

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, 2014, to March 31, 2015

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 2015

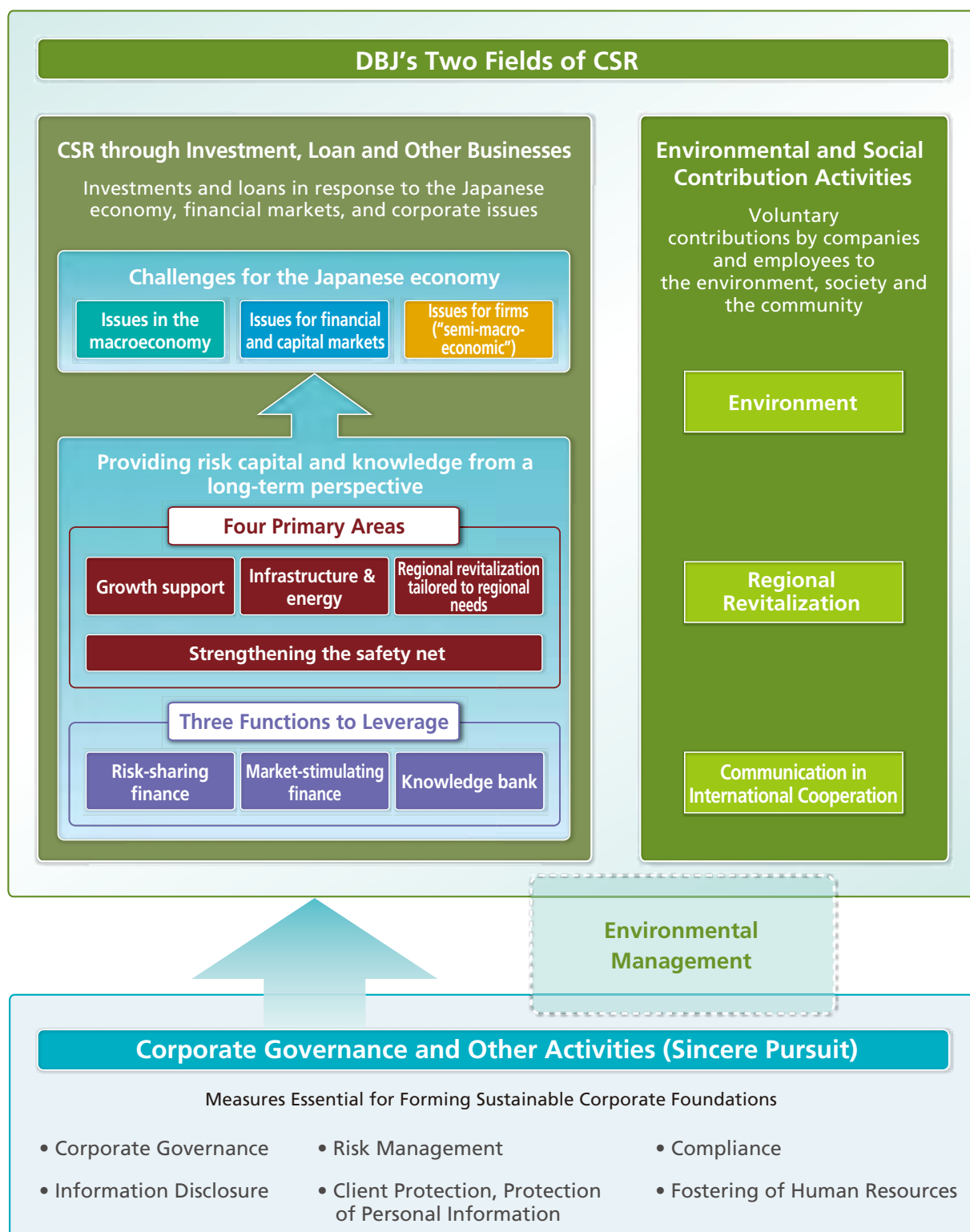
Next publication: September 2016 (previous publication: September 2014; frequency: annual)

Reference Guidelines

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

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.

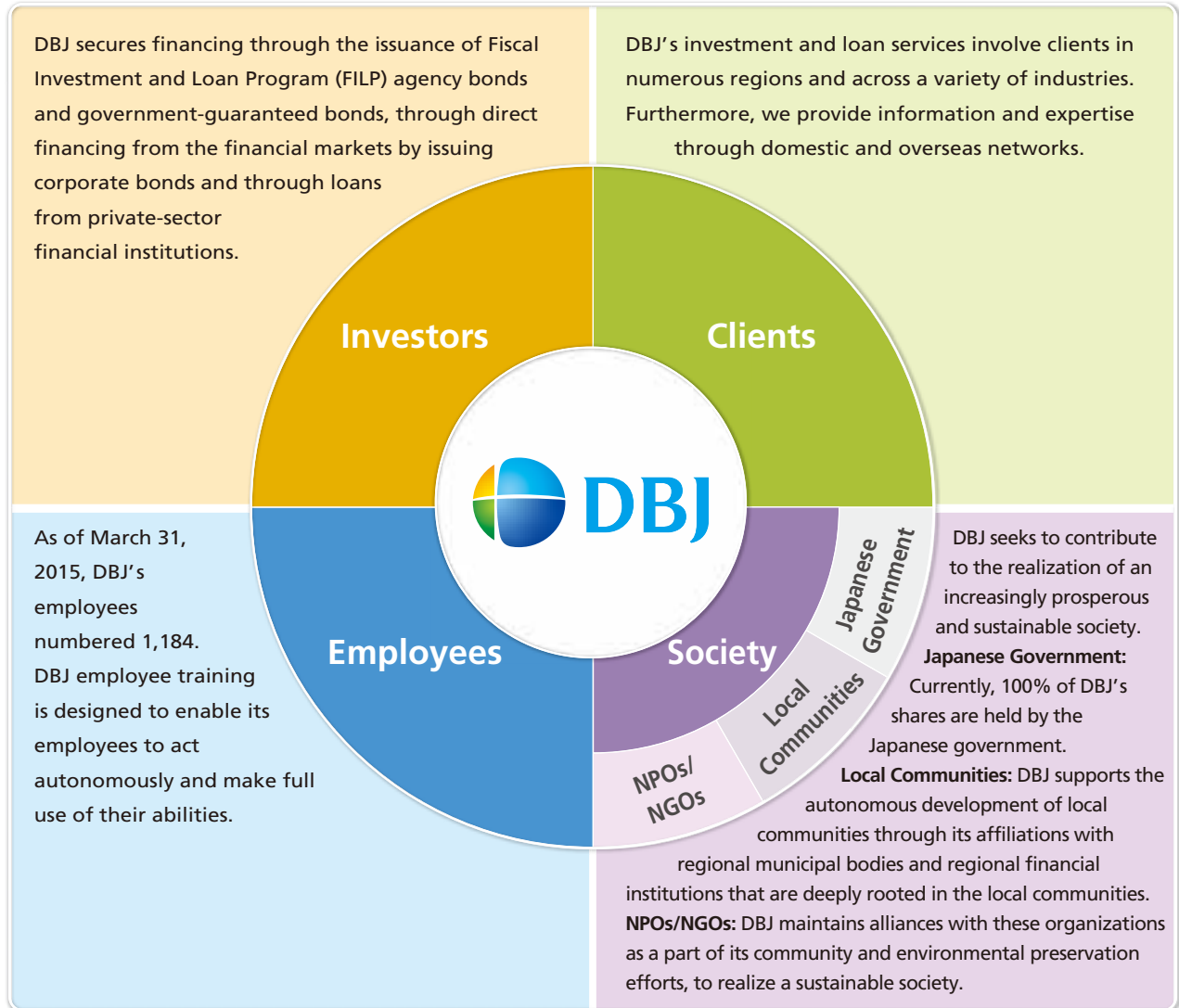
Fields of CSR Implementation at DBJ



DBJ and Its Stakeholders

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

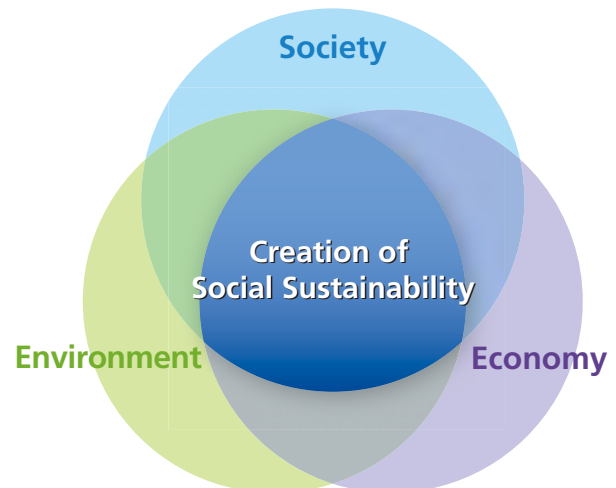
DBJ strives to increase its dialogue with stakeholders in its effort to realize a sustainable society.



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 and policy issues facing Japan. These measures were a way to evaluate CSR through Investment, Loan and Other Businesses.

Even after privatization (conversion to a joint-stock company), 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

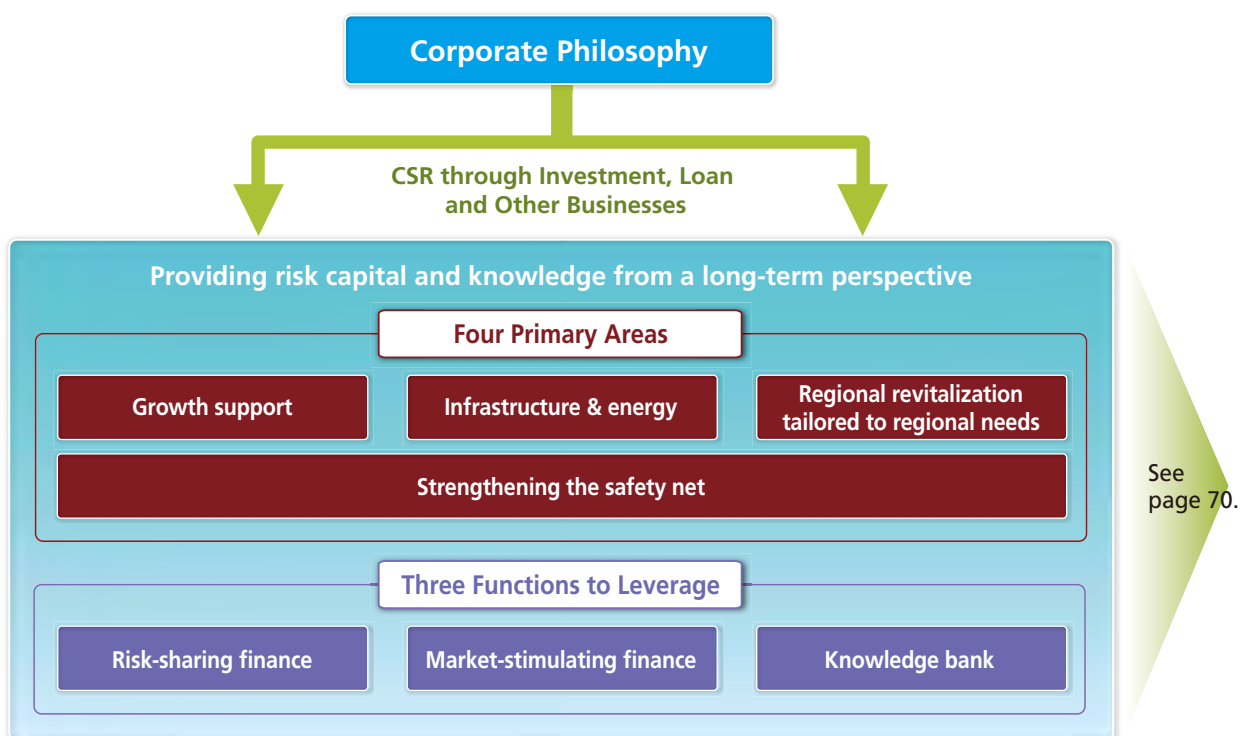
Due consideration of compliance issues is a prerequisite for the sustainable development of enterprises. Accordingly, it is important that a corporation's business activity brings new value to, contributes to problem-solving in, and gains the trust of society.

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, conducting appropriate risk assessment 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 and increases in corporate value.

Accordingly, DBJ considers the application of its intellectual assets and service platforms for investments and loans to be of vital importance, as well as its business of working with clients in a variety of fields.

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 across industries. Accordingly, DBJ strives to communicate with as many people as possible through seminars, symposiums and lectures.

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, the DBJ Enterprise Disaster Resilience Rated Loan Program, the DBJ Employee's Health Management Rated Loan Program and DBJ Green Bonds.



Eco-Products 2014 booth



Eco-Products 2014 booth

Communication on Regional Revitalization

DBJ considers working with local citizens to build communities that suit their unique environments an important part of supporting independent regional 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

DBJ exhibited at Messe Nagoya 2014, one of the largest cross-industrial trade fairs in Japan. Under the theme of "Environment, Safety and Manufacturing," DBJ's specific initiatives were introduced at this exposition, including financial services such as the DBJ Enterprise Disaster Resilience Rated Loan Program and reconstruction support initiatives.



Messe Nagoya 2014 booth

Communication in International Cooperation

In cooperation with Japan Economic Research Institute Inc., its Group think tank, DBJ holds seminars for governmental and developmental financial institutions in developing countries, primarily in Asia, describing our 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 in China, South Korea, ASEAN countries, India and other areas. In 2015, ADFIAP's annual meeting was held in Nha Trang, Vietnam. DBJ received one of the ADFIAP Awards 2015 for its efforts through DBJ Green Bonds, as an initiative that supports environmentally and societally considerate business and socially responsible investment.



ADFIAP annual meeting in Nha Trang, Vietnam



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 2014 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 2015, DBJ's contributions totaled ¥1,785,240—enough to provide 89,262 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 fiscal 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 effect and noise but also they are barrier-free with a low-floor design, ensuring easy access for disabled users.



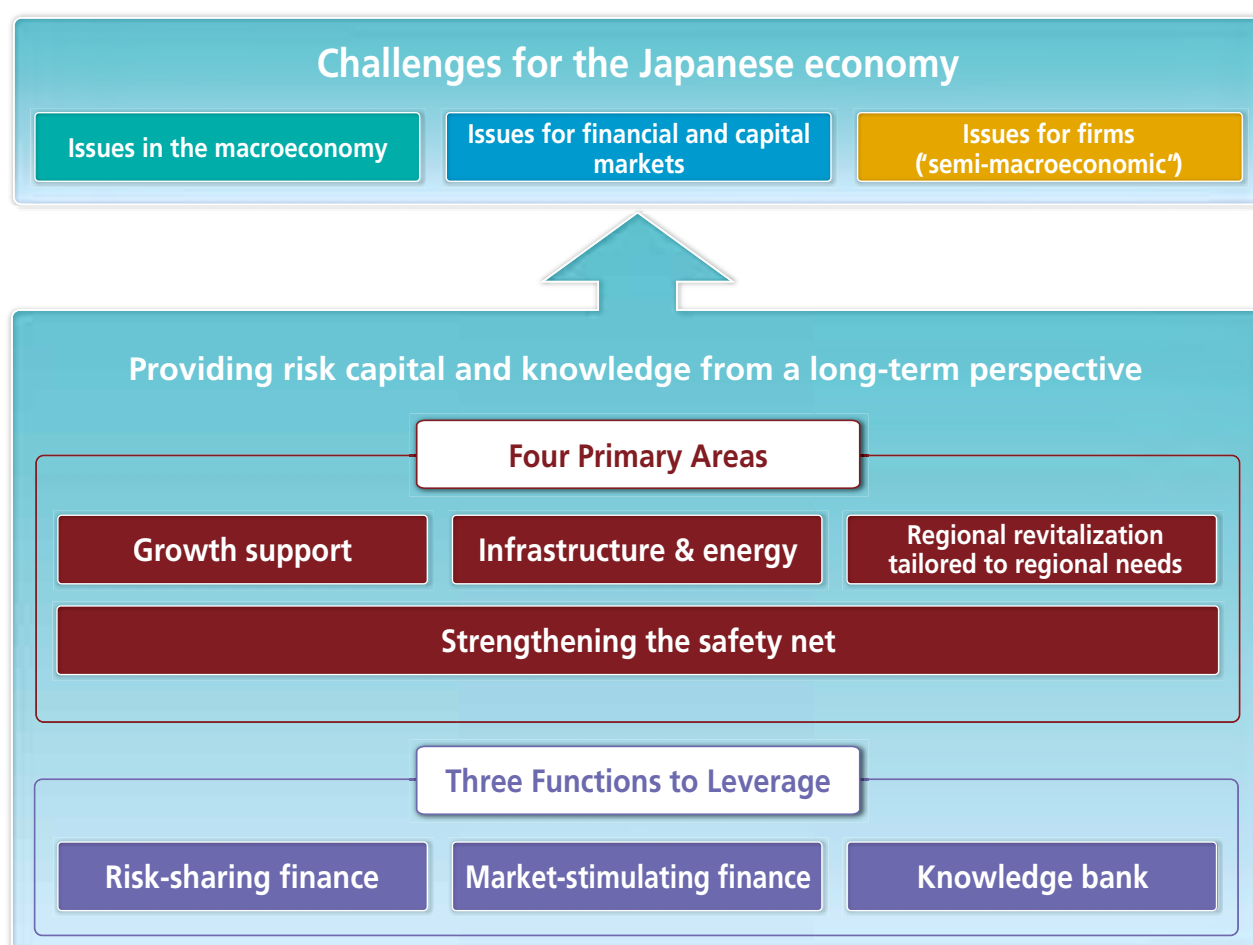
Marunouchi shuttle bus

DBJ promotes CSR through investment, loan and other businesses to solve social problems.

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CSR through Investment, Loan and Other Businesses

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



Case Studies

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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 competitiveness of the country's industries needs to be reinforced to ensure the realization of a variety of strategies and measures to buttress this growth.

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 Shizuoka Gas

Since its establishment in 1910, Shizuoka Gas Company, Ltd., headquartered in the city of Shizuoka, Shizuoka Prefecture, has operated as a city gas company centered in central-eastern Shizuoka. In response to the changing business environment, marked by such factors as electricity and gas policy liberalization in recent years, the company is taking part in the regional power generation business as a community power producer and supplier (PPS) that utilizes renewable energy and non-utility surplus power generation. In these ways, the company is promoting the creation of a structure for proposing optimal energy, including electricity, to local homes and businesses.

As its first Special Investment Operations* project, DBJ has invested in the preferred shares of SG・Bang Bo Power Holding Co., Ltd., which Shizuoka Gas established to participate

in the independent power producer (IPP) business in Thailand. Shizuoka Gas joined this project by acquiring from a Marubeni Corporation subsidiary a certain number of shares in Eastern Power and Electric Co., Ltd. (EPEC), a project-based company involved in the gas-fired thermal power IPP business in Thailand. This project is the first overseas investment for Shizuoka Gas. By participating in this investment project as a successful existing IPP business, Shizuoka Gas hopes to gain experience in overseas management and business promotion. The company also aims to cultivate the specialized personnel need to expand the regional electricity business in the future. Going forward, in addition to proposing energy solutions to enterprises that are pursuing operations overseas, Shizuoka Gas aims to regional revitalization by expanding the regional electricity business.

Working with The Shizuoka Bank, Ltd., from the perspective of supporting the overseas operations of regional enterprises, developing the electric power business and contributing to regional economic vitalization, DBJ provided risk capital to support the participation of Shizuoka Gas in this project.

* Special Investment Operations: These operations are part of an effort to concentrate on supplying growth capital to contribute to regional economic vitalization and corporate competitiveness based on the Partial Amendment of the Development Bank of Japan Inc. Act, which was promulgated and went into effect on May 20, 2015. (See page 22-23 for details.)



EPEC's gas-fired thermal power generation facility

Case Study Socionext

Socionext Inc., headquartered in the city of Yokohama, Kanagawa Prefecture, established through joint capital contributions from Fujitsu Limited, headquartered in Minato-ku, Tokyo; Panasonic Corporation, headquartered in the city of Kadoma, Osaka; and DBJ, is a newly integrated fabless company for the design, development and sales of system LSIs*. This company also aims to extend the Japanese system LSI business on the global stage.

Socionext integrates the system LSI design and development functions of Fujitsu Semiconductor Limited,

a wholly owned subsidiary of Fujitsu headquartered in the city of Yokohama, Kanagawa Prefecture, and Panasonic. The company brings together the two companies' core technologies in video, imaging and optical networking, consolidating their customer bases and other management resources in the aim of creating a globally competitive company.

DBJ provided risk capital for Socionext's new initiative in the field of system LSIs using the Fund for Japanese Industrial Competitiveness, thereby supporting efforts to bolster Japan's competitiveness in this field.

* System LSIs: Integrated circuits mounted on single or multiple semiconductor chips to provide the large-scale integration (LSI) functions needed to operate systems, certain equipment and machinery.



System on a chip (SoC) to amass multi-codec functionality

Promotion of Competitiveness

Case Study Mitsubishi Heavy Industries Aero Engines

Mitsubishi Heavy Industries Aero Engines, Ltd. (MHIAEL), headquartered in the city of Komaki, Aichi Prefecture, commenced operations in October 2014, taking over the civilian aircraft engine business spun off from Mitsubishi Heavy Industries, Ltd. (MHI). In addition to its capital participation using the Fund for Japanese Industrial Competitiveness, DBJ provided investment and loan support through two-step loans (promoting business restructuring*) based on the Industrial Competitiveness Enhancement Act.

IHI Corporation is also a capital participant in MHIAEL, forging a long-term cooperative relationship in production. IHI is one of the world's foremost manufacturers of low-pressure turbine blades, for which production volumes are expected to rise, and MHIAEL will cooperate with IHI in this area. With MHI's support, the new company will forge a cluster with busi-

ness partners to form an integrated production system for engine parts and aims to boost competitiveness and their presence in the international marketplace.

In September 2014, this project received approval from the Ministry of Economy, Trade and Industry (METI) as a specified business restructuring plan. On this basis, DBJ aims to leverage its extensive expertise in business restructuring as well as know-how accumulated through ongoing support

of the Japanese aircraft industry. We provided investments and loans for this project because of this cooperation between the two companies, as we believe it will contribute to further industry competitiveness.

*In this business, designated financial institutions provide enterprises acknowledged to have in place a specified business restructuring plan based on the Industrial Competitiveness Enhancement Act with necessary funding as two-step loans.



A view of the plant

Case Study Nippon Charge Service

Nippon Charge Service, LLC, headquartered in Minato-ku, Tokyo, was established to help build a charging network that offers more convenience to drivers of electric-powered vehicles (PHVs*¹, PHEVs*², EVs*³) (Investors: Toyota Motor Corporation, Nissan Motor Co., Ltd., Honda Motor Co., Ltd., Mitsubishi Motors Corporation, Tokyo Electric Power Company, Incorporated, Chubu Electric Power Co., Inc., and DBJ).

Nippon Charge Service's business aims to help reduce the effect on the environment by encouraging the proliferation of electric vehicles, with effects that are expected to ripple outward regionally and into related

industries, as well as to foster the creation of new businesses. Recognizing the highly public nature and social significance of this business, in June 2014 DBJ provided funding via the Fund for Japanese Industrial Competitiveness*⁴. In addition, DBJ employed project finance methods to arrange syndicated loans with The Bank of Yokohama, Ltd., The Bank of Kyoto, Ltd., The 77 Bank, Ltd., The Chugoku Bank, Limited, and The Hyakugo Bank, Ltd., to fund Nippon Charge Service's construction of a nationwide charging infrastructure network.

*1 PHV: Plug-in hybrid vehicle

*2 PHEV: Plug-in hybrid electric vehicle

*3 EV: Electric vehicle

*4 Fund for Japanese Industrial Competitiveness: Aiming to support initiatives that create new value and enhance corporate value, DBJ established this fund in the interest of boosting Japanese industrial competitiveness by unearthing individual enterprises' potential toward commercialization and linking the initiatives to growth by cultivating new business frontiers and promoting strategic alliances.



A quick electric charger

M&A

Mergers and acquisitions (M&As) 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 proactive business restructuring and to overhaul and revitalize underperforming businesses.

Case Study Sankyo Tateyama

Sankyo Tateyama, Inc., headquartered in the city of Takaoka, Toyama Prefecture, conducts businesses in three categories: Construction Materials, centered on aluminum construction materials for residences and larger buildings; Materials, which focuses on the casting, extruding and processing of aluminum and magnesium; and Commercial Facilities, involving store fixtures and signage.

Under its VISION-2020 in July 2011 and Medium-Term Management Plan in July 2012, Sankyo Tateyama announced that its core strategies involve strengthening operations in the non-construction materials business and developing business overseas. To this end, the company acquired majority control of Thai Metal Aluminium Co., Ltd., which manufac-

tures billets and conducts extrusion and processing within Thailand. DBJ proposed this acquisition and provided M&A advisory services.

Thai Metal Aluminium has taken over all the businesses formerly handled by Thai Metal Co., Ltd., which is an aluminum extrusion manufacturer,

ranging from billet production within Thailand to the sale of products. By acquiring this company as a subsidiary, Sankyo Tateyama expects to make major inroads into the expansion of its business domains in the ASEAN region, including construction and non-construction materials.



Thai Metal's works

Case Study Maruetsu

Since its establishment in 1952, The Maruetsu, Inc., headquartered in Toshima-ku, Tokyo, has operated a supermarket chain centered on the Tokyo metropolitan area. The company currently operates stores of three types: "Maruetsu" supermarkets, urban "Maruetsu petit" stores and "Lincos" high-end supermarkets. One of Maruetsu's strengths is its ability to offer flexible shop formats tailored to specific regions.

Maruetsu's market has been shrinking as a result of a dwindling and graying population, as well as the consumption tax hike. Furthermore, the company faces increasingly fierce com-

petition from convenience stores and online retailers. In response to these changes in the external environment, Maruetsu decided to enter into management integration with Kasumi Co., Ltd., which has a leading market share in Ibaraki Prefecture, and MaxValu Kanto Co., Ltd., whose operations center on the Tokyo metropolitan area and who is a subsidiary of Aeon Co., Ltd. United Super Market Holdings Inc. (USMH) was established as the holding company for these operations, becoming one of Japan's largest food supermarket operators. DBJ provided comprehensive advisory services related to this management integration scheme.

Through the complementary strengths of its constituent companies, USMH aims to become the sales leader for its industry in the Tokyo metropolitan area.



Ceremony to commemorate USMH's listing on the Tokyo Stock Exchange

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 PPP Concession in European High-Speed Rail Sector

DBJ has built up an investment interest in the European transportation sector's largest high-speed rail project implemented under the PPP-concession method (the "Project"). This investment has been achieved through the existing partnership with Meridiam Infrastructure, a specialized long-term investor focused primarily on investing in greenfield infrastructure projects globally, with strategic focus on PPP assets in Europe and North America.

The Project involves the construction of a new rail line between the French cities of Tours and Bordeaux (approximately 300 kilometers). The line will be an important link in the Trans-European Transport Networks (TEN-T) scheme for connective transport service across Europe, and is seen

as a significant policy element by the French government and the European Union—both of which, along with their public institutions, have provided it with strong support. The Project is expected to generate long-term income gains after its scheduled completion in 2017.

Investment in infrastructure is considered and used as a popular and effective measure of asset management and investment among overseas pension funds, and pension funds and institutional investors in Japan are also showing growing interest in this class of assets.

Taking advantage of skills, risk evaluation techniques and other resources it has gained through its involvement in infrastructure finance, DBJ will continue investing and financing in

concession-type and other advanced infrastructure projects overseas. At the same time, DBJ intends to share with Japanese pension funds, institutional investors and others the asset management and investment opportunities we discover at home and overseas, thereby meeting investors' diversifying needs for access to high-quality investment outlets.



European High-Speed Rail

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 enterprises to issue bonds in Japan. In the preceding fiscal year, DBJ invested in five yen-denominated bonds issued in this market, starting with bonds

issued by Banco Santander-Chile, a leading Chilean bank, in April 2014.

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 enterprises 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 increasing elderly population, medical system reforms, mergers and acquisitions by medical corporations and a need to rebuild aging facilities. Offering uninterrupted healthcare services involves solving fiscal and administrative problems, as well as 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.

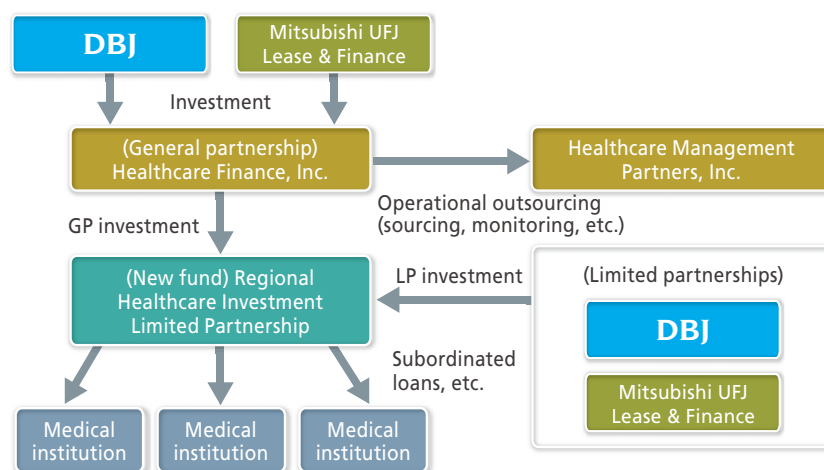
Against this backdrop, DBJ and the Mitsubishi UFJ Lease & Finance Company, Ltd., headquartered in Chiyoda-ku, Tokyo, formed the Regional Healthcare Investment Limited Partnership (Regional

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 capital for subordinated loans and other investments.

Regional Healthcare Fund Scheme



Case Study Kawakita Medical Foundation

Kawakita Medical Foundation’s Kawakita General Hospital, located in Suginami-ku, Tokyo, provides 24-hour emergency medical care, serving as the main emergency and acute medical care facility in the area. In recent years, the company has been aggressively upgrading its medical support services with the expansion of the Kawakita Rehabilitation Hospital, health examination center, family medicine center and geriatric healthcare facilities.

Continuing on from fiscal 2012, DBJ recertified the Kawakita Medical Foundation as a DBJ Visionary Hospital and provided financing based on their

advanced environmental consideration initiatives and excellent disaster prevention and business continuity efforts.

In its environmental assessment for the current round of financing, DBJ gave high marks for the hospital’s achievement of 100 percent recycling of hard-to-recycle medical waste due to such efforts as raising its target waste recycling ratio, carefully selecting its outsourced waste processing partners and conducting periodic checks of their operations. DBJ also gave the hospital a high business continuity management (disaster preparedness) rating for its configuration of a disaster response structure that

remains in place even in ordinary times and its initial-response system for emergencies that includes conducting triage drills*.

*Triage drills are designed to optimize rescue effectiveness in cases involving numerous casualties where medical personnel and resources are limited by prioritizing the level of care according to the level of seriousness and urgency.



Kawakita General Hospital

DBJ Environmentally Rated Loan Program

The environment is a perpetual 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 through environmentally considerate investment and financing activities.

Case Study Suzuki Motor

Suzuki Motor Corporation, headquartered in the city of Hamamatsu, Shizuoka Prefecture, has “Small Cars for a Big Future” as its slogan. In line with this mantra, the company has become an industry leader conducting business on the world stage in the production and sale of mini-vehicles, which are lightweight, offer good fuel performance and are low in CO₂ and other emissions. Since the time of its establishment, Suzuki Motor Corporation has made a full-fledged effort to manufacture “valuable products,” working at the same time to promote environmental initiatives throughout the company. Underscoring this emphasis, the company formulated the Suzuki Global Environment Charter in 2002, and has cultivated a particularly high level of environmental management.

DBJ gave Suzuki Motor Corporation the highest rank for the DBJ Environmentally Rated Loan Program and

arranged syndicated loans for the company based on that system.

We accorded Suzuki Motor Corporation a high rating for four reasons. (1) The company has placed a strong emphasis on the environmental effect of its products in use. Applying some of the strictest standards such as Top Runner Standards, the company promotes Suzuki Green Technology, a next-generation environmental technology aimed at reducing weight and fuel consumption. As a result, the company provides products that create new demand, while at the same time addressing an issue facing society. (2) To reach increasing numerical targets for higher global average fuel economy, the company has set key performance indicators (KPIs) for the development of environmental technologies based on a medium-term roadmap. These KPIs lead to the development of next-generation vehicles and improvements in technolo-

gies for enhancing fuel performance. (3) The company conducts monthly environmental effect analyses of each of its production lines and processes, and uses energy cost conversions to measure annual results of introducing equipment. These measures help to ensure the thorough visualization of environmental effects and lead to thorough environmental measures at every plant. (4) In addition to having in place a system to centrally manage the environmental risk of its procurement partners, the company has introduced Suzuki’s Environmental Management System for sales distributors to promote environmental awareness throughout the supply chain.



New ALTO

Case Study Santen Pharmaceutical

Santen Pharmaceutical Co., Ltd., headquartered in the city of Osaka, has a history reaching back more than 120 years and is Japan’s leading manufacturer of ophthalmic pharmaceuticals. The company name harks back to a Confucian passage expressed in Japanese as “*Tenki ni sanyo suru*,” which serves as the basis for “Santen’s Values.” Based on these values, by concentrating on the specialized ophthalmic market, the company strives to provide superior products and services that help to improve the quality of life of patients around the world.

DBJ provided financing to Santen Pharmaceutical under the DBJ Environmentally Rated Loan Program.

DBJ rated the company highly for

three reasons. (1) To reflect the stance of ISO 26000, Santen’s Values define the “7 Core Subjects of CSR” as important social issues to address in its corporate activities. In line with these subjects, the company engages in dialogue with its stakeholders and considers specific initiatives to address in each of these areas. (2) In terms of product quality, Santen Pharmaceutical has established its own standards that exceed statutory requirements. The company has adopted water resource measures as an important theme of its environmental activities, as these resources can significantly affect its quality control. Accordingly, the company takes a proactive stance toward conserving water resources through forest preservation activities. (3) In addition to imposing strict

process controls to reduce its percentage of non-conforming products and working to reduce waste, Santen Pharmaceutical has set targets for its final disposal rate that surpass industry levels. The company is also committed to promoting further 3R (reduce, reuse and recycle) activities.

*Santen Pharmaceutical’s original interpretation of a passage from *Zhongyong* (“Doctrine of the Mean”) by Confucius, meaning “exploring the secrets and mechanisms of nature in order to contribute to people’s health.”



Production line for ophthalmic pharmaceuticals

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 Autobacs Seven

Autobacs Seven Co., Ltd., headquartered in Koto-ku, Tokyo, operates a chain of franchise stores that sell car products, perform inspections and repairs, and buy and sell automobiles. The company is a leader in this field.

DBJ provided financing to Autobacs Seven based on the DBJ Employee's Health Management Rated Loan Program.

We accorded the company a high rating for three reasons. (1) The company's top management proclaims a "health declaration" as a fundamental policy it makes known to all employees. Companywide, Autobacs Seven has in place a Health Improvement Promotion Council and a Health Management Office to spearhead its

activities, liaising with health insurance organizations, industrial physicians and the labor union to provide a system that promotes health measures.

(2) The company quantitatively analyzes health checkup and receipt data*¹ to thoroughly visualize health risks, and then establishes key risk response issues. The company then sets medium-term numerical targets through a three-year data health program. (3) Targeting all employees, when they are recognized to have a health risk, they are provided with health guidance using a method called a "high-risk approach"*². In these ways, the company endeavors to respond to lifestyle-related disease early on.

*1 Receipt data: When a patient undergoes a medical examination, the medical institution invoices the insured party (health insurance organization or similar) for medical treatment fees. This receipt contains detailed data.

*2 High-risk approach: A treatment method that concentrates on people at high risk of contracting a specific disease.



Certification presentation ceremony

Case Study Fresta

Fresta Co., Ltd., headquartered in the city of Hiroshima, Hiroshima Prefecture, operates a food supermarket chain throughout the Chugoku region and centered on Hiroshima Prefecture. Fresta aims to be the "healthiest supermarket," promoting health not just for its employees but throughout the region, and seeks to invigorate the region by supporting the health of its customers.

Fresta is the first company in Hiroshima Prefecture to receive DBJ financing through the DBJ Employee's Health Management Rated Loan Program.

DBJ rated Fresta highly for three reasons. (1) In line with its key management theme of being the "healthiest supermarket," Fresta has issued a

health declaration that sets targets for all employees on managing their own health. (2) The company has launched the FreSmart Project* and an activity promoting brain checkups, establishing its own internal standards. Fresta identifies employees whose health checkup results indicate a high degree of health risk, and requires these people to receive guidance on improving their situation, including from specialist advisors, and undergo brain scans. (3) Fresta's standards for managing working hours are stricter than legally required, and the company has in place an employee consultation room where employees can undergo consultations with industrial counselors. Fresta has also introduced a long-term disability system that can be utilized

if an employee is ill or experiencing a difficult work situation. Through systems such as these, Fresta strives to create an environment where employees can work healthily and with peace of mind.

*FreSmart Project: This project sets conditions based on internal standards for health related to metabolic syndrome. Specialists cooperate to support employee health on the exercise and dietary fronts.



Certification presentation ceremony

Infrastructure & Energy

Energy

Varied energy usage is essential to ensure the long-term, stable supply of energy. Also, global 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 Green Energy Tsu

Green Energy Tsu Corporation, headquartered in the city of Tsu, Mie Prefecture, was established by JFE Engineering Corporation (JFEE), headquartered in Chiyoda-ku, Tokyo, to generate electricity using biomass fuel.

Through the Fund for Japanese Industrial Competitiveness, DBJ has provided funding to Green Energy Tsu in collaboration with JFEE and other organizations. Also via this fund, under the agreement on supplying mezzanine loans, DBJ arranged all of this project via project finance methods, separating the roles of the banks providing senior loans, The Hyakugo Bank, Ltd. and Sumitomo Mitsui Trust Bank, Limited.

This business operates on the site of JFEE's Tsu Works, leveraging JFEE's leading-edge technologies and ample

expertise in engineering, procurement and construction, as well as operation and maintenance. Green Energy Tsu has built and operates an approximately 20-megawatt power plant fueled by timber from forest thinning that was previously unused. By making effective use of this timber,

the company is in accordance with the city of Tsu's Biomass Industry City Framework. The company is also helping in regional revitalization by augmenting the competitiveness of local industry and contributing to the quality and quantity of employment available in the area.



Biomass power plant

Case Study Miyako Solar Energy Project

The Miyako Solar Energy Project is one aspect of the Miyako City Smart Community Promotion Project being undertaken as an effort at reconstruction following the Great East Japan Earthquake.

Specifically, the project involves the construction of a megasolar (large-scale solar generation) facility providing approximately 4 megawatts (based on direct current) in the Tsugaruishi and Taro districts of the city of Miyako, Iwate Prefecture, which was hit by the tsunami that accompanied the Great East Japan Earthquake. In addition to

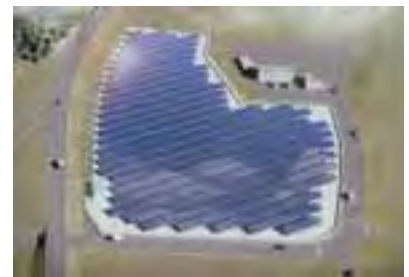
making effective use of the land hit by the disaster, this project aims to help stabilize power supplies in times of disaster.

DBJ promoted the Miyako Solar Energy Project by helping to arrange

financing and providing funds. We arranged a syndicated loan with The Bank of Iwate, Ltd., the only financial institution to be involved in the Miyako City Smart Community Promotion Project from its inception.



Megasolar power plant in Tsugaruishi district



Megasolar power plant in Taro district

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, aims to provide service that delivers high customer satisfaction under the brand concept of “Seed Smiles in the Sky.” 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.

DBJ began working with Solaseed Air in February 2007 with support from the then-Industrial Revitalization Corporation of Japan. Since that time, we have continued to help Solaseed Air grow by providing assistance from a medium- to long-term perspective on the financing and business fronts. We have provided active support in a number of areas to help the company

enhance its corporate value. To help the company source equipment, we arranged a syndicated loan in cooperation with major financial institutions in the company’s service area, thereby aiding Solaseed Air’s efforts to reinforce its business foundations.

Recently, DBJ converted all of the preferred shares (shares with no voting rights), which it had acquired as an investment in the company’s revitalization, to common stock, thereby becoming Solaseed Air’s largest shareholder. DBJ transferred some of its shareholdings to major financial institutions in Solaseed Air’s service area (The Miyazaki Bank, Ltd., The Miyazaki Taiyo Bank, Ltd., Oita Bank Co., Ltd., The Kagoshima Bank, Ltd., The Eighteenth Bank, Ltd.), as well as

to other companies headquartered in Miyazaki Prefecture. As a shareholder, DBJ helps Solaseed Air utilize its management resources to enhance the airline’s corporate value and hopes to support its further growth and see the company create new economic value for its region.



Solaseed Air airliner

Case Study Keio

Keio Corporation, headquartered in the city of Tama, Tokyo, operates railway lines with a total length of 84.7 km. Its Keio Line connects Shinjuku Station and Keiō-hachioji Station, and the company also operates the Inokashira, Takao and Sagami-hara lines. The Keio Group, of which Keio Corporation is a mainstay, is involved in a broad range of businesses, from merchandise sales (including Keio Department Store Co., Ltd. and Keio Store Co., Ltd.) to leisure (including Keio Plaza Hotel Co., Ltd., and Keio Presso Inn Co., Ltd.).

In fiscal 2014, Keio Corporation

completed work on a “construction project of multi-level crossing near Chōfu Station.” In this project, led by the city of Tokyo, Keio Corporation sought to prevent traffic congestion and accidents at railroad crossings, integrate the region through elevated urban planning routes and improve user convenience. As of the conclusion of this project, rail sections between Shibasaki and Nishi-chōfu stations on the Keio Line and between Chōfu and Keiō-tamagawa stations on the Sagami-hara Line are all underground. This construction elevated urban planning routes in eight locations and

eliminated 18 railway crossings.

DBJ provides financing to Keio Corporation, which offers transportation services that support the lives of residents along its railway lines and contribute to development along these lines.



Chōfu Station underground platform

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 Daibiru

Daibiru Corporation, headquartered in the city of Osaka, was established in 1923 with the foresight to concentrate business in the city. The company started operations in 1925 with the Daibiru-Honkan Building (Nakanoshima, Kita-ku, Osaka). In 1927, the company expanded its business by constructing the Hibiya Daibiru Building (Uchisaiwaicho, Chiyoda-ku, Tokyo), which employed state-of-the-art technologies at the time.

DBJ currently accords the company's Shin-Daibiru Building with DBJ Green Building Certification, given to properties in the best class of environmental and social awareness. The original building was completed in Osaka's business center of Dojimahama,

Kita-ku, in 1963. To address the building's ongoing deterioration, Daibiru embarked on its reconstruction. March 2015 saw the rebirth of a cutting-edge new building that is highly energy efficient, has in place a business continuity plan and incorporates safety-conscious technologies. For these reasons, we accorded the new building the "2014 five stars" rating in DBJ Green Building Certification. The plants from the former building's rooftop garden and stately historical objects have been left in place so people using the facility can enjoy its unique design. The building is thereby expected to contribute to the regional community.



Shin-Daibiru Building

Case Study Ishiya

Ishiya Co., Ltd., headquartered in the city of Sapporo, Hokkaido, was founded in 1947 and operates under a management philosophy of "sweets that make people happy." In keeping with this theme, the company manufactures and sells some of Hokkaido's hallmark confectioneries, such as Shiroi Koibito.

To encourage customers to feel a sense of closeness with its products, Ishiya opened the Ishiya Shop, Ishiya Café and Candy Labo at its Sapporo Odori Nishi 4 Building, a center of the Sapporo tourism trade. These three shops opened in June 2013. In addition to tourists, the stores are popular with Sapporo residents. In this way,

the company is contributing to regional revitalization.

DBJ has provided DBJ Green Building Certification to the Sapporo Odori Nishi 4 Building, for "properties with exceptionally high environmental and social awareness." DBJ gave the building a high rating for various reasons: the building embodies environmental consciousness, being equipped with LED lighting in common areas, water-saving toilets and other equipment that deliver high energy savings, and 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

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 Sekisui House Reit/Sekisui House SI Residential Investment Corporation

Concerning “environmental and societal considerations,” since March 2011 we have been providing the DBJ Green Building Certification to real estate owners for advanced initiatives in the “customer support services” category. In January 2015, we set up a new “residence edition” of this certification for apartment buildings. Along with editions for office buildings, for logistics and for commercial facilities, this makes four main asset categories eligible for certification.

In this new category, we provided certification for office buildings owned by Sekisui House Reit, Inc., headquartered in Minato-ku, Tokyo. The certification of these buildings (Garden City Shinagawa Gotenyama, Hommachi Minami Garden City and Hommachi Garden City) supported IR activities that enabled the company to raise financing at the time of its new stock market listing. We have also certified apartment buildings owned by Sekisui House SI Residential

Investment Corporation, headquartered in Minato-ku, Tokyo (Prime Maison Shinagawa, Prime Maison Gotenyama East), giving high marks to their proactive energy-saving and generation efforts. DBJ, through its recognition of the “residence edition” asset type, supports the overall initiatives of the Sekisui House Group, the first companies to have properties receive this category of DBJ Green Building Certification.



Garden City Shinagawa Gotenyama



Prime Maison Shinagawa

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 the Japanese government or regional municipal bodies, 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 Japanese government and regional municipal bodies 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 Various Initiatives to Expand the Use of PPP/PFI

In June 2013, DBJ set up PPP/PFI Promotion Centers at the Regional Planning Department of its head office, branches and offices to expand the use of PPP/PFI projects. Through these organizations, we aim to contribute to a broad range of initiatives from the upstream stages.

As one example, we have held 30 PPP/PFI Promotion Seminars in various regions in collaboration with regional financial institutions, the Japanese Cabinet Office and the Private Finance Initiative Promotion Corporation of Japan (PFIPCJ), as of the end of fiscal 2014. These seminars provide information about rebuilding public infrastructure in the face of such challenges as fiscal constraints and a dwindling population. Since October 2014, we have held "PPP/PFI Academy," using the videoconferencing system at DBJ's

head office, branches and other offices. The academy's primary targets are members of regional municipal bodies, and it has attracted the participation of more than 300 people from locations around Japan.

Going forward, DBJ will continue fostering appropriate relations with the Japanese government, PFIPCJ, regional municipal bodies, enterprises

and regional financial institutions as it conducts PPP/PFI-related studies, disseminates information and advice, cultivates and supports the formation of diverse PPP/PFI businesses, provides risk capital and works aggressively to help regional revitalization by expanding the application of the PPP/PFI approaches.



PPP/PFI Academy underway

Case Study Investing in PFIPCJ

DBJ was one of the founding investors in the Private Finance Initiative Promotion Corporation of Japan (PFIPCJ), headquartered in Chiyoda-ku, Tokyo.

PFIPCJ was established based on the Act on Promotion of Private Finance

Initiatives (revised) (concluded in June 2013) as a key measure of the Japan Revitalization Strategy (Cabinet decision on June 2013). PFIPCJ currently invests in and provides loans for PFI projects under a concession format, among other ways. The organization

also dispatches specialists to regional municipal bodies and provides advice to cultivate the market for infrastructure investment, thereby reducing the fiscal burden and creating private-sector business opportunities.

Regional Revitalization Tailored to Regional Needs

Regional 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 Mt.HAKODATE ROPEWAY

Mt.HAKODATE ROPEWAY Co.,Ltd., headquartered in the city of Hakodate, Hokkaido, operates a ropeway business on Mt. Hakodate. This mountain, which boasts three stars in the *Michelin Green Guide Japan* (2nd Revised Edition) and is known for its dramatic night views, is an integral part of the Hakodate tourism industry.

At the end of fiscal 2015, the Hokkaido Shinkansen is scheduled to open, linking Shin-Aomori Station and Shin-Hakodate-Hokuto Station. To coincide with this timing, the Mt.HAKODATE ROPEWAY has drawn up plans to make the mountain more

convenient and attractive as a tourist destination. Plans include a large-scale refurbishment to alleviate crowding during peak evening hours and make its facility barrier-free.

DBJ provided funding in support of this plan, which it believes is an extremely important project in terms for tourism in the Hakodate area. Accordingly, we provided risk capital through mezzanine financing to reinforce the Mt.HAKODATE ROPEWAY's financial base. At the same time, we structured a syndicated loan in cooperation with regional and other financial institutions. We believe

that making the company's facilities more convenient to the passengers will strengthen the tourism base of the Hakodate area and Hokkaido in general. On this basis, DBJ provided financing via the Regional Areas Genki Program.



Large 125-person capacity gondola

Case Study Setouchi Musubu Investment Limited Partnership

To facilitate the smooth succession of regional enterprises to heirs as Japan's population ages, DBJ set up the Setouchi Musubu Investment Limited Partnership (below, the "Musubu Setouchi Business Inheritance Fund") in collaboration with three regional financial institutions, including The Hiroshima Bank, Ltd., headquartered in the city of Hiroshima, Hiroshima Prefecture.

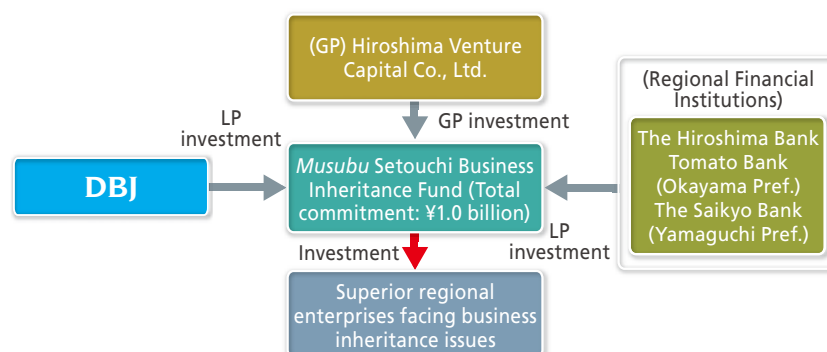
The Musubu Setouchi Business Inheritance Fund meets the inheritance needs of clients of the financial institutions participating in the fund by acquiring shares in their enterprises for a certain period of time and returning these shares after the next generation of management is in place and the businesses are passed on. In this man-

ner, the fund aims to help maintain regional businesses and employment, as well as contribute to regional economic invigoration.

In addition to participating in and providing funding support for this

initiative by The Hiroshima Bank and other regional financial institutions to facilitate business inheritance, DBJ leverages its characteristically neutral standpoint to provide advice on fund management.

● Overview of the Musubu Fund Scheme



Regional Revitalization

Case Study Twinbird

Twinbird Corporation, headquartered in the city of Tsubame, Niigata Prefecture, was founded in 1951. This company, which manufactures and sells household electrical products, celebrates its 64th anniversary of founding in 2015.

Initially established as a metal plating company, Twinbird has developed its operations mainly in the markets for gifts and sales through mass-market shops for household electrical products. To realize a management philosophy of “providing products that inspire and offer comfort,” Twinbird has grown as

a development-oriented company in the city of Tsubame, a “town of artisans.”

Twinbird manufactures and sells a host of products, with a lineup that currently includes appliances for food preparation; LED lighting; cleaners; home electronics; equipment for beauty, barbering and health; water-resistant audiovisual equipment and industrial refrigerators.

Operating in the household electronics sector, which is susceptible to changes in the business climate, the company strives to develop and manufacture products by identifying customer needs

carefully. Twinbird is also aiming to grow by expanding its global operations. To support these initiatives and in the interest of invigorating regional industry, DBJ provided financing through the Regional Areas *Genki* Program.



Headquarters exterior

Case Study Daikyo

Daikyo Corporation, headquartered in the city of Komatsu, Ishikawa Prefecture, applies the technological foundation in paints it has cultivated since the time of its founding in 1976 to enter new technology domains and markets. Currently, the company has a presence as a prominent supplier of cabins and driver's seat units to Komatsu Ltd., a world-leading manufacturer of construction equipment. To offer new products and augment production efficiency, Daikyo plans to consolidate its four domestic factories into a new and larger plant. As the

new factory should make construction equipment manufacturing and other core industries in Ishikawa Prefecture more competitive, the project is eligible for interest rate subsidy programs that support the revitalization of regional communities* based on the prefecture's industrial innovation strategy.

Evaluating Daikyo highly for its move to encourage the centralization of construction equipment manufacturing in Ishikawa Prefecture, DBJ provided financing under the Regional Areas *Genki* Program.

*Interest rate subsidy programs that support the revitalization of regional communities are part of a system supported by the Japanese government toward the realization of various regional community revitalization plans the Japanese government has certified.



New plant

Case Study Enshu Railway

Enshu Railway Co., Ltd., headquartered in the city of Hamamatsu, Shizuoka Prefecture, is a railway and bus operator. Enshu Railway is a core member of the Entetsu Group, which is involved in the transport, product sales, leisure service and real estate businesses, centered in western Shizuoka Prefecture.

DBJ has provided Enshu Railway with financing via the Regional Areas *Genki* Program for two reasons. (1) As an operator of Hamanako Palpal and other tourism and nearby lodging facilities, as well as a public

transport operator based in the city of Hamamatsu, the company has begun offering HAMAMATSU FREE Wi-Fi, a free public wireless LAN service. Also, by providing notice signs in five languages on its direct bus to Nagoya's Chubu Centrair International Airport, the company increases convenience for tourists visiting Japan. (2) The Entetsu Department Store has a “tax-free counter” (for duty-free purchases) and is newly equipped with an automatic foreign exchange machine. Wi-Fi services are available on all floors of

the store, which also boosts the number of inbound tourists, thanks to its location just in front of the station in the city center.



Tax-free counter in the Entetsu Department Store

Regional Revitalization

Case Study Kansai Super Market

Kansai Super Market Ltd., headquartered in the city of Itami, Hyogo Prefecture, is a supermarket chain that operates 65 stores (as of April 30, 2015) in Hyogo, Osaka and Nara prefectures. Its supermarkets, which are particularly well known for fresh foods, enjoy strong support from customers in the local community.

DBJ provided the company with financing based on the DBJ Employee's Health Management Rated Loan Program. We accorded high marks to the company for three reasons. (1) As one measure to address excessive work, the company has prepared a "manual to prevent excessively

long working hours from recurring." This manual clearly spells out the roles of related divisions and requires these divisions to notify store departments about overtime hours worked. The company also encourages employees to take paid leave and has introduced leave systems for seven, five and three consecutive days for this reason.

(2) Based on its "mental health plan," Kansai Super Market has established medium- and long-term targets for its mental health measures. As specific measures, newly hired and existing employees undergo self-care training, and the company has set up an outside consultation desk staffed with

specialists. (3) The company is also taking part in activities to promote the health of local residents. These include "Look, Touch, Enjoy!" dietary experience tours and courses in a proactive effort to provide information about healthful diets.



The Kushiro store in the city of Kawanishi, Hyogo Prefecture

Case Study Nakagawa Water Power

Nakagawa Water Power Co., Ltd., headquartered in the city of Fukushima, Fukushima Prefecture, boasts some of the most advanced technological capabilities in Japan in the design, manufacture, sale and maintenance of small hydropower generation equipment. Such equipment has a high capacity factor and is highly economical. As it can be installed along general waterways and drainage flows for

agricultural water, generation tends to be stable throughout the year, and the technology provides an eco-friendly way to generate electricity.

DBJ has provided financing via the Regional Areas *Genki* Program for Nakagawa Water Power's construction and operation of the Inawashiro Small Hydropower Plant, highly evaluating its contribution to renewable energy in the Tohoku region.



Inawashiro Small Hydropower Plant

Case Study Anabuki Kosan

Anabuki Kosan Inc., headquartered in the city of Takamatsu, Kagawa Prefecture, was established in 1964. Its mission is "to promote culture and history in regional communities by building homes and create real estate value." The company is engaged in the development of "Alpha" brand condominiums, chiefly in the regions of Shikoku, Chugoku, Kinki and Kyushu. In addition, the company operates and manages senior housing, and is developing its real estate business broadly in the regions in which it operates.

Anabuki Kosan formulated a busi-

ness continuity plan in 2012 against possible massive earthquakes in the Nankai Trough. As well as constructing its headquarters and management facility to be seismically isolated, the company is developing condominiums that have disaster-prepared containers in the area.

In DBJ's evaluation, Anabuki Kosan's initiatives against massive earthquakes in the Nankai Trough contribute to disaster-preparedness and business continuity measures. Accordingly, via the Regional Areas *Genki* Program, DBJ has acquired

a private placement note issued by Anabuki Kosan.



Alpha Park Nade Takamatsu The Tower

Regional Revitalization

Case Study NCB Kyushu Revitalization Investment Limited Partnership

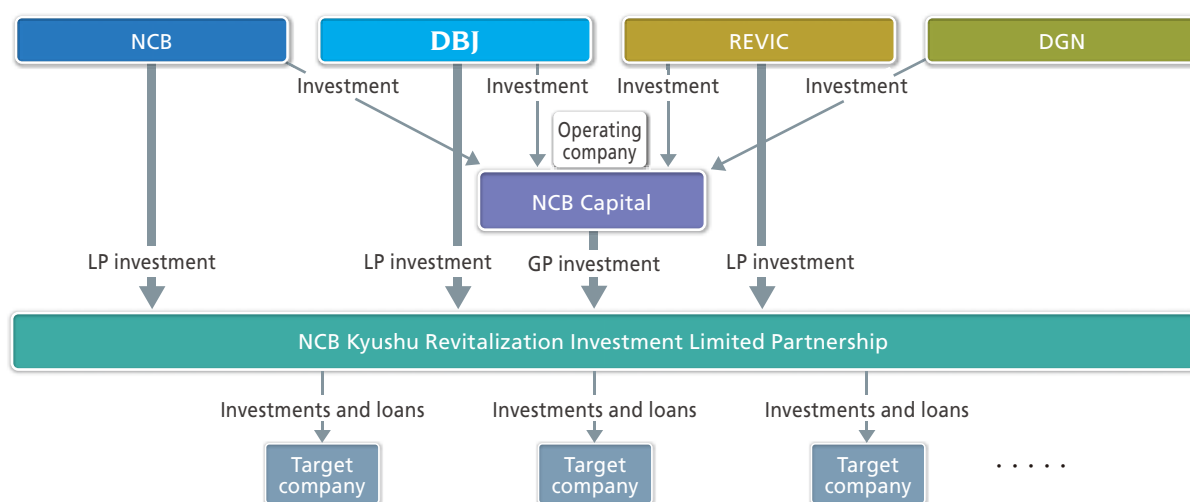
Many regional enterprises in the Kyushu area face the likelihood of shrinking markets as the Japanese population shrinks and ages. These enterprises are also experiencing fiercer competition, as larger enterprises move into their territories, and are seeing a shortage of people to take over their management. Given these threats, these enterprises need to strengthen their financial bases and reconstruct their capital policies, among other fundamen-

tal measures addressing business and corporate restructuring, as well as smoothly handing over the reins of management. Under these conditions, DBJ is responding to diverse needs for growth capital by enterprises in the Kyushu region by establishing NCB Capital Co., Ltd in cooperation with The Nishi-Nippon City Bank, Ltd. (NCB), the Regional Economy Vitalization Corporation of Japan (REVIC) and Dogan, Inc. (DGN). By arranging the NCB Kyushu

Revitalization Investment Limited Partnership, to be managed by NCB Capital, DBJ is combining diverse financing services, including preferred stock and subordinated loans, to provide staged and mixed growth capital.

Along with NCB, REVIC and DGN, DBJ aims to make use of the organizations' networks. At the same time, through the fund we will provide broad-ranging support for the growth initiatives of enterprises in the Kyushu region.

● NCB Kyushu Revitalization Investment Limited Partnership Scheme



Case Study Azuma-Cho Fishery Cooperative

The Azuma-Cho Fishery Cooperative (ACFC), headquartered in the district of Izumi, Kagoshima Prefecture, began a yellowtail-breeding operation in 1968. The ACFC can now boast of being the largest fishery cooperative in Japan producing farmed yellowtail. The cooperative obtained the first hazard analysis and critical control point (HACCP*) certification (processing facilities) in the fish farming industry and has developed an original feed to keep production costs down. Its management program ensures uniform quality. The cooperative leads

integrated production spanning young fry to shipment, and has established a traceability system. Thanks to quality control initiatives such as these, its "Buri-Oh" brand (literally, "The King of Yellowtail") has earned a following in Japan as well as overseas for its steady supply of safe and high-quality yellowtail.

DBJ provided ACFC with financing under the Regional Areas *Genki* Program based on its advanced management strategy and a production system that sets an excellent example for the industry.

*HACCP: A continuous monitoring, recording and sanitation management method that focuses on preventing the outbreak of danger during all processes involving foodstuffs, from production to shipment (excerpted from the Ministry of Health, Labour and Welfare website)



Fish farms

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 Funding to Support Reconstruction and Growth Following the Great East Japan Earthquake

Since the Great East Japan Earthquake, DBJ has supported the restoration and reconstruction of enterprises affected by the disaster by providing risk capital through collaboration with The Bank of Iwate, Ltd., The 77 Bank, Ltd., and The Toho Bank, Ltd., to structure each of the Great East Japan Earthquake Reconstruction Funds. As of December 2014, the region was moving from the restoration stage of disaster recovery—recovering production facilities—to the reconstruction and growth stage. This

stage is where enterprises that have restarted their production cultivate sales routes, collaborate with other enterprises to reinforce industrial competitiveness, build infrastructure and reinforce their functions. In response to this situation, DBJ, the three above-mentioned banks and the Regional Economy Vitalization Corporation of Japan (REVIC), set up new reconstruction and growth support funds. Initially, the total value of the three new funds was set at ¥15.0 billion. However, as investment

and loan activities progress, this amount may be increased to as much as ¥30.0 billion.

The new funds target enterprises conducting business that contributes to the reconstruction and growth of the affected region (including enterprises entering the area from other regions and newly established enterprises). The fund supplies risk capital using such measures as subordinated loans and preferred shares, advancing a nationwide model that supports regional growth and invigoration.

● Overview of the New Funds

Name	Iwate Reconstruction Growth Support Investment L.P.	Miyagi Reconstruction Regional Vitalization Support Investment L.P.	Fukushima Reconstruction Growth Support Fund Investment L.P.
Established	December 8, 2014		
Scale of fund	Each fund has ¥5.0 billion (which can be increased to ¥10.0 billion with agreement by the fund's members).		
General partnership (GP)	Tohoku Fukko Partners Co., Ltd.		
Limited partnerships (LPs)	DBJ, The Bank of Iwate and REVIC	DBJ, The 77 Bank and REVIC	DBJ, The Toho Bank and REVIC
Period	Investment period of five years, duration of seven years and four months (If necessary, however, it is possible to extend the investment period by up to two years and the duration by up to one year.)		

Case Study Showa Shell Sekiyu

Showa Shell Sekiyu K.K., headquartered in Minato-ku, Tokyo, is a major Japanese oil refiner and distributor. While maintaining a strong foundation in the oil business, the company is enterprisingly developing a next-generation CIS photovoltaic cell project via wholly owned subsidiary Solar Frontier K.K., aiming to turn it into an energy business to help realize a future low-carbon society.

DBJ arranged a syndicated loan based on the Interest Rate Subsidy System for Special Zones for Reconstruction* with three regional banks in the Tohoku

region for Showa Shell Sekiyu's construction of a fourth facility for Solar Frontier, the Tohoku Plant in the village of Ohira, the district of Kurokawa, Miyagi Prefecture, which commenced operations in April 2015. DBJ supported this project because of its objective of furthering the village's reconstruction and promotion plan, boosting the competitiveness of nearby enterprises and providing employment opportunities in the region, including Ohira and coastal areas. DBJ also believes the project will contribute toward the revitalization of the village's local economy.

*The Interest Rate Subsidy System for Special Zones for Reconstruction: Under this business facilitation and support system, to reconstruct the area affected by the Great East Japan Earthquake, the Japanese government provides an interest rate subsidy for the financing necessary to businesses central to the promotion of reconstruction plans created by regional municipal bodies and certified by the Japanese government.



Tohoku Plant

Reconstruction Response

Case Study Shoji Construction

Shoji Construction Co., Ltd., headquartered in the city of Minamisoma, Fukushima Prefecture, is a general construction firm that engages in a wide range of projects, including ports, roads and civil construction on agricultural land, as well as residences, factories and medical facilities. The company sustained major damage in the Great East Japan Earthquake, but given its central importance to regional infrastructure, the company is taking part in restoration and reconstruction.

The current president, Takahiro Shoji,

took over the management of Shoji Construction in May 2014, conducting a management buyout involving the establishment of Shoji Holdings, Inc. and taking over the company's equity (shares). The company looks forward to developing its operations in anticipation of future growth.

As the first project under the Miyagi Reconstruction Regional Vitalization Support Investment L.P., a fund to support reconstruction and community revitalization in Miyagi jointly funded by DBJ, The 77 Bank, Ltd. and the Regional

Economy Vitalization Corporation of Japan (REVIC), financing was provided to support the business inheritance of Shoji Holdings through an MBO.



Quay wall construction

Case Study Iwaki Diecast

Iwaki Diecast Co., Ltd., headquartered in the district of Watari, Miyagi Prefecture, was established in 1969. With its business centered on automotive parts, the company is an integrated manufacturer of die-cast*¹ parts used in a broad range of fields, including electrical and medical equipment. Iwaki Diecast has advanced technologies spanning the mold design through parts processing stages. Its number of business partners is expanding steadily. The company currently has business relationships with nearly 200 enterprises, including leading automakers and other top-tier firms.

To supplement its core business in the automobile industry, Iwaki Diecast intends to expand into the medical equipment parts. To this end, the company is building a metal injection molding (MIM) plant in the town of Yamamoto, the district of Watari, Miyagi Prefecture, aiming to expand its sales routes, and in the process boosting local employment and invigorating the regional economy.

Rating the company highly for its sophistication as a regional industry in its field of business, its contribution to invigorating the region and providing employment opportunities, DBJ pro-

vided financing to Iwaki Diecast under the Interest Rate Subsidy System for Special Zones for Reconstruction*² and the Regional Areas *Genki* Program.

*¹ Die casting: This process, which is compatible with high-cycle mass production, uses pressure to force molten metal into precision molds, resulting in a cast part with a highly precise cast surface.

*² See page 87.



Headquarters plant

Case Study Maiya

Maiya Co., Ltd., headquartered in the city of Ofunato, Iwate Prefecture, is a supermarket operating at 15 locations, centered on the southern coastal area of Iwate Prefecture. Six of its stores were completely destroyed by the tsunami accompanying the Great East Japan Earthquake, but the company quickly erected temporary shops, helping to provide infrastructure for the devastated region and earning strong support from local customers.

DBJ provided financing under the Interest Rate Subsidy System for Special Zones for Reconstruction*, the DBJ Enterprise Disaster Resilience Rated Loan Program and the Regional Areas *Genki*

Program for Maiya to put up a temporary shop in the city of Rikuzentakata, which was devastated by the tsunami, and to rebuild the Takekoma store from a temporary shop into a permanent store.

We ranked the company highly for three reasons. (1) The company periodically provides ongoing tsunami preparedness drills in which employees help protect customers' lives by guiding them to safety. (2) To maintain distribution functions and ensure procurement in emergency situations, the company shares information related to its business continuity plan with its business partners and signs emergency response agree-

ments. As a result, the company has created a functional supply chain that is highly resistant to disasters. (3) To ensure a food lifeline to the affected region and contribute to reconstruction, management took a leadership role in erecting temporary shops and rebuilding stores, thereby quickly returning to business and setting up new stores.

*See page 87.



Takekoma store in the city of Rikuzentakata, Iwate Prefecture

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, enterprises face the need to draft business continuity plans to protect themselves against lost revenue and retain their clients in the event of disaster, thereby reinforcing their managerial foundation.

Case Study Mitsubishi UFJ Lease & Finance

DBJ and Mitsubishi UFJ Lease & Finance Company Limited, headquartered in Chiyoda-ku, Tokyo, have entered into an operating agreement to provide a new product: a program of products and services supporting disaster preparedness and business continuity management (BCM) that Mitsubishi UFJ Lease & Finance is beginning to operate.

In recent years, natural disasters and other risks that threaten corporate business continuity have grown more diverse and complex. To respond effectively to these risks, enterprises are introducing disaster preparedness

measures, forming business continuity plans (BCPs) and making efforts to ensure BCM. Against this backdrop, DBJ and Mitsubishi UFJ Lease & Finance have developed the new product described above to raise the overall level of disaster preparedness and BCM among all Japanese enterprises by further contributing on the financial front.

Under the current accord, DBJ will provide Mitsubishi UFJ Lease & Finance with expertise it has gained by evaluating enterprises' disaster preparedness and business continuity through the DBJ Enterprise Disaster Resilience

Rated Loan Program. Mitsubishi UFJ Lease & Finance will operate the new product, which it developed in collaboration with DBJ. (Note that this new product is different from DBJ's own DBJ Enterprise Disaster Resilience Rated Loan Program.)

DBJ and Mitsubishi UFJ Lease & Finance, which was rated in 2013 under the DBJ Enterprise Disaster Resilience Rated Loan Program, will complement each other by leveraging their respective client bases. Together, we believe we can further raise the level of disaster preparedness and BCM for Japanese enterprises.

Case Study Shiraken Kamaboko

Shiraken Kamaboko Co., Ltd., headquartered in the city of Ishinomaki, Miyagi Prefecture, is a seafood processing company with a special emphasis on the production of *sasakamaboko* (bamboo leaf-shaped fish cake), a specialty of Miyagi Prefecture. Thorough attention to the quality of its ingredients has earned Shiraken Kamaboko a strong following both within and outside Miyagi Prefecture and a reputation for high-quality products. All the company's plants were damaged by the tsunami accompanying the Great East Japan Earthquake, causing the temporary suspension of its operations. However, Shiraken Kamaboko resumed production the following month, demonstrating

strong business continuity capabilities.

DBJ provided Shiraken Kamaboko with financing under the DBJ Enterprise Disaster Resilience Rated Loan Program and the Regional Areas *Genki* Program, evaluating the company highly for three reasons.

(1) With management taking a leadership role, the company has prepared measures to ensure the safety of human lives based on the cooperation of all its employees. The company also conducts drills and other effective disaster-preparedness initiatives.

(2) Shiraken Kamaboko is moving forward with the creation of a risk-based integrated management system that leverages ISO 22301 certification for organized and sustained BCM initia-

tives. (3) The company regularly shares risk information among upstream and downstream enterprises in its supply chain, is ensuring its business partners are geographically distributed and has in place risk-reduction measures, such as strategic inventory management.



Kamaboko products

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 Investment and Loan 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 effect 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 41 and 76.)
- DBJ Green Building Certification (See pages 43 and 81.)

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 68.)
- Communication on Regional Revitalization (See page 68.)
- Communication in International Cooperation (See pages 68–69.)

Promotion of Environmental Awareness Activities in Offices

DBJ works to reduce the environmental effect 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, 2013	Year Ended March 31, 2014	Year Ended March 31, 2015
Copy and printing paper usage (kg)	85,011	60,139	60,393
Waste emissions (kg)	55,688	33,976	33,366
Energy consumption (kWh)	4.01 million	4.05 million	4.02 million
Water usage (m ³)	22,667	10,083	9,633

Note: Head office building only

- Promotion of environmentally 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 effects. We have continued to practice green purchasing following our privatization.

● Achievements of the Green Procurement Program for Typical Items

	Year Ended March 31, 2015
Paper	100%
Stationery	95.8%
Equipment	90.7%
Office equipment	98.2%
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 2014

DBJ participated in the Uchimizu Project 2014, a campaign hosted by the Uchimizu Project District Executive Committee (the Council for Area Development and Management of Otemachi, Marunouchi, Yurakucho/the Ecozeria Association/the OMY Area Management Association/ Yuraku-cho Shuhen Machizukuri Kyo-gikai, Ministry of the Environment, Tokyo Metropolitan Government and Chiyoda City). DBJ has been participating 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 2014, and made efforts to (1) curb paper consumption, (2) promote the use of recycled products, (3) raise employee awareness of waste reduction and recycling activities, (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. We also have employees bring their own chopsticks and cups to work to reduce waste.

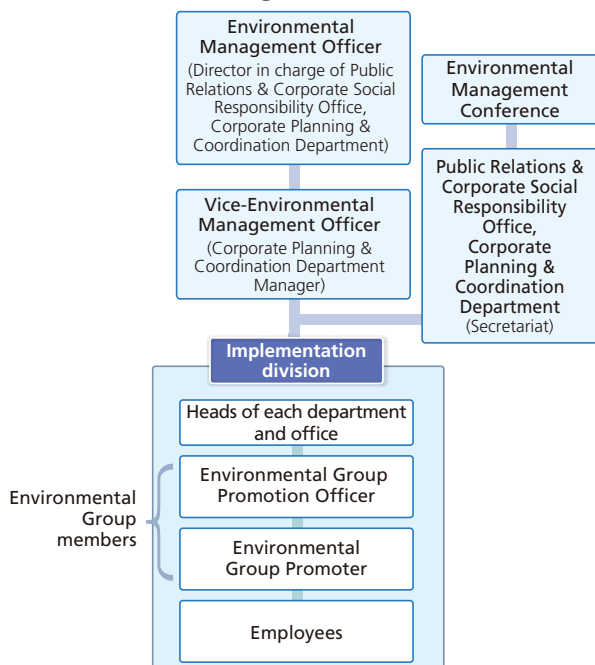
Environmental Management Structure

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, an Environmental Group Promotion Officer and Environmental Group Promoter are designated in each branch and department. The Environmental Group Promotion Officer appoints an Environmental Group Promoter and manages 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: keynote speech
	July	Launch of the Development Bank of Japan Environmental Policy (partially modified in April 2005)
	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 by ADFIAP
	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
2015	May	Commendation for DBJ Green Bond: ADFIAP Awards 2015

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 and other 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).

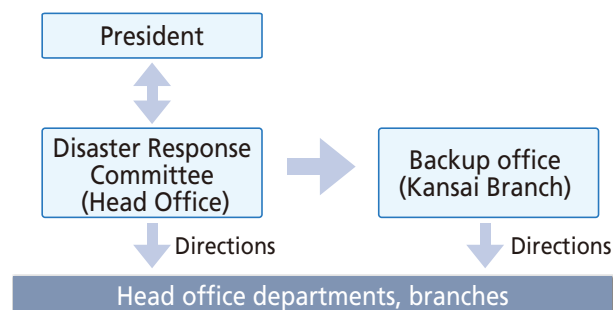
- 1) Confirmation and assurance of the safety of executives, regular employees and visitors
- 2) Uninterrupted continuation of settlement-related business
- 3) Reliable formation of the Disaster Response Committee
- 4) Restoration and maintenance of IT systems
- 5) Confirmation of the status of clients 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 head office and 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 even when in a state of confusion.

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.

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 regarding goal-setting, DBJ encourages its employees to work hard. DBJ does so by offering bonuses and other benefits based on operating performance, with an emphasis on each of them enhancing their medium- and long-term value both inside and outside the company.

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 made all employees aware 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 also has in place leave programs to give motivated employees better opportunities for long-term employment. We have enhanced our working and leave systems related to childcare and nursing care, through the introduction of flex-time and a system of leave for participating in childcare, as well as a program under which employees who have left DBJ are eligible for re-employment and a system for continued employment options after retiring from full-time work.

On October 18, 2010, the Tokyo Labor 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, and certified 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 by around 50% by the end of fiscal 2018, compared with the level at the start of fiscal 2014.



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 a host of elective training courses according to skills and needs and designed to respond to financial innovations and advancement, enables each employee to plan his or her career.

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 strategically assigned to a certain department to acquire highly specialized abilities 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, international institutions, domestic and overseas research institutes, enterprises 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 ↑	Life plan training	Top management training	Management training	Career development plan training	Manager 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.	<div>Common skill areas</div> <ul style="list-style-type: none">• Problem solving and communication• Logical thinking• English conversation• Business comportment• Etc.	Distance learning, night courses, acquiring public qualifications, etc.	External seminars, lectures, etc.	Domestic and overseas exchange students, trainees, etc.	
	Secondary training after joining DBJ													
	Introductory training for new employees													

Seeking Higher Ethical Standards

For half a century, DBJ has led Japan's economy as a comprehensive 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 medium- to long-term objective of raising the level of financial expertise of primarily young second-year employees throughout the organization by strengthening their knowledge and understanding of advanced corporate financial business essential to DBJ's business model. During fiscal 2014, courses numbered 22 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 required its employee to take training courses that 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, regional municipal 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

2014 Courses (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
- Hedge Fund Industry and Financial Regulation
- Special Program for Regional Financial Institutions

2015 Courses (expected to run from May 2015 through February 2016)

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
- Financial Policy
- Financial Expertise Follow-up Practice
- International Finance

Elective courses

- Behavioral Finance
- Real Estate Finance
- Macroeconomics and the Modern Japanese Economy
- Real Options
- Introduction to Integrated Reporting
- Investment
- Risk Management
- Issues and Expectations for Japanese Public Finance

Special courses

- Securitization
- Hedge Fund Industry and Financial Regulation
- Family Business
- Special Program for Regional Financial Institutions