Study

Kuroda Precision Industries

Kuroda Precision Industries, Ltd., headquartered in the city of Kawasaki, Kanagawa Prefecture, manufactures and sells such products as ball screws, precision press molds, tooling, gauges, surface grinding machines and precision measuring systems. Recognized as a “precision leader” for its expertise in precision processing and measurement technologies, Kuroda Precision Industries manufactures products used in mobile phones, hybrid cars, semiconductor fabrication equipment, industrial robots and a host of other items that are hallmarks of the times and support industrial development.

When Kuroda Precision Industries contemplated the acquisition of companies overseas toward its next stage of global development, DBJ proposed the acquisition of Avingtrans Industrial Products, Ltd., a medium-sized U.K.

manufacturer of parts for precision equipment, and provided advisory services. At the same time, we provided acquisition financing jointly with Mizuho Bank, Ltd.



Precision ball screws and precision gears

Case Study

SECOM

SECOM Co., Ltd., headquartered in Shibuya-ku, Tokyo, and a leading security company, believes that data centers will become an increasingly important strategic business. Given the growing emphasis on information and security, SECOM believes that data centers serve as a vital part of the social infrastructure.

DBJ proposed that SECOM acquire shares in AT TOKYO Corporation and advised SECOM on the acquisition. Headquartered in Koto-ku, Tokyo, this company is one of Japan’s leading data center operators in terms of scale, electric power supply stability and security management. We believe that SECOM’s acquisition of a stake in AT TOKYO enables both companies to leverage their strengths, managing

information safely and functioning as a service center that uses its core functionality to provide a host of services. Through its data centers, the company

also fulfills an essential social role and has the ability to create new services that are safe and offer high added value.



Data center

Overseas

Efforts at expansion overseas have become an important factor in Japan's continued growth.

Emerging markets in particular, with their notable growth in middle income groups, represent a major business opportunity for Japan, because the region is running up against environmental issues, urbanization-related difficulties and other developmental constraints and growth challenges that Japan has already faced and overcome.

Case Study Government Pension Investment Fund/Canada's Ontario Municipal Employees Retirement System

DBJ is taking part in an infrastructure investment program under a co-investment agreement with Government Pension Investment Fund (GPIF), located in Chiyoda-ku, Tokyo, and Canada's Ontario Municipal Employees Retirement System (OMERS), located in the province of Ontario, Canada. The investment will be made through a unit trust along with other co-investors as appropriate investment opportunities are identified.

The investment in infrastructure is one of the most valuable investments for overseas pension funds and with its long-term stable revenue from

usage fees in such areas as electric power transmission, gas pipelines and railways and its return being less affected by public market volatility.

Understanding this background, GPIF has encouraged the signing

of the co-investment agreement with experienced investors such as DBJ and OMERS for more improved investment capabilities and advanced risk management.



Power transmission lines

Case Study Aviation Capital Group

Aviation Capital Group Corp. (ACG), headquartered in the U.S. state of California, is one of the world's leading aircraft leasing companies. ACG has a fleet of approximately 255 aircraft worth over US\$8 billion and offers a wide range of commercial aircraft leasing and asset management services to approximately 90 airlines around the world.

In response to ACG's desire to broaden its relationship with financial institutions in Japan and diversify its funding sources, DBJ and BNP Paribas S.A., Tokyo Branch (BNPP) arranged a yen-denominated syndicated loan for ACG with 14 of Japan's regional banks

and other financial institutions. DBJ and BNPP have been working for several years to cultivate a better understanding of aircraft finance among regional banks and other financial institutions by hosting aircraft finance seminars. The syndicated loan that resulted from this initiative connected

the needs of ACG with those of regional banks, which are highly interested in expanding their cross-border financing operations. This was also the first syndicated loan to an overseas aircraft leasing company involving numerous regional banks.



Aircraft finance seminar



Aircraft owned by ACG

Overseas

Case Study TOKYO PRO-BOND Market

The TOKYO PRO-BOND Market is a new bond market for professional investors that was established in 2011 and is currently operated by the Tokyo Stock Exchange. The TOKYO PRO-BOND Market was set up with the aim of creating a global bond market in Japan which would be equal to the euro market as a core market in Asia. The TOKYO PRO-BOND Market accepts English-only disclosure, making it convenient for non-Japanese companies to issue debt in Japan.

In April 2014, DBJ invested in yen-denominated bonds issued in this market by Banco Santander-Chile, a leading Chilean bank, followed by an investment in May 2014 in bonds issued by a leading Malaysian bank, Malayan Banking Berhad.

In this way, DBJ is working to vitalize the new market in the interest of promoting the development of financial markets in Japan. By being a principal investor in bonds issued on the TOKYO PRO-BOND Market, DBJ is

encouraging participation from prominent investors and prompting leading companies from around the world to issue bonds in the financial markets of Tokyo. Raising the global profile of the financial markets of Tokyo should also provide more investment opportunities for Japan's professional investors. DBJ plans to invest a total of ¥100 billion in bonds issued in the TOKYO PRO-BOND Market.



TOKYO PRO-BOND Market logo

Healthcare and Welfare

Society faces a wide range of issues on the healthcare front, including an increasingly elderly population, advances in medical procedures, mergers and acquisitions by medical corporations and a need to rebuild aging facilities. Offering uninterrupted medical services involves solving fiscal and administrative problems and improving the skills of medical and other personnel and the quality of related facilities and medical equipment.

Case Study Regional Healthcare Fund

As Japan transitions fully toward a “super-aged” society, cultivation of the healthcare and medical industries is taking on a growing importance, as is the cultivation of business foundations in these fields. In relation to this, the Japanese government is promoting a “Japan Revitalization Strategy.” As medical facilities are core components of the healthcare and medical sectors, the country faces a growing need to rebuild dilapidated hospitals and upgrade medical equipment in order to augment medical functionality. Japan will also need to undertake initiatives to build healthcare systems suited to regional environments.

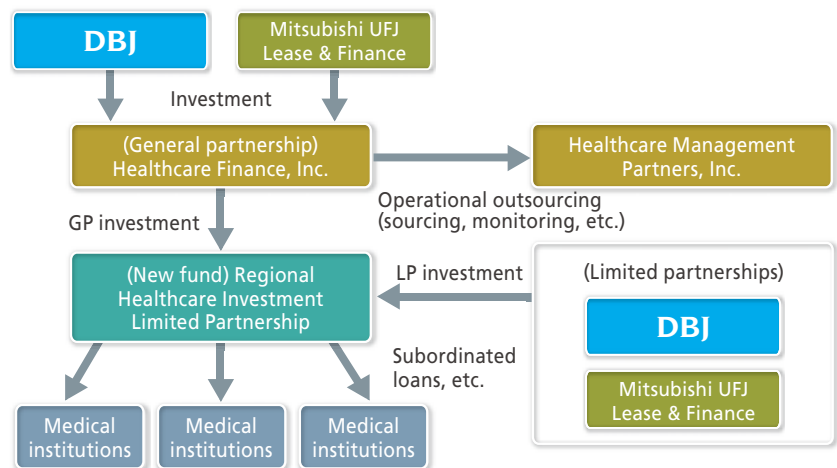
Against this backdrop, DBJ and the Mitsubishi UFJ Lease & Finance Company, Ltd., headquartered in Chiyoda-ku, Tokyo, formed the Regional Healthcare Investment

Limited Partnership (Regional Healthcare Fund), with a total investment of ¥10.0 billion, to invest in medical institutions’ subordinated loans and loan claims.

Through this cooperation with Mitsubishi UFJ Lease & Finance, DBJ aims to promote initiatives by

medical institutions and encourage collaboration with regional financial institutions. By leveraging its financial solutions and wealth of knowledge, through the Regional Healthcare Fund, DBJ is providing risk money for subordinated loans and other investments.

Regional Healthcare Fund Scheme



Case Study Saiseikai Niigata Daini Hospital

Social Welfare Organization Saiseikai Imperial Gift Foundation, Inc., operates the Saiseikai Niigata Daini Hospital, located in the city of Niigata, Niigata Prefecture. Operating as a regional medical support hospital and a regional affiliated base hospital for cancer diagnosis, the hospital handles acute medical care for the region and liaises with regional medical facilities to deliver medical services of consistently high quality. At the same time, the facility serves as a hospital designated for clinical training, providing training for resident clinicians. Serving also as a disaster response hospital for Niigata Prefecture, the hospital

promotes disaster preparedness and operational continuity measures.

For the current round of financing, DBJ rated the hospital highly for: (1) its registration with the Emergency Medical Information System (EMIS), its signing of an accord with Niigata Prefecture in relation to disasters, and other examples of efforts to maintain close relations with government bodies even in normal times to heighten the functioning of medical operations in times of disaster; (2) its signing of an agreement establishing a secondary health maintenance zone to coordinate mutually with a hospital outside its group during times of disaster

and the option to use that hospital as an alternate headquarters; and (3) the securing of redundant power supply sources and fuel storage, the ongoing confirmation of the status of pharmaceutical companies’ and medical equipment suppliers’ inventories and maintenance systems, and other such efforts to remove bottlenecks to operational continuity.



Saiseikai Niigata Daini Hospital

DBJ Environmentally Rated Loan Program

The environment is a matter of global concern, and corporations are responsible for conducting business in an environmentally responsible manner. Financial institutions are no exception, being tasked with the mission of contributing to a sustainable society.

Case Study **Mitsubishi Chemical Holdings**

Mitsubishi Chemical Holdings Corporation, headquartered in Chiyoda-ku, Tokyo, and its Group have introduced CSR management at a high level that aims to achieve “KAITEKI”* by helping to resolve various societal issues through its business activities. The Mitsubishi Chemical Holdings Group is also working together on environmental activities based on a corporate charter for action.

DBJ has provided Mitsubishi Chemical Holdings with financing based on its DBJ Environmentally Rated Loan Program.

We accorded Mitsubishi Chemical Holdings a high rating and provided it financing for three reasons. (1) The company traditionally provides a wide variety of products, backed by advanced technologies, that contribute to the

environment and has measured their direct effects in terms of resource and energy savings. Mitsubishi Chemical Holdings is working to quantify the contribution of such products to sustainability over their lifecycle by determining their CO₂ reduction and water resource preservation effects. The company has also adopted management of sustainability (MOS) as a financial target, and is constructing a system to promote development and sales on this basis. (2) Mitsubishi Chemical Holdings is working to minimize the impact of its business activities on the environment by utilizing its own “global environmental impact” indicator. The company is taking a principal role in formulating industry guidelines for risk assessments of chemical substances and Scope 3

calculations. (3) While incorporating MOS as a key performance indicator, to promote disclosure the company has integrated its financial and non-financial reporting in a single “KAITEKI Report.”

* KAITEKI is a concept devised by the Mitsubishi Chemical Holdings Group and intended to describe an ongoing state of congeniality among people, society and the planet that goes beyond time and generation.



Certificate presentation ceremony

Case Study **Sumitomo Rubber Industries**

Sumitomo Rubber Industries, Ltd., headquartered in the city of Kobe, Hyogo Prefecture, has formulated the “SRI WAY,” as a shared basis for employees’ values and its principles for action. The company positions environmental initiatives, symbolized and abbreviated as “GENKI,”* as a key management priority in its CSR guidelines. By utilizing GENKI, the company enables itself to conduct environmental management with excellence.

Key considerations for DBJ’s rating assessment for Sumitomo Rubber Industries are based on the following three features. (1) The company has publicly committed itself to efforts to reduce its environmental footprint by offering a 100% fossil resource-free tire from 2013. The company has also set the specific goal of developing a

50% reduced rolling resistance tire and bring it to the market by the end of 2014. (2) The company has achieved zero emissions in terms of landfill waste at its principal production bases located in Japan and overseas. (3) As a part of the “green initiatives” that form one pillar of its CSR guidelines, the company has set the target of planting 1 million seedlings by fiscal 2029 at and around its offices in Japan and overseas. The company is now well ahead of the plan, having planted a cumulative 1.39 million seedlings as of fiscal 2013.

DBJ has provided financing based on the DBJ Environmentally Rated Loan Program and arranged a syndicated loan for Sumitomo Rubber Industries totaling ¥10.0 billion.

* “GENKI” stands for five basic CSR categories: green initiatives (tree planting), ecology (reducing the environmental impact of business activities), next (developing next-generation technologies and products), kindness (measures towards employees and communities) and integrity (honesty and reliability toward stakeholders).



ENASAVE 100

DBJ Employee's Health Management Rated Loan Program

The promotion of employee's health management is linked to improved employee satisfaction and corporate productivity, the retention of talented human resources and the financial betterment of health insurance organizations. Amid a declining population of future workers, the strategic implementation of employee's health management from a managerial perspective is an important issue for the realization of a sustainable society.

Case Study TonenGeneral Sekiyu

TonenGeneral Sekiyu K.K., headquartered in Minato-ku, Tokyo, is the core of the TonenGeneral Group, whose missions are to "maintain a stable supply of high-quality products," "offer high-value-added services" and "contribute to customers, shareholders, employees and local communities." TonenGeneral Sekiyu is an integrated energy company, with operations ranging from refining to sales. The company accords top operational priority to safety, health and the environment, and accordingly has a lower rate of lost work time due to employee accidents than other companies. The Ministry of Economy, Trade and Industry (METI) has recognized the company as the only member of the oil and petrochemicals industry to have reached its energy conservation benchmarks.

DBJ provided TonenGeneral Sekiyu with financing based on the DBJ Employee's Health Management Rated Loan Program, making this the first such instance in the oil industry.

We gave the company a high evaluation for three reasons. (1) As a basis for its health management initiatives, TonenGeneral Sekiyu has set up a health management department as an independent organization to focus on the occupational health and safety function. This department brings together industrial physicians, nurses and industrial hygienists and drafts comprehensive health measures for the group as a whole, including measures to address the risk of petrochemical explosions. (2) TonenGeneral Sekiyu has introduced the Operations Integrity Management System (OIMS) as an independent safety, health

and environmental management system that is completely consistent throughout the company. At each of its offices, the company also conducts regular checks of health measures and addresses matters of occupational health and safety. (3) In addition to medium- to long-term numerical targets based on its current conditions, the group sets targets for outputs/outcomes in a variety of areas, such as lifestyle diseases and mental health.



Certificate presentation ceremony

Case Study Medical Treatment Corporate Foundation Group Hakuaiikai

Medical Treatment Corporate Foundation Group Hakuaiikai, located in the city of Fukuoka, Fukuoka Prefecture, follows an ideology that stresses close ties with the community, being trusted by local residents, and the provision of health maintenance, healthcare and welfare services. As a medical organization that provides quality healthcare and welfare services with close community ties, the organization operates a number of healthcare and nursing care facilities in the city of Fukuoka, including Hakuaiikai Hospital.

Hakuaiikai became the first entity in Kyushu to receive DBJ financing based on the DBJ Employee's Health

Management Rated Loan Program.

DBJ gave Hakuaiikai high ratings for three reasons. (1) Top management has set forth policies emphasizing the importance of health initiatives. These policies are broadly disseminated both inside and outside the organization. Hakuaiikai also recognizes employee health as a management objective and makes it a clear resolve. (2) Hakuaiikai determines and recognizes various health-related indices and sets targets based on its analysis of the indices. Rather than being for a single fiscal year, the organization sets multiple three-year targets, operating according to a PDCA cycle with a medium-

to long-term perspective. (3) Hakuaiikai has set up a specialized health management promotion office to spearhead these initiatives. Roles are clearly defined, with this office at the center, resulting in a system befitting an organization that is working to maintain health.



Hakuaiikai Hospital

Infrastructure & Energy

Energy

Varied energy usage is essential to ensure the long-term, stable supply of energy. Also, international interest in using solar power, wind power, biomass and other forms of renewable energy is mounting amid ongoing concerns about global warming. Utilization of renewable energy is essential for curbing greenhouse gas emissions and realizing a low-carbon society.

Case Study **Kashima Kyodo Electric Power**

Kashima Kyodo Electric Power Co., headquartered in the city of Kashima, Ibaraki Prefecture, was established in 1969 through joint investment by Tokyo Electric Power Company, Inc., and Sumitomo Metal Industries, Ltd. (now Nippon Steel & Sumitomo Metal Corporation). Kashima Kyodo Electric Power uses byproduct gases from Nippon Steel & Sumitomo Metal Kashima Works as its main fuel to economically generate electricity, which it supplies to its two investors.

Kashima Kyodo Electric Power's power generation facilities (generators one through four) were damaged in the Great East Japan Earthquake, halting operations. In keeping with its responsibilities as an electric power supplier, the company and its sub-contractors all worked together to restore generation capacity and succeeded in getting back on line quickly.

In November 2013, the company commenced operations with its fifth generator, on which construction had begun in January 2011. The fifth unit generates power more efficiently than previous models, and therefore delivers excellent economic performance and reduces environmental impact.

DBJ provided financing to support the construction of this fifth generator. This financing, provided through

the Interest Rate Subsidy System for Special Zones for Reconstruction, contributes to a core business identified in the city of Kashima's plan to promote reconstruction. This plan emphasizes the need to address issues that existed prior to the earthquake, including global warming countermeasures, promotion of recycling and environmental preservation in other communities.



Kashima Kyodo Electric Power's generation facility

Case Study **SF Solar Power**

SF Solar Power K.K., headquartered in Chiyoda-ku, Tokyo, is a joint investment company set up by a subsidiary of Showa Shell Sekiyu K.K., Solar Frontier K.K., headquartered in Minato-ku, Tokyo, and DBJ.

To make effective use of idle land throughout Japan, SF Solar Power has been developing megasolar power plants such as an approximately 11,600 kilowatt megasolar facility constructed within Kansai International Airport.

Solar power is characterized as a type of sustainable and low-environmental-load renewable energy, and

Solar Frontier has been expanding its business in CIS thin-film solar modules with high economic efficiency and environmental friendliness.

Under its aim of promoting renewable energy in the Japanese domestic

market, DBJ has provided investment and loans to SF Solar Power's project, where their solar modules are utilized, as the first project of the Fund for Japanese Industrial Competitiveness.



Kansai International Airport generation facility

Photo courtesy of Solar Frontier K.K.

Case Study **Kyuden Mirai Energy (formerly Kyuden Ecosol)**

Kyuden Mirai Energy Co., Inc., headquartered in the city of Fukuoka, Fukuoka Prefecture, is a wholly owned subsidiary of Kyushu Electric Power Co., Inc., that develops solar and other sources of renewable energy. The company also provides related services to industries and public-sector entities within Kyushu. Recently, in its mainstay business of megasolar power generation Kyuden Mirai Energy has

concentrated on the development and operation of solar power plants in various Kyushu locations.

DBJ, along with regional financial institutions, structured a syndicated loan totaling ¥4.2 billion for Kyuden Mirai Energy's solar power generation business.

The business covered by the loan spans nine sites in Kyushu for which Kyuden Mirai Energy is the primary

operator (including in the city of Sasebo, Nagasaki Prefecture; the city of Munakata, Fukuoka Prefecture; the city of Kikuchi, Kumamoto Prefecture; and the town of Aya, Miyazaki Prefecture). Together, these sites represent around 21 megawatts of generating capacity.



Sasebo megasolar generation facility

Transportation

Transportation infrastructure supports economic activity and is the foundation of a rich and abundant lifestyle. The promotion of investment is necessary for the maintenance and renovation of transportation infrastructure in accordance with degradation due to aging and the requirements of increased transport capacity and efficiency, as well as in response to an aging population and environmental issues. As transportation infrastructure involves large investment amounts and long investment periods, the procurement of long-term funding is increasingly important.

Case Study Skynet Asia Airways

Skynet Asia Airways Co., Ltd. (Solaseed Air), headquartered in the city of Miyazaki, Miyazaki Prefecture, introduced its new brand, Solaseed Air, in July 2011. Based on a new medium-term management plan introduced in fiscal 2013, Solaseed Air aims to provide service that delivers high customer satisfaction under the brand concept of “planting the seeds of a smile from the air.” While aiming to be one of the most cost-competitive of Japan’s new airlines, Solaseed Air is expanding its route network in Kyushu and Okinawa.

Solaseed Air has begun implementing one aspect of its strategy, namely to own the (Boeing 737-800) aircraft it operates.

To support the company’s efforts, DBJ worked with local financial institutions in Solaseed Air’s service area to structure a syndicated loan employing aircraft financing methods.



Solaseed Air aircraft

Case Study Keisei Electric Railway

Keisei Electric Railway Co., Ltd., headquartered in the city of Ichikawa, Chiba Prefecture, operates the Keisei Main Line and the Narita SKY ACCESS Line, which connect Ueno and Narita Airport, as well as the Keisei Oshiage Line and the Keisei Chiba Line. In addition to operating a route network that extends a total of 152.3 kilometers, the Keisei Group is involved in distribution and hotel operations.

To alleviate traffic congestion and prevent accidents at railway crossings, Keisei Electric Railway is undertaking a project involving continuous grade separation on the Keisei Oshiage Line. A portion of this project that commenced in August 2008 to elevate a section of track between Oshiage Station and Yahiro Station was

completed in August 2013, and the company has begun construction to elevate the next section.

DBJ provided financing to Keisei Electric Railway, which supports the

lives of the citizens who live along its routes through the transportation services it provides and contributes to community development.



Continuous grade separation project

Urban Development

Efforts to develop and upgrade urban infrastructure and functions and the creation of urban culture and a comfortable environment for the lifestyles of working people through urban development are the driving forces behind the revitalization of economies and communities at the regional and national levels.

Case Study **Kintetsu/Abeno Harukas**

Kintetsu Corporation, headquartered in the city of Osaka, has constructed Abeno Harukas, the tallest multi-purpose skyscraper in Japan, in the Abeno Tennoji area of the city. This 300-meter edifice opened for full-scale business in March 2014.

In addition to the highest available level of aseismic performance, Abeno Harukas employs leading-edge environmental technologies. This “three-dimensional city” houses department stores, large-scale office spaces, an internationally known hotel brand, and an urban museum—a host of facilities and functions that contribute to the richness of urban living.

Directly linked to one of Osaka’s best terminal buildings, providing access to seven train lines, Abeno

Harukas serves as an excellent urban transport hub offering good access to Kansai International Airport and Osaka International Airport. In addition to functioning as a southern entry to Osaka, the building facilitates access

to other parts of Asia, as well as the rest of the world.

DBJ provided financing for Abeno Harukas, applying DBJ Green Building Certification and ranking the building “Platinum (plan) 2013.”



Abeno Harukas, completed in March 2014

Case Study **Tokyo Prime Stage**

Tokyo Prime Stage Co., Ltd., is an SPC established jointly for the purpose of developing a prime site located in Chiyoda-ku, Tokyo—currently occupied by Mizuho Bank’s Otemachi head office building and the Otemachi Financial Center building—into a large-scale multipurpose building, tentatively named the Otemachi 1-6 Plan.

The current plan is for a standard floor area of approximately 2,970 square meters. The high-rise building will house state-of-the-art office space

and a luxury hotel, with the premises providing around 3,600 square meters of “Otemachi Forest.” Construction was completed in April 2014.

The project, which is being funded through real estate loans provided via an SPC, is one of the largest in Japan. DBJ began working as the lead arranger on this project in 2004. In March 2014, we structured the project’s fourth syndicated loan, totaling ¥190 billion.



The Otemachi Tower

DBJ Green Building Certification

Demand is increasing for urban development and revitalization that take environmental conservation and disaster prevention into account in an attempt to realize a sustainable society. Recent years have seen forward-looking initiatives among real estate providers to offer their stakeholders property that not only is economical but also incorporates consideration for the environment and society.

Case Study Ishiya

Ishiya Co., Ltd., headquartered in the city of Sapporo, Hokkaido, was founded in 1947 as a manufacturer and seller of confectioneries with a Hokkaido character.

DBJ provided DBJ Green Building Certification to Ishiya's Sapporo Odori Nishi 4 Building, according to the building the first "Gold 2013" certification in Hokkaido, provided for "properties exhibiting exceptionally high environmental and social awareness." DBJ gave the building a high rating for three reasons. (1) The

building embodies environmental consciousness, being equipped with LED lighting in common areas, water-saving toilets and other equipment that deliver high energy savings.

(2) In addition to advanced office building specifications, the building offers extensive amenities, such as the ISHIYA CAFÉ operating on the B2 floor. (3) The outer walls of the building are decorated with a Hokkaido flora-and-fauna motif, with carvings and stained glass that take regional culture into consideration.



Sapporo Odori Nishi 4 Building

Case Study Nippon Life Insurance

DBJ and Japan Real Estate Institute (JREI), headquartered in Minato-ku, Tokyo, have begun joint operation of the DBJ Green Building Certification program.

Under the new jointly operated program, DBJ and JREI intend to elaborate the assessment system and analyze the relevance between a building's sustainability and its economic value. Furthermore, by creating a market that evaluates green buildings properly, we contribute to form a real estate financing market conducive to such social demand.

The first building to be certified under the joint operation is the Marunouchi 1-chome Project (tentative name) of the Nippon Life Insurance Company, headquartered in

the city of Osaka. We have accorded the architectural plan a "Platinum (plan) 2013" certification for "properties with the best class environmental & social awareness."

Reasons for the high rating were twofold. (1) The building achieves superb environmental performance. It employs LED lighting throughout, uses solar power generation panels and has a building energy management system to optimize and lower energy consumption. (2) The building utilizes vibration damping construction, and construction specifications call for an extensive backup power supply system that takes its own disaster prevention and tenants' business continuity plans (BCPs) into consideration.



Marunouchi 1-chome Project (tentative name)

DBJ Enterprise Disaster Resilience Rated Loan Program

Such recent disasters as the Great Hanshin-Awaji Earthquake, the Chuetsu Offshore Earthquake, the Iwate-Miyagi Inland Earthquake and the 2011 Great East Japan Earthquake caused tremendous damage to the economy, with many organizations forced to suspend operations for extended periods. In addition to measures for protecting personnel and property, companies face the need to draft business continuity plans (BCPs) to protect themselves against lost revenue and retain their clients in the event of disaster.

Case Study Tokai Rubber Industries

Tokai Rubber Industries, Ltd., headquartered in the city of Komaki, Aichi Prefecture (name to be changed to Sumitomo Riko Company Limited on October 1, 2014) is a manufacturer of high-performance rubber products that boasts the top share of the global market for anti-vibration rubber, a key automotive material. The company is engaged in building an advanced management system for business continuity to enable it to meet its global supply responsibilities.

DBJ provided Tokai Rubber Industries with financing under the DBJ Enterprise Disaster Resilience Rated Loan Program, established as a restoration fund provision for times of disaster. This is the first such provision in the

rubber products industry, as well as in the Tokai region. The disaster restoration fund provision stipulates that in the event of a major earthquake that meets specific conditions at observation points near that company's headquarters or the Komaki plant, DBJ will provide a specified amount of financing as restoration funds.

Our rating evaluation of Tokai Rubber Industries is based on our high appraisal in the following areas: (1) the core product workflow is visible, with bottlenecks identified and measures to eliminate them implemented; (2) the company is promoting the construction of a resilient supply chain through the examination of disaster/business continuity frameworks at

suppliers, the stockpiling of inventories, and the securing of substitute raw materials; and (3) the company takes a proactive approach to regional disaster response, including the laying in of emergency provisions for local residents and the conclusion of agreements with local authorities.



Automotive anti-vibration rubber

Case Study Japan Motor Terminal

Japan Motor Terminal Co., Ltd., headquartered in Chiyoda-ku, Tokyo, services and administers four public truck terminals connected to express highway networks in the Tokyo area. These terminals serve as bases for the nationwide logistics network, easing traffic congestion and improving the functioning of cities to rationalize growing logistics activity.

DBJ has made the DBJ Enterprise Disaster Resilience Rated Loan Program available to Japan Motor Terminal. Our rating of Japan Motor Terminal is based on our high appraisal of the following items. (1) In addition to making intensive users of the highway system thoroughly aware of initial emergency countermeasures

using the Earthquake Early Warning System and creating an emergency communications system that employs satellite communications, the company is engaged in systematic, proactive strengthening of its disaster countermeasures by establishing emergency-use, non-utility generators and building logistics facilities with seismically isolated structures. (2) In addition to taking the number of other-company employees on premises into consideration in storing a sufficient level of emergency provisions, Japan Motor Terminal regularly conducts assembly drills for its own employees as well as initial response training for maintenance contractors and other contract employees. (3) When setting up a

region-wide transport base under an emergency response agreement with the Tokyo metropolitan government, the company established a system for coordination with the metropolitan government and the Tokyo Route Truck Conference Association, and conducts joint training exercises to ensure its reliability.



Keihin Truck Terminal

Public-Private Partnerships/Private Finance Initiatives

Public-private partnerships (PPPs) describe a variety of schemes for the provision of public services through partnerships between government and private-sector companies. They involve harnessing private capital and expertise for use in the delivery of public facilities traditionally provided by national or local governments, with private finance initiatives (PFIs) being representative of such schemes for the provision or management, supervision and support of public facilities. At a time when national and local governments are in difficult financial straits, the use of PPPs, and particularly PFIs, in restoring aging public infrastructure and similar projects represents a promising field.

Case Study Artificial Satellite PFI Business

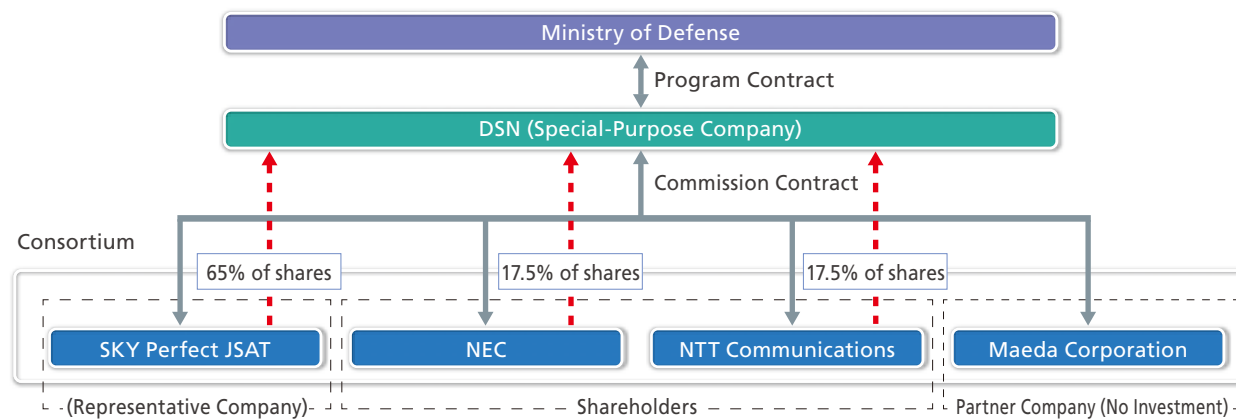
DSN Corporation, headquartered in Minato-ku, Tokyo, is a special-purpose company (SPC) established through investment by three companies: SKY Perfect JSAT Corporation, NEC Corporation and NTT Communications Corporation. DSN has received a contract from the Ministry of Defense for a "Program to Upgrade and Operate X-Band Satellite Communications Functions, etc." Based on the program

contract, DSN will manufacture and launch two communications satellites and upgrade ground facilities, including satellite control equipment. The company is to operate, maintain and manage these facilities and equipment.

DBJ was the lead arranger, working with Mizuho Corporate Bank, Ltd. (now Mizuho Bank, Ltd.), Bank of Tokyo-Mitsubishi UFJ, Ltd., and

Sumitomo Mitsui Banking Corporation to provide a total of ¥77.5 billion in syndicated loans. This is the first artificial satellite project in Japan based on the Act on Promotion of Private Finance Initiative (revised), which went into effect in November 2011. The program contract is also one of the largest on record for a PFI project in Japan, at ¥122.1 billion.

● **Scheme for Execution of a Program to Upgrade and Operate X-Band Satellite Communications Functions, etc.**



Case Study Investment in the Private Finance Initiative Promotion Corporation of Japan

DBJ is a founding investor in the Private Finance Initiative Promotion Corporation of Japan (PFIPC), headquartered in Chiyoda-ku, Tokyo.

The PFIPC was established based on the PFI Act (of June 2013, since revised) as an important measure within the Japan Revitalization Strategy (Cabinet decision of June 14, 2013). The PFIPC is expected to reduce the nation's fiscal burden and provide business opportunities for the private

sector through investment and financing in PFI business, such as concessions, and will cultivate the infrastructure investment market by dispatching experts and providing advice to public organizations.

DBJ has recently proceeded with efforts to expand the use of PPP/PFI, such as establishing the PPP/PFI Promotion Center and working with regional financial institutions and the Cabinet Office in holding PPP/PFI

promotion seminars. Our investment in the PFIPC also represents an opportunity to take our efforts to the next level, using the appropriate ties created with the PFIPC and its affiliates to conduct a variety of surveys, provide information and offer proposals concerning PPP/PFI, as well as to support the creation and formation of a variety of PPP/PFI businesses and provide risk money.

Regional Revitalization Tailored to Regional Needs

Community Revitalization

In recent years, the economic disparity between major urban areas and regional areas in Japan has expanded as people and businesses continue to concentrate in cities. Moreover, disparities even among regions are becoming more stratified and complex, with increasing gaps between hub cities and other areas.

For local economies to sustainably exist, development having a broad view (involving other regions in Japan and overseas markets) is important.

Case Study Mother Fund Corporate Mezzanine Limited Partnership for Tourism Vitalization

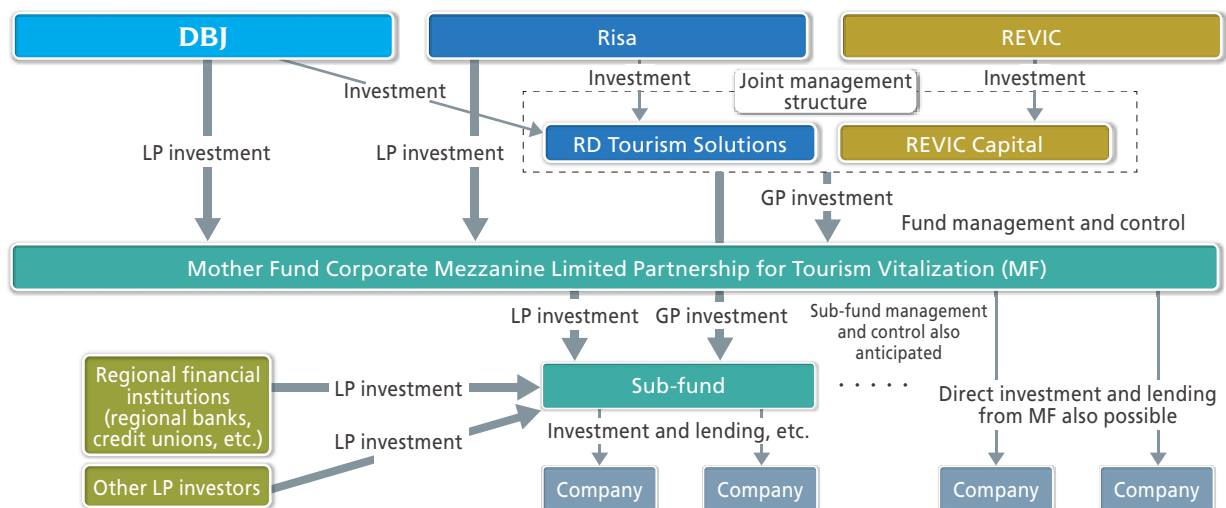
DBJ has joined with the Regional Economy Vitalization Corporation of Japan (REVIC), headquartered in Chiyoda-ku, Tokyo, and Risa Partners, Inc., headquartered in Minato-ku, Tokyo, in forming the Mother Fund Corporate Mezzanine Limited Partnership for Tourism Vitalization to support the invigoration of regional economies through

the tourism industry.

The tourism industry covers a broad range of businesses and is very important to regional economies, with support for its growth contributing to their invigoration. DBJ is teaming up with REVIC and Risa, employing the networks and expertise of all three organizations to cooperate with

regional financial institutions and help invigorate the regional tourism industry by providing the investment necessary for growth and development, as well as by forming ties with companies in communities and regions and assisting in restructuring.

● Mother Fund Scheme for Tourism Vitalization



Case Study Hokkaido Gas

Hokkaido Gas Co., Ltd., headquartered in the city of Sapporo, Hokkaido, views increasing the use of natural gas—which is superior in terms of supply stability and low environmental impact—to be one of its social responsibilities in Hokkaido, where energy consumption and demand for oil are high.

Working from its strong creed of “supporting the regional economy and the lives of our customers,” Hokkaido Gas operates the Ishikari

LNG Terminal, where Japan’s largest gas storage tanks are located. The company has secured stable sources of natural gas, building a natural gas value chain enabling it to supply all of Hokkaido with natural gas stably over the long term.

Hokkaido Gas is proceeding with the construction of a second LNG tank site to achieve more stable operation of the Ishikari LNG Terminal and diversify LNG supplies, as well as to meet the forecast increase in demand for

natural gas in Hokkaido. DBJ is providing financing in support of these efforts.



Hokkaido Gas, Ishikari LNG Terminal

Community Revitalization

Case Study

Kanbun

Kanbun Co., Ltd., headquartered in the city of Ninohe, Iwate Prefecture, operates 10 home centers and three gasoline stations in Iwate and Aomori prefectures and conducts building materials and remodeling business with deep regional ties. Kanbun seeks to offer solutions to a variety of housing needs that improve housing and life in local communities, and recently has begun offering delivery services and residential convenience services in response to the aging of the regional

population.

Kanbun's experience in the Great East Japan Earthquake prompted the company to install solar power equipment on the roof of its Ninohe Home Center, making it possible to continue operating in the aftermath of disaster and promoting the use of renewable energy.

DBJ provided financing support for this effort through the DBJ Smart Japan Program.



Solar power equipment at a Ninohe Home Center

Case Study

Kashimaya

Kashimaya Co., Ltd., headquartered in the city of Niigata, Niigata Prefecture, was founded at the end of the Edo period, and is engaged mainly in the production and sale of processed marine products for use as gifts. Kashimaya developed its signature "powdered salmon rice topping" in the 1950s. The product's homemade flavor has been prized since that time in the cultural and culinary life of Niigata as one of the "flavors of home." The Kashimaya brand is synonymous with high-quality Niigata gift and souvenir items. Kashimaya's creed

is "Today's meals build tomorrow's life," and while protecting the culinary lifestyle of Niigata, the company continues to come up with new techniques and diverse flavors, promoting the spread of Niigata cuisine throughout Japan and contributing to regional vitalization.

DBJ provides financing to Kashimaya through the Regional Areas *Genki* Program to promote that company's strategic efforts to create products with value added through flavorings and craftsmanship.



Kashimaya headquarters

Case Study

Kagaya

Kagaya Co., Ltd., headquartered in the city of Nanao, Ishikawa Prefecture, operates three *ryokan* (Japanese-style inns) at the Wakura Hot Spring on the Noto Peninsula: Kagaya, Aeno Kaze and Niji to Umi. Kagaya's painstaking attention to detail in ensuring customer satisfaction and tireless efforts toward improving service to the 20,000 visitors it receives every year have honed its hospitality to such a degree that the Group has been named among the "top 100 Japanese hotels and *ryokan* selected by profes-

sionals" for 34 consecutive years.

Hokuriku Shinkansen service to Kanazawa is scheduled to commence in spring of 2015. To continue providing high-quality service to a greater number of expected visitors, Kagaya is increasing its number of employees and building worker dormitories.

DBJ provided Kagaya with financing through the Regional Areas *Genki* Program to help the group extend its hospitality to a wider customer base and enhance the Hokuriku region's attractiveness as a tourist destination.



Hospitality at Kagaya

Community Revitalization

Case Study Yagami

Yagami Co., Ltd., headquartered in the city of Nagoya, Aichi Prefecture, was founded in 1871 as a trading company specializing in medical devices and assistive products. With the Japanese population aging at a rapid pace, the country's medical and nursing insurance systems are being revised in various ways, as is the system for providing healthcare. Through such programs as the "Plan to Transition to Centers" and "Nearby Business

Office," Yagami is working steadily to provide the sophisticated levels of support needed to utilize these systems and meet society's expectations for dealers in medical devices.

DBJ has provided financing through the Regional Areas *Genki* Program to Yagami, which is strengthening ties with medical institutions by opening new offices and expanding group sales bases, thereby contributing to the Tokai region's healthcare industry.



Sales activities under way and the Home Health Center

Case Study Morimoto Soko

Morimoto Soko K.K., headquartered in the city of Kobe, Hyogo Prefecture, is one of the city's leading warehousing and real estate companies. Morimoto Soko reconstructed its Sannomiya Building North Annex on the site of the former annex, which was destroyed in the Great Hanshin-Awaji Earthquake. This rebuilding was one of the final projects in the overall reconstruction of the area facing Sannomiya Station.

DBJ joined Sumitomo Mitsui Trust Bank, Ltd., to provide a syndicated loan totaling ¥3.5 billion to support

financing for Morimoto Soko and Kobe's reconstruction, and at the same time implemented DBJ Green Building Certification.

This certification gave high ratings to the following areas: (1) the installation of solar panels, LED lighting and motion sensors in all tenant spaces to provide superior environmental performance; (2) a strong structure seismically isolated to resist earthquakes; and (3) roomy specs for business offices and the inclusion of desiccant spaces to control humidity levels for tenant comfort. As a result, the building was

certified under "Gold (plan) 2013" for "buildings that are extremely superior in consideration for the environment and society."



Sannomiya Building North Annex

Case Study Chugoku Lumber

Chugoku Lumber Co., Ltd., headquartered in the city of Kure, Hiroshima Prefecture, is Japan's leading processor of lumber for use in housing construction. The company is involved mainly in the manufacture and sale of seasoned and laminated wood products made of Douglas fir. With a policy focusing on wide variety, prompt delivery and maintenance of stock, the company supports Japan's housing industry by providing a stable supply of high-quality construction materials through its lumber drying facilities and logistics network, which are among

the industry's largest.

In the city of Hyuga, Miyazaki Prefecture, Chugoku Lumber operates a new lumber mill and processing plant and has erected a wood biomass and solar power generation facility to promote the use of forestry resources in the mountains of Kyushu and reduce environmental impact through the use of next-generation energy. The company aims to invigorate the region by bringing processes ranging from the accumulation of raw wood to sawmilling together at one location.

DBJ provided the company with financing under the Regional Areas *Genki* Program, according it high ratings for its initiatives to reduce the region's environmental impact and promote the growth of regional industry.



Chugoku Lumber's Hyuga factory

Community Revitalization

Case Study

Imabari Shipbuilding

Imabari Shipbuilding Co., Ltd., headquartered in the city of Imabari, Ehime Prefecture, is a specialized shipbuilder that carries out construction and repairs on various types of vessels and operates under a management philosophy of “Growing Together with Shipowners.” The Imabari Group operates eight shipyards along the coast of the Seto Inland Sea, making it one of the largest shipbuilders in Japan in terms of market share. In recent years,

the company has been working to differentiate itself further by applying leading-edge technological development to the construction of sophisticated ships that reduce environmental impact through fuel efficiency.

DBJ provided Imabari Shipbuilding with financing through the Regional Areas *Genki* Program at its Shikoku Branch to assist the company in its initiatives to boost international competitiveness in the shipbuilding industry.



Saijo Shipyard

Case Study

Fundokin Shoyu

Fundokin Shoyu Co., Ltd., headquartered in the city of Usuki, Oita Prefecture, was founded in 1861 to produce and sell soy sauce and miso paste. In the 1960s, the company pioneered the industry’s development of preservative-free miso, and in 1985 began producing dressing in the city of Usuki. Through such moves, the company has established itself as one of Kyushu’s foremost condiment producers, responding to emerging consumer needs and growing in pace with its region.

Fundokin Shoyu aims to provide high-quality products that are safe and offer peace of mind. To this end, the

company acquired ISO 9001 certification for its ingredient selection, production processes and product management and has established a quality management system based on this system. The company also undertakes initiatives to encourage local production for local consumption and works to invigorate its community by disseminating information and conducting promotions relating to food culture from its base in the city of Usuki.

Over a history spanning more than 150 years, Fundokin Shoyu has contributed to the evolution of a food culture unique to Kyushu through ongoing product development. Evaluating

these initiatives highly, as well as the company’s growth strategies that are unique to a company based in northern Kyushu, DBJ provided Fundokin Shoyu with financing via the Regional Areas *Genki* Program.



Fundokin Shoyu soy sauce crock

Case Study

Kyushu Power Development

Kyushu Power Development Co., Ltd., headquartered in the city of Kagoshima, Kagoshima Prefecture, benefits from the prefecture’s strong natural potential for the introduction of low head hydro power generation facilities. Backed by investment from prominent local companies, Kyushu Power Development is leading the nation in the operation of low head hydro power facilities.

DBJ provided construction financing for the company’s first project,

the Funama Low Head Hydro Power Plant, located in the town of Kimotsuki, Kagoshima Prefecture, in cooperation with The Kagoshima Bank, Ltd. We evaluated the company highly for four reasons: (1) the initiative it has taken in bringing together prominent companies in the prefecture to support new business; (2) its great potential to generate abundant hydro power in the region; (3) its contribution to the development of a supportive relationship with manufacturers of generation equipment,

power companies, local municipalities and residents; and (4) its role in promoting renewable energy to reduce the region’s environmental impact.



Funama power plant, under construction

Strengthening the Safety Net

Reconstruction Response

Earthquake, tsunami, nuclear power plant crisis—the Great East Japan Earthquake unleashed unprecedented damage, a major compound disaster the likes of which the world has never seen, seriously impacting the economy of Japan. It is essential that disaster recovery measures be implemented on a step-by-step basis according to each stage towards recovery and tailored to meet specific needs of varying regions and different disaster categories.

Case Study Ibarakisuisan

Ibarakisuisan K.K., headquartered in the city of Mito, Ibaraki Prefecture, wholesales marine products, chiefly through the Mito City Public Wholesale Market. The company operates a plant in the city of Hitachinaka, where it processes smoked salmon and packages these and other marine products for sale by volume retailers.

Ibarakisuisan's Nakaminato plant was damaged by the tsunami and liquefaction accompanying the Great East Japan Earthquake. Even after operations were restored soon after the disaster, the company was only able to return to partial production, resuscitating its packing and smoked salmon slicing operations. In May 2013,

Ibarakisuisan completed construction and began operations at an alternative Hitachinaka plant similar in scale to the Nakaminato plant, restoring sales to approximately pre-crisis levels.

The Ibaraki-related part of the Great East Japan Earthquake Reconstruction Fund is administered by Ibaraki *Kizuna* Investment Limited

Partnership, in which DBJ and The Jyoyo Bank, Ltd., are joint investors, and provides financing for Ibarakisuisan. This financing aims to ensure ongoing support for the early restoration and construction of marine product wholesaling and other industries central to the economy and employment of the affected region.



Hitachinaka plant

Case Study Senkon Logistics

Senkon Logistics Co., Ltd., headquartered in the cities of Natori and Sendai, Miyagi Prefecture, provides integrated logistics services in the Tohoku region, particularly transportation and warehousing. As such, the company serves a role as part of the social infrastructure. Senkon Logistics' group companies also take part in such businesses as passenger car sales and solar power generation.

DBJ provided financing based on the DBJ Enterprise Disaster Resilience Rated Loan Program to Senkon Logistics, which suffered damage from the Great East Japan Earthquake. This financing went toward expanding the company's logistics warehouse as part of its efforts to rebuild its logistics network.

The company earned high ratings for (1) its establishment of a company-wide structure to promote disaster countermeasures and safety measures, as well as a system to conduct regular disaster-prevention initiatives such as performing regular checks, audits and corrective actions, (2) its establishment of multiple headquarters to permit alternative operations in emergency situations, thereby providing

a broad-ranging network to support business continuity throughout the Tohoku region—the viability of which was confirmed during the Great East Japan Earthquake and (3) its efforts to identify and conduct impact analysis for all the risks it faces, to evaluate the risks to its information assets based on the customer information it holds as part of its business and to implement exhaustive overall management.



New Fukushima warehouse

Reconstruction Response

Case Study

NPR Fukushima Works

NPR Fukushima Works Co., Ltd., headquartered in the town of Kawamata, Fukushima Prefecture, is a group company of Nippon Piston Ring Co., Ltd. NPR Fukushima Works produces cylinder liners and is one of Japan's leading manufacturers of valve seats and other parts for automotive engines used on both land and sea. The company is distinctive for its materials technologies that involve special steel and sintered alloys, as well as its surface treatment and precision processing technologies. The company takes a proactive approach to the development of innovative technology, as it aims to remain at industry's leading edge in the various functional components it manufactures.

DBJ and The Toho Bank, Ltd., provided joint financing to NPR Fukushima Works, providing the capital investment needed to augment production capacity for engine parts in the town of Kawamata, Fukushima Prefecture, which was affected by

the Great East Japan Earthquake. This financing was provided under the Interest Rate Subsidy System for Special Zones for Reconstruction.*

The business of manufacturing devices for transportation equipment is an important industry in the town of Kawamata, accounting for around 33% of its manufacturing output. The financing helped to support a company in a business identified as key in the town of Kawamata's plan to promote reconstruction. This plan identifies the need to "provide ongoing employment for people affected by disaster, as well as opportunities for

new employment; promote new corporate sitings and investment; attract and invigorate industry; and provide support that reinforces companies in core industries for the town."

* The Interest Rate Subsidy System for Special Zones for Reconstruction is a support measure designed to enable reconstruction to proceed smoothly and quickly in the region affected by the Great East Japan Earthquake. Under this measure, regional municipal bodies draft their own reconstruction plans, given the regional state of affairs and characteristics, which are endorsed by the national government.



Panoramic view of the NPR Fukushima Works

Case Study

Morishita Suisan

Morishita Suisan K.K., headquartered in the city of Ofunato, Iwate Prefecture, was established in 1982 to process marine products. The company operates the only plant in the city of Ofunato to have received HACCP* certification, attesting to its high quality of hygiene management and production technology.

This plant, which was completely demolished in the Great East Japan Earthquake, quickly recommenced partial production in July 2011 and has been gradually recovering production capacity since that time.

Going forward, Morishita Suisan plans to build a new plant to provide highly processed, high-value-added products made from local seafoods.

The new plant is expected to invigorate the local economy, including through employment, and contribute to the region's economic resurgence.

The Great East Japan Earthquake Reconstruction Fund is administered in Iwate by Iwate *Genki Ippai* Investment Limited Partnership, in which DBJ and The Bank of Iwate, Ltd., are joint

investors, and provides financing for Morishita Suisan initiatives targeting future business development.

* HACCP (acronym for Hazard Analysis Critical Control Point) is a sanitation management procedure involving analysis at critical stages of the ongoing system—processes from the receipt of food ingredients, through production, and on through shipment.



Marine product processing plant

DBJ aims to realize a more prosperous sustainable society by achieving harmony through the triple bottom line of society, the environment and the economy. We recognize the resolution of environmental problems as an issue that is common to all humankind. For this reason, DBJ has contributed to the formation of an environmentally friendly economic society.

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. In addition, in November 2002, we acquired ISO 14001 certification, and in November 2011, we signed the Principles for Financial Action towards a Sustainable Society (Principles for Financial Action for the 21st Century). Such efforts indicate our organizational commitment to environmental preservation and the realization of a sustainable society.

In line with the Basic Environmental Policy formulated in October 2008, DBJ is promoting efforts in the regions where its branches and offices are located.

DBJ's Basic Environmental Policy

Promulgated and Put into Effect October 1, 2008

Purpose

Article 1. DBJ aims to realize a more prosperous sustainable society by achieving harmony through the triple bottom line of society, the environment and the economy. We recognize the resolution of environmental problems as an issue that is common to all humankind. For this reason, DBJ has established a policy that aims to contribute to the formation of an environmentally friendly economic society.

Promotion of Environmental Measures through Loan and Investment Activities

Article 2.

1. Through its investment and loan activities, DBJ supports global warming prevention measures and the promotion of a recycling-oriented society. In addition, by supporting environmentally sustainable corporate management by its clients, DBJ contributes to their creation of environmental measures and to the realization of a sustainable society.
2. DBJ contributes to clients' environmental measures through the risk evaluations of investment and loan activities from an environmental perspective.

Promotion of Environmental Awareness through Environmental Communication

Article 3.

1. Through continuing research and advisory activities relating to

environmental issues, DBJ seeks to help resolve environmental issues through enhanced awareness, thereby contributing to the realization of a sustainable society.

2. DBJ seeks to promote environmental awareness through international cooperation, including the distribution of information about environmental initiatives by Japan.
3. DBJ endeavors to improve its initiatives by sharing information on its environmental activities and through communication with society.

Promotion of Environmental Awareness Activities in Offices

Article 4. DBJ complies with environmental laws and regulations, and promotes activities to reduce the environmental impact of its operations. To these ends, DBJ seeks to contribute to the creation of environmentally friendly office environments through the activities indicated below.

- (1) Promotion of resource and energy conservation and recycling activities
- (2) Promotion of environmentally friendly sourcing of supplies
- (3) Prevention of environmental pollution

Promotion of Environmental Awareness Activities in Communities

Article 5. By cooperating with community environmental improvement initiatives, such as measures to prevent heat islands, DBJ works to contribute to the creation of environmentally friendly regional societies.

Putting into Practice DBJ's Basic Environmental Policy

Promotion of Environmental Measures through Investment and Loan Activities

DBJ's investment and loan activities support projects designed to prevent global warming and create a recycling-based society. Furthermore, we promote clients' efforts toward environmentally conscious management. By contributing to clients' environmental measures, we help to achieve a sustainable society.

- DBJ Environmentally Rated Loan Program (See pages 38 and 73.)
- DBJ Green Building Certification (See pages 40 and 79.)

Promotion of Environmental Awareness through Environmental Communication

DBJ addresses environmental problems by conducting ongoing environmental studies and proposals. These efforts help to enhance environmental awareness, support involvement in environmental issues and contribute to the realization of a sustainable society.

- Communication Focused on the Environment (See page 64.)
- Communication on Community Revitalization (See page 64.)
- Communication in International Cooperation (See pages 64–65.)

Promotion of Environmental Awareness Activities in Offices

DBJ works to reduce the environmental impact of its operations beyond what is required by environmental regulations. As such, we promote the measures described below in an effort to make our offices environment-friendly.

- Promotion of recycling and resource and energy conservation

● Resource- and Energy-Saving Efforts

	Year Ended March 31, 2012	Year Ended March 31, 2013	Year Ended March 31, 2014
Copy and printing paper usage (kg)	100,494	85,011	60,139
Waste emissions (kg)	63,530	55,688	33,976
Energy consumption (kWh)	3.53 million	4.01 million	4.05 million
Water usage (m ³)	24,105	22,667	10,083

Note: Head office building only

- Promotion of environment-friendly sourcing of supplies

In line with the Law Concerning the Promotion of Procurement of Eco-Friendly Goods and Services by the State and Other Entities (Law on Promoting Green Purchasing), which went into effect in April 2001, DBJ implemented initiatives to purchase products and services with lower environmental impacts. We have continued to practice green purchasing following our privatization.

● Achievements of the Green Procurement Program for Typical Items

	Year Ended March 31, 2014
Paper	99.7%
Stationery	97.3%
Equipment	100%
Office equipment	98.3%
Lighting	100%

Note: Excludes printing paper, media cases, labels, and other items that were purchased on the market that do not comply with the prescriptions of the Law Concerning the Promotion of Procurement of Eco-Friendly Goods and Services by the State and Other Entities but that were purchased nevertheless on the basis of certain characteristics or functional requirements.

- Prevention of environmental pollution

DBJ complies with environmental laws and regulations.

Promotion of Environmental Awareness Activities in Communities

By cooperating in community environmental improvement initiatives, such as measures to prevent heat islands, DBJ works to contribute to the creation of environment-friendly regional societies.

- Head Office

Uchimizu Project 2013

DBJ participates in the Uchimizu Project 2013, a campaign hosted by the Otemachi, Marunouchi and Yurakucho (OMY) Uchimizu Project District Executive Committee (Otemachi-Marunouchi-Yurakucho District Redevelopment Project Council/Cooperative for the Promotion of the OMY Area Management Association), Ministry of the Environment, Tokyo Metropolitan Government and Chiyoda-ku. DBJ is continuing with its participation in the Uchimizu Project since 2008.



- Hokuriku Branch

Kanazawa Eco Suishin Jigyousya Network

Since fiscal 2004, the branch has participated in the Kanazawa Eco Suishin Jigyousya Network, undertaking initiatives to (1) reduce waste, (2) conserve energy and (3) promote green purchasing.

- Kansai Branch

Kansai Eco Office Declaration

Registered since 2008, the "Eco Office Declaration" calls for (1) a summer "eco style," (2) enforcing energy saving, (3) promoting green purchasing, (4) curbing automobile use and (5) engaging in waste recycling.

- Shikoku Branch

Forest-thinning activities

We continue to participate in forest-thinning activities conducted in collaboration with the town of Inomachi, Kochi Prefecture, and Mitsui & Co., Ltd.



Earth-Friendly Office

In fiscal 2009, we registered with the “Earth-Friendly Office” program created by the city of Takamatsu’s environmental department. We continued these activities in fiscal 2013, and are making efforts to (1) curb paper consumption, (2) promote the use of recycled products, (3) raise employee awareness of resources and waste reduction, (4) save energy and water and (5) regulate office air at an appropriate temperature.



• Kyushu Branch

Cleanup/beautification activity—Tenjin Clean Day

We participated in the Tenjin Clean Day activity sponsored by the We Love Tenjin conference and helped to clean up the area and plant flower bulbs.



• Other Branches

We implement initiatives such as collecting used postage stamps and PET bottle caps for donation. We also have employees bring their own chopsticks and cups to work to reduce waste.

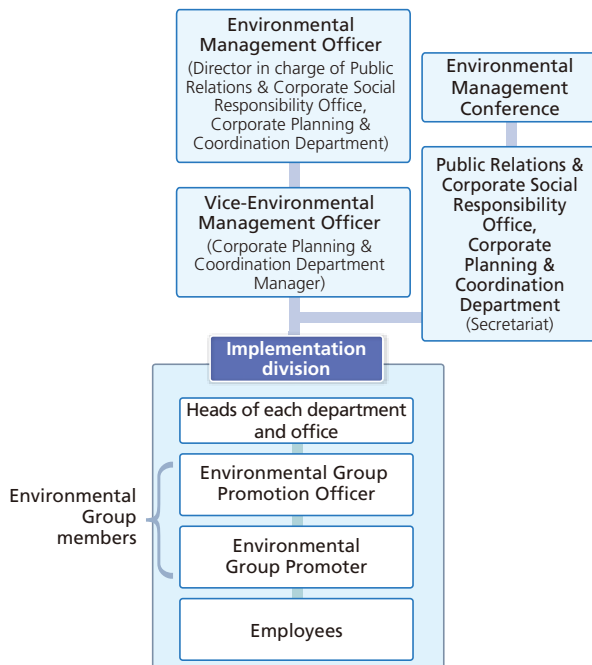
Environmental Management Structure

DBJ has set up the Public Relations & Corporate Social Responsibility Office within the Corporate Planning & Coordination Department. This office spearheads environmental management activities attended by all executives and employees.

Environmental Management Officer

The Environmental Management Officer is assigned to the Public Relations & Corporate Social Responsibility Office in DBJ’s Corporate Planning & Coordination Department. The officer confirms environmental education and training and authorizes annual environmental targets.

• Environmental Management Structure



Environmental Management Conference

The Environmental Management Conference deliberates annual environmental targets and environmental management reviews.

Public Relations & Corporate Social Responsibility Office, Corporate Planning & Coordination Department

In charge of DBJ’s environmental management activities is the Public Relations & Corporate Social Responsibility Office, Corporate Planning & Coordination Department. In addition to setting environmental targets for each fiscal year and confirming the degree to which established targets have been achieved, this office manages compliance with relevant laws and regulations.

Environmental Group Promotion Officer

To promote environmental management activities, the Environmental Group Promotion Officer and Environmental Group Promoter designate a member in each branch and department to be in charge of environmental promotion and manage the level of achievement of annual environmental targets.

Employees

Employees are responsible for putting environmental management activities into action.

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

1999	October	Designation of sustainable development as an objective by the Development Bank of Japan Act (Act No. 73 of 1999)
2001	April	Start of green procurement and environmental training
	June	First Japanese bank to sign the UNEP Statement by Financial Institutions on the Environment and Sustainable Development
	October	Establishment of Social Environment Committee and Social Environment Group; hosting of discussions between UNEP and Wa no Kuni Financial Institutions on Environmental Considerations for Financial Institutions
2002	March	UNEP FI 2002 Global Roundtable in Rio de Janeiro, Brazil
	July	Launch of the Development Bank of Japan Environmental Policy
	November	ISO 14001 certification
2003	October	Publishing of <i>Environmental Report 2003 for a Sustainable Society</i> (first annual edition)
	October	Joint sponsorship of UNEP FI 2003 Global Roundtable in Tokyo, an international conference on finance and the environment
2004	April	Start of DBJ Environmentally Rated Loan Program
	September	Second annual <i>Sustainability Report</i>
	November	Japan Carbon Finance, Ltd. (JCF) established
	December	Japan Greenhouse Gas Reduction Fund (JGRF) established
2005	January	Assumption of chair of the UNEP FI Asia Pacific Task Force
	September	Third annual <i>Sustainability Report</i>
	October	UNEP FI 2003 Global Roundtable
	November	Renewal of ISO 14001 certification
2006	May	Press conference to announce DBJ status as a signatory institution to the Principles for Responsible Investment
	August	<i>CSR Report 2006</i> (fourth annual <i>Sustainability Report</i>)
2007	July	<i>Annual Report & CSR Report</i> (integrated annual report and CSR report)
2008	October	First Board of Directors and Executive Committee meetings of Development Bank of Japan Inc.; formulation of Basic Environmental Policy and Environmental Management Regulations
2009	March	First Environmental Club Syndicated Loan <i>ECONOWA</i>
	April	Commendation for DBJ Environmentally Rated Loan Program: Environmental Development Award
	September	Start of cooperation with regional financial institutions to prepare a system to implement Financing Employing Environmental Ratings
2010	January	Basic cooperative agreement with the International Finance Corporation (World Bank Group financial institution conducting the world's largest international investment and loan activities for developing countries)
	April	Business cooperation agreement to promote environmental measures with a non-life insurance company
	December	Selected as a designated financial institution under the Bill on the Promotion of Businesses to Develop and Manufacture Energy and Environmentally Friendly Products ("Low Carbon Investment Promotion Act")
2011	April	Established the DBJ Green Building Certification
	November	Signed the Principles for Financial Action towards a Sustainable Society (Principles for Financial Action for the 21st Century)
2013	October	"Environment/Reconstruction Support Syndicated Loans" win the Grand Prize and Minister of the Environment Prize in the Green Purchasing Awards

Business Continuity Plan (BCP)

DBJ is preparing a business continuity plan (BCP) to protect the interests of its stakeholders, including its clients, its shareholder, and its executives and regular employees, as well as to fulfill its social mission. The BCP aims to ensure the continuity and rapid recovery of core operations in the event of emergencies, such as natural disasters (in particular, large-scale earthquakes), influenza pandemics, system failures and power outages.

In addition to addressing the continuity of core operations and maintaining a plan to recover from disaster, the BCP specifies the initial actions that executives and regular employees should take in emergencies. The plan

spells out necessary disaster responses in an easy-to-understand manner.

When formulating policies to ensure the continuity and recovery of core operations, we took the approach of considering responses to cases in which important management resources were damaged due to a large-scale disaster, affecting head office (1) buildings and facilities, (2) executives and regular employees, and (3) systems, instead of considering responses to individual events such as earthquakes and fires.

An overview of DBJ's BCP is provided below.

1. Principles of Action for Executives and Regular Employees

The BCP defines three key goals regarding the fundamental stance that executives and regular employees are to take in the event of a large-scale disaster or other emergency. They are to (1) ensure personal safety, (2) grasp the situation accurately and (3) remain calm and collected. Specifically,

they must give first priority to the lives and safety of our clients and our executives and regular employees, paying attention to television and radio broadcasts, evacuating calmly (without panic) and determining the safety of others.

2. Core DBJ Operations

In the event of a large-scale disaster, DBJ has identified the following six items as essential to the continuity of its core operations from the standpoint of (1) items that are fundamental and prerequisite to business continuity (such as facilities, personnel and systems), (2) DBJ's social mission and the public nature of its financing (such as investment and loan activity) and (3) responsibility to financial markets (continuity of market settlements).

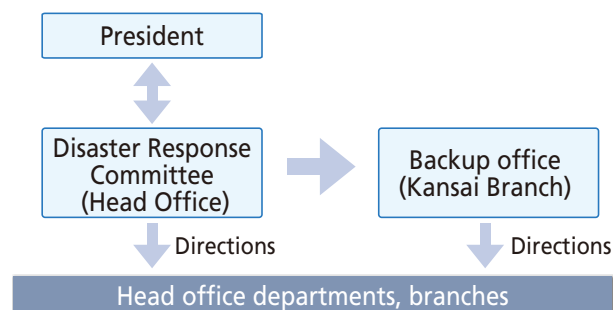
- 1) Confirmation and assurance of the safety of executives and regular employees
- 2) Uninterrupted continuation of settlement-related business
- 3) Reliable formation of the Disaster Response Committee
- 4) Restoration and maintenance of IT systems
- 5) Confirmation of the status of clients in afflicted areas
- 6) Rapid commencement of crisis response operations

DBJ has formulated a BCP that prioritizes continuity of the core operations described above.

3. BCP Operational Structure

When responding to an emergency situation, such as in the event of a large-scale disaster, in principle, the Disaster Response Committee will be established at head office and chaired by the head of the Corporate Planning & Coordination Department, who reports to the president. This committee gives directions to DBJ's branches regarding the continuation of core operations. If maintaining operations at head office proves problematic, the Kansai Branch shall serve as the alternative location.

● BCP Operational Structure Outline



4. Measures to Ensure Business Continuity

We have prepared a variety of measures to ensure business continuity. The primary measures are introduced below.

(1) Enhanced System Robustness

Ensured advanced security levels at the main center, and created a backup center to operate in the event that the main center ceases to operate.

(2) Multilayered Communication Procedures

Introduced a safety-confirmation system to quickly determine the whereabouts and status of executives and regular employees even at night and on holidays. In addition, distributed satellite telephones to key locations and personnel to ensure multilayered communication procedures.

(3) Chain of Command and Delegation of Authority

To assure that decision-making concerning the continuity of core operations is prompt and certain, in the event that the Disaster Response Committee is established, we have put in place a chain of command and an alternative hierarchy by which authority can be delegated.

(4) Clarification of Initial Response and Procedures for Continuing or Restoring Core Operations

For individual business units, we have established in advance the procedures for the initial response and the continuation or restoration of core operations so that relevant divisions can respond quickly and with certainty on core operations.

5. Initiatives to Maintain or Improve BCP Viability

DBJ conducts various types of instruction and training of executives and regular employees to maintain or improve the viability of its BCP.

Furthermore, the BCP is revised to reflect training results and recent information, and is reviewed by the Executive Committee regularly and additionally as necessary, employing a Plan-Do-Check-Act (PDCA) cycle.

Fostering Human Resources and Creating a Comfortable Work Environment

DBJ considers its human resources to be its most valuable assets and thus endeavors to develop its employees' capabilities. DBJ actively works to build a systematic human resource development system and a comfortable work

environment to bring out the best in every employee. The superior employee performance resulting from such efforts is what drives DBJ ahead on a daily basis and keeps it an innovator, blazing the trails that Japan needs to follow.

Human Resource Development Vision

DBJ has evolved significantly and developed its independence and creativity in line with the needs of the times in order to maintain its leadership position.

To develop its human resources, DBJ promotes autonomous and pioneering behavior in its employees as financial professionals through the vision of generalists who can be

specialists in many fields. Responding to society's constantly changing demands requires broad experience, deep knowledge and the ability to see the big picture, as well as gaining specialist knowledge. DBJ has therefore created a human resource development system that incorporates job rotation, performance evaluation, formal education and training.

Deploying the Target Management System

DBJ has introduced a Target Management System to encourage employees to work autonomously and proactively to develop their abilities and accurately evaluate such initiatives. DBJ 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 through its encouragement of goal-setting, DBJ emphasizes enhancing medium- and long-term value both internally and externally. DBJ also motivates employees by offering bonuses and other benefits based on operating performance.

Creating a Comfortable Work Environment and Promoting Opportunities for Women

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 policy to prevent sexual and power harassment and has set up a hotline to deal with such issues. Furthermore, to support mental and physical health, DBJ provides its employees and their families with regular medical examinations and care options. These systems include treatment by external specialists and access to counselors.

DBJ has also instituted childbirth, childcare and nursing care leave programs to give motivated employees better opportunities for long-term employment, as well as a system for continued employment options after retiring from full-time work.

On October 18, 2010, the Tokyo Labour Bureau recognized DBJ as having achieved the objectives of its general business operator action plan (from April 1, 2005, to March 31, 2010), based on the Act on Advancement of Measures to Support Raising Next-Generation Children as a company

that provides child-rearing support. Specific grounds for this approval included (1) the promotion of spousal support for childbearing through special leave and childcare leave, (2) measures to ensure time for child-rearing and (3) measures to promote the taking of annual paid vacation.

As part of its efforts to promote opportunities for women, DBJ plans to increase its percentage of female managers to around 50% by the end of fiscal 2018.



DBJ has received next-generation Kurumin certification for its efforts to counter the falling birthrate, including recognition as a company that provides active support for child-rearing.

A Solid Human Resource Development System

DBJ's financial professionals are supported by a well-developed education and training system. Mandatory training by level, combined with elective training according to skills and needs, enables each employee to plan his or her career and support DBJ's initiatives in innovative finance.

For young employees, we established the DBJ Financial Academy, which 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. We are expanding the academy, focusing on courses such as Corporate Finance, the Financial Instruments and Exchange Act, and M&A.

Regardless of age, employees undergo on-the-job training that provides hands-on exposure to work involving various levels of responsibility. After experiencing employment

in multiple departments, employees are additionally trained for highly specialized positions according to their skills and backgrounds. This system of strategic job rotation not only enables employees to gain broad-based practical experience that gives clarity to their medium- to long-term career goals but also provides an environment for quickly and firmly acquiring and improving their highly specialized skills.

In step with globalization, DBJ cultivates employees able to perform in international as well as domestic settings. To achieve this, DBJ actively assigns employees to a wide variety of external organizations, including overseas graduate schools (program currently being expanded), international institutions, domestic and overseas research institutes, companies and related government agencies, thereby supporting skill development and network extension.

● DBJ's Human Resource Development System

Training by Level		Business-Related Training			Business-Related (Self-Training)	External Assignments, etc.			
Position ↑	Top management training	<ul style="list-style-type: none"> • Training in middle- and back-office operations involving investments and loans • Training in debt management • Etc. 	<ul style="list-style-type: none"> • Compliance training • Training in financial act • Etc. 	<ul style="list-style-type: none"> • Accounting • Basics of Tax • Etc. 	<ul style="list-style-type: none"> • Valuation • Financial Modeling • M&A • Real Estate Finance • Relationship Management • Corporate Reorganization • Environmental Rating Seminars • BCM Rating Seminars • DBJ Financial Academy (Elective courses and special courses) • Etc. 	<ul style="list-style-type: none"> • Common skill areas • Problem solving and communication • Logical thinking • English conversation • Business comportment • Etc. 	<ul style="list-style-type: none"> • Distance learning, night courses, acquiring public qualifications, etc. 	<ul style="list-style-type: none"> • External seminars, lectures, etc. • Domestic and overseas exchange students, trainees, etc. 	
	Life plan training								Management training
	Career development plan training	Manager training	<ul style="list-style-type: none"> • DBJ Financial Academy—Core courses (II) • IFRS Accounting: Foundations and Practice • International Finance • Financial Policy • Etc. 	<ul style="list-style-type: none"> • DBJ Financial Academy—Core courses (I) • Basic Corporate Finance • Financial Instruments and Exchange Act • M&A • Etc. 	<ul style="list-style-type: none"> • DBJ Financial Academy—Core courses (I) • Basic Corporate Finance • Financial Instruments and Exchange Act • M&A • Etc. 	<ul style="list-style-type: none"> • DBJ Financial Academy—Core courses (II) • IFRS Accounting: Foundations and Practice • International Finance • Financial Policy • Etc. 	<ul style="list-style-type: none"> • DBJ Financial Academy—Core courses (I) • Basic Corporate Finance • Financial Instruments and Exchange Act • M&A • Etc. 	<ul style="list-style-type: none"> • DBJ Financial Academy—Core courses (II) • IFRS Accounting: Foundations and Practice • International Finance • Financial Policy • Etc. 	<ul style="list-style-type: none"> • DBJ Financial Academy—Core courses (I) • Basic Corporate Finance • Financial Instruments and Exchange Act • M&A • Etc.
	Secondary training after joining DBJ								
	Introductory training for new employees	<ul style="list-style-type: none"> • Rating and asset assessment training • Systems related to investments and loans 	<ul style="list-style-type: none"> • Documentation • Basic Legal 	<ul style="list-style-type: none"> • Financial analysis training • Bookkeeping and Accounting • Company Analysis • Case Studies 	<ul style="list-style-type: none"> • Basic finance training • Interest Rate Basics • Basic Derivatives 	<ul style="list-style-type: none"> • Mastery of basic business execution skills 	<ul style="list-style-type: none"> • Acquisition of business-related knowledge 	<ul style="list-style-type: none"> • Cultivation of work-related knowledge, mastery of specialized knowledge, HR development 	
Autonomous career track	<ul style="list-style-type: none"> • Cultivation of management and leadership skills 	<ul style="list-style-type: none"> • Mastery of DBJ procedures and basic processes 	<ul style="list-style-type: none"> • Mastery of finance and law 	<ul style="list-style-type: none"> • Acquisition of financial accounting knowledge 	<ul style="list-style-type: none"> • Strategic and focus areas, such as financial skills 				<ul style="list-style-type: none"> • Addressing strategic and focus areas
Planned and continuous HR development		Mastery of knowledge and skills needed for work			Mastery of knowledge and skills needed for work		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 DBJ transforms into a private-sector financial institution that still values the long-term perspective, neutrality, public-mindedness and reliability it has cultivated, each employee is being held to a higher ethical standard.

DBJ Financial Academy

Since May 2008, the DBJ Financial Academy typically has held several courses that meet two or three times a week with the objective of raising the level of financial expertise of primarily young second-year employees throughout the organization by strengthening their knowledge and understanding from a medium- to long-term perspective of advanced corporate financial business essential to DBJ's business model. During fiscal 2013, courses numbered 19 and covered Introduction to Modern Finance, Corporate Finance, the Financial Instruments and Exchange Act, and IFRS Accounting: Foundations and Practice.

Through the DBJ Financial Academy, each employee can seek to elevate his or her abilities in finance. In

DBJ has long desired that its employee training address issues of human rights in addition to ensuring legal compliance and maintaining information security through training to prevent fraudulent access and information leaks. DBJ will henceforth devote even more resources toward such efforts.

addition to basic knowledge, such as fundamental corporate finance topics and corporate valuation methods that can be applied, the academy provides a broad range of core training on finance from an academic and scientific perspective. Students from outside DBJ, such as employees of regional financial institutions, government bodies and business partners, have also participated. Through these courses, we look forward to opportunities for mutual exchange and the creation of networks.



● DBJ Financial Academy Curriculum

2013 Courses (May 2013 through February 2014)

Core courses (I)

- Introduction to Modern Finance
- Financial Instruments and Exchange Act
- Business Statistics
- Basic Corporate Finance
- M&A
- Corporate Finance Practice

Core courses (II)

- IFRS Accounting: Foundations and Practice
- Insolvency and Corporate Reorganization
- Financial System Theory
- International Finance
- Financial Expertise Follow-up Practice
- Financial Policy

Elective courses

- Real Estate Finance
- Behavioral Finance
- Investment
- Game Theory Approach to Asset Pricing Structure Concepts
- Risk Management and Real Options

Special courses

- M&A and Competition Policy
- Special Program for Regional Financial Institutions

2014 Courses (expected to run from May 2014 through February 2015)

Core courses (I)

- Introduction to Modern Finance
- Financial Instruments and Exchange Act
- Business Statistics
- Basic Corporate Finance
- M&A
- Corporate Finance Practice

Core courses (II)

- Insolvency and Corporate Reorganization
- IFRS Accounting: Foundations and Practice
- Financial System Theory
- International Finance
- Financial Policy
- Financial Expertise Follow-up Practice

Elective courses

- Real Options
- Real Estate Finance
- Investment
- Macroeconomics and the Modern Japanese Economy
- Behavioral Finance
- Risk Management

Special courses

- Introduction to Integrated Reporting
- Securitization: Comparison of Japanese and U.S. Securitization Markets
- Special Program for Regional Financial Institutions