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Integrated Report 2025

Development Bank of Japan Inc.

INTEGRATED REPORT 2025

DBJ Group Integrated Report 2025





MISSION Design the Future with Financial Expertise

- Continue to expand financial frontiers;
- Provide the best solutions for customers and society;
- Pursue sustainable development for Japan and the world.

As industry and infrastructure professionals skilled in handling all types of risk, we will play a unique role in the economy and society of 2030—leading new business and market creation while responding to crises and other social needs.

Cover Design



The circular cutout in the center of the cover symbolizes our perspective of looking ahead to the future of society and the world. As you turn the page, a futuristic cityscape in a blue and purple gradient reminiscent of daybreak unfolds, expressing our journey toward a society that continues to evolve with time.

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Editorial Policy

The DBJ Group has published its integrated report since 2017 to explain to stakeholders its business activities and initiatives aimed at sustainable value creation.

In the Integrated Report 2025, we revised the overall structure and individual pages to better communicate how the DBJ Group is pursuing its unique integrated investment and loan business model and striving to balance economic value and social value as a unified group, through collaboration and cooperation with diverse stakeholders. We also made enhancements to ensure that the DBJ Group's core values of initiative and integrity are clearly conveyed throughout the report.

Further, the report reflects the May 2025 amendment to the Development Bank of Japan Inc. Act, which extended the deadline for investment decisions under legally mandated Special Investment Operations from the end of fiscal 2025 to the end of fiscal 2030.

The content of this integrated report has been approved by the Executive Committee.

Keywords Used in This Integrated Report

Balancing Economic and Social Value

Integrated Investment and Loan Business

Unified Group

Collaboration and Cooperation with Stakeholders

Initiative and Integrity

Period Covered and Scope

- Period: Fiscal 2024 (April 1, 2024–March 31, 2025)
(Some information from outside this period is also included.)
- Scope: In principle, the report covers DBJ and its 12 main Group companies.
- Date of publication: September 2025

Guidelines and Entities Referenced

- International Integrated Reporting Framework of the International Integrated Reporting Council (IIRC), which is now part of the IFRS Foundation
- Guidance for Integrated Corporate Disclosure and Company–Investor Dialogue for Collaborative Value Creation

Detailed Information about Results

For more details on fiscal 2024 results, please refer to DBJ's securities filings.

<https://www.dbj.jp/ir/financial/report.html>



Information Related to Sustainability

For a wider range of information, please visit the DBJ website.

<https://www.dbj.jp/en/sustainability/>



Disclaimer

Integrated Report 2025 contains forward-looking statements. Forward-looking statements are based on information available at the time of writing and hypotheses or judgments regarding uncertain factors. Accordingly, actual results may differ materially if conditions change.

As DBJ embarks on its “second founding,” we are deepening and evolving our integrated investment and loan business model.

Seiji Jise

President and CEO
Development Bank of Japan Inc.

Message from the President

Leveraging the Comprehensive Capabilities of the DBJ Group to Provide Integrated Investment and Loan Services

We are not engaged in the retail finance business; rather, DBJ is a financial institution that provides investments and loans for companies and projects, a professional financial partner in a sense. From a unique vantage point, DBJ offers financing services tailored to the needs of professionals. As a result of consistently pursuing this angle, DBJ has been able to focus its operations on integrated investment and loan services.

In offering financial services to professionals, we do not provide savings deposits or settlement services. While there are certainly benefits to handling deposits and settlements, doing so entails certain constraints on risk-taking due to the need to protect depositors and maintain settlement systems. Even in cases where deposit-taking and settlement-providing institutions may find it difficult to step in, we aim to remain capable of providing the necessary capital—so-called risk capital—by carefully assessing businesses and projects on our own terms, while also being mindful of the trust placed in us by those who entrust us with their funds.

In the past, risk capital has traditionally meant long-term loans. While commercial banks lend out funds for working capital used in the daily operations of companies, DBJ finances businesses and projects with long payback periods, such as factory and building construction, or R&D projects. As capital became more abundant and providers of long-term loans increased, DBJ diversified its risk capital offerings by providing subordinated loans, which are repaid only after regular loans are repaid, as well as through higher-risk means, such as investments in preferred shares and common

shares. We thus positioned ourselves as a financial institution capable of providing seamless support from loans to investments, and have developed business around the distinctive model of delivering integrated investment and loan services.

Amid these developments, the scope of our product offerings has expanded in response to changes in the economy and financial environment. As of the end of March 2025, DBJ's asset balance included ¥14.1 trillion in loans, comprising a diverse mix of long-term loans, structured finance, and special loans such as the Environmentally Rated Loan Program, in addition to syndicated loans that close funding gaps that commercial banks alone cannot fill. Mezzanine financing totals ¥1.1 trillion and investments amount to ¥2.1 trillion, bringing DBJ's total risk capital to ¥3.3 trillion. Although loans account for the larger share in monetary terms, DBJ is increasingly focusing on mezzanine and equity financing as an overall trend.

At the same time, in cases where a financial safety net is needed, such as during the COVID-19 pandemic or a major natural disaster, DBJ carries out a special duty called Crisis Response Operations. DBJ's integrated investment and loan business model is seamless in the sense of not only covering everything from loans to investments but also functioning during both normal conditions and crisis situations.

The DBJ Group encompasses a wide range of companies, such as DBJ Asset Management Co., Ltd., DBJ Digital Solutions Co., Ltd., and the Japan Economic Research Institute. By combining their specialized services, we provide a diverse range of solutions that fit into the broader context of integrated investment and loan operations.

Increasing the Importance of Special Investment Operations: End Date Extended with 2025 Legal Revisions

Special Investment Operations exemplify the DBJ Group's distinctive approach to supplying risk capital, and a second extension of its end date was approved with revisions to the relevant law in May 2025.

This program was launched in 2015 with a five-year investment decision term starting in fiscal 2015, under which national government and DBJ funds were evenly distributed for concentrated investments in priority areas, such as strengthening industrial competitiveness and regional revitalization, with the aim of recouping these investments by the end of fiscal 2025.

The program was highly praised after its launch, and in 2020 a five-year extension was granted. As the extended investment decision deadline of 2025 approached, calls for another extension emerged from the financial sector, venture capital



firms, large corporations, and regional businesses. In response, the government gathered opinions from a broad range of stakeholders. As a result, not only was a further extension approved, but there were also strong calls for increasing financing for more challenging areas, such as deep tech and green transformation (GX).

Previously, investments were made over five years and recovered over the following five years. However, since deep tech and GX projects tend to require larger capital outlays and longer payback periods, the latest revision to the law set the investment decision term at five years starting in 2025, but extended the recovery period to 10 years. In other words, the program will now run for 15 years from 2025, in a shift from simply extending the term to demanding that the DBJ Group to take on deeper, longer-term risks. This latest revision to the law reaffirmed that unmet financing needs exist in both society and among customers, and DBJ is committed to further strengthening initiatives under Special Investment Operations in the future.

Progress on Fifth Medium-Term Management Plan and Issues for Next Plan

The year 2025 marks the final fiscal year of our current Fifth Medium-Term Management Plan. Historically, our medium-term management plans spanned three years, but with heightened uncertainty following the COVID-19 pandemic in 2020, we extended the Fifth Medium-Term Management Plan to five years, with a review and update in year three.

The progress we have made under the Fifth Medium-Term Management Plan has exceeded our expectations. For example, after the review, we aimed to supply ¥1 trillion in risk capital and reach ¥2 trillion for the investment balance. As of the end of fiscal 2024, we had reached a balance of ¥2.1 trillion, and the latest figure is around ¥2.2 trillion. At the time I became president, we set a ¥100 billion goal for supporting new business creation, centered on startups, and we have already reached about ¥140 billion. In addition, under the Fifth Medium-Term Management Plan, DBJ has been implementing its GRIT Strategy to help realize a sustainable society. GRIT stands for Green, Resilience & Recovery, Innovation, and Transition/Transformation. We set a five-year investment and loan target of ¥5.5 trillion in these four areas, have already reached ¥4.6 trillion, and plan to continue steadily executing this strategy.

In the next medium-term management plan starting in 2026, DBJ aims to further deepen and evolve its integrated investment and loan business model. Although we promote an integrated model for investment and loan, our origins in long-term lending have left us with a tendency to focus on loans. With long-term loans, the best practice is to avoid failures with any single loan. In contrast, investment requires a mindset that allows for

occasional losses, provided they are offset by gains elsewhere, but our decision-making frameworks have not supported that kind of thinking well enough. We intend to reinforce the management of investment portfolios, with the goal of achieving overall success, even if it means accepting the risk of losses in some areas. We want to build consensus around this approach so that frontline staff are not deterred by fear of failure. Embedding this mindset across the organization will take time, which is why we believe the next medium-term management plan should also span five years.

Previously, we created plans based on estimates of how many years into the future a given investment would begin to generate returns. In the next medium-term management plan, however, we intend to shift the focus toward asset value. For example, if we invest ¥1 billion initially, that should increase to ¥1.1 billion in one year and ¥1.2 billion in two, moving away from conventional thinking in terms of annual profit and loss, while emphasizing the growth of investment project and asset value. By driving this type of change, we hope to overcome the limitations of a long-term loan culture and create a more dynamic work environment.

Addressing Materiality Issues with a Strong Focus on Sustainability

While some may say that sustainability is facing headwinds, DBJ has championed the importance of sustainability since the 1990s. In our long-term Vision 2030, formulated in 2017, we defined the DBJ Group's approach to sustainability management as the pursuit of both economic and social value. Accordingly, our materiality issues are strongly rooted in sustainability. We identified the

following four main themes through the lens of our three traditional priority areas of infrastructure, industry, and regions, while also identifying decarbonization, new business creation, and population decline as key challenges, and recognizing the role of financial institutions in financial markets and as providers of risk capital.

The first materiality issue is the “formation of sustainable infrastructure.” This is a challenging issue due to the substantial cost burden involved. Moreover, it remains unclear what form the core infrastructure of a decarbonized society will look like in the future. Myriad possibilities include hydrogen, ammonia, nuclear power, nuclear fusion, and renewable energy. We must respond to this uncertainty by providing appropriate financing. This also calls for portfolio-based management and represents a core challenge of sustainability management.

The second issue is “technical innovation and restructuring of industry.” The cost of sustainable infrastructure will be higher, and the only way to offset that is through productivity gains driven by technological innovation and industrial transformation, making this issue another vital aspect of sustainability.

The third issue is “regional revitalization utilizing untapped potential.” While population decline and overconcentration in Tokyo are underway, a variety of manufacturing plants are located in regional areas. It is therefore essential to consider how to build sustainable infrastructure and spur technological innovation and reorganization of industry in the regions. Based on this perspective, DBJ partnered with several regional financial institutions to jointly study decarbonization pathways tailored to each region’s industrial structure. Looking ahead, we are keen to go beyond

publishing reports and contribute through actual projects. As more Tokyo-based companies launch projects in regions, we plan to approach stakeholders in regions, not only through branch offices but also directly from the Tokyo head office.

The fourth theme is the “creation of markets and safety nets in the finance sector.” As a financial institution, DBJ will continue to expand the frontiers of the financial market and provide a safety net in times of crisis, such as financial turmoil or large-scale natural disasters.

In this sense, our initiatives on materialities are in themselves a form of sustainability management.

Developing Talent to Tackle the Frontiers of Finance

Developing talent capable of tackling the frontiers of finance is essential to addressing these materiality issues. While DBJ operates as a group and this may not apply to every Group company, we believe DBJ’s core personnel should aspire to become “super person” or individuals who combine the capabilities of both generalists and specialists. With this in mind, we will enhance training opportunities and revise our compensation system. We will also ensure staff have opportunities to gain experience. In particular, we would like every employee to gain experience in the three areas of global, regions, and investments. At Group companies that specialize in a specific business, it is perfectly natural for individuals to plunge into the depths of a specific area of specialization. At DBJ, however, we encourage every employee to take on the challenge of becoming a “super person.”

In addition to talent development, we aim to change our traditional working styles. Because of DBJ’s long history, especially in the operations field, certain ways of working have become deeply entrenched since our founding. In other words, managers are in charge of handling multiple projects while covering certain regions or industries. We have several job categories within the organization, but the current role distribution has become somewhat outdated, so we are planning to fundamentally change it over the next five years. Our aim is to refine not only the skills of individuals, but also how we work as an organization, especially as AI becomes more integrated into society, so we can better respond to social needs and create a workplace where all personnel can inherently engage in more diverse and creative work.



Expanding the Scope of Our Stakeholders to the World with Values of Initiative and Integrity

The DBJ Group has long emphasized collaboration and engagement with stakeholders. This reflects our traditional four core corporate values of long-term perspective, impartiality, public-mindedness, and reliability.

In this context, we now want to focus on expanding the scope of our stakeholders to the world stage. Among our three priority areas, infrastructure and industry are already connected to the world, but the third priority area, regions, is lagging behind in terms of global interaction. We believe it is our responsibility to do more to connect regional recipients of investments and loans to the world. As the Development Bank of Japan, however, it is essential that our connections with the world also deliver benefits for Japan. In light of recent policies by U.S. President

Trump, we are reminded that it is not enough for Japan grow stronger on its own, but that we must also grow stronger through connections with the rest of the world. We intend to reinforce the linkage between regions and the world in ways that differ from megabanks and securities brokerages.

We also place great importance on our values of initiative and integrity among our employees. As the value of integrity appears to be wavering globally, we are committed to reaffirming its importance while expanding our engagement with stakeholders around the world.

Ramping Up Investment Operations in Our “Second Foundation” Phase

Around 2022, when I became president, we had largely achieved our quantitative targets for the integrated investment and loan business model

that DBJ introduced in 2008. In that sense, we can say that DBJ’s first founding phase of solidifying its footing was a success. Building on this achievement, we now aim to embark on a second founding that entails scaling up investment operations.

Traditionally, our investment projects have entailed supplying the risk capital that fills shortfalls in existing market needs for investment. Our original aspirations were to provide needed risk capital to long-time customers when they develop new businesses. In recent years, we have received a growing number of direct investment inquiries from customers. These inquiries do not reflect existing market needs, and thus require the uncovering of latent customer needs, which makes it much more labor-intensive to develop projects. Also, we must prove that the DBJ Group is capable of doing this, so the degree of difficulty is higher, but we are clearly encountering more situations like this.



Over the past three years, I believe I have played my small part in laying the groundwork for customer-inspired investments and the second founding of DBJ. As we develop the next medium-term plan, I believe we can incorporate this second founding into our plans. I am approaching this challenge with renewed focus as a defining effort during my term as president. With that said, my efforts alone are not enough. I am determined to foster, with full commitment, a culture and environment where those who take on challenges are truly rewarded. So our managers and employees understand the need for challenges and can engage in this exciting work with a full commitment.

September 2025

Seiji Jige

Seiji Jige
President and CEO
Development Bank of Japan Inc.



01

Our Approach to Value Creation

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Our predecessors, the Japan Development Bank and the Hokkaido-Tohoku Development Finance Public Corporation, were established to rebuild Japan's economy and society after World War II.

Japan's economic environment and social issues have evolved significantly since then, but the DBJ Group, evolving itself, has continued to contribute to the sustainable development of society by providing solutions that meet the needs of the times, while always taking pride in its values of initiative and integrity.

From the 1950s

Rebuilding of economy to stage of high economic growth

In 1951, six years after the end of World War II, the Japan Development Bank, DBJ's predecessor, was established. To support postwar economic reconstruction, the bank financed the development of electric power and the modernization, rationalization, and promotion of key industries, such as coal, steel, and shipping, the foundations of economic and industrial growth. In the 1960s, it also focused on nurturing new industries, such as synthetic fibers, machine tools, and automobiles, which would drive the next phase of economic development.



Nippon Yusen Kabushiki Kaisha: Liner *Sanuki Maru*
Rebuilding of Japan's merchant fleet with financing for planned shipbuilding

From the 1970s

From high economic growth to stable growth

Challenges included improving the quality of life of Japanese people in line with economic growth and correcting regional disparities, leading to initiatives in social development, such as pollution control and regional and urban development, as well as promoting alternative energy and energy conservation in response to the oil shocks. From the mid-1980s onward, DBJ supported industrial restructuring and technological innovation.



Pacific Convention Plaza Yokohama: PACIFICO YOKOHAMA
Construction of Minato Mirai 21, a new urban center with hotels, offices, and an international convention center

- 1951 Establishment of the Japan Development Bank
- 1956 Establishment of the Hokkaido Development Finance Public Corporation
- 1957 Establishment of the Hokkaido-Tohoku Development Finance Public Corporation
- 1999 Establishment of the Development Bank of Japan

From the 1990s

From the collapse of the bubble economy to economic reconstruction

As Japan faced a prolonged recession and growing concerns over the financial system, DBJ promoted economic revitalization through business revitalization support, venture assistance, and regional revitalization. After the Great Hanshin-Awaji Earthquake, DBJ provided reconstruction financing. DBJ also contributed to the development of new financial markets by pioneering innovative financing methods, such as project finance, PFI/PPP, and DIP financing.



Hankyu Corporation: Earthquake reconstruction project
Supported the restoration of transportation infrastructure damaged by the Great Hanshin-Awaji Earthquake

- 2008 Establishment of the Development Bank of Japan Inc.
- 2015/2020/2025 Revisions to the Development Bank of Japan Inc. Act

From 2008

Became a joint-stock company, response to financial crisis, and earthquake reconstruction

In 2008, DBJ became a joint-stock company. It swiftly launched Financial Crisis Response Operations to address deterioration in cash flows at companies in the wake of the collapse of Lehman Brothers. Following the Great East Japan Earthquake, DBJ engaged in disaster Crisis Response Operations and supplied risk capital through the Great East Japan Earthquake Reconstruction Fund formed with financial institutions in areas affected by the earthquake.



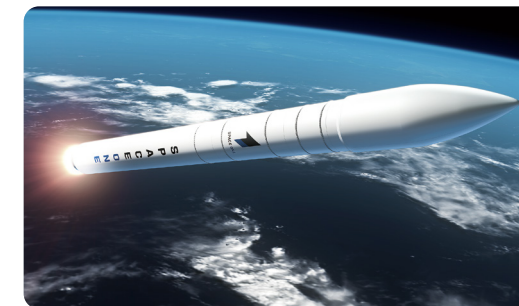
Joban Kosan, Ltd.: Spa Resort Hawaiians
Support for Spa Resort Hawaiians, a symbol of recovery from the Great East Japan Earthquake

Supply of risk capital

DBJ set up Special Investment Operations to supply growth capital needed to strengthen the competitiveness of Japanese companies and revitalize regions. With a long-term perspective, DBJ collaborates with diverse partners to form projects to socially implement and commercialize new businesses as the future pillars of Japan.



Hoshino Resorts Inc.: KAI Nagato
Regional revitalization through increased tourism and visitor traffic



Space One Co., Ltd.
Support for the development of Japan's space industry through the commercialization of next-generation small rockets

COVID-19 pandemic, and the road ahead

In response to the damage caused by the COVID-19 pandemic, DBJ worked swiftly and precisely with private financial institutions to carry out Crisis Response Operations. DBJ will continue to contribute to the realization of a sustainable society by offering creative solutions to the challenges facing customers in infrastructure, industry, and regions.

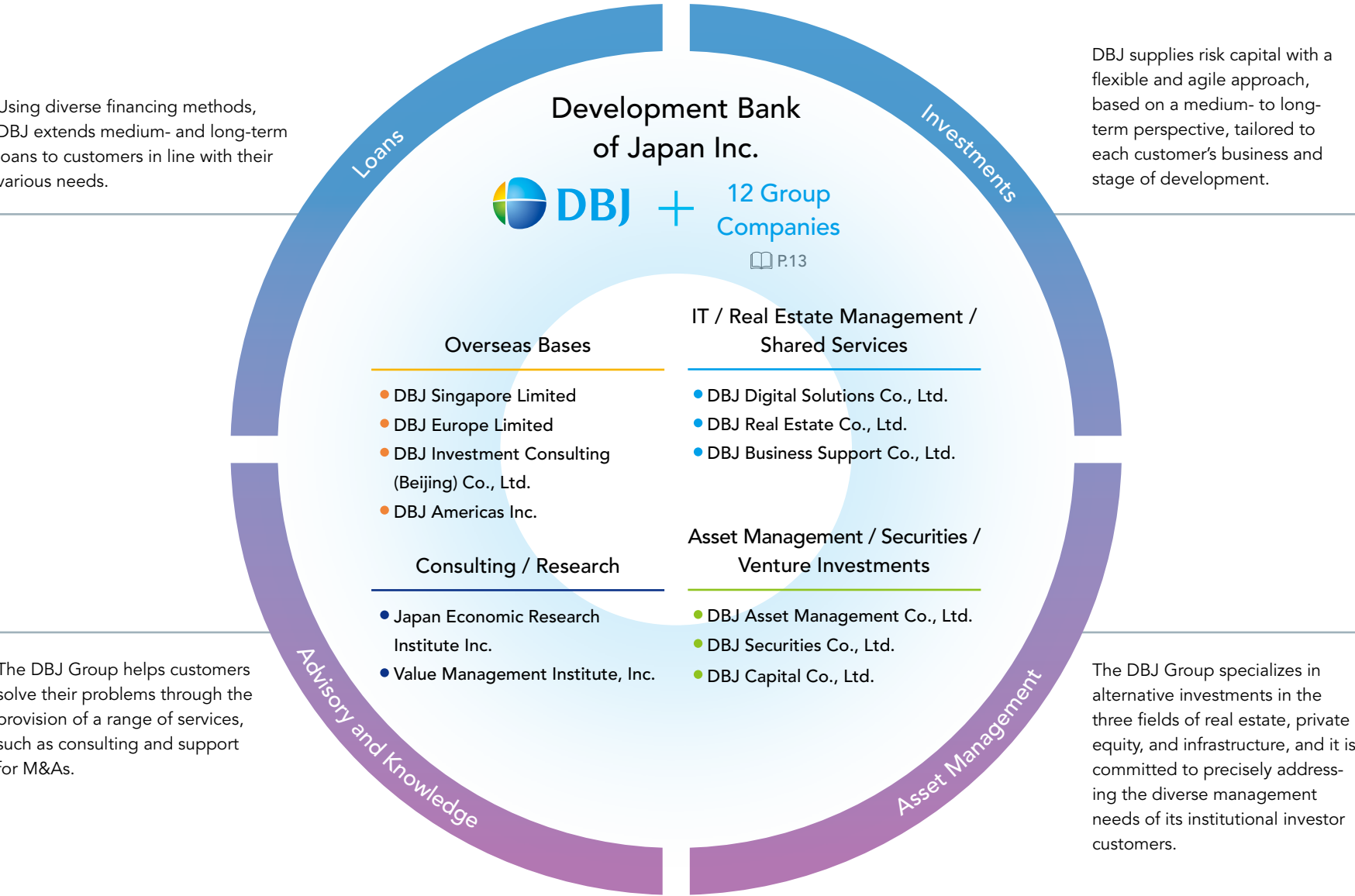


Takamatsu-Kotohira Electric Railroad Co., Ltd.
Improving the convenience and sustainability of regional transportation



Green Power Investment Corporation
Supporting the sharpening of competitiveness through investment in a renewable energy fund

The DBJ Group specializes in offering a range of solutions that include advisory, knowledge, and asset management, and providing integrated investment and loan services that flexibly meet the needs of its customers, with the aim of resolving issues faced by its customers and society. DBJ also conducts legally mandated Special Investment Operations and Crisis Response Operations.



List of Group Companies

Overseas Bases

DBJ Singapore Limited	DBJ Singapore Limited is located in Singapore. It mainly provides support for investment and loan services as well as advisory services in the Asia-Pacific region and also collects and disseminates information locally.
DBJ Europe Limited	DBJ Europe Limited is located in London. It mainly provides support for investment and loan services in Europe and also collects and disseminates information locally.
DBJ Investment Consulting (Beijing) Co., Ltd.	DBJ Investment Consulting (Beijing) Co., Ltd., is located in Beijing. It mainly provides support for investment and loan services in China and also collects and disseminates information locally.
DBJ Americas Inc.	DBJ Americas Inc. is located in New York, in the United States. It mainly provides support for investment and loan services in the Americas and also collects and disseminates information locally.

Consulting / Research

Japan Economic Research Institute Inc.	Japan Economic Research Institute Inc. is a comprehensive think tank. It offers comprehensive analysis and consulting services that leverage synergies in three fields: public, solutions, and international.
Value Management Institute, Inc.	Value Management Institute, Inc., is a comprehensive think tank with strengths derived from its insight into advanced technologies and analysis capabilities using proprietary economic models. It provides tailor-made solutions to a broad range of government policy issues.

IT / Real Estate Management / Shared Services

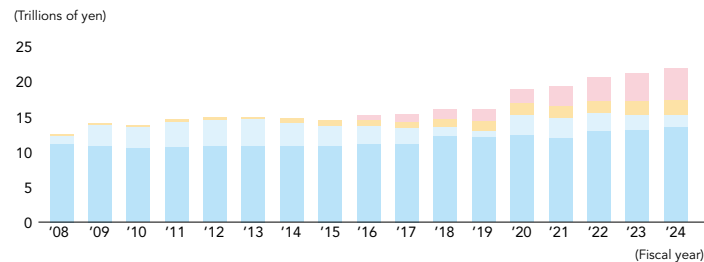
DBJ Digital Solutions Co., Ltd.	DBJ Digital Solutions Co., Ltd., is an IT company that provides one-stop services ranging from IT consulting to systems development, maintenance, and operation. It provides solutions for social issues using technology from an IT perspective.
DBJ Real Estate Co., Ltd.	DBJ Real Estate Co., Ltd., is a real estate management company that manages the operation of meeting rooms and business libraries on the premises of office buildings occupied by the DBJ Group.
DBJ Business Support Co., Ltd.	DBJ Business Support Co., Ltd., is a shared services provider focused on consolidating administrative operations for the DBJ Group, and managing the operations of welfare facilities for the DBJ Group.

Asset Management / Securities / Venture Investments

DBJ Asset Management Co., Ltd.	DBJ Asset Management Co., Ltd., is an asset management company focused on real estate, private equity, and infrastructure investments. It provides diverse investment opportunities to investors with the comprehensive financial backing of the Group.
DBJ Securities Co., Ltd.	DBJ Securities Co., Ltd., is a securities firm that assists the DBJ Group with investment and loan services. It provides asset management opportunities and fundraising support while addressing various needs, centered on the alternative products market.
DBJ Capital Co., Ltd.	DBJ Capital Co., Ltd., is the venture capital arm of the DBJ Group. It mainly makes early-stage equity investments in venture firms and supports their value enhancement through hands-on management.

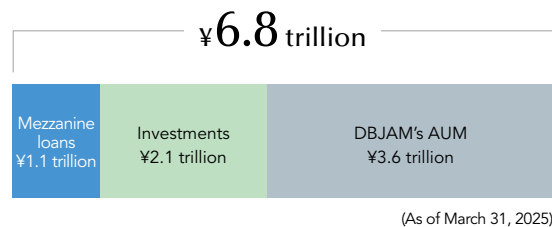
Balance of Investments and Loans

Balance of Investments and Loans

DBJAM's AUM **¥4.6 trillion**Investments **¥2.1 trillion**Crisis Response
Operations **¥1.8 trillion**Ordinary Loans **¥13.4 trillion**

■ Ordinary Loans ■ Crisis Response operations ■ Investments (including financing for Group companies) ■ DBJAM's AUM (including portions consigned by DBJ)

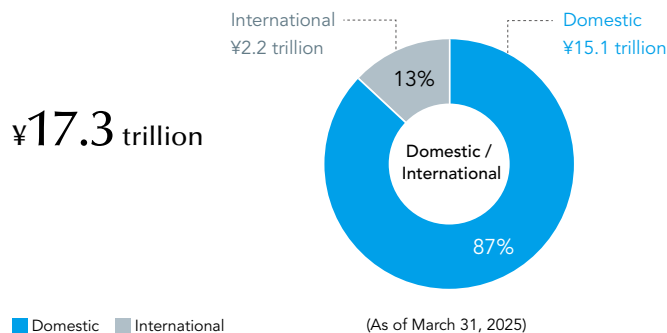
Supply of Risk Capital



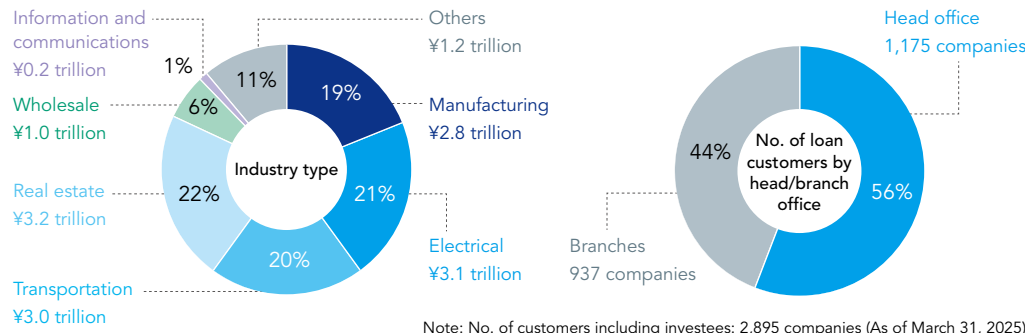
Investments: Excluding investments in Group companies
DBJAM's AUM: Excluding assets under DBJ mandates

Balance of Investments and Loans

¥17.3 trillion



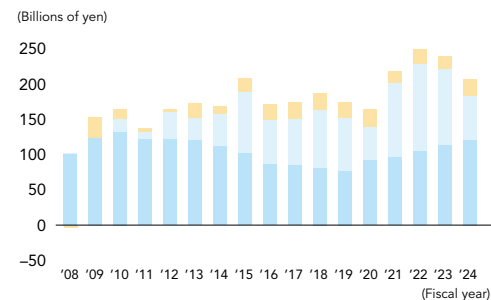
Balance of Loans



Profit

Gross Ordinary Income (Consolidated)

Note: '08 is non-consolidated

Commission **¥23.9 billion**Investments **¥62.1 billion**Loans **¥120.7 billion**

■ Loans ■ Investments ■ Commission

Net Profit (Consolidated)

Note: '08 is non-consolidated

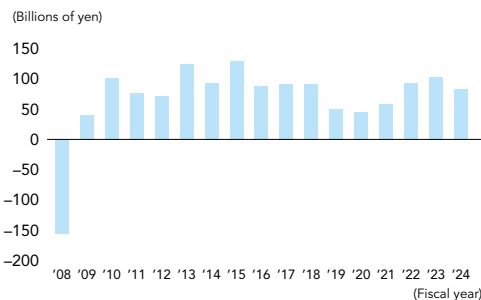
¥83.7 billion

(FY2024)

Dividends and
Corporation Tax

¥933.9 billion

(From October 1, 2008, to March 31, 2025)

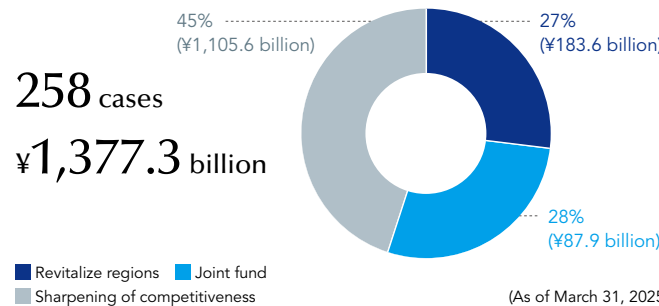


Statutory Operations (Special Investment and Crisis Response)

Special Investment Operations

258 cases

¥1,377.3 billion



Crisis Response Operations Related to COVID-19

524 cases

¥2,521.0 billion



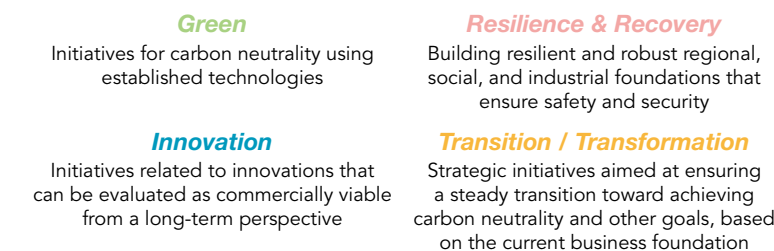
GRIT Investments and Loans

GRIT Investments and Loans

¥4.6 trillion

(Totals for April 2021 to March 2024)

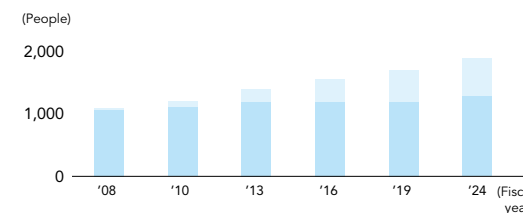
To support our customers' efforts to realize a sustainable society, we plan to provide a total of ¥5.5 trillion in GRIT-related investments and loans over the five years of the Fifth Medium-Term Management Plan.



Human Capital

Number of Group Employees (As of March 31, 2025)

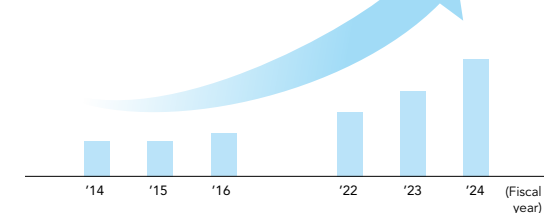
1,901 people



■ DBJ ■ Group companies

Human Resource Training Costs

3.3 times



External Credit Ratings and Financial Soundness

Issuer Ratings

Moody's

A1 (Stable)

R&I

AA+ (Stable)

S&P

A (Stable)

JCR

AAA (Stable)

Common Equity Tier 1 Capital Ratio
(Consolidated)

18.10%

(As of March 31, 2025)

The DBJ Group’s corporate philosophy framework consists of its unchanging mission and shared values, both defined in light of the Group’s history and anticipated future changes in the environment and social challenges, as well as Vision 2030, its long-term goals for fiscal 2030.

MISSION

Our unwavering purpose, pursued into the future

Design the Future
with Financial Expertise

Continue to expand financial frontiers;
Provide the best solutions for customers and society;
Pursue sustainable development for Japan and the world.



Vision 2030

Our vision for where we want to be in 2030, after implementing strategies in pursuit of our mission

As industry and infrastructure professionals skilled in handling all types of risk, we will play a unique role in the economy and society of 2030—leading new business and market creation while responding to crises and other social needs.

Action Guidelines

Guidelines for translating our values into concrete actions

- | | |
|--------------------------------------|---|
| Responsibility to future generations | • We fulfill our responsibility to the future by pursuing both economic and social value. |
| The customer's perspective | • We devote unequalled thought to each possibility—from the customer's point of view. |
| Outstanding service | • We review and enhance our services while improving productivity. |
| Commitment and cooperation | • We work tirelessly to broaden frontiers and achieve best results.
• We respect diversity and work together for greater shared value. |

Values

Unchanging values shared among all executives and employees

Initiative

Continue to take on challenges to effect the necessary changes in society by pioneering financial frontiers, instead of passively reacting to changes in the external environment

Integrity

Have integrity and sincerity in interactions with customers, coworkers, and with oneself

Four Core Corporate Values

Strengths of the DBJ Group, forged in the pursuit of its corporate philosophy

Long-term perspective

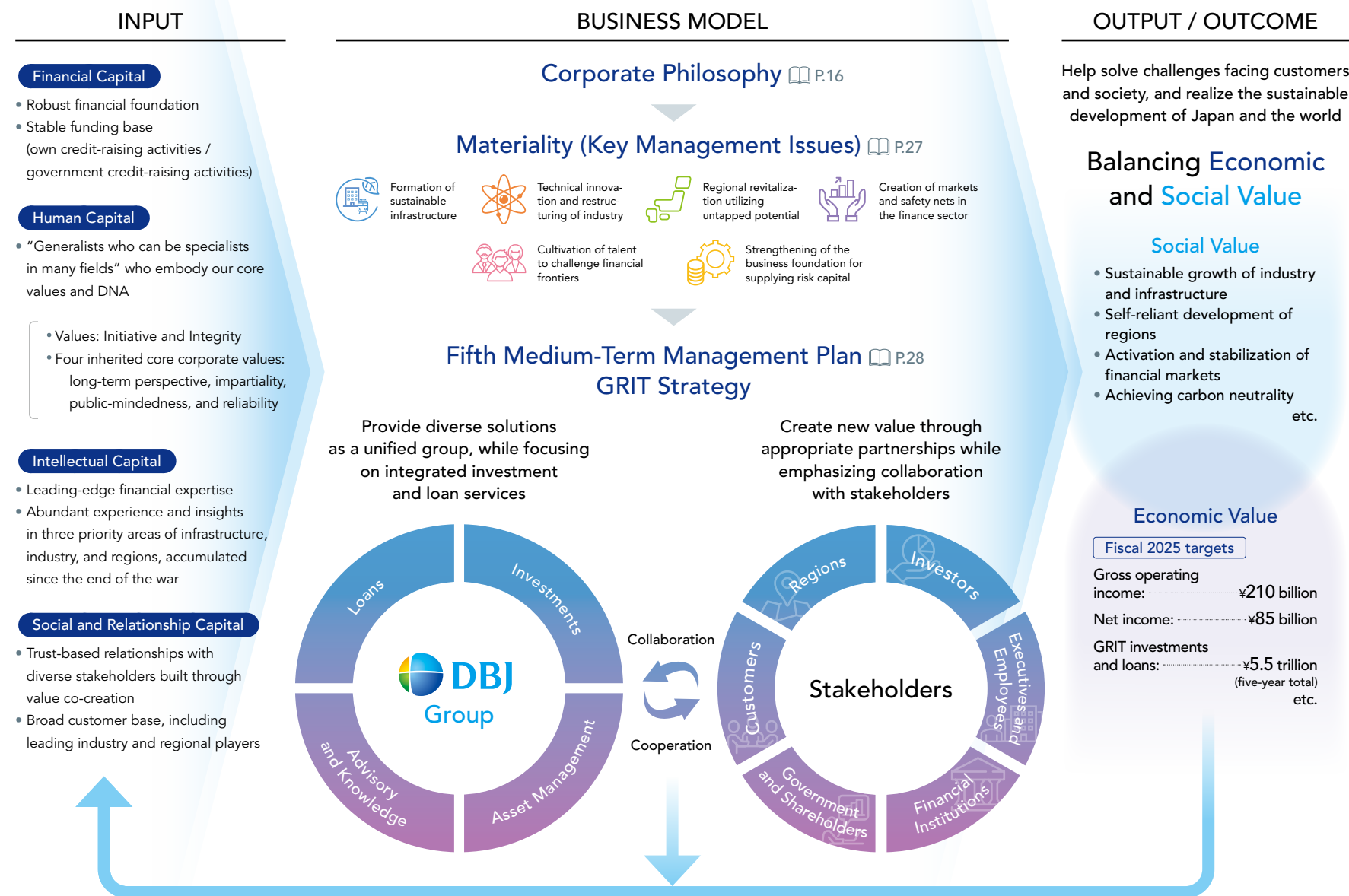
Impartiality

Public-mindedness

Reliability

We promote sustainability management to help solve the challenges faced by customers and society, and to realize sustainable development in Japan and around the world.

As we step up our efforts, we are committed to continuously improving the value creation process through collaboration and dialogue with stakeholders, and to expanding the value we generate.



Collaboration and Cooperation with Stakeholders

As demographic and social structures undergo major changes, making social issues increasingly inseparable from the business challenges faced by our customers, we are refining our ability to respond appropriately to a variety of risks. At the same time, we are forging appropriate partnerships with diverse stakeholders to create new value and contribute to the sustainable development of Japan and the world.

Solving challenges faced by customers and society, and realizing the sustainable development of Japan and the world



Customers

DBJ helps customers sustain growth by providing solutions as a unified group that are deeply integrated with both financial strategies and business strategies, while at the same time deepening our understanding of the challenges faced by customers and industry, with an emphasis on dialogue that is always from the customer's perspective.



Financial institutions

DBJ advocates for organic collaboration aimed at value creation, such as the discovery and execution of cooperative projects, the formation of joint funds, knowledge-sharing, and mutually cooperative engagements, with various financial institutions, including regional and international financial institutions.



Executives and employees

Grounded in our values of initiative and integrity, and guided by our inherited four core corporate values, our executives and employees strive for continued growth to provide creative solutions aligned with the evolving needs of the times.



Government and shareholders

We stay engaged in constructive dialogue from multiple perspectives to deepen our understanding of government policies and strategic direction, and collaborate with the government and shareholders to implement Crisis Response Operations and Special Investment Operations while working to address social challenges.



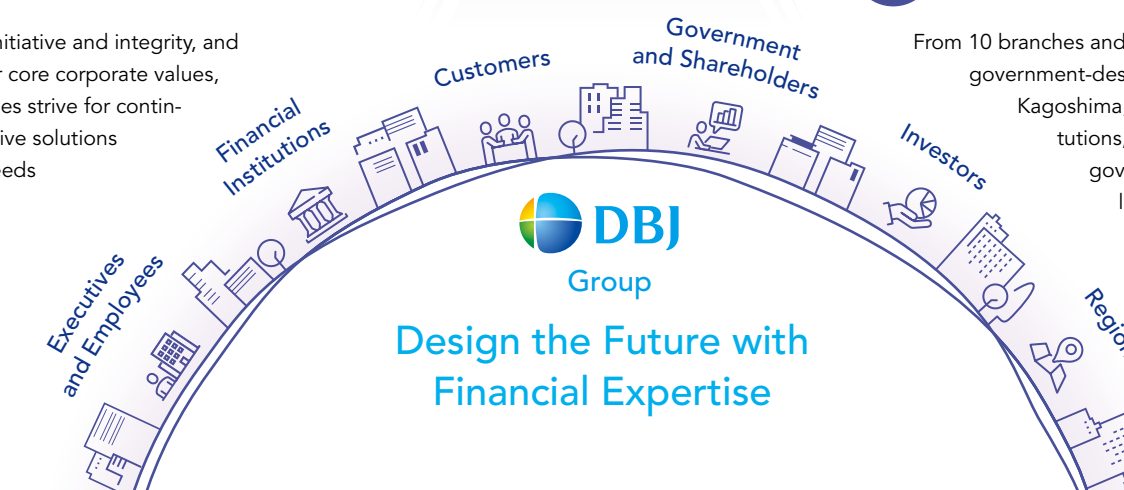
Investors

The DBJ Group proactively engages in investor relations (IR) activities, which include sharing case studies of investments and loans, as it believes that it is important for investors to gain a shared understanding of the Group's corporate philosophy and scope of business.

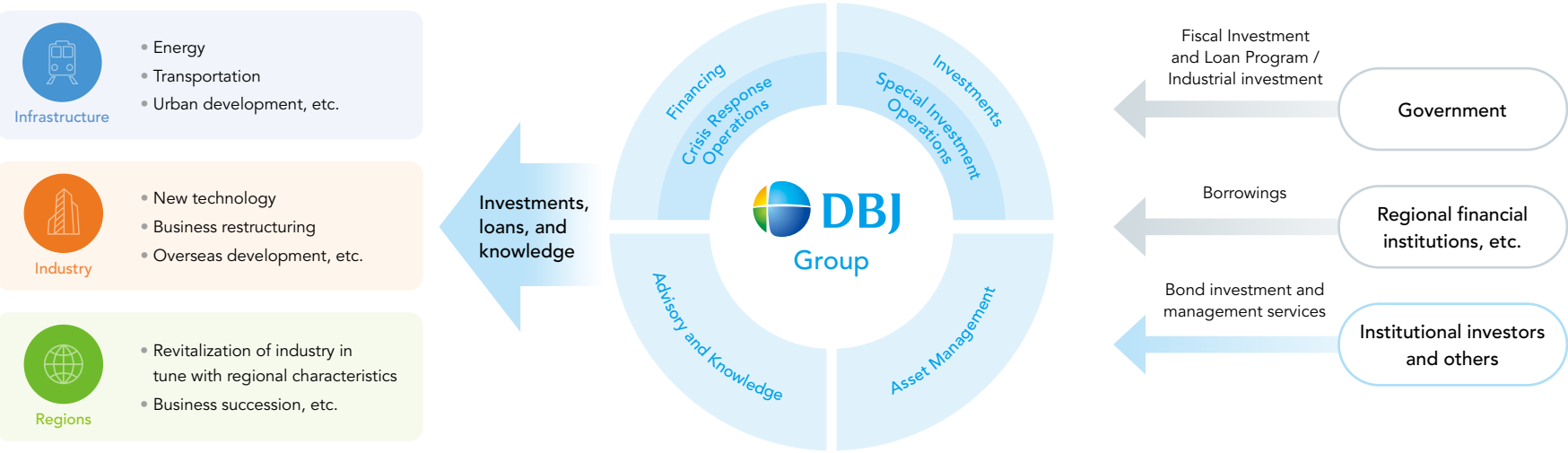


Regions

From 10 branches and eight offices, primarily located in government-designated cities from Hokkaido to Kagoshima, we work with regional financial institutions, leading companies, and municipal governments to address the unique challenges facing each region.



Since becoming a joint-stock company in 2008, the DBJ Group has pursued an integrated investment and loan business model across the entire Group to help solve issues faced by customers and society. DBJ also carries out legally mandated Special Investment Operations and Crisis Response Operations.



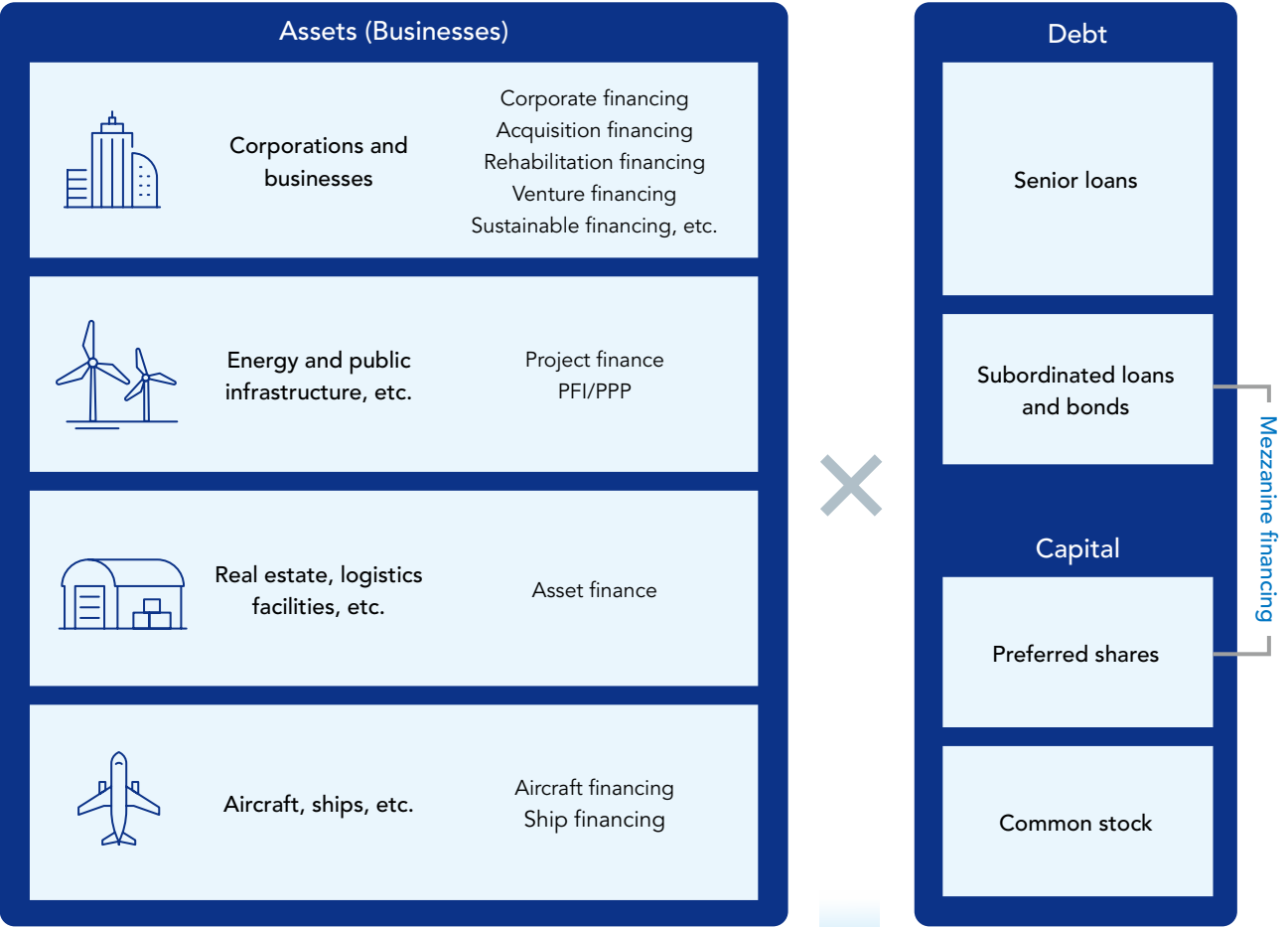
Investment and Loan Services

- Point 1** DBJ offers asset management, advisory, and consulting services centered on its investment and loan services. We also conduct legally mandated Special Investment Operations (P.22) and Crisis Response Operations (P.24).
- Point 2** Infrastructure, industry, and regions are our three priority areas. We provide tailored financing based on customer and project needs (P.21).
- Point 3** In addition to direct investment and lending by the DBJ Group, we invest in funds, such as funds jointly formed with regional financial institutions, private equity funds, and venture capital funds.
- Point 4** Our asset management operations specialize in alternative investments in three areas: real estate, private equity, and infrastructure.

Capital Procurement

Point
In addition to Fiscal Investment and Loan Program (FILP) funds from the government, DBJ raises funds, such as through bond issuance and borrowings, from domestic and overseas institutional investors and financial institutions. In asset management, we are entrusted to manage funds from institutional investors.

The DBJ Group has developed and promotes new financing methods, including project finance, PFI/PPP, and business revitalization financing. Since becoming a joint-stock company in 2008, DBJ has leveraged its integrated investment and loan business model to deliver customized financing solutions across diverse financial fields, demonstrating the ability to manage a broad range of risks.



Point 1
We offer a diverse range of financial solutions based on the business, assets, and cash flow of each customer or project.

Point 2
We have the flexibility and breadth to address a wide range of risks, from senior loans to mezzanine financing and equity, taking appropriate risk in line with customer and project needs.

DBJ contributes to customers and projects by structuring customized financing and taking appropriate levels of risk.

Special Investment Operations

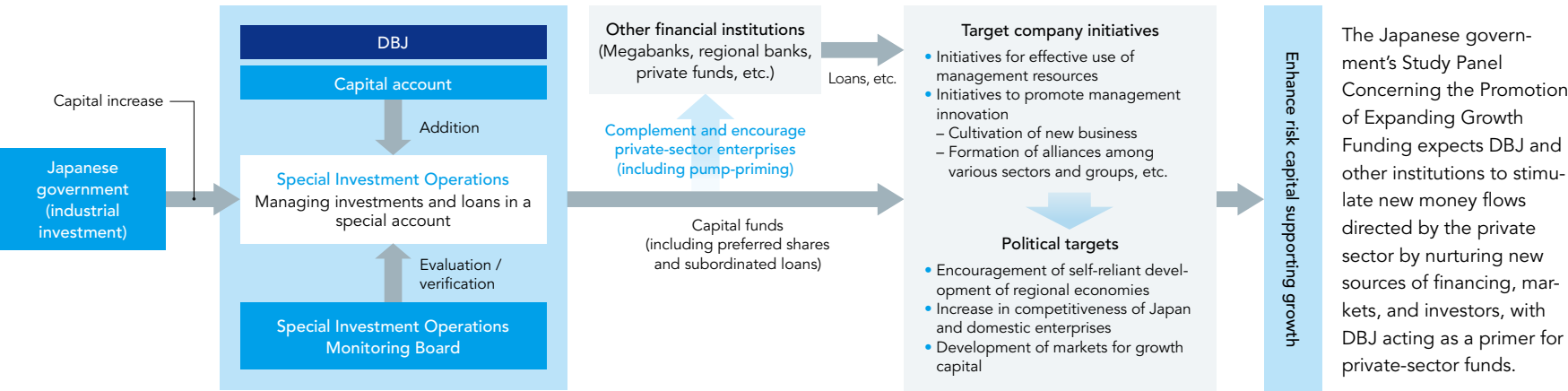
The DBJ Group provides optimal financing solutions tailored to customer needs, from loans to mezzanine financing and investments, while reinforcing its ability to adequately evaluate various risks.

DBJ's Unique Approach to Supplying Risk Capital

Special Investment Operations, established in June 2015 as an intensive but temporary scheme to supply growth capital to promote the competitiveness of Japanese enterprises along with regional revitalization, draws only a portion of the investment (industrial investment) from the Japanese government— enough to encourage the private sector to supply growth capital. DBJ supplies risk capital to

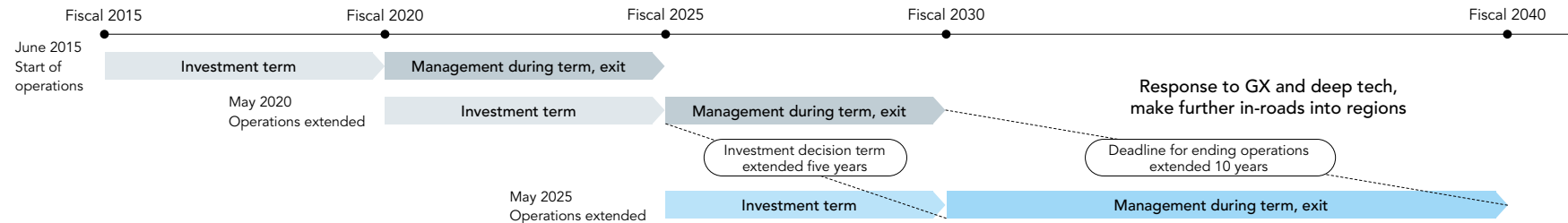
businesses that aim to improve their productivity and profitability through business innovations (new business development, tie-ups with different sectors, etc.) and the effective use of management resources to encourage companies in the private sector to supply growth capital on their own, sharpen the competitiveness of Japanese companies, and stimulate regional economies.

Special Investment Operations



Based on the Act for Partial Amendment of the Development Bank of Japan Inc. Act (Act No. 36 of 2025), which was approved and enacted in May 2025, the following revisions were made: (1) the investment decision term and government financing term for Special Investment Operations were extended from March 31, 2026, to March 31, 2031, and (2) the deadline for ending operations was extended from March 31, 2031, to March 31, 2041.

Deadline for Ending Special Investment Operations



Overview of Special Investment Operations

The following three priority areas have been established to clarify the priority targets for support.

DBJ Startups and Innovation Fund

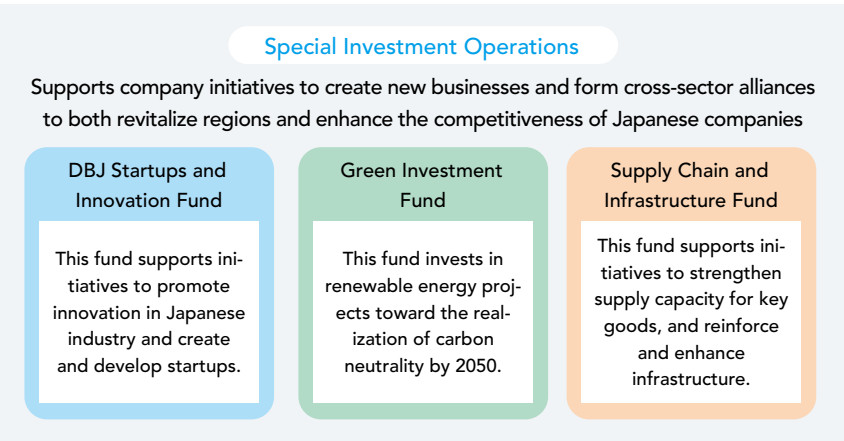
In November 2022, the DBJ Innovation and Life Sciences Fund, which was created in March 2021, was renamed the DBJ Startups and Innovation Fund to help create and develop startups and promote open innovation. This change intends to clarify the fund's mission to accelerate the creation and development of startups in light of the Cabinet's approval of Comprehensive Economic Measures for Overcoming Price Increases and Revitalizing the Economy on October 28, 2022.

Green Investment Fund

This fund was created in February 2021 to support businesses that aim to improve the sustainability of natural resources and the environment, such as renewable energy businesses, in consideration of the Cabinet's approval of Comprehensive Economic Measures to Secure People's Lives and Livelihoods toward Relief and Hope on December 8, 2020.

Supply Chain and Infrastructure Fund

In February 2024, the Supply Chain and Infrastructure Fund was established to support efforts to strengthen supply chains and national resilience, in line with the Cabinet's approval of Comprehensive Economic Measures to Break Completely Away from Deflation on November 2, 2023.

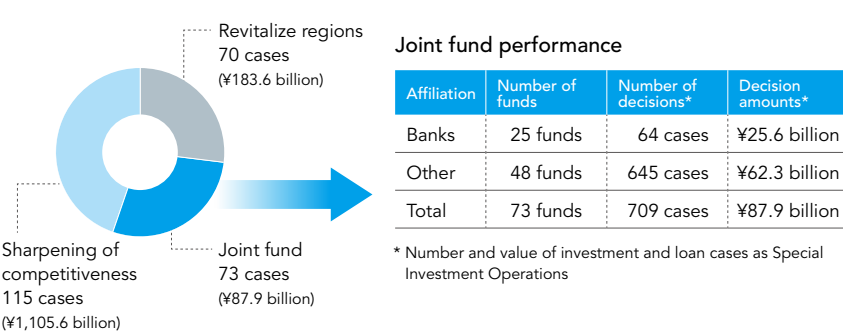


Note: For examples of special investment projects, please refer to the pages below. (P.40, P.42, P.48, P.49, P.50, P.51, P.56)

Track Record in Special Investment Operations

- Since operations began in June 2015, a total of 258 investment and loan cases totaling ¥1.3773 trillion had been approved as of March 31, 2025, spurring ¥7.9980 trillion in private-sector investments and loans.
- Net income from Special Investment Operations totaled ¥15.9 billion in fiscal 2024, with cumulative net income since inception reaching ¥71.2 billion.

Cumulative Investment and Loan Approvals by Theme (as of March 31, 2025)



2020/3–	DBJ Startups and Innovation Fund	75 cases, ¥70.3 billion
2021/2–	Green Investment Fund	19 cases, ¥106.6 billion
2024/2–	Supply Chain and Infrastructure Fund	9 cases, ¥120.5 billion

* Growth Fund for Coronavirus Revival: May 2020–June 2024 (15 cases totaling ¥251.6 billion)

Exit Performance and Related Data (as of March 31, 2025)

Exits: **52 cases in total / principal amount of ¥218.9 billion**

Payments to the national treasury: **¥152.9 billion in total**

DBJ conducted a policy assessment* of all exit cases. Of the 52 exit cases, **36** were evaluated as having delivered policy outcomes in line with expectations.

* Quantitative assessment and verification were conducted based on the policy objectives of Special Investment Operations: (1) sharpening of competitiveness, (2) regional revitalization, and (3) development of the growth capital market.

Crisis Response Operations

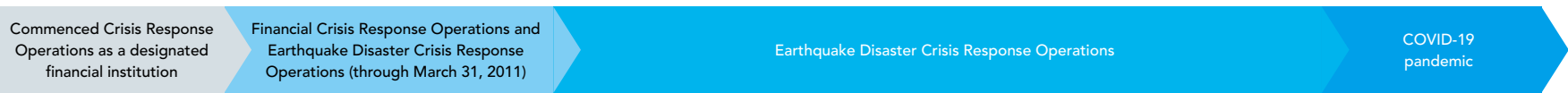
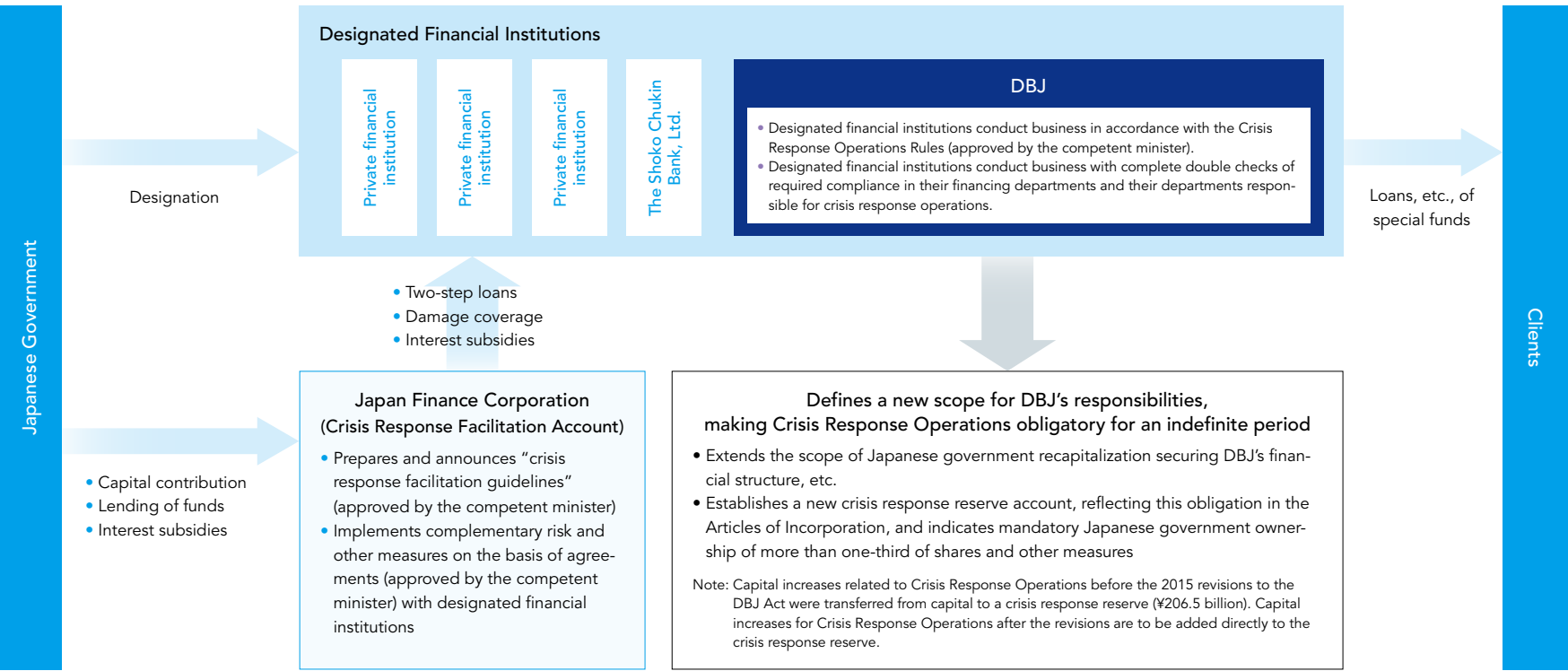
As a designated financial institution, DBJ swiftly and reliably supplies risk capital while collaborating and coordinating with private financial institutions.

Initiatives as a Designated Financial Institution

Based on the Finance Corporation Act (Act No. 57 of 2007, including later revisions), DBJ’s Crisis Response Operations are obligated to provide necessary funds during crises such as disruptions in domestic or overseas financial markets or large-scale disasters. In response to crisis-related damage, Japan Finance Corporation provides two-step loans as a complementary risk measure, among other measures, to government-designated financial institutions that supply necessary funds to address such damage.

In March 2020, the COVID-19 pandemic was designated a crisis (P.25). As a designated financial institution, DBJ collaborated and coordinated with private-sector financial institutions to rapidly and effectively implement Crisis Response Operations.

Crisis Response Operations Scheme



2008/10 2008/12 2011/3 ① 2016/4 ② 2020/3 ③

① Great East Japan Earthquake in 2011

In the fiscal 2011 supplementary budget passed in the wake of the Great East Japan Earthquake, ¥2.5 trillion was earmarked for Japan Finance Corporation for Crisis Response Operations targeting medium- and large-sized enterprises. DBJ proactively provided assistance for clients affected both directly and indirectly by the disaster.

Along with financial institutions in the disaster area, DBJ arranged the Great East Japan Earthquake Reconstruction Fund.

In December 2014, in response to the shift of the stage of earthquake reconstruction from the restoration of production facilities (the “restoration stage”) to efforts to open up a new enterprise-based market that resumed production, to promote collaboration among multiple enterprises to boost industry competitiveness, to build infrastructure, and to reinforce functions (the “reconstruction and growth stage”), we established a reconstruction and growth support fund in collaboration with the Regional Economy Vitalization Corporation of Japan (REVIC).

In fiscal 2018, with demand for reconstruction seeming to settle, we established a new fund for medium- to long-term capital funds and other forms of money with shared risk, aimed at supporting the sustainable economic development of the affected areas.

② Kumamoto Earthquake in 2016

To help in the aftermath of the Kumamoto Earthquake, DBJ established the Kumamoto Earthquake Reconstruction Support Office at its Kyushu Branch with the aim of providing useful insights and financial expertise for reconstruction efforts.

In July 2016, DBJ formed the Kumamoto Reconstruction Support Fund in collaboration with The Higo Bank, Ltd., and The Kagoshima Bank, Ltd., both financial institutions in the area affected by the earthquake. This fund supplied risk capital to businesses affected by the earthquake in the form of senior loans (unsecured, unguaranteed loans with lump-sum repayment at maturity) and subordinated loans.

We also provided valuable information for restoration and reconstruction through our cross-organizational system, and carried out survey and planning operations in coordination with local governments, national institutions and economic groups, as well as regional financial institutions.



③ COVID-19 Pandemic

The DBJ Group opened consulting service counters at the end of January 2020 and moved forward with its unique Regional Emergency Response Program from February 2020 onwards. As a designated financial institution, DBJ has concentrated on Crisis Response Operations in collaboration with private financial institutions since March 2020, after the Japanese government declared the COVID-19 pandemic a crisis.

The business environment became even more difficult for companies operating restaurants and hotels, which had previously been major employers. At their request, the government stepped in to provide further assistance to these companies in March 2021. Under the direction of the Coronavirus Response Headquarters, which is chaired by the president and CEO, DBJ set up the Crisis Response Operating Office and the Restaurants and Hotels Team therein in order to speed up the screening of companies operating restaurants and hotels.

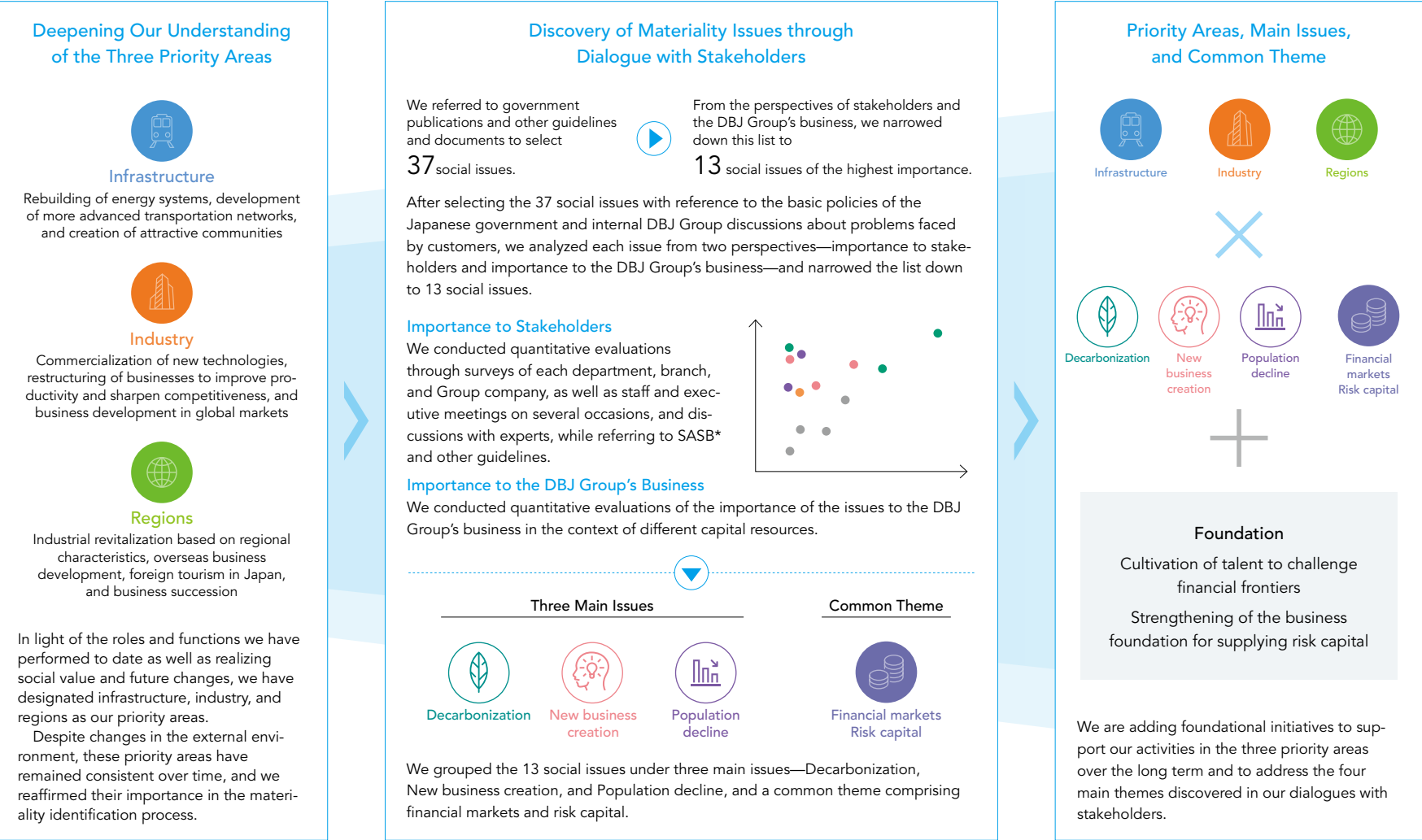
Since March 29, 2021, DBJ has reduced the interest rate burdens of subordinated capital loans provided to large enterprises in the restaurants and hotels sector and to mid-tier companies as an intensive but temporary scheme. Other measures DBJ has taken include the creation of a preferred stock underwriting fund targeting mid-tier and large companies operating restaurants and hotels, which is the DBJ Restaurant and Hotel Support Fund Investment Limited Partnership.

Crisis Response Operations (As of March 31, 2024)

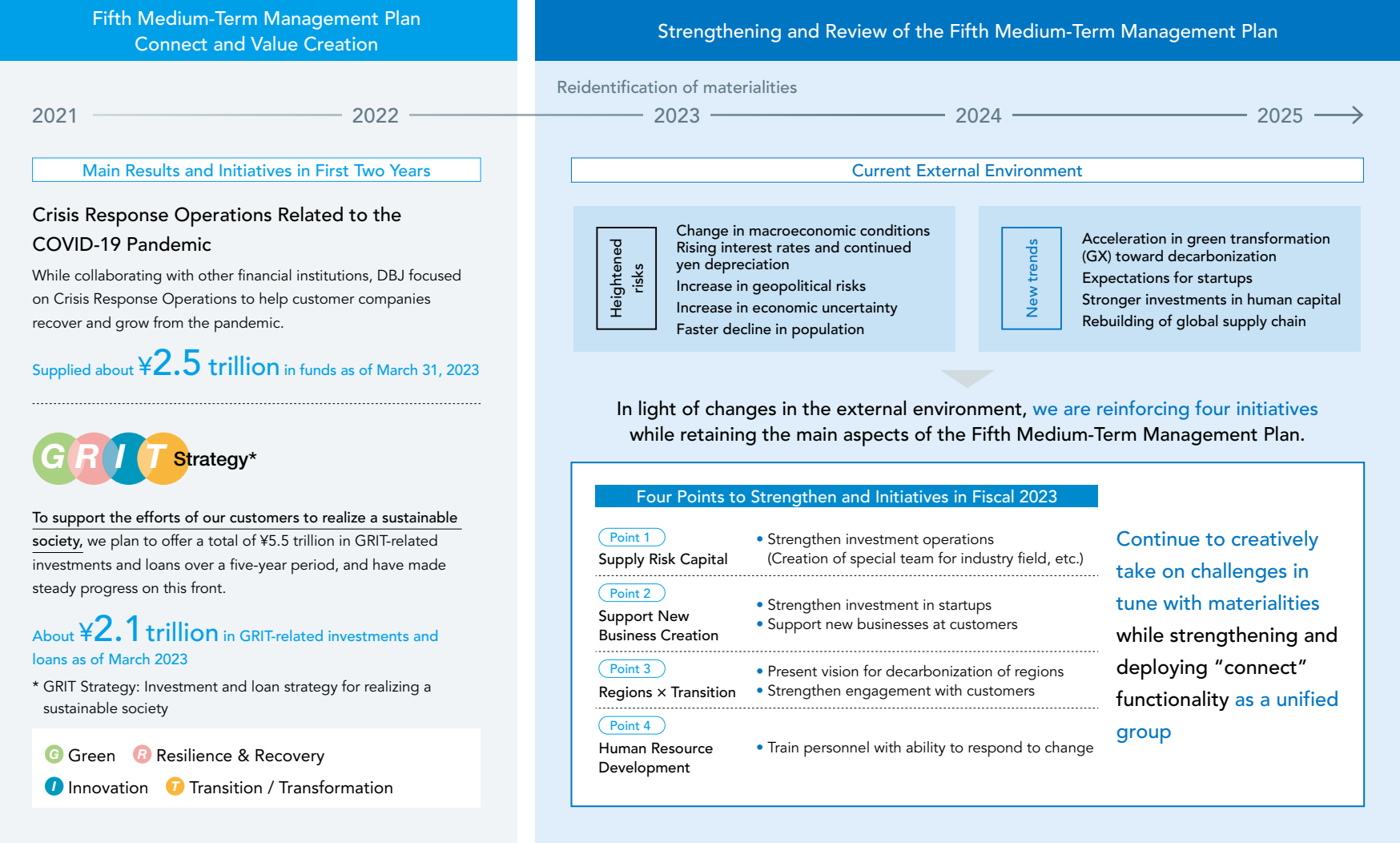
Total funds raised by the government in Crisis Response Operations	Total loans for Crisis Response Operations	Total Crisis Response Operations related to the COVID-19 pandemic
¥206.529 billion	Loans ¥8,740.5 billion (1,684 projects)	Commercial paper acquisitions ¥361.0 billion (68 projects)
		¥2,521.0 billion (524 projects)

Materiality Identification Process

The DBJ Group has identified its materiality issues by not only drawing upon international guidelines but also placing an emphasis on dialogue with its various stakeholders. We have deepened our understanding of three priority areas of focus for the realization of a sustainable society while providing solutions in tune with the times, and these three priority areas have been narrowed down and crystallized as materiality issues. Looking ahead, we plan to review our materiality issues periodically from the perspective of balancing economic and social value while maintaining dialogue with our stakeholders.



Since becoming a joint-stock company in 2008, the DBJ Group has implemented four medium-term management plans with the objectives of increasing the supply of risk capital for integrated investments and loans and advancing risk management functions. In May 2021, we formulated our Fifth Medium-Term Management Plan as a five-year action plan. While collaborating and cooperating with private financial institutions, the DBJ Group utilizes risk capital and its knowledge to help customers solve their issues and thereby contribute to sustainable growth. In May 2023, we unveiled the Strengthening and Review of the Fifth Medium-Term Management Plan, which highlights points to reinforce over the remaining three years of the medium-term plan in light of the economic recovery from the impact of the COVID-19 pandemic and major changes in the external environment.



Since its founding, the DBJ Group has upheld the values of initiative and integrity amid significant changes in the economic landscape and social issues, contributing to the sustainable development of society by providing creative solutions to challenges faced by customers. Today, issues such as climate change, natural capital and biodiversity, the circular economy, and human rights have become increasingly important for building a sustainable society. The DBJ Group will continue working to solve customer and social issues through initiatives focused on its identified materiality issues, aiming to achieve both economic and social value and contribute to the sustainable development of Japan and the world.

Policy on Sustainability of the DBJ Group
(formulated in FY2017) P.106

Purpose

Provide the best solutions for **customers** and **society** and pursue **sustainable development** for Japan and the world

The DBJ Group's Approach to Sustainability Management

We are committed to enhancing the value of both tangible and intangible management resources through business activities based on **our distinctive business model, featuring integrated investment and loan services**, to achieve **both economic and social value**. At the same time, we engage in **dialogue with stakeholders** and strive to continuously improve the value creation process, thereby **contributing to a sustainable society**.

Materiality of the DBJ Group (Key Management Issues) P.27

Formation of sustainable infrastructure P.38-45

Technical innovation and restructuring of industry P.46-51

Regional revitalization utilizing untapped potential P.52-57

Creation of markets and safety nets in the finance sector P.58-65

Cultivation of talent to challenge financial frontiers P.66-71

Strengthening of the business foundation for supplying risk capital P.72-77

Sustainability issues of growing importance



Climate change



Natural capital and biodiversity



Circular economy

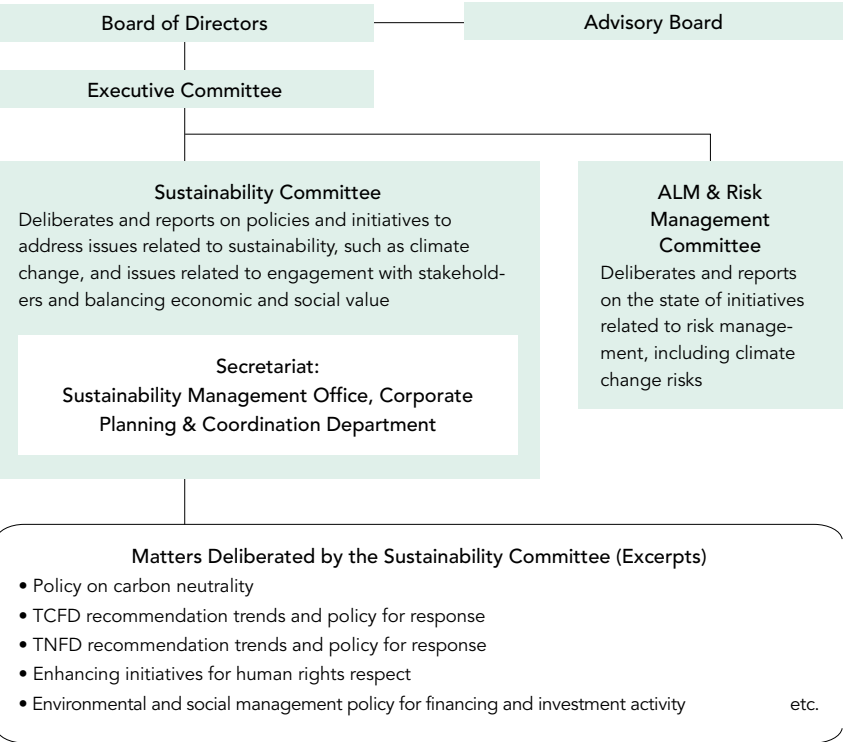


Human rights

Sustainability Management

The Sustainability Committee deliberates policy responses to various sustainability-related issues, such as climate change, and monitors progress on related initiatives. As needed, matters are deliberated and decided on by the Executive Committee and reported to the Board of Directors. The Sustainability Management Office is an administrative body within the Corporate Planning & Coordination Department that acts as a hub for information inside and outside the DBJ Group, and advances measures.

At the Advisory Board, which is an advisory body to the Board of Directors consisting of outside experts and outside directors, we report on the progress of initiatives, such as the GRIT Strategy and other business plans, and the content of its deliberations is reflected in business plans and measures to enhance risk management.



DBJ Group's Past Initiatives for Realizing a Sustainable Society

The DBJ Group was founded when Japan was battling industrial pollution, and has addressed sustainability issues in response to the evolving times. We will continue advancing initiatives that contribute to a sustainable society.

1960- Investments and loans for environmental projects

Since the era of rapid economic growth, DBJ has provided investments and loans for environmental projects to help prevent pollution.

- Wastewater treatment loan program
- Flue-gas desulfurization loan program
- Ozone layer protection loan program, etc.

2000- Leading sustainable finance

DBJ has led sustainable finance by launching the world's first Environmentally Rated Loan Program and becoming the first Japanese issuer of green bonds.

2001: First Japanese financial institution to sign the United Nations Environment Programme (UNEP) Finance Initiative Statement

2004: Launched the DBJ Environmentally Rated Loan Program (a world first)

2011: Introduced the DBJ Green Building Certification

2014: Issued a green bond (first among Japanese issuers)

2017- Advancing sustainability management

DBJ is promoting efforts to build a sustainable society with a focus on the DBJ Group's priority domains.

2017: Established the Policy on Sustainability, launched the Sustainability Committee, and formulated Vision 2030

2021: Formulated the GRIT Strategy

2023: Revised the materiality of the DBJ Group

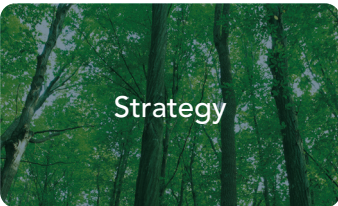
Response to Climate Change and Natural Capital (Information Disclosures Based on TCFD and TNFD)



Climate Nature

Policy aims and the status of initiatives to address sustainability issues, including climate change and natural capital, are discussed by the Sustainability Committee, which is under the Executive Committee. Matters requiring attention are deliberated and decided on at the Executive Committee and reported to the Board of Directors.

The status of sustainability initiatives is reported to the Advisory Board, which is an advisory body to the Board of Directors consisting of external experts and outside directors, where it is used to enhance business planning and risk management.



Climate Nature

We assess the impact of climate-related opportunities and risks on the DBJ Group through scenario analysis and other methods.

Based on our Transition Policy, we promote engagement activities and offer solutions to help customers address their challenges, thereby contributing to a decarbonized society.

We analyze the dependencies and impacts of our investment and loan portfolio on nature.

We promote financing and knowledge-sharing to support the transition to a nature-positive economy.

We assess nature-related dependencies and impacts at our domestic and overseas offices.



Climate Nature

Our Policy on Investments and Loans with Environmental and Social Considerations defines our policy aims for investment and loan activities in the financing of businesses and specific sectors that are likely to pose significant risks or negative impacts on the environment and society.

In line with the Equator Principles, the business units and the Structured Finance Department (specifically, the Environmental & Social Assessment Office) identify, assess, and monitor environmental and social risks in project finance and related activities.

The ALM & Risk Management Committee, which is under the Executive Committee, reports and deliberates on the status of initiatives in climate-related risk management.



Climate Nature

		Target		Actual	
GRIT-related investment and loan amounts (cumulative since fiscal 2021)		¥5.5 trillion	Fiscal 2025	¥4.6 trillion	Fiscal 2024
Scope1 and 2		Net zero	Fiscal 2030	886t-CO ₂ e	Fiscal 2024
Scope3	Electric Power Sector	138–265g-CO ₂ e/kWh	Fiscal 2030	361g-CO ₂ e/kWh	Fiscal 2023
	Oil & Gas Sector	11–26% reduction vs. fiscal 2022	Fiscal 2030	11% reduction vs. fiscal 2022	Fiscal 2023

Basic Approach to Carbon Neutrality



A Balanced Approach to a Realistic Transition:
Reliable Energy Supply

Since the adoption of the Paris Agreement in 2015, various governments, industry associations, and corporations have declared their intentions to work toward a decarbonized society, and they have accelerated actions toward mitigating and adapting to climate change. The Japanese government also declared a goal of achieving carbon neutrality by 2050 in October 2020, and it is promoting various policies in support of this goal. Against this backdrop, we believe it is important to explore realistic transitions based on actual conditions in each country and region, instead of taking a one-sided approach to becoming carbon neutral, as it is essential to preserve social stability and sustainability. As Japan moves along the path to carbon neutrality, it will be important to facilitate a transition that balances carbon neutrality initiatives with measures to ensure a reliable supply of energy, while considering the potential for energy demand to expand in the future as digitalization advances. By promoting the development of breakthrough innovative technologies, Japan must maintain and reinforce the competitiveness of its industries while overcoming technical issues and the massive cost of becoming carbon neutral.

Transition Policy (Formulated in FY2023)

We provide financial support for initiatives that lead to reductions in GHG emissions based on the medium- to long-term transition plans of our customers in high-emitting industries. We aim to achieve net zero GHG emissions by 2050 by promoting transitions to decarbonization, including within regions. In an environment where uncertainties such as rising fuel prices and geopolitical risks are increasing, the DBJ Group provides financial support to high-emitting industries for investments in both decarbonization and a sustainable society, and although this may temporarily increase the GHG emissions allocated to DBJ, it is an essential step in the transition to a decarbonized society. We therefore intend to proactively provide financing that facilitates transitions by our customers. In order to address decarbonization across industries and regions, we will not only solve problems through financing but also strengthen our support in terms of proposals to stakeholders in industries and regions, as well as offer knowledge. Moreover, we will actively support our customers in terms of providing capital to startups working on innovations, such as climate tech and new technologies like nuclear fusion.

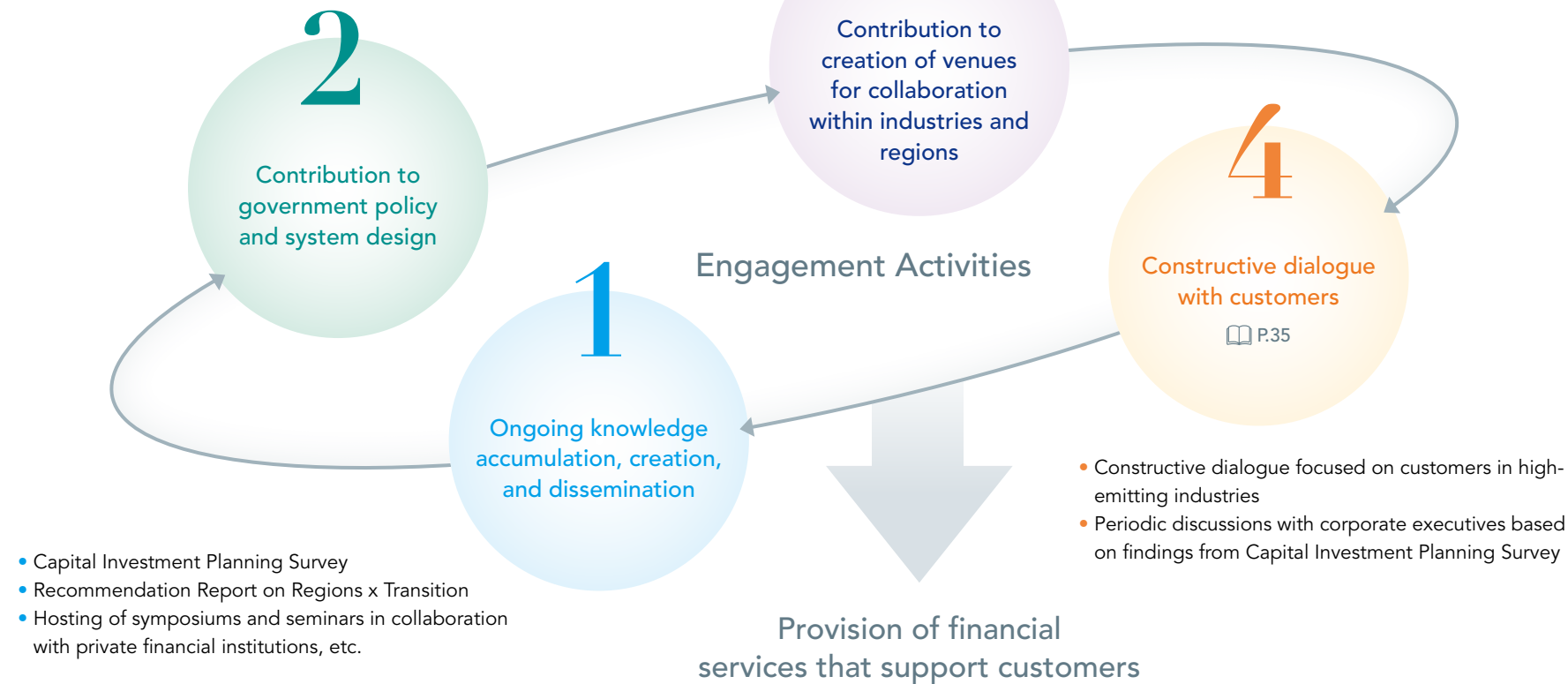
Engagement Activities

With the objective of achieving net zero GHG emissions in its investment and loan portfolio by 2050, the DBJ Group supplies risk capital for new technologies and climate tech, in addition to providing sustainable financing, advisory services, and consulting services, in order to support customer initiatives in decarbonization.

When providing investments and loans, advisory services, and consulting services, DBJ encourages constructive engagement with its customers, thereby deepening its understanding of issues affecting customers and industries. While bringing attention to problems and presenting hypotheses to customers, the DBJ Group is committed to helping them solve such issues. Through these initiatives, we focus on engagement activities in line with our Transition Policy. More specifically, we disseminate knowledge and advice to governments, regions, and industry groups, while engaging in constructive dialogues with customers, in order to help customers solve their issues.

- Provide input at councils and study groups organized by national and local governments
- Offer advice and opinions through participation in domestic and international initiatives

- Engagement with local carbon neutrality councils, etc.



4 Constructive dialogue with customers

Ideal Approach

We deepen our understanding of challenges faced by customers through constructive dialogue (engagement) with them, based on accurate analysis of trends in government policy, technology, and industry, as well as each customer's business strategy. At the same time, the DBJ Group offers problem-solving ideas and hypotheses to customers, and explores how best to support them in addressing their challenges.



Specific Examples of Initiatives

Constructive Dialogue Centered on Customers in High-Emitting Sectors

For sectors with companies that have set interim emissions reduction targets for 2030, such as the electric power and oil & gas sectors, we engage in constructive dialogue informed by the DBJ Group's quantitative simulations of future scenarios, assisting customers with their initiatives and issues related to decarbonization. We are also enhancing engagement with companies in other high-emitting sectors to deepen constructive dialogues.

Promotion of Cross-Sector Initiatives

Hydrogen, ammonia, and storage batteries, which are new energy carriers that will be key in the transition to a carbon-free society, require cross-sector and cross-regional initiatives. In light of this, DBJ has established a Groupwide information-sharing platform to enhance our constructive dialogues with customers.

Routine Discussions with Corporate Executives

Since 1956, DBJ has conducted the Capital Investment Planning Survey to better understand underlying trends in capital investment in Japan's industrial sector. Referring to the results of this survey, we have discussions and exchange opinions with corporate executives on topics including decarbonization.

02

Putting Value Creation into Practice

(Materiality of the DBJ Group)

P.38  Formation of Sustainable Infrastructure

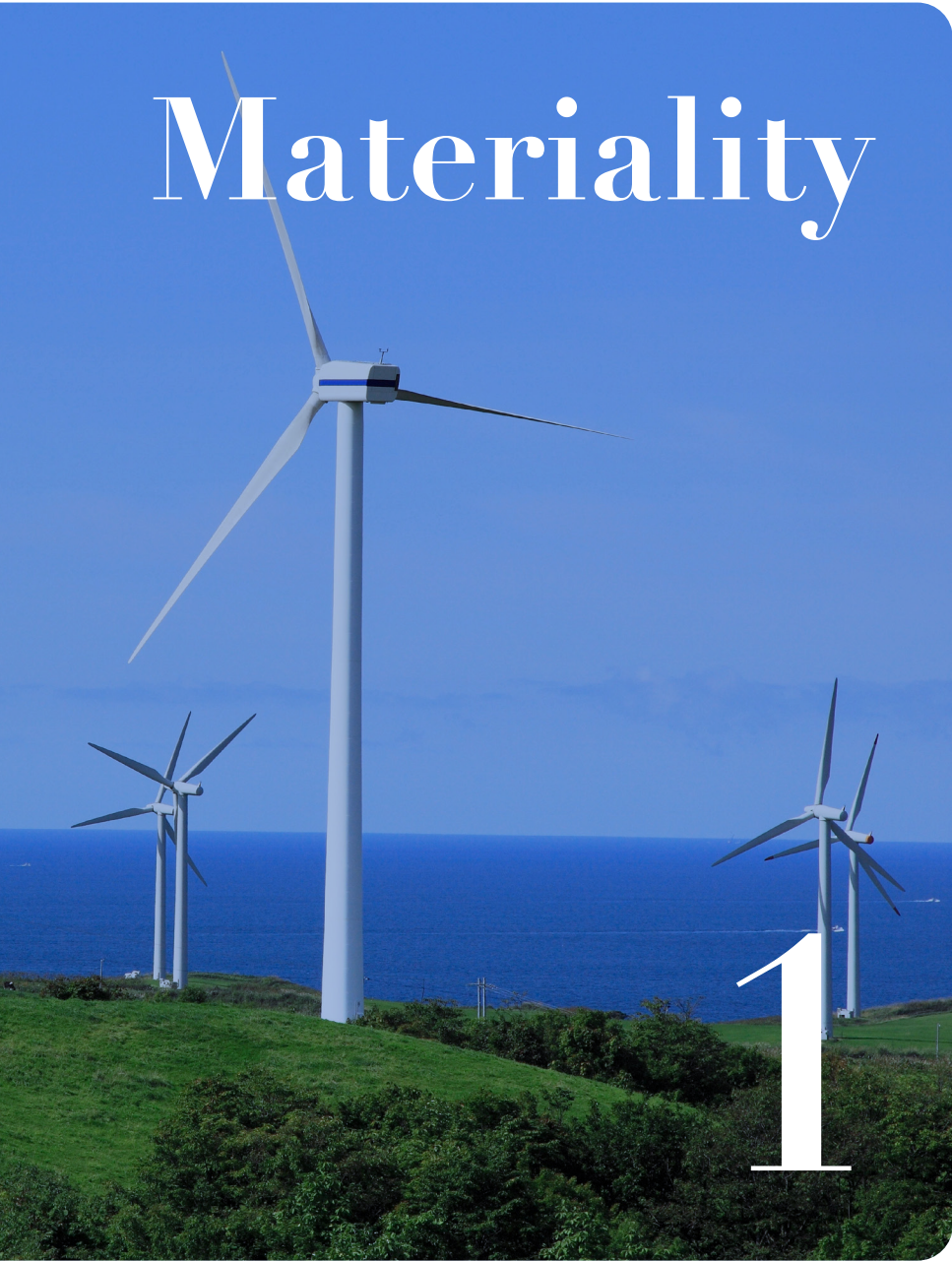
P.46  Technical Innovation and Restructuring of Industry

P.52  Regional Revitalization Utilizing Untapped Potential

P.58  Creation of Markets and Safety Nets in the Finance Sector

P.66  Cultivation of Talent to Challenge Financial Frontiers

P.72  Strengthening of the Business Foundation for Supplying Risk Capital



Formation of Sustainable Infrastructure

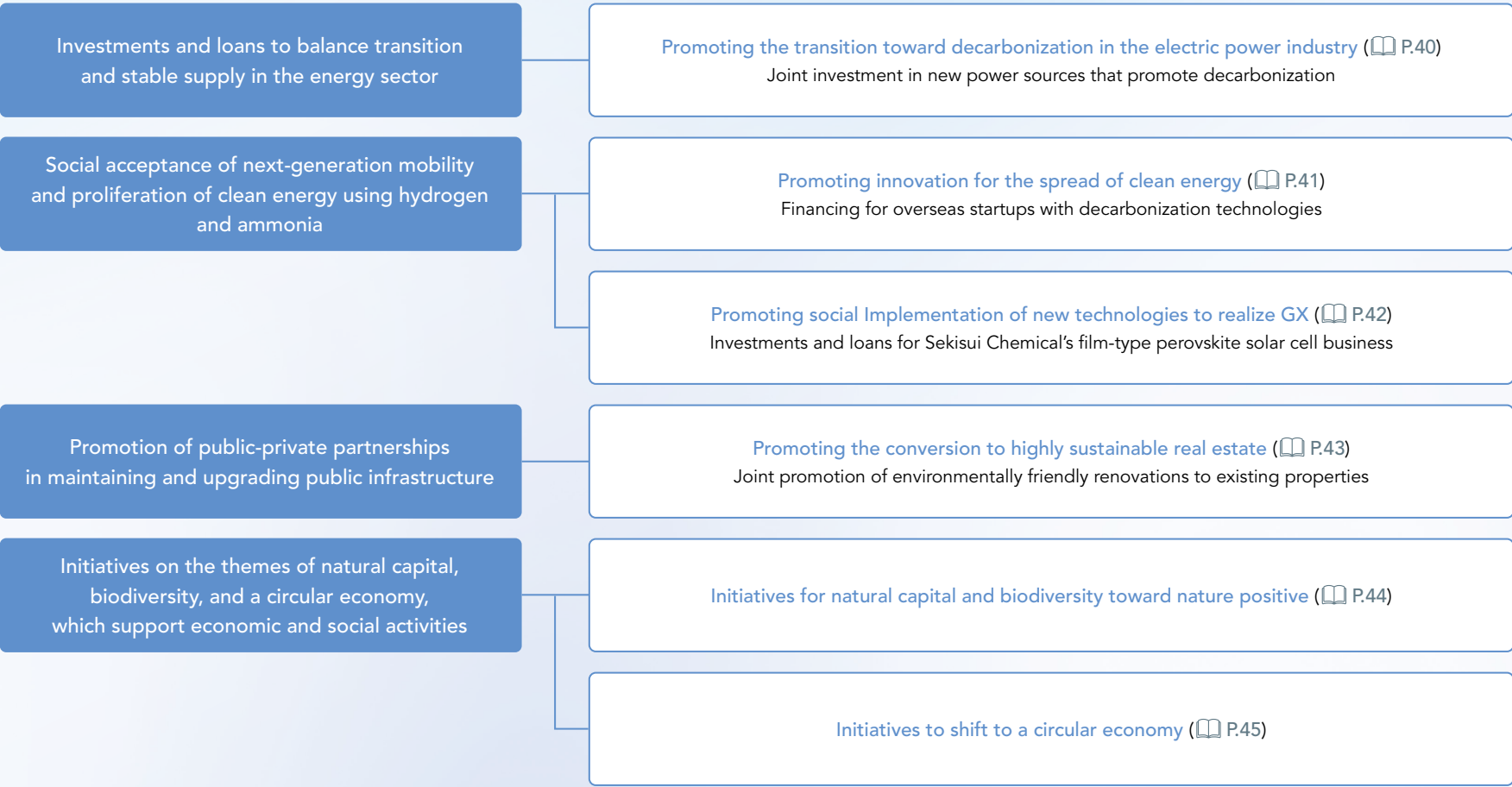
Initiatives to Achieve Vision 2030

- Transition to decarbonization
- Build infrastructure for future generations

Since the postwar reconstruction period, the DBJ Group has played an important role in sectors including energy, transportation, and urban development, which form the foundation for safe and comfortable living and long-term economic growth.

Achieving a decarbonized society by 2050 will require a realistic transition in the energy sector that both ensures a stable energy supply and advances decarbonization, while anticipating stronger demand for electricity, driven by digitalization and other developments. In the transportation and urban development sectors as well, it is essential to develop transportation systems and urban environments that anticipate the needs of a new era in order to address environmental challenges, such as climate change, and social challenges like population decline.

The DBJ Group will continue to contribute actively to the formation of sustainable infrastructure.



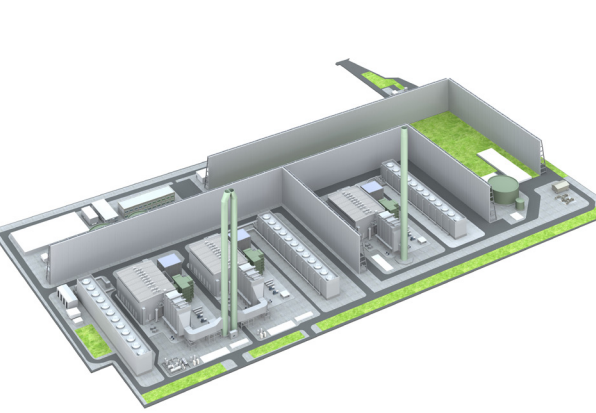
Promoting the Transition Toward **Decarbonization in the Electric Power Industry**

Joint investment in new power sources that promote decarbonization

Special Investment

Natural Gas-Fired Power Generation to Play an Important Role in the Transition

In the energy sector, companies have set targets for achieving carbon neutrality by 2050 and interim targets for 2030, and are developing renewable energy sources and decarbonizing thermal power plants in line with these targets. For many years, DBJ has proactively supported initiatives in the energy sector aimed at realizing a carbon-free society. As noted in the Seventh Strategic Energy Plan approved by the Cabinet in February 2025, thermal power generation plays an important role in both providing supply capacity to meet projected future increases in demand for electricity, and balancing capacity as renewable energy sources expand. Among them, natural gas-fired power generation emits fewer greenhouse gases than coal or oil, and can potentially be decarbonized in the future through fuel conversion and other measures, making it one of the key means being promoted for the transition to a carbon-free society.



Rendering of completed Himeji Natural Gas Power Plant (Units 1-3)

Joint Investment in the Himeji Natural Gas Power Plant (Unit 3) Development Project

This project is a natural gas power generation business in Himeji City, Hyogo Prefecture, that was awarded to Osaka Gas Co., Ltd., in the first long-term decarbonized power source auction*1. It will feature a highly efficient gas turbine combined-cycle power generation facility with a capacity of approximately 600,000kW, with commercial operations scheduled to begin in fiscal 2030. In addition to promoting the expanded and advanced use of natural gas, which will grow in importance during the transition period, the Osaka Gas Group aims to achieve zero emissions in power generation through the use of e-methane*2 and hydrogen in thermal power plants. This power plant will also contribute to a sustainable society by aiming for zero emissions by 2050 through the introduction of e-methane, based on the decarbonization roadmap in the long-term decarbonized power source auction. DBJ utilized its Special Investment Operations to invest in this project together with Osaka Gas Co., Ltd., and two other companies.

*1 A system established to ensure predictability in returns on investments for power producers, thereby encouraging large-scale investment in new or replacement power sources for decarbonization, while helping mitigate the risks of supply instability and price surges, and ultimately achieve carbon neutrality by 2050.

*2 Synthetic methane produced using non-fossil energy sources, such as green hydrogen, as feedstock.

Remarks from Team Members



Even before the introduction of the long-term decarbonized power source auction system, we had engaged in repeated discussions with Osaka Gas Co., Ltd., on expanding the use of renewable energy, and on increasing and advancing the use of natural gas during the transition period, as outlined in Energy Transition 2050 published in February 2025. From our perspective as well, this is a highly significant project in terms of obtaining zero-emission power sources, ensuring a stable electricity supply, and realizing carbon neutrality by 2050. We have accordingly decided to actively support and jointly promote the project.

Promoting Innovation for **the Expansion of Clean Energy**

Investments in Overseas Startups with Decarbonization Technologies

Investing in Overseas Startups with Hydrogen and Other Decarbonization Technologies

Achieving carbon neutrality will require innovation to lower the cost of decarbonization technologies—such as hydrogen and ammonia—and to drive demand.

To contribute to global carbon neutrality and help bring technological advancements back to the Japanese market, DBJ is investing in multiple overseas startups that possess advanced decarbonization technologies.

These investments include promising startups in hard-to-abate sectors, such as hydrogen-based steelmaking and e-Fuels (synthetic fuels).*

In addition, DBJ has invited overseas venture capital firms to Japan to provide knowledge-sharing and create investment opportunities in startups for clients.

* e-Fuels are liquid fuels produced using green hydrogen and carbon dioxide. They are expected to play a key role in decarbonizing hard-to-electrify industries such as aviation and transport.

Decarbonizing the Steelmaking Process

Founded in 2020, **Stegra** is a startup focused on accelerating decarbonization in the steel industry.

The company has begun construction of the world's first commercial-scale green hydrogen-based steel plant in Boden, northern Sweden, with operations scheduled to begin in 2026.

Stegra

A Global Leader in e-Fuels Made from Hydrogen and CO₂

Infinium is a pioneer in the e-Fuel sector.

The company successfully launched the world's first commercial-scale e-Fuel plant in Texas, in the United States, and is now under construction on its second plant, called Project Roadrunner.

Project Roadrunner is expected to become the world's largest e-SAF*.

INFINIUM

* SAF stands for sustainable aviation fuel. e-SAF refers specifically to SAF produced from e-Fuels.

Twelve is a leading startup in the field of e-Fuel production using CO₂ electrolysis.

While CO₂ electrolysis is technically challenging to develop, it operates at low temperatures, making it highly stable and well-suited to integration with renewable energy. The company is currently building its first commercial demonstration plant in Washington State, in the United States, with plans to begin operations in 2025.

twelve

Knowledge-Sharing on Hydrogen Technologies with Japanese Companies in Collaboration with AP Ventures

DBJ has partnered with AP Ventures LLP, a U.K.-based venture capital firm specializing in hydrogen technologies (and a recipient of DBJ investment), to host workshops in Japan. These sessions covered topics such as hydrogen production (electrolyzers), transport and storage of hydrogen, e-Fuels, CCUS (carbon capture, utilization, and storage), and DAC (direct air capture), helping Japanese companies deepen their understanding of these fields.



Group photo with members of AP Ventures

Promoting Social Implementation of New Technologies to Realize GX

Investments and loans for Sekisui Chemical Co., Ltd.’s film-type perovskite solar cell business

Special Investment

Lighting the Future with Japanese Technology: Accelerating GX with Bendable Solar Cells

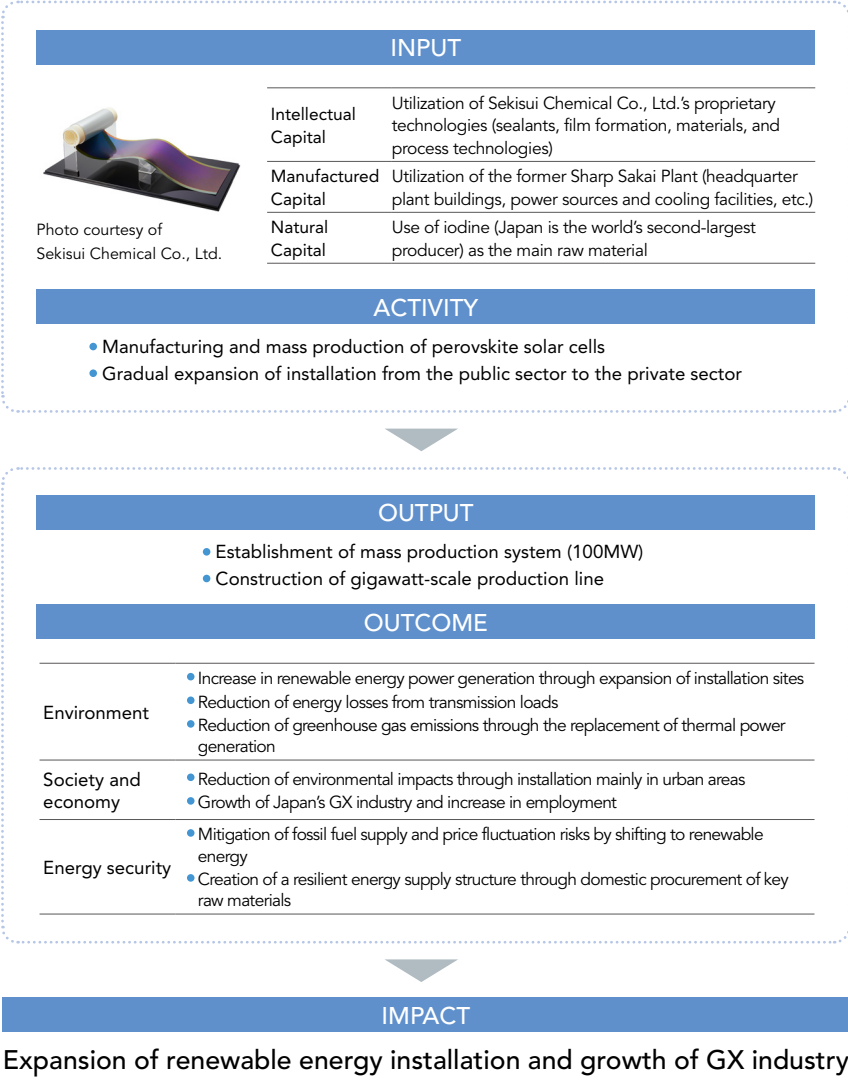
Sekisui Chemical Co., Ltd., positions perovskite solar cells as part of its innovation domain in its medium-term management plan Drive 2.0, with the aim of creating new innovations by integrating them with existing businesses. Film-type perovskite solar cells are an innovative technology that offers superior flexibility, light weight, and theoretical power generation efficiency compared with conventional silicon solar cells. Sekisui Chemical Co., Ltd., has long pursued research and development toward the social acceptance of perovskite solar cells, leveraging its strengths in existing businesses, such as sealants, film formation, materials, and process technologies. The Japanese government has also positioned perovskite solar cells as a key technology for achieving GX, selecting Sekisui Chemical Co., Ltd., in the second round of applicants for the Fiscal 2024 GX Supply Chain Construction Support Project. With this policy backing, Sekisui Chemical Co., Ltd., decided to establish Sekisui Solar Film Co., Ltd., in January 2025 and invest in facilities for the mass production and social acceptance of perovskite solar cells.

Supporting the Social Acceptance of New Technologies Through Special Investment Operations

Sekisui Solar Film Co., Ltd., will take over buildings and other facilities at Sharp Corporation’s headquarters plant in Sakai City, Osaka Prefecture, and install manufacturing equipment for perovskite solar cells. Looking ahead, the company plans to expand production and sales while aiming to build gigawatt-scale production lines. DBJ has decided to support Sekisui Solar Film Co., Ltd., through investments and loans utilizing its Special Investment Operations,* as these initiatives by Sekisui Chemical Co., Ltd., will not only strengthen its competitiveness but also contribute to achieving GX in Japan. By promoting the mass production of perovskite solar cells, we aim to contribute not only to the wider adoption of renewable energy, but also to strengthening Japan’s industrial competitiveness and ensuring its energy security.

* Utilizing the DBJ Green Investment Fund, part of Special Investment Operations

Example of Impact Measurement



Toward the Conversion to Highly Sustainable Real Estate

Joint promotion of environmentally friendly renovations to existing properties

In pursuit of carbon neutrality, the building construction and real estate sectors, which account for roughly 40% of global CO₂ emissions, are being called on to further reduce emissions. While government policies are progressing for new construction and development projects, such as phased energy-saving regulations and life-cycle emission reductions, taking action with existing properties, which make up the bulk of the market, is essential to achieving these goals. To address these challenges, the DBJ Group will leverage its integrated functions in knowledge, finance, and real estate management, working with a wide range of businesses and stakeholders to enhance property value and help build a sustainable real estate market.

Zenove: An Environmental Retrofitting Model That Balances Environmental Performance and Economic Viability

Nikken Sekkei Ltd., DBJ, and DBJ Asset Management Co., Ltd., are promoting the Zero Energy Renovation Project, or “Zenove,” with the aim of developing and popularizing an environmental retrofitting model that achieves both environmental performance and economic viability for real estate. Through a private fund established by the three companies, an environmental retrofit was carried out at the 57-year-old Nikken Building No. 1, which achieved ZEB Ready certification and is forecast to reduce annual CO₂ emissions by approximately 58% compared with a standard building of the same size. We also collaborated with the Value Management Institute, Inc., to publish a report summarizing the need for environmental retrofits of older buildings and the potential for expanding investment in this area. Zenove was awarded the Selection Committee Chair’s Prize as one of the best initiatives of fiscal 2024 under the Principles for Financial Action Towards a Sustainable Society (Principles for Financial Action for the 21st Century).



GReC: A Renovation Fund Aimed at Extending the Lifespan of Aging Rental Housing

Many aging rental properties face structural challenges, as necessary maintenance and modernization investments are not always adequately made, causing them to gradually lose value. Furthermore, recent increases in construction costs and the need for environmental considerations have heightened the importance of extending the lifespan of existing properties. Against this backdrop, in July 2024 the DBJ Group partnered with ReBITA Inc., a company with expertise in renovation, to launch and begin operating an environmentally conscious renovation fund. The fund is designed to refurbish aging rental housing into environmentally friendly properties and put them back on the market.

Remarks from Team Members



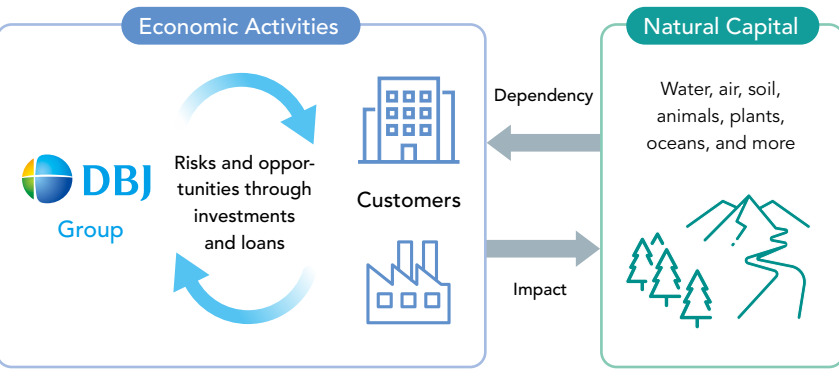
Environmental retrofits require significant outlays, making it difficult for property owners to carry them out alone. We therefore believe it is necessary to have a framework that attracts investor capital by balancing environmental retrofits with economic returns. Through Zenove, we aim to demonstrate the potential of this framework and work toward its broader adoption in the future, thereby contributing to the extended lifespan of existing properties and improved sustainability in real estate.



Photo by Takuya Furusue

Initiatives for Natural Capital and Biodiversity Toward Nature Positive

The DBJ Group recognizes that it is dependent on and impacts natural capital not only through its own activities, but also through the economic activities of its investment and loan customers. The DBJ Group seeks to identify the risks and opportunities arising from the interdependence between economic activities and natural capital, and to contribute to the transition to a nature-positive economy by supporting customer initiatives.



Examples of DBJ Group initiatives for natural capital and biodiversity

Finance		Investments in startups and funds engaged in businesses related to natural capital and biodiversity (e.g., investment in Syneco Inc., a nature tech company established by Sony Group)
Knowledge		- Provision of consulting services for customers' initiatives in natural capital and biodiversity - Publication of research reports on natural capital and biodiversity
Partnership		- Partnership agreement signed with Kagawa University for the Seto Inland Sea Restoration Project - Establishment of the Finance Alliance for Nature Positive Solutions (FANPS)

Partnering with Kagawa University to Promote Seto Inland Sea Restoration Project

The DBJ Group has signed a partnership agreement with Kagawa University to restore the Seto Inland Sea through blue carbon ecosystems, such as seaweed beds. Seaweed beds play multifaceted roles in biodiversity conservation, including serving as nurseries and spawning grounds for juvenile fish. Since Japan's period of rapid economic growth, seaweed beds in the Seto Inland Sea have continued to disappear, accompanied by a decline in fish catches. In response to this situation, Kagawa University has developed structures to create artificial seaweed beds. The DBJ Group signed a partnership agreement with Kagawa University and other stakeholders, and launched the Seto Inland Sea Restoration Project to expand the deployment of Kagawa University's seaweed bed formation technology through commercialization. The project promotes (1) feasibility studies on blue carbon commercialization, (2) the valuation of non-economic benefits, and (3) implementation of recurrent education.

This project has been strongly recognized as a symbolic initiative for restoring the Seto Inland Sea and received the Biodiversity Award at the First NIKKEI Blue Ocean Awards.

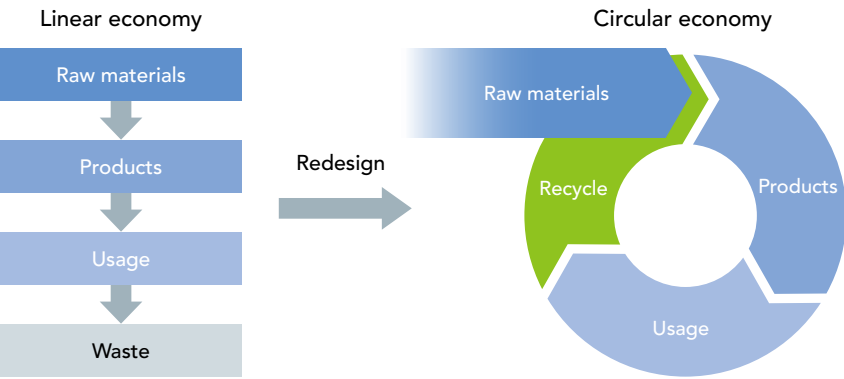


Establishment of FANPS

In February 2023, the DBJ Group, together with Sumitomo Mitsui Financial Group, Inc., MS&AD Insurance Group Holdings, Inc., and The Norinchukin Bank, established the Finance Alliance for Nature Positive Solutions (FANPS) to promote and support the nature-positive transformation of corporate activities. Its activities include publishing a catalog of solutions for nature restoration.

Initiatives to Shift to a Circular Economy

Amid growing awareness of the limitations of the traditional linear economy, which is premised on mass production, mass consumption, and mass disposal, around the world, expectations are increasingly pinned to a circular economy, which efficiently utilizes resources at every stage of a product's lifecycle, as a means of achieving a sustainable society. The DBJ Group actively supports customers' initiatives to transition toward a circular economy.



Examples of DBJ Group initiatives for a circular economy

Finance		- Investments and loans for resource circulation initiatives of customers (e.g., arranging a syndicated loan for Asaka Riken Co., Ltd.) - Equity participation in startups engaged in developing resource recycling technologies (e.g., R Plus Japan Ltd.)
Knowledge		- Provision of consulting services for the commercialization of resource circulation businesses at customers - Publishing of research reports on the circular economy
Partnership		Participation in Circular Partners, an industry-academia-government partnership on the circular economy

Regional Initiative to Realize a Circular Economy by Recycling Lithium-Ion Battery Production Waste

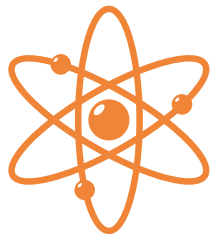
In lithium-ion battery (LiB) recycling, the focus is generally on used LiBs, but Asaka Riken Co., Ltd., is also targeting LiB production waste, such as offcuts and defective products generated during the manufacturing process, and is advancing the commercialization of production waste recycling.

LiB recycling generally consists of a preprocessing stage, where recyclable materials are extracted from the batteries via roasting, and a postprocessing stage, where rare metals are recovered from those materials. While these stages are often handled by different companies, Asaka Riken Co., Ltd., performs preprocessing in-house by pulverizing the batteries without roasting, and also carries out the post-processing stage internally. Furthermore, by applying its solvent extraction technology developed through its precious metals business, the company has created a proprietary recycling process that reduces the environmental impact of LiB recycling while achieving a high recovery rate of rare metals.

DBJ, together with regional financial institutions Joyo Bank, Ltd., and Toho Bank, Ltd., arranged a syndicated loan to provide funding for capital investment for the commercialization of the company's LiB recycling business.

Remarks from Team Members

Asaka Riken Co., Ltd.'s technical capabilities are highly regarded by automotive LiB manufacturers, and we believe the LiB recycling business being developed in Fukushima Prefecture is an extremely important initiative, contributing not only to the realization of a circular economy but also to the revitalization of local industry. We will continue to make earnest contributions to enhancing sustainability and promoting regional revitalization.



Technical Innovation and Restructuring of Industry

Initiatives to Achieve Vision 2030

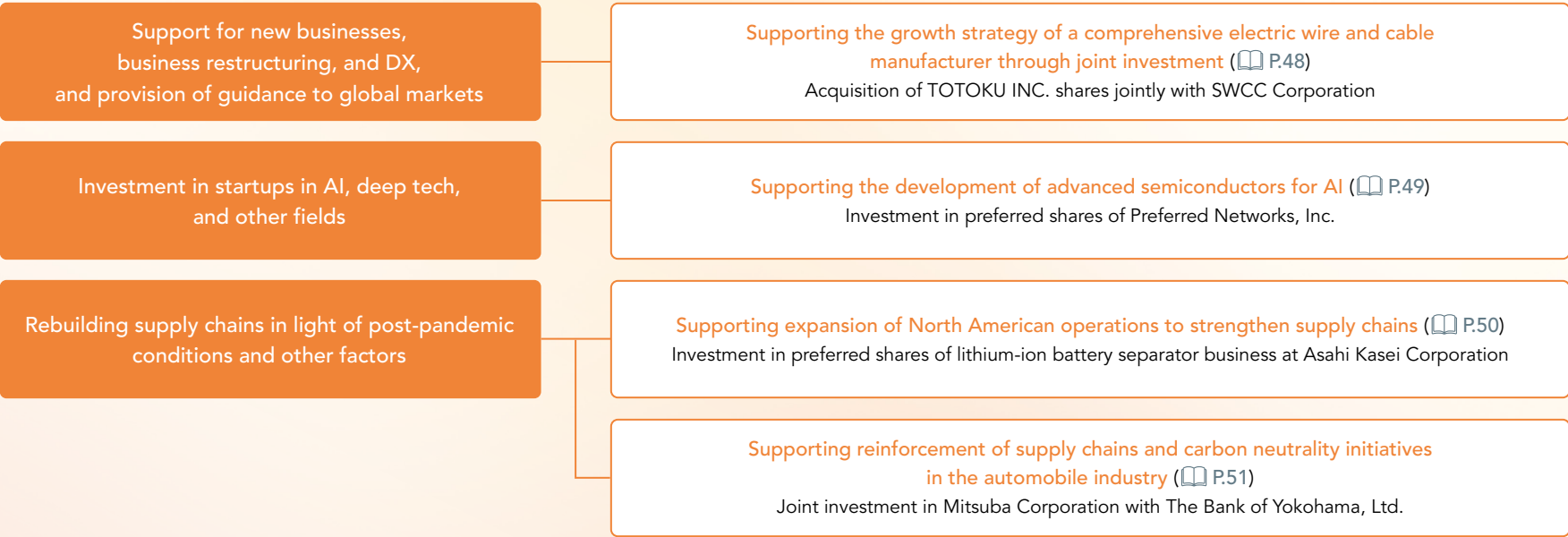
- Strengthen competitiveness of Japanese industry through innovation
 - Reorganize supply chains

Since the postwar reconstruction period, the DBJ Group has supported technological development, overseas business expansion, and restructuring across a wide range of industries, contributing to Japan’s economic growth and industrial development.

Going forward, innovation in areas such as GX and DX will be key to Japan’s sustainable economic growth, maintaining and strengthening international competitiveness, and driving the transition to a decarbonized, resource-circulating society. In view of rising geopolitical risks and the threat of large-scale natural disasters, it is also essential to reorganize and strengthen supply chains, particularly in manufacturing.

The DBJ Group will continue to actively support technological innovation and restructuring in industry.

To facilitate a full and comprehensive response to the impact of U.S. tariffs, the DBJ Group established the Special Response Office for U.S. Tariffs in April 2025, headed by President Seiji Jige.



Supporting the Growth Strategy of a Comprehensive Electric Wire and Cable Manufacturer Through Joint Investment

Acquisition of TOTOKU INC. shares jointly with SWCC Corporation

Strengthening Supply of Risk Capital to Industry

With the Strengthening and Review of the Fifth Medium-Term Management Plan, the DBJ Group has established a dedicated investment team for industry in order to reinforce efforts to supply risk capital to industry. In this context, DBJ acquired shares of TOTOKU INC., a specialty electric wire manufacturer, jointly with SWCC Corporation, a comprehensive electric wire and cable manufacturer.

Supporting SWCC Corporation’s Growth Strategy Through Joint Investment

SWCC Corporation manufactures and sells electrical wires, cables, and other products in a wide range of fields, including power infrastructure, mobility, and high-speed communications infrastructure. In addition to deepening its infrastructure business, the company has identified business expansion in growth markets, such as mobility and semiconductor-related fields, as part of its growth strategy. In line with this strategy, the company acquired shares of TOTOKU INC. in coordination

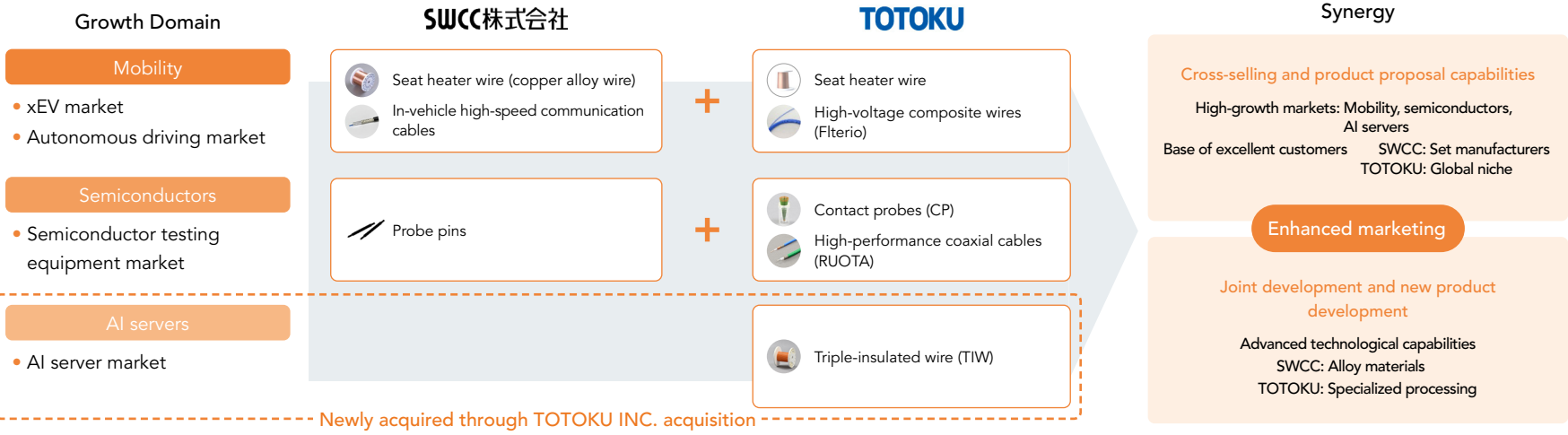
with the DBJ Group. TOTOKU INC. has identified semiconductor testing equipment, mobility, and AI servers as growth areas, and possesses a portfolio of products with strong competitive advantages based on proprietary technology and know-how that enables thinner, lighter, and smaller designs, and is likely to see strong growth going forward.

The acquisition of TOTOKU INC.’s shares by SWCC Corporation should lead to the creation of new value through the integration of both companies’ technologies and enhance its competitiveness in growth areas, such as mobility and semiconductors.

Strengthening Japan’s Industrial Competitiveness Through the Provision of Growth Capital

The DBJ Group supported this initiative with a joint investment through Special Investment Operations, with the understanding that it would contribute to not only strengthening the competitiveness of SWCC Corporation and TOTOKU INC., but also enhancing Japan’s industrial competitiveness.

Special Investment



Supporting the Development of Advanced Semiconductors for AI Investment in preferred shares of Preferred Networks, Inc.

Special Investment

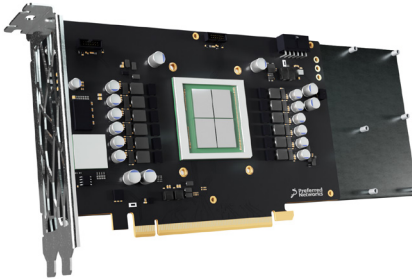
Development and Social Acceptance of Domestically Produced AI Semiconductors by a Japan-Based AI Startup

Advances in AI technologies, including generative AI, are accelerating productivity gains and driving innovation across society. At the same time, securing AI semiconductors as computational resources and the sharp increase in power consumption by data centers have become major social issues. In this environment, Preferred Networks, Inc., a Japan-based AI startup, is developing its proprietary MN-Core™ series of AI semiconductors, which combine high computational efficiency with high power efficiency. These semiconductors are optimized for AI training and inference phases, delivering high processing performance with low power consumption. They are therefore expected to make a significant contribution to addressing these social issues. Going forward, the company aims to promote the social uptake of AI technologies from both the software and hardware sides by continuing its core business of AI solution development while advancing the development of low-power AI semiconductors and proprietary large language models (LLMs).

Supporting Development Through the Provision of Growth Capital

To support the company’s plans to further expand its AI semiconductor business and strengthen its next-generation AI semiconductor development and sales structure, DBJ provided a portion of the growth capital through an investment in preferred shares through its Special Investment Operations.* DBJ will continue to work with Preferred Networks, Inc., to address social issues by providing multifaceted support that goes beyond financial assistance, while collaborating with stakeholders.

* Utilizing the DBJ Supply Chain and Infrastructure Fund, a part of Special Investment Operations



Accelerating Development of the MN-Core L1000 Inference AI Semiconductor

Rising power consumption has become a social challenge in generative AI, in terms of both inference (use) and training (model development). Since inference to generate text and images requires loading and computing massive amounts of data, memory capacity and speed have been bottlenecks for existing AI semiconductors, resulting in increased power consumption and processing times as inference demand grows. To address these challenges, Preferred Networks, Inc., is focusing resources on developing the MN-Core L1000 inference AI semiconductor, which optimizes processing efficiency with a proprietary architecture. Broad adoption of this high-speed, low-power chip would reduce power consumption in inference tasks while further advancing the use of AI.

Remarks from Team Members

We consider pursuing the domestic production of AI semiconductors, which is currently dominated by overseas players, to be highly meaningful in the context of expanding domestic use cases of advanced semiconductors and for economic security. The DBJ Group will contribute in earnest to Preferred Networks, Inc.’s further business growth and to the domestic production of AI semiconductors.

Supporting Expansion of North American Operations to **Strengthen Supply Chains**

Investment in preferred shares of lithium-ion battery separator business at Asahi Kasei Corporation

Special Investment

Launch of Asahi Kasei's Battery Separators

A lithium-ion battery (LiB) separator is a porous membrane that allows lithium ions to pass through while preventing short circuits, serving as a core component for ensuring LiB safety. With the global movement toward carbon neutrality likely to drive rapid growth in demand for automotive separators, alongside the expansion of the electric vehicle market in North America, Asahi Kasei Corporation decided in April 2024 to establish a manufacturing base in Canada, and in October of the same year, launched Asahi Kasei Battery Separator Corporation, which took over the HIPORE™ LiB separator business.

Providing Risk Capital for Asahi Kasei's Large-Scale Investment

Asahi Kasei Corporation has declared its mission is to reliably meet the growing demand for automotive separators in North America. DBJ determined that this initiative by Asahi Kasei Corporation would help strengthen the supply capacity of LiB components, which are vital materials for Japan, and therefore made an investment in preferred shares through Special Investment Operations.* DBJ is supporting Asahi Kasei Corporation's mission by providing risk capital for part of the investment funds it needed to establish the manufacturing base in Canada.

* Utilizing the DBJ Supply Chain and Infrastructure Fund, a part of its Special Investment Operations



Helping to Address Social Issues Through Strengthening the Storage Battery Supply Chain

In the storage battery industry strategy announced by the Ministry of Economy, Trade and Industry, storage batteries are positioned as key to achieving carbon neutrality by 2050. By supporting Asahi Kasei Corporation, which possesses advanced technological capabilities, in its efforts to expand production capacity for storage battery separators in Japan and overseas, DBJ will help strengthen the storage battery supply chain and ultimately contribute to the attainment of carbon neutrality globally.

Remarks from Team Members



When Asahi Kasei Corporation decided to undertake this large-scale investment, building on over 40 years of history in the separator business, we engaged in more than a year of thorough discussions to determine the most effective form of support, which ultimately led to the execution of this investment. We hope that this initiative, viewed from a medium- to long-term perspective, will contribute to Asahi Kasei Corporation's growth, strengthen its supply chain, and support the realization of carbon neutrality globally.

Supporting **Reinforcement of Supply Chains** and **Carbon Neutrality Initiatives** in the Automobile Industry

Joint investment in Mitsuba Corporation with The Bank of Yokohama, Ltd.

Special Investment

Automobile Industry at a Turning Point for Supply Chain Transformation

Mitsuba Corporation, headquartered in Kiryu City, Gunma Prefecture, is an automotive parts supplier specializing in small motors for four-wheeled and two-wheeled vehicles. Leveraging its advanced technological capabilities and responsiveness to customer needs, it has long maintained a unique position in the industry. The automobile industry, to which the company belongs, had been adversely affected by the COVID-19 pandemic and semiconductor supply constraints. The industry is now at a major turning point in which automakers and suppliers must restructure their supply chains, with a focus on vehicle electrification in both domestic and global markets. In response to this situation, Mitsuba Corporation required growth investment through risk capital.

Providing Risk Capital Jointly with The Bank of Yokohama, Ltd., to Support Supply Chain Restructuring

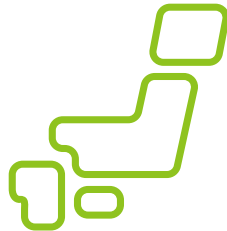
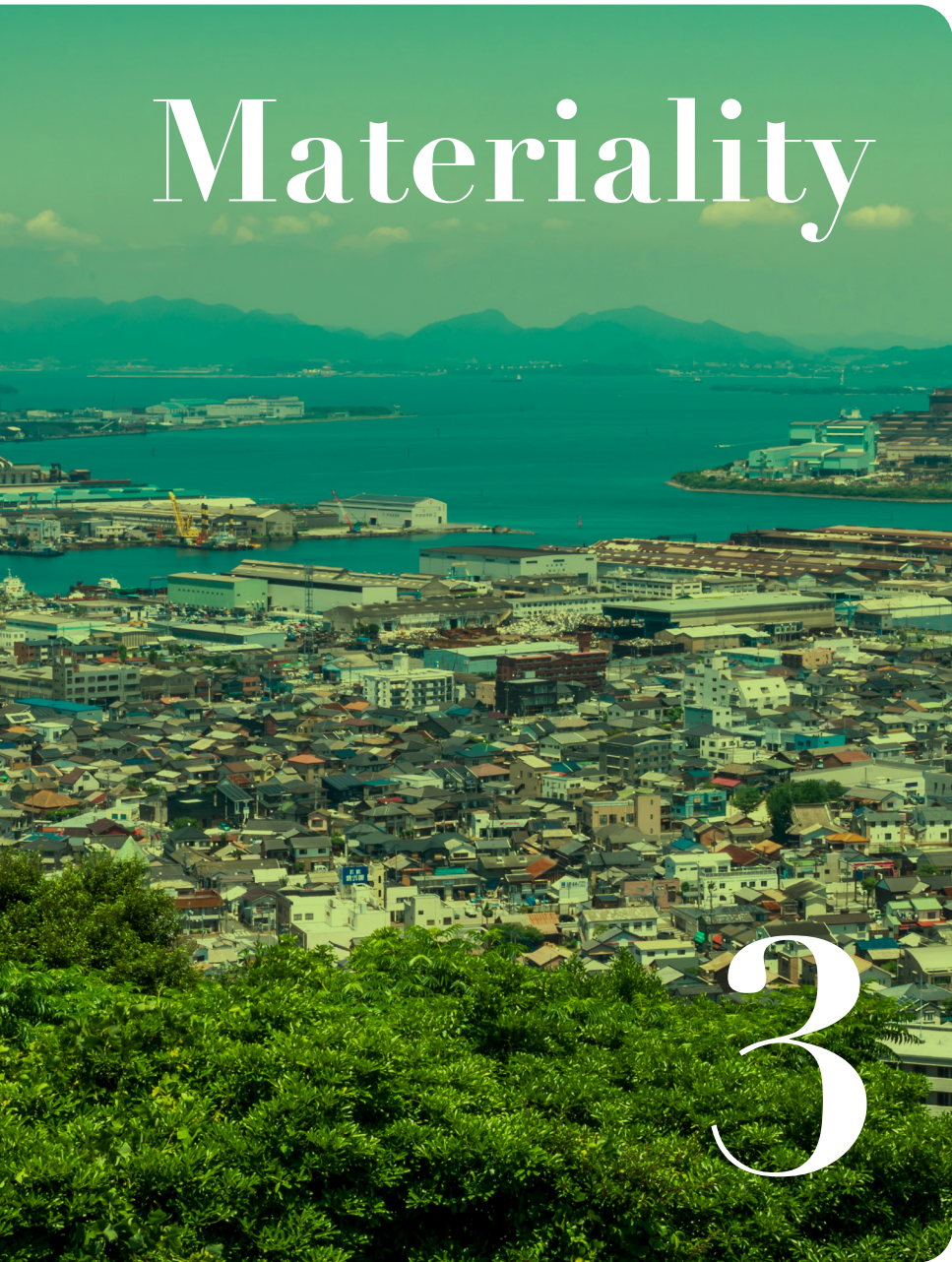
To support the company's restructuring of supply chains in the automobile industry and the promotion of carbon neutrality through electrification, DBJ executed a preferred share investment under its Special Investment Operations,* jointly with The Bank of Yokohama, Ltd., which has long served as Mitsuba Corporation's main bank. This will enable the company to maintain financial soundness and advance electrification for two-wheeled and four-wheeled vehicles under its medium-term management plan, while also aiming to expand orders in the electric vehicle market, including overseas markets. DBJ will continue to support the company's efforts to restructure its supply chain through the provision of risk capital and other means.

* Utilizing the DBJ Green Investment Promotion Fund, a part of its Special Investment Operations

Remarks from Team Members



Mitsuba Corporation plays an indispensable role in the automobile industry supply chain and supports local jobs, making it important both industrially and regionally. The environment surrounding the automotive industry has changed significantly in recent years, compelling companies to adapt. Through discussions on sustainability management, DBJ engaged in multi-layered dialogues with Mitsuba Corporation, from top management to departmental representatives, gaining a deeper understanding of the company's management challenges. As a result of these dialogues, we decided to make this investment in preferred shares with the aim of helping Mitsuba Corporation transition to a growth stage. Going forward, we intend to contribute further to Mitsuba Corporation's growth by leveraging the DBJ Group's wide range of solutions that go beyond financing.



Regional Revitalization Utilizing Untapped Potential

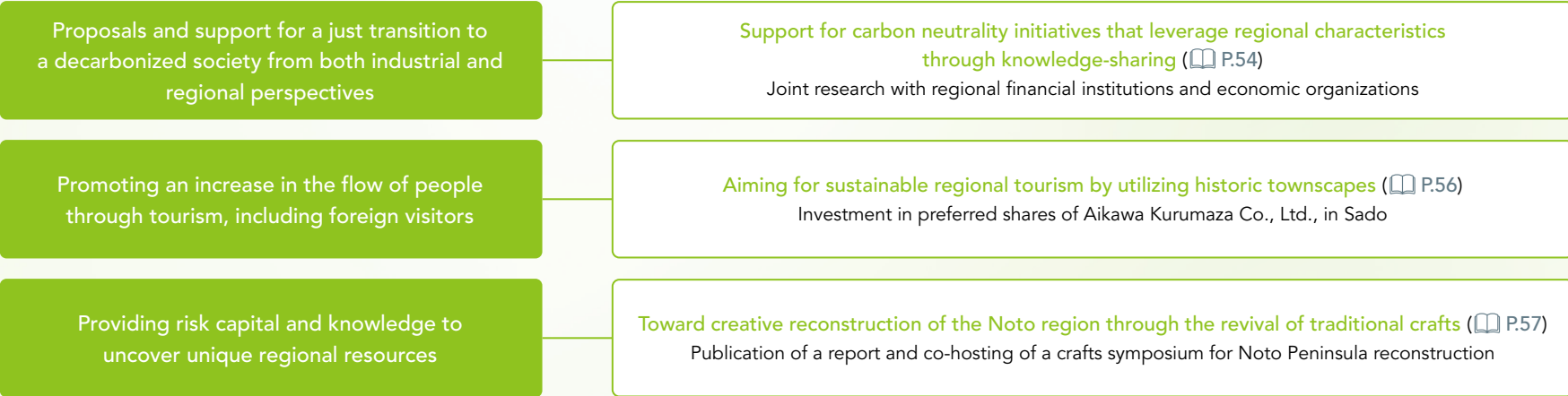
Initiatives to Achieve Vision 2030

- Just transition of regions
- Response to population decline

DBJ has established 10 branches and eight representative offices, mainly in government-designated cities, stretching from Hokkaido to Kagoshima, to support local economic initiatives while collaborating with regional financial institutions.

As Japan faces rapid population decline and aging, realizing sustainable development in regional economies will require each region to make the most of its unique local resources. The transition to a decarbonized society is likely to bring major changes to industrial structures, and each region will also be called upon to ensure a just transition.

The DBJ Group will continue to actively support regional revitalization that harnesses local potential in collaboration with diverse stakeholders.



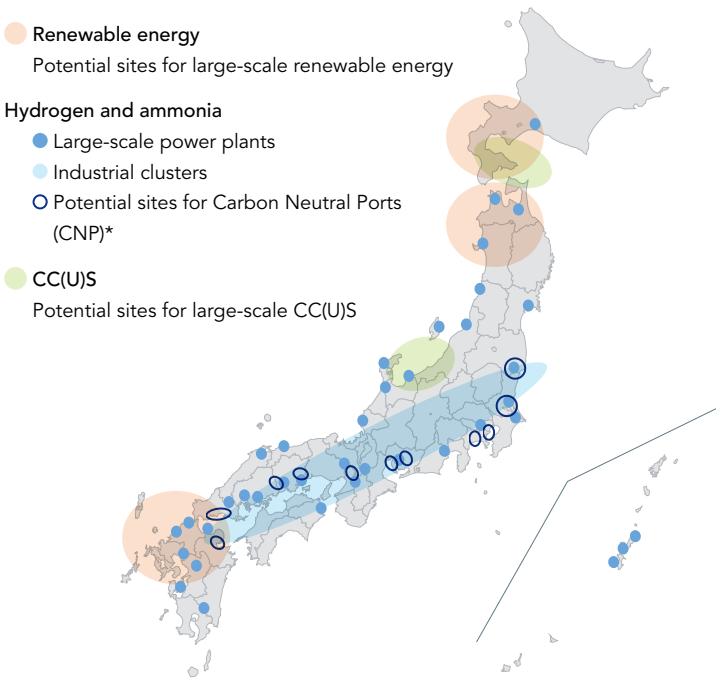
Support for Carbon Neutrality Initiatives That Leverage Regional Characteristics Through Knowledge-Sharing

Joint research with regional financial institutions and economic organizations

Carbon Neutrality Research Conducted in Collaboration with Regional Financial Institutions

Publication of Recommendation Reports for Transition of Regions

While efforts in the three major metropolitan areas are leading the way toward achieving carbon neutrality (CN) by 2050, decarbonization in other regions is also essential. With this understanding, in June 2023 the DBJ Group published Regions × Transition: Wide-Area Strategies Centered on Energy and Related Industries as a recommendation report. This report noted that renewable energy, hydrogen/ammonia, and CC(U)S are key to achieving CN, and recommended that transitions be tailored to the industrial structures and energy supply-demand characteristics of each region, while highlighting three model areas, Kita-Kyushu, Tomakomai/Muroran, and Niigata, as examples.



* CNP: A port with net zero CO₂ emissions, with decarbonized port facilities (such as cranes), and functions as a receiving hub for hydrogen, fuel ammonia, and other fuels, contributing to the decarbonization of nearby power plants and industrial complexes

Carbon Neutrality Research Conducted in Collaboration with Regional Financial Institutions

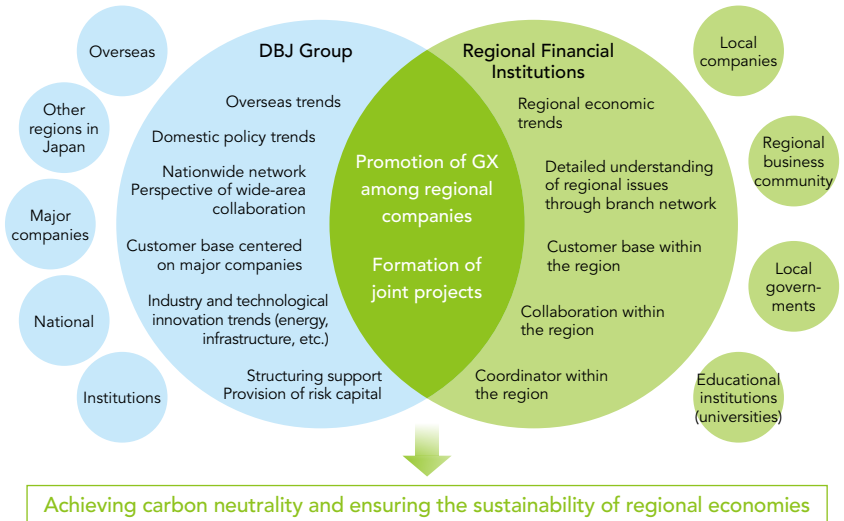
To build on the June 2023 recommendation report, we have published reports on in-depth studies of individual regions in collaboration with several regional financial institutions. Studies have been conducted so far in Oita Prefecture, Shimane Prefecture, Tottori Prefecture, Gunma Prefecture, Ibaraki Prefecture, and Tochigi Prefecture.

While the June 2023 recommendation report focused on decarbonization methods, the joint studies with regional financial institutions provide detailed analyses of each region's industrial structure and energy consumers, and explore roadmaps toward CN for each region.

Completed surveys of trends in carbon neutrality

Regional financial institutions	Surveyed areas	Publication date
 めぶきフィナンシャルグループ 常陽銀行 足利銀行	Northern Kanto region (Ibaraki and Tochigi prefectures)	April 2025
 群馬銀行	Gunma Prefecture	March 2025
 ごうぎん	Sanin region (Shimane and Tottori prefectures)	March 2025
 感動を、シェアしたい。 大分銀行	Oita Prefecture	March 2024

The DBJ Group and regional financial institutions each have distinct strengths and networks, and by working together, they promote initiatives to achieve carbon neutrality in regions.



Remarks from Team Members



Through joint studies with regional financial institutions, we clarified the path toward achieving CN in the region and the challenges that must be overcome. We will leverage these insights to further deepen collaboration with regional financial institutions, local governments, and others, and take on projects aimed at achieving CN.

Support for the Formulation of Policy Proposals by the Chugoku Economic Federation

The DBJ Group supports wide-area initiatives to achieve carbon neutrality (CN), and a concrete example of this is its joint study with the Chugoku Economic Federation (Chugoku Keiren). The Chugoku region is one of Japan's leading heavy industry areas, with a concentration of core industries that include steel, oil, chemicals, and thermal power generation. While these industries have supported Japan's economic growth, they also face difficult challenges in achieving CN. Therefore, since fiscal 2021, the DBJ Group has been working with Chugoku Keiren to conduct a CN study for the entire Chugoku region. Chugoku Keiren established the Chugoku Region Carbon Neutral Promotion Council (CN Promotion Council) and several subcommittees to create forums for discussion among diverse regional stakeholders, while the DBJ Group conducted the underlying research, analyzing in detail the Chugoku region's greenhouse gas (GHG) emission sources, energy consumption structure, and the applicability of existing technologies for fuel conversion.

Based on these studies and discussions at the CN Promotion Council, in November 2024, Chugoku Keiren published the Policy Proposal for Building a Sustainable Supply Chain to Expand the Adoption of Carbon Neutral Fuels and submitted requests to the national government.

Message from the Chugoku Economic Federation

The Chugoku region has supported economic growth as one of Japan's primary heavy industry areas, but its characteristics, such as scattered industrial complexes and widely distributed hilly and mountainous areas, pose many challenges in building supply chains for achieving carbon neutrality.

In light of this, working with the DBJ Group, we conducted detailed studies on the current status and future outlook of GHG emission sources and energy structure, which helped highlight the challenges the region faces in achieving carbon neutrality and the measures to address them. This has become a significant foundation for future discussions and policy proposals.



Aiming for Sustainable Regional Tourism by Utilizing Historic Townscapes

Investment in preferred shares of Aikawa Kurumaza Co., Ltd., in Sado

Special Investment

Support for Community Development Project Utilizing Traditional Townhouse Hotels Through Investment in Preferred Shares

Under its Specified Investment Operations, the DBJ Group made an investment in preferred shares of Aikawa Kurumaza Co., Ltd., which is developing a community project utilizing traditional townhouse hotels in the Aikawa district of Sado City, located at the foot of the Sado Gold Mine. Aikawa Kurumaza Co., Ltd., was established in 2022 as the first project under a public-private four-party partnership agreement among Sado City, the Sado Tourism Organization, The Niigata Nippo, and NOTE Co., Ltd., aimed at revitalizing the Sado region. At the core of this project, decentralized area development involves renovating multiple traditional townhouses into facilities such as a reception building, guest rooms, and dining halls, treating the entire town as a single hotel to promote area-wide community building. As this was an advanced and challenging project with few precedents, the DBJ Group provided risk capital for the project and worked closely with lending financial institutions, contributing to revitalizing regional tourism that utilizes historical townscapes.

Support Through Knowledge of Decentralized Development and Tourist Flow Data

Over the course of several years, the DBJ Group has assessed potential growth in tourism demand following the registration of the Sado Gold Mine as a World Heritage site, conducting research and analysis in collaboration with the Japan Economic Research Institute Inc. and DBJ Digital Solutions Co., Ltd. Specifically, the DBJ Group supported the project not only by supplying risk capital, but also on the knowledge front by issuing reports with recommendations on utilizing the Sado Gold Mine, conducting a domestic case study on decentralized area development, and publishing a big data-based survey on the actual state of tourism in Sado.



Remarks from Team Members



DBJ representatives and President Amemiya of Aikawa Kurumaza Co., Ltd. (second from the right)

Since the hotel's opening in July 2024, this project has attracted attention from all over. The achievement of sustainable tourism utilizing the historical townscape across the region has been highly acclaimed, with the project being selected for TIME magazine's The World's Greatest Places of 2025. Going forward, our team will continue striving to promote sustainable tourism and expand the flow of people as part of our efforts toward regional revitalization.

Toward Creative Reconstruction of the Noto Region Through the Revival of Traditional Crafts

Publication of a report and co-hosting of a crafts symposium for Noto Peninsula reconstruction

Recommendations for Creative Reconstruction Following the 2024 Noto Peninsula Earthquake: Passing on Noto's Charm to Future Generations

The DBJ Group has published a report titled Reconstruction from the 2024 Noto Peninsula Earthquake aimed at supporting the creative reconstruction of the Noto region. The report outlines a direction for reconstruction based on lessons from past disasters, such as the Great East Japan Earthquake, and the characteristics of the Noto region, recommending the rebuilding of regional strengths and features by incorporating global trends and restoring the region's earnings capabilities through the revitalization of industry and tourism as a path toward sustainable recovery. On the industrial side, it emphasizes the importance of creating a symbol of reconstruction through a problem-solving approach to the revitalization of *Wajima nuri*, a well-known lacquerware from the region, and proposes establishing a *Wajima-nuri* Revival Company. For tourism revitalization, it proposes branding through new forms of tourism, utilizing DMOs, and introducing a sustainable framework through the implementation of an accommodation tax.

Launch of the Young Talent Development Project to Foster the Next Generation of *Wajima-nuri* Artisans Through Collaboration Among Government, Private Sector, and Production Areas

In Ishikawa Prefecture, the government, private sector, and local producers are working together on a young talent development project to support the recovery of *Wajima nuri*, which was severely impacted by the Noto Peninsula earthquake and heavy rains. In the first half of fiscal 2025, a basic concept drafting committee was convened with participants from Ishikawa Prefecture, Wajima City, the Ministry of Economy, Trade and Industry, the Agency for Cultural Affairs, The Yomiuri Shimbun, The Hokkoku Shimbun, the Wajima Lacquerware Industrial Cooperative, and DBJ. This project aims to establish a facility that will not only teach mass production techniques for *Wajima nuri*, but also develop human resources capable of product planning, development, and overseas market expansion, with the goal of opening in 2027. DBJ is also participating in this project, undertaking initiatives to support the recovery of *Wajima nuri*.

DBJ Group United in Supporting Traditional Crafts and Hosting a Symposium to Support the Craft Industry

To date, DBJ and the Japan Economic Research Institute Inc. have been conducting research on the craft industry. Furthermore, DBJ has signed a cooperation agreement with The Yomiuri Shimbun called "Action! Traditional Culture" and, together with the Japan Craft Production Areas Association, has co-hosted a craft symposium inviting stakeholders from *Wajima nuri*, jointly promoting initiatives to revitalize traditional crafts. The DBJ Group will continue to support traditional crafts, including the revival of *Wajima nuri*.



Exhibited at Expo 2025 Osaka, Kansai: Large *Wajima-nuri* globe "Earth at Night" (courtesy of the Wajima Museum of Urushi Art, Ishikawa Prefecture)



Creation of Markets and Safety Nets in the Finance Sector

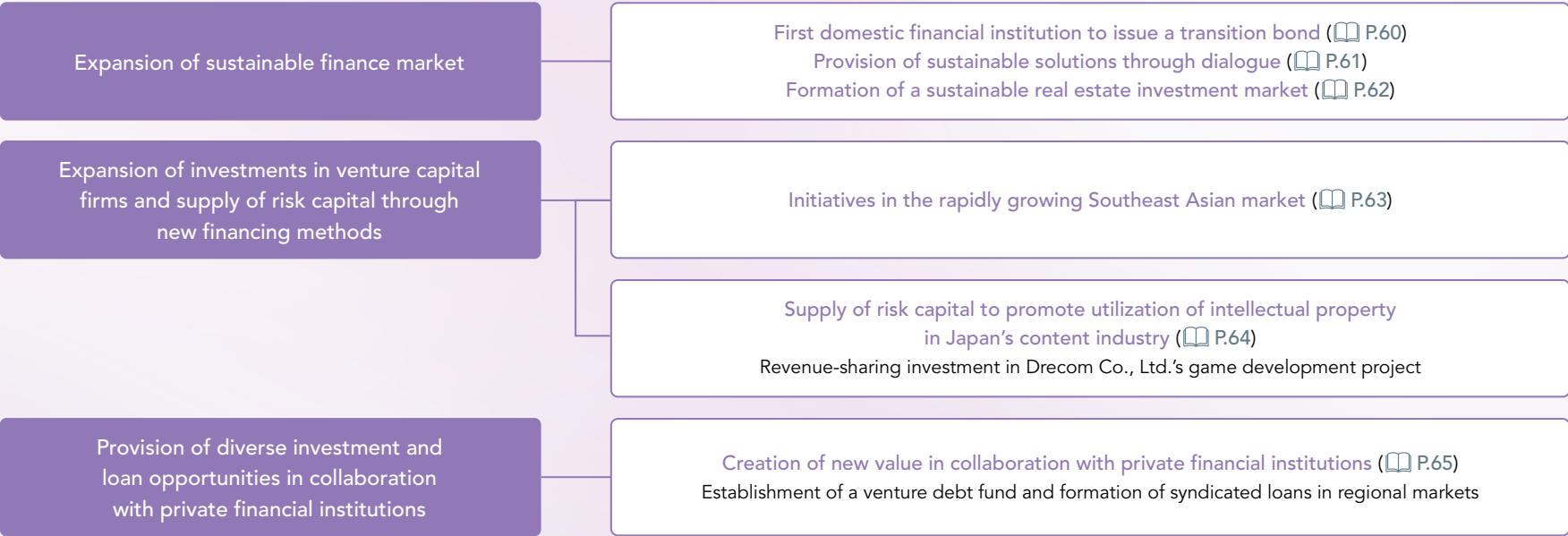
Initiatives to Achieve Vision 2030

- Expand frontiers of financial markets
 - Exercise stabilizer function

The DBJ Group has developed and promoted the use of new financing methods, such as project financing, PFI/PPP, and business revitalization financing. It has also led the development of the sustainable finance market by creating the world’s first Environmentally Rated Loan Program and issuing the first green bond by a Japanese issuer.

To promote the development of the risk capital market, DBJ actively invests in venture funds and private equity funds, and appropriately implements its Crisis Response Operations in times of crisis, such as disruptions in domestic or overseas financial markets or large-scale disasters.

The DBJ Group will continue to contribute to market creation in the financial sector while serving as a safety net in times of crisis.



First Domestic Financial Institution to Issue a Transition Bond

ESG Initiatives in Fundraising

In fiscal 2014, DBJ became the first Japanese issuer to issue a green bond, and since fiscal 2015, DBJ has issued sustainability bonds every year. As of fiscal 2024, DBJ is the only Japanese issuer to have issued sustainability bonds for 11 consecutive years. In addition, DBJ became the first domestic financial institution to issue a transition bond in fiscal 2024.

Overview and Purpose of Transition Bond Issuance

Transition Bonds are bonds issued as a form of sustainable financing by issuers considering action on climate change risk. They are issued based on the reliability of the issuer’s long-term strategy and practices, if the issuer has set targets consistent with the Paris Agreement and is implementing efforts to reduce greenhouse gas emissions in accordance with a long-term strategy in order to achieve a decarbonized society. In Japan, the government and private sector are working together on green transformation (GX) investments, including utilization of the world’s first

Overview of Transition Bond Issuance

Series Number	Issue Date	Issue Amount	Tenor
190th unsecured corporate bond (1st Transition bond)	August 19, 2024	¥10.0 billion	Five years

government-issued climate transition bonds. The transition finance market is projected to grow as a funding platform to meet increasing demand from growing transition businesses.

Funds raised by DBJ through transition bonds are allocated to transition loans or transition-linked loans. Through the issuance of transition bonds, DBJ aims to promote decarbonization across society, support customer growth, and achieve net zero GHG emissions by 2050.

Remarks from Team Members

We spent nearly two years preparing for the issuance of our 1st transition bond, including the development of a framework in line with International Capital Market Association (ICMA) guidelines and coordination with external stakeholders, such as third-party institutions that evaluated the framework. Although increased volatility in financial markets created challenging conditions for bonds right before the issuance, thanks to the support of joint lead managers and investors, we were able to issue the transition bonds as planned. The issuance was covered by multiple media outlets and generated many inquiries from investors, and as the project team, we felt that we were able to make a contribution to the growth of the transition finance market.



Provision of Sustainable Solutions Through Dialogue

For companies to achieve sustainable growth, they must incorporate changes in the business environment into their management strategies and properly address sustainability-related issues. We believe that dialogue with stakeholders is a vital part of this process. DBJ helps customers achieve sustainable growth by providing sustainable solutions with an emphasis on dialogue.

DBJ Sustainability Evaluation Certification Program

DBJ offers a menu of financing options based on the nonfinancial information of companies screened with DBJ’s proprietary systems. Having launched the world’s first Environmentally Rated Loan Program in 2004, DBJ introduced the BCM Rated Loan Program in 2006 and the Employees’ Health Management Rated Loan Program in 2012.

The most important feature of these programs is the evaluation process, which emphasizes direct dialogue with customers. We engage in conversations with clients about their initiatives to fill in gaps around publicly available information. Once the evaluations are complete, DBJ provides clients with feedback on the results, using this as an opportunity to point out issues that need to be addressed and help management step up their practices.



DBJ Sustainability Linked Loans with Engagement Dialogue

The DBJ Sustainability Linked Loans with Engagement Dialogue is a financial product aimed at facilitating the sustainable growth of both the borrower and society, providing incentives by linking loan conditions to the borrower’s achievement of goals based on their sustainability strategy.

A key feature of this financial offering is the process whereby DBJ, as the lender, supports borrowers (customers) in achieving their sustainability management goals through engagement via regular dialogue. While deepening this dialogue, DBJ provides support through capital and knowledge to help customers reach a more sophisticated level of sustainability management.

Examples Region × Sustainable Finance

1 BCM Rated Loan Program for Enshu Railway Co., Ltd.

Enshu Railway Co., Ltd., a railway and bus operator based in Hamamatsu, Shizuoka Prefecture, is the core company of the Entetsu Group, which operates businesses



across a diverse range of fields as part of a comprehensive lifestyle industry that supports the daily lives of the local residents. Through engagement via the BCM Rated Loan Program, DBJ is helping the company strengthen its crisis response capabilities, while contributing to the sustainable development of the entire region.

2 Contribution to Syndication of a Sustainability-Linked Loan for Sankyo Tateyama, Inc.



Sankyo Tateyama, Inc., an aluminum extrusion manufacturer headquartered in Takaoka, Toyama Prefecture, is focusing as a unified group on tackling climate change and making effective use of resources under its vision for sustainable and fulfilling lifestyles through environmental technologies. DBJ helped arrange the sustainability-linked loan to support the group in reducing greenhouse gas emissions through financial measures.

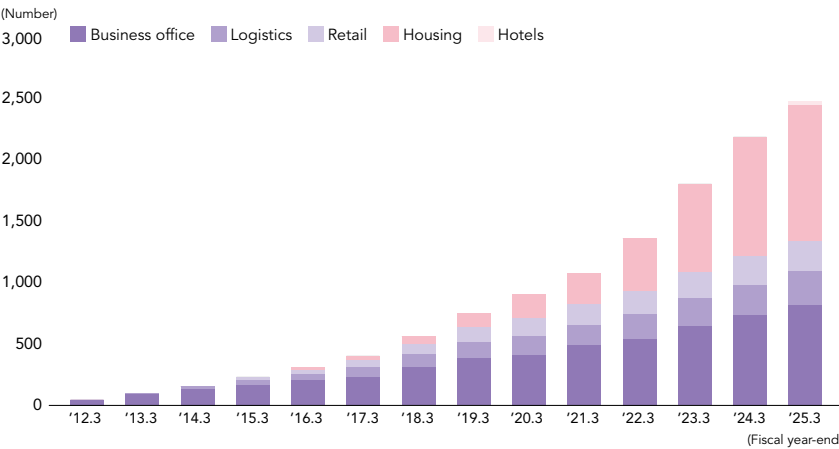
Formation of a Sustainable Real Estate Investment Market

To further promote environmentally and socially conscious real estate, it is necessary to develop and energize an investment environment where capital can be efficiently steered toward this type of real estate. The DBJ Group leverages its diverse networks of real estate developers, financial institutions, asset managers, and rating agencies to advance efforts to reflect environmental and social initiatives in the economic value of real estate. By serving as a bridge between the real estate sector and financial markets, the DBJ Group contributes to the healthy development of the real estate investment market and the creation of a sustainable urban infrastructure.

DBJ Green Building Certification

The DBJ Green Building Certification, established in 2011, supports the development of a real estate market that emphasizes environmental and social considerations. In addition to evaluating the environmental performance of a property, it assesses and certifies properties from a long-term perspective based on factors such as disaster preparedness and the promotion of tenant well-being.

Since 2014, DBJ has operated this program jointly with the Japan Real Estate Institute to ensure transparency in evaluations, expand the scope of eligible assets, and promote adoption of the certification. To date, more than 2,400 properties owned by a wide range of companies have received certification. To strengthen engagement, DBJ also continuously updates its evaluation criteria in reflection of global trends and evolving needs related to real estate.



DBJ Green Building

Real Estate ESG Seminar

Since 2015, DBJ has held the Real Estate ESG Seminar in collaboration with CSR Design Green Investment Advisory, Co., Ltd., the Association for Real Estate Securitization, the Japan Real Estate Institute, and the Environment & Real Estate Working Group of the Principles for Financial Action for the 21st Century.

As sustainability initiatives accelerate across industries, the scope of efforts and responsibilities are also expanding rapidly in the real estate sector. In particular, measuring environmental value throughout the entire life cycle of a building has become essential to achieving decarbonization, along with visualizing the comprehensive value of real estate, including initiatives on the social front. The 10th Real Estate ESG Seminar, “Visualization and Materialization of Future Real Estate Value,” was held in fiscal 2024, featuring speeches and case studies by industry leaders engaged in frontier initiatives. It was attended by more than 600 participants, including real estate companies and institutional investors. The DBJ Group will continue to share knowledge with diverse stakeholders involved in the real estate sector and contribute to the advancement of real estate sustainability.



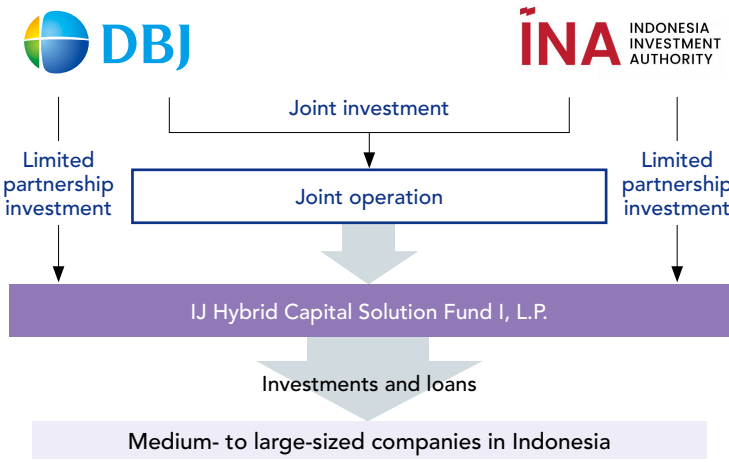
Initiatives in the Rapidly Growing Southeast Asian Market

Establishment of a Joint Fund with Indonesia Investment Authority

Over the past 15 years, the DBJ Group has engaged in investment and loan activities in Southeast Asia, deepening collaboration with Japanese financial institutions, local companies, and investment funds, helping Japanese companies expand into this region while tapping into the region’s economic growth.

In February 2025, DBJ jointly established IJ Hybrid Capital Solution Fund I, L.P., with the Indonesia Investment Authority (INA), a state-owned investment company, to primarily provide financing to mid-tier and major Indonesian companies. The fund provides hybrid financing that combines features of both equity and debt, flexibly meeting the increasingly diverse funding needs of Indonesian companies, contributing to the country’s economic development, and creating investment opportunities for Japanese companies by leveraging networks with leading Indonesian firms.

Through collaboration with local partners, including this fund, the DBJ Group will continue to support Japanese companies seeking to expand operations in Southeast Asian markets, which are likely to see further growth.



Remarks from Team Members



At the time of the fund’s establishment, we met in Jakarta with Indonesia’s finance minister Sri Mulyani Indrawati, who also serves as an advisor to INA, and constructively discussed expectations for strengthening collaboration between companies in both countries through the fund’s activities. We are committed to living up to these expectations and will continue serving as a bridge between Southeast Asia and Japan.

Investment in Southeast Asia TNB Aura Fund

DBJ Capital Co., Ltd., invested in TNB Aura Fund 3 VCC, a venture capital fund that targets early-stage startups in Southeast Asia.

Based in Singapore, the fund invests mainly in B-to-B, B-to-C, and deep-tech sectors in major ASEAN countries. TNB Aura is distinguished by its proactive sourcing based on proprietary research, including analysis of global unicorns, enabling lead investments in promising startups. Through collaboration with TNB Aura via this fund investment, DBJ Capital Co., Ltd., gains access to investment opportunities in rapidly growing Southeast Asian startups while also fostering collaboration between local startup ecosystems and Japanese companies, with the end objective of strengthening Japan’s industrial competitiveness through innovation.

Supply of Risk Capital to Promote Utilization of Intellectual Property in Japan's Content Industry

Revenue-sharing investment in Drecom Co., Ltd.'s game development project

Special Investment

Attracting Financial Investors to the Content Industry

In Japan's content industry, funding has traditionally been procured through the production committee model, in which a number of companies agree to share risks. In recent years, however, international competition for investing in the creation, nurturing, and monetization of popular intellectual property (IP) has intensified, raising challenges in terms of both funding and risk. Amid growing calls from the Japanese government and industry that attracting financial investors is key, DBJ explored the role it could play as an investor and decided to invest in Drecom Co., Ltd., to support its IP strategy.

Initiatives at Drecom Co., Ltd.

Drecom Co., Ltd., develops and operates mobile games utilizing IP, and is currently transitioning into an entertainment content company centered on IP. Its mobile game Wizardry Variants Daphne is the latest installment in its Wizardry* series, for which Drecom Co., Ltd., holds trademark rights both domestically and internationally. The Wizardry series is at the core of the company's IP strategy, including cross-media development, such as publishing. Drecom Co., Ltd., also plans to actively expand the game overseas by leveraging the international recognition of the Wizardry IP, thereby contributing to the Japanese government's goal of expanding overseas sales in the content industry. At the same time, like other mobile game companies, Drecom Co., Ltd., faces the industry-wide challenge of rising development costs and risks, and had been seeking to collaborate with financial investors.



* Wizardry is a role-playing game (RPG) series, first released in the United States in 1981, that continues to enjoy enduring popularity worldwide.

Execution of Revenue-Sharing Investment by DBJ

This investment executed by DBJ was used for part of the funding for developing the game. To mitigate Drecom Co., Ltd.'s investment risk in this project, the deal was designed so that DBJ's return on the investment is linked to revenues from the game. The financing method is structured on a non-recourse basis, isolated from Drecom Co., Ltd.'s other businesses and assets, preserving the company's ability to raise additional financing while avoiding equity dilution.

Remarks from Team Members



As the content industry is not an area where DBJ has an abundance of experience, we began by developing a thorough understanding of the industry's structure and carefully assessing business growth potential and risks. On that basis, we held numerous discussions with Drecom Co., Ltd., the game developer, to build an optimal investment structure for both Drecom Co., Ltd., and DBJ as a financial investor.

Creation of New Value in Collaboration with Private Financial Institutions

Establishment of a venture debt fund and formation of syndicated loans in regional markets

Special Investment

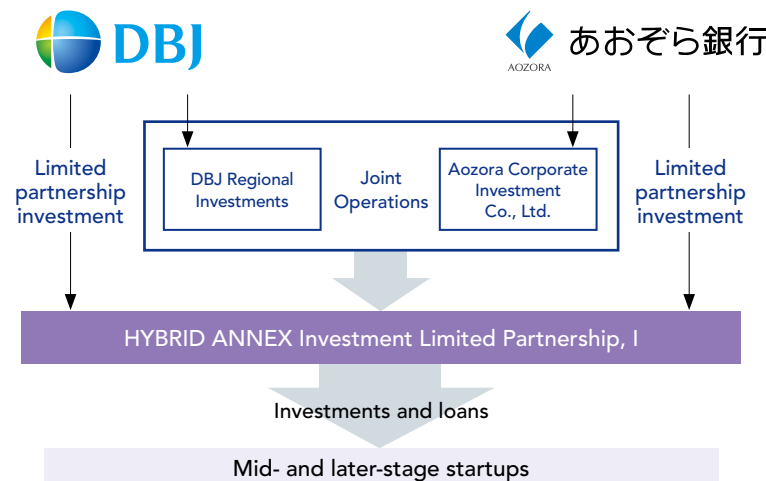
Establishment of a Venture Debt Fund with Aozora Bank Group

Venture debt refers to financial instruments for startups, such as convertible bonds and bonds with new stock warrants, that have both equity and debt characteristics, and it is widely used in the United States and Europe as a key funding tool for startups. Although venture debt is steadily spreading in Japan, there are still only a limited number of players providing large-scale funding.

Against this backdrop, DBJ established a venture debt fund jointly with the Aozora Bank Group in February 2025.

To date, DBJ has provided assistance through investments in numerous domestic startups. In addition, Aozora Corporate Investment Co., Ltd.,* began operating Japan's first venture debt fund in 2019, supporting the growth of startups as a pioneer in the field. This fund will leverage the expertise of both groups in supporting startups to provide large-scale venture debt (at least ¥1 billion in principle), primarily to mid- and later-stage startups.

* 100% subsidiary of Aozora Bank, Ltd.



Support for Izumi Co., Ltd.'s M&A Through Syndicate Loan Arrangements with Hiroshima Bank, Ltd., Sumitomo Mitsui Banking Corporation, and Others

DBJ served as co-arranger with Hiroshima Bank, Ltd., and Sumitomo Mitsui Banking Corporation to form a syndicate loan for Izumi Co., Ltd., together with a total of 11 regional and private financial institutions.

Listed on the Prime Market of the Tokyo Stock Exchange, Izumi Co., Ltd., operates large-scale Youme Town shopping centers and Youme Mart food supermarkets, mainly in the Chugoku, Shikoku, and Kyushu regions. Pursuing its long-term vision for 2030 of achieving ¥1 trillion in operating revenue* with 300 stores, Izumi Co., Ltd., executed its largest-ever M&A deal in August 2024 by acquiring the Kyushu operations of Seiyu Co., Ltd.'s Sunny brand of stores.

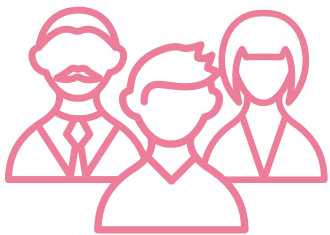
DBJ not only supported the evaluation of Izumi Co., Ltd.'s largest-ever M&A deal, but also contributed to the syndicate loan arrangement as co-arranger, while actively working with the other arrangers.

* Before application of accounting standards for revenue recognition

Remarks from Team Members



We did our best to support Izumi Co., Ltd.'s landmark initiative in the region, together with many other financial institutions. This endeavor also strengthened the foundation for collaboration with other financial institutions. We will continue to deepen collaboration and contribute to regional revitalization and the strengthening of corporate competitiveness.



Cultivation of Talent to Challenge Financial Frontiers

Initiatives to Achieve Vision 2030

- Support the taking on of challenges and collaboration
- Improve employees’ sense of self-fulfillment

Generalists who can be specialists in many fields

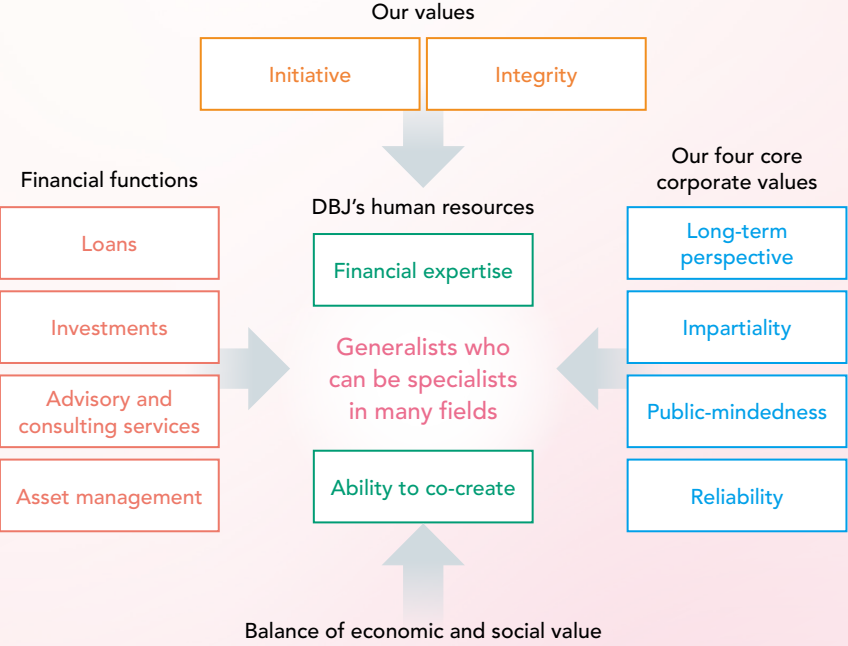
Basic Policy

Acquiring and training skilled employees is key to our unique business model and the pursuit of the DBJ Group’s four core corporate values (a long-term perspective, impartiality, public-mindedness, and reliability), so that we can execute the DBJ Group’s value creation process and balance and enhance economic and social value.

To this end, we believe it is important to create a framework that motivates our experienced employees to work with enthusiasm. We are advancing various measures to improve the value of our human capital, one of our foremost priorities.

Our employees are the wellspring of the value provided by the DBJ Group. We intend to improve our human resource and organizational capabilities with the aim of implementing our constantly changing business model, and our mission, Vision 2030, and values.

Our Values



Our value creation would not be possible without the executives and employees who share our values of initiative and integrity and who display our four core corporate values handed down from DBJ’s earliest days: a long-term perspective, impartiality, public-mindedness, and reliability.

Having provided long-term funding since the postwar reconstruction period, the DBJ Group has carried on the tradition of serving its customers, industry, and society from a long-term perspective. The DBJ Group is also unique in terms of impartiality by always working toward what is best for Japan’s economy and society, without being affiliated with any specific corporate group. Our public-mindedness is what motivates our employees to engage in work for the creation of both economic and social value. The combination of these traits has earned us a reputation for reliability from customers and society.

With these four core corporate values as a starting point, the DBJ Group tackles with integrity the management issues faced by its customers and the issues faced by society as a whole, taking a long-term perspective and tirelessly pursuing measures to resolve these issues. This is our unique mission. It is what sets us apart from other financial institutions, and it is why the DBJ Group exists. Accordingly, the DBJ Group’s employees must always be willing to take on new issues and boldly redefine themselves with an eye to the future.

Implementation of Human Resource Systems That Encourage **Employees** and **Teams** to Take On New **Challenges**

Vision for Human Resource Development

The DBJ Group encourages autonomous and pioneering behavior among its employees as financial professionals in keeping with its vision for human resource development, which can be summarized as “cultivation of generalists who can be specialists in many fields.”

While it is important to acquire specialist knowledge, responding to society’s constantly changing needs also requires broad experience, deep knowledge, and the ability to see the big picture.

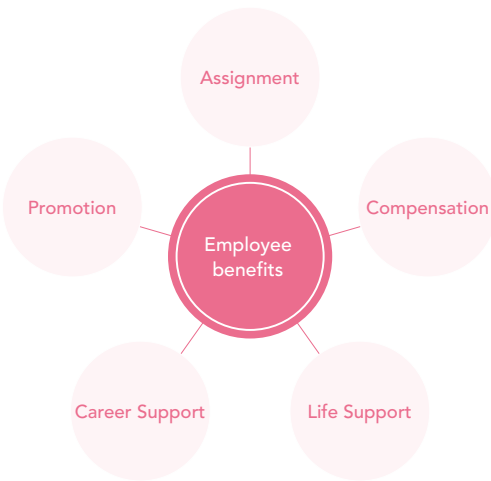
The DBJ Group has created a variety of personnel systems and human resource training programs with the intention of nurturing employees with not only advanced specializations but also broad perspectives and flexibility, who are able to grow of their own accord without fearing change and contribute to the discovery and resolution of issues faced by customers and society.

Basic Policy on Human Resource Measures

DBJ has created and provides the DBJ HR Package as its compendium of human resource measures aimed at creating a work environment that allows employees to take on new challenges. This package encompasses the five categories of assignments, promotions, compensation, career support, and life support.

DBJ will continue to update its various human resource measures in alignment with its dual aims of “supporting growth and securing talent to cultivate individuals capable of adapting to social change and transforming business” (organizational perspective) and “enhancing work motivation and work-life balance for careers within the DBJ Group” (individual perspective).

Outline of the DBJ HR Package



	OJT	Rank-Based Training	In-House Training (Required / Optional)	Dispatch Outside DBJ	Self-Study
Managers	Strategic human resource development through job rotation and on-the-job training	Top management training Coaching program Newly appointed manager training	Compliance training / information security training Financial skills-related training • Proposal and screening capabilities • Financial modeling • Financial products • Sustainability, etc. Training for new employees Finance Financial accounting Law	Global Short-term study at foreign business schools Global leadership program for managers Global human resources training program for young employees	Foreign languages, finance, law, financial skills, etc.
Mid-level employees		Pre-management training Career development program		Domestic Secondments to external institutions (national government agencies, Group companies, etc.) Short-term study on external programs	
Young employees		Career development program			
New employees					

Category	Types of Employee Benefits
Assignment	Help employees gain diverse hands-on work experience, broad perspectives, and specialist knowledge through strategic job rotations
Promotion	Expand scope of discretionary decision-making through promotions
Compensation	Offer fair compensation for active contributions above and beyond regular work duties through challenges and collaborations
Career Support	Provide practical on-the-job training and plenty of opportunities in training and external experiences
Life Support	Update systems that facilitate work and maintain motivation throughout careers

Cultivation of Human Resources Through Practical **On-the-Job Training (OJT)** and Ample **Training Opportunities**

Human Resource Training and Improvement of Engagement

People are the source of the DBJ Group’s competitiveness. Every employee must continue to grow in order for the DBJ Group to constantly take on new challenges and meet the changing needs of the times. Through practical OJT training and abundant opportunities for training and external experiences, our employees grow while acquiring various experiences and skills. The entire Group is committed to training employees who are able to combine experiences and skills organically on solving issues.

Making strategic personnel rotations	Employees are rotated strategically so that they steadily develop highly specialized skills by gaining practical and diverse experiences and broad perspectives in multiple departments and outside institutions (national government agencies, Group companies around the world, companies that have received investments, and startups).
Developing global human resources	Opportunities to study abroad at overseas universities and overseas trainee systems have been established. DBJ also operates its own leadership training program (entirely in English) for young employees and management-level employees in collaboration with top overseas universities.
Reinforcement of management capabilities	DBJ offers training and puts in place human resource programs that support employees in the acquisition and development of management and leadership skills at each stage of their careers, cultivating these essential skills in management candidates from the start.
Supporting the growth of new employees	DBJ provides full support for the growth of new employees, offering a range of training programs throughout the year, including its own three-month accounting and financial analysis courses. DBJ has put in place a system that assigns employees in their first and second years to experienced veteran employees, who guide them in their OJT training, and the entire team, led by these veteran employees, supports the training of younger employees.
Career development	In addition to conducting rank-based training to help employees understand expectations for their roles at different career stages and support their career development, we provide learning opportunities focused on careers and skills.
Fostering corporate culture	To foster a corporate culture that respects people who take on challenges, we regularly publish an in-house newsletter (<i>tsu-na-gu+</i>) that shines the spotlight on employees who accept challenges in diverse roles and business environments.
Interviewing employees	All willing employees are interviewed by staff in the Human Resources Management Department about their future career paths.
Improving engagement	Every fiscal year, DBJ conducts engagement surveys of personnel, evaluates the results of these surveys, and creates action plans that enable each department to increase employee motivation through improvement activities.



一歩踏み出す その想いを
“つなぐ”

In our *tsu-na-gu+* newsletter, we highlight employees’ challenges and the passion at their core from various perspectives. We aim to foster a corporate culture where employees encourage each other to take on challenges, connecting the passion that drives each first step so that it sparks a chain of new challenges.

Global Human Resource Training Program

Designed to foster a management mindset and leadership among DBJ’s young management-track employees and managers, this customizable training program is based on group projects and facilitated by a team of instructors from an international business school, with one week of the program taking place on-site at the school.

Purpose of Program

- ▶ Train global management personnel to solve diverse management issues faced by customers around the world
- ▶ Encourage trainees to consider their own careers and the vision for the DBJ Group by understanding DBJ’s work and organization from a top-down perspective. Also, encourage young employees to take advantage of opportunities to present their ideas for DBJ Group management measures aimed at creating new value in society (for young/mid-career employees)
- ▶ Learn the ways of leadership, mindsets, and strategic thinking necessary for creating change in organizations and businesses amid rapid changes in the external environment (for managers)
- ▶ Opportunities to take English classes for newcomers and assistance for learning English are offered to encourage uptake of these programs.

	IMD DBJ Global Leadership Program	Oxford-Global Strategic Alignment Leadership Programme (GSALP)	Columbia-Senior Leadership Program
No. of applicants	Up to 30 people	Up to 30 people	Up to 25 people
Dates	End of May to end of August (Lausanne for one week in late June)	August to end of January (Oxford for one week in mid-October)	Mid-January to end of January (New York for one week in mid-January)
Partner	International Institute for Management Development (IMD), Lausanne, Switzerland	Saïd Business School, University of Oxford, Oxford, United Kingdom	Columbia Business School New York, United States
Instructors	Professor Salvatore Cantale and others	Professor Jonathan Trevor and others	Professor Murray Low and others
Features	Programs customized for young and mid-level employees, centered on participation in an open program with around 500 participants	Fully customized programs designed specifically for young and mid-level employees	Fully customized programs designed specifically for managers



Creation of an Environment That Respects Diversity and Facilitates the Independence and Proactive Behavior of Employees

Diversity, Equity, and Inclusion, and Productivity Enhancement

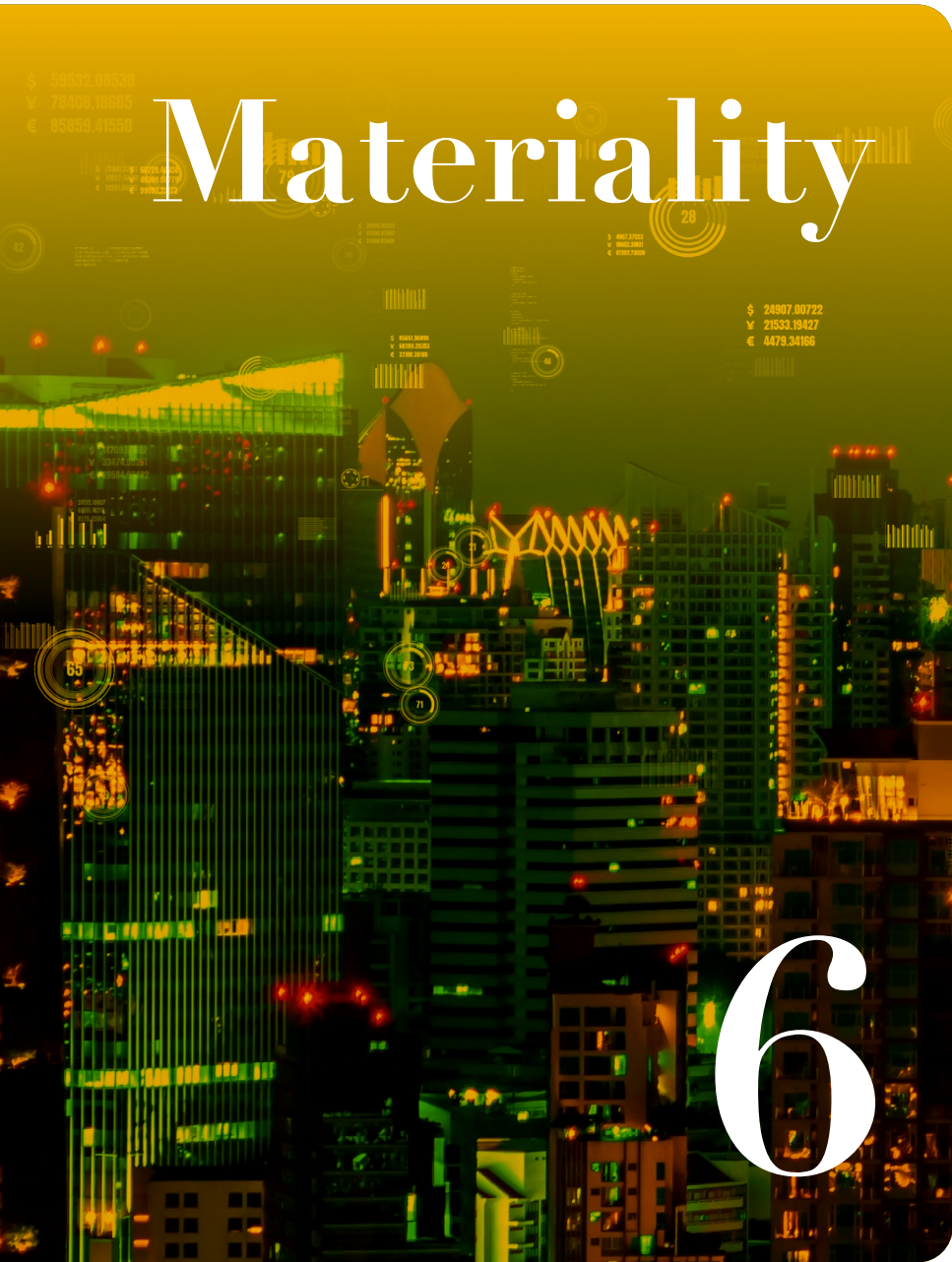
In order to create workplaces where employees feel motivated by their work, DBJ takes steps to foster mutual understanding and improve the productivity of each employee.

- ▶ DBJ is improving productivity and resilience with systems that allow for flexible workstyles, such as working from home, and flexible hours with core work times.
- ▶ DBJ holds seminars with specialists as guest speakers on topics that include finding daycare, childcare, and nursing care, with the aim of improving its employment and vacation systems, such as maternity leave, shortened work hours, time off for childcare, and other programs for raising children and caring for elderly family members. DBJ has created a pregnancy support system that entails assistance for balancing infertility treatments with careers.
- ▶ DBJ encourages employees to build relationships based on mutual trust and cooperation through various seminars, including on building an understanding of people with disabilities, and through the creation and distribution of a guide about balancing work with childcare and nursing care.
- ▶ DBJ continues to hold training and networking events on career development aimed at empowering women in the workplace.
- ▶ In addition to periodic health checkups, DBJ supports the physical and mental health of all its executives and employees by providing them with personal resilience training and maintaining a counseling system staffed by external specialists.

Outline of Our Human Capital	
Number of employees (consolidated)	1,901
Number of employees (non-consolidated)	1,280
Number of new hires (parent) (New graduate hires in April 2025)	80
Ratio of women in management positions	15.4% (Reference: 15% target by March 31, 2026)
Ratio of employees taking childcare leave and childcare-related time off by women/men (Employees who took childcare leave in fiscal 2024 / employees who gave birth in fiscal 2024)	Women 121.7% Men 63.6% (97.0% when including special time off for childcare)
Rehiring system registrants	27
Employees who use reduced working hours for childcare and nursing care	65
Seminars for finding childcare facilities (cumulative total)	251
Global human resource training program participants (cumulative total)	255

(Timeframe: Unless otherwise indicated, figures are as of March 31, 2025. Scope: Parent basis unless otherwise indicated)





Strengthening of the Business Foundation for Supplying Risk Capital

Initiatives to Achieve Vision 2030

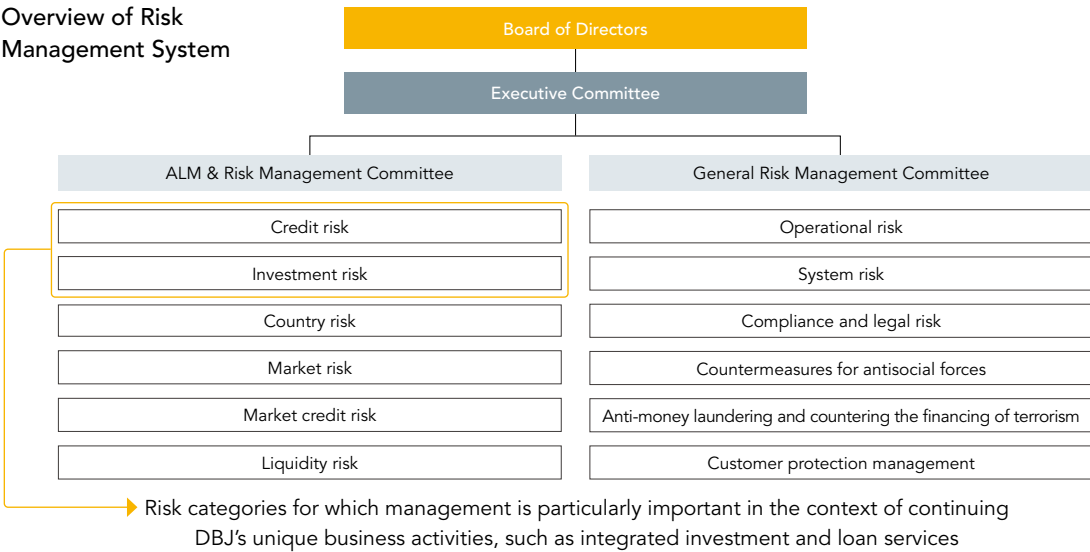
- Enhance risk responsiveness
- Reform ways of working

Risk Management System

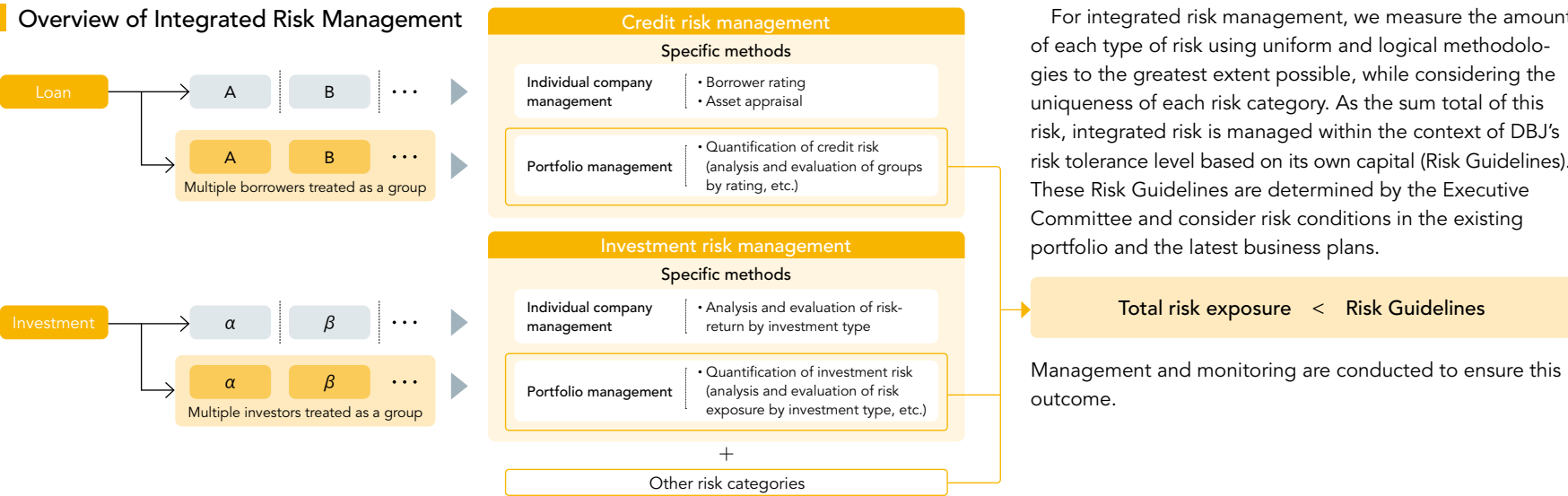
DBJ has a risk management system in place designed to handle a variety of specific risks, with the aim of maintaining the soundness and creditability of management as it pursues business based on management plans. Specifically, risks are identified, evaluated, monitored, and controlled in each risk category and in comprehensive risk areas, and are managed within the scope of our management capabilities from a comprehensive understanding of each risk.

The ALM & Risk Management Committee deliberates, makes decisions, and monitors matters essential to the risk management system for financial risk, such as credit risk, while the General Risk Management Committee deliberates and makes decisions on non-financial risk, such as administrative risk. Both committees perform these duties in line with their basic policies and rules.

Overview of Risk Management System



Overview of Integrated Risk Management



Investment Risk

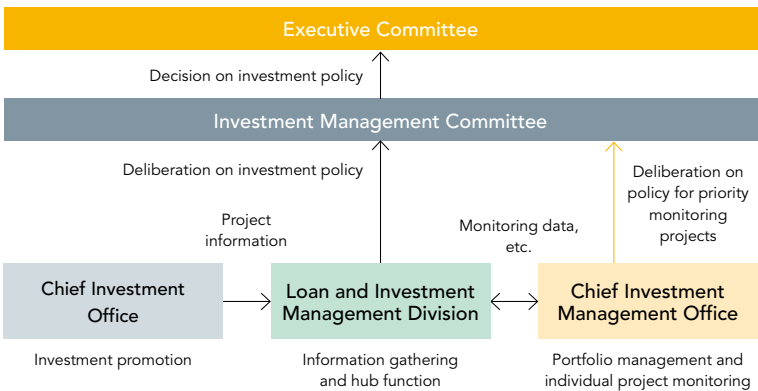
DBJ invests in corporations as well as infrastructure and real estate assets with the aim of earning both income gains and capital gains. In recent years, it has become necessary to enhance measurement methods and the monitoring of these investment projects as activity picks up, which is increasing the investment risk exposure to consider in investment risk management. With investment risk as a source of profits, investment risk represents one of DBJ's most significant risk categories, as with credit risk. DBJ makes investment decisions and manages individual investments as well as its Bankwide portfolio accordingly.

Type	Corporate investment	Infrastructure and real estate	Corporate mezzanine
Major investment targets	Operating companies	Offices Logistics facilities Power generation facilities, etc.	Operating companies
Major risks	Business risk Market risk	Asset value fluctuation risk Operational risk arising from operating entities, etc.	Credit risk, etc.
Return	Capital gains	Income gains	Dividends, etc.

Investment Policy

The Executive Committee determines our investment policy following deliberations each fiscal year by the Investment Management Committee. This policy takes into consideration the balance in risks and returns in the overall portfolio, while also reflecting the external business environment, including changes in market conditions and industrial structure, and a performance analysis of the existing portfolio.

Overview of Investment Management System



Credit Management of Individual Projects

Investment decisions for individual projects are made after exit strategies are determined in case a downside scenario materializes, and targets are set for returns based on the type of investment, which is also examined following credit risk management.

In project management, DBJ periodically monitors every project and has established the Chief Investment Management Office to enhance monitoring of key projects and improve the management of investment risks in the overall portfolio.

Portfolio Management

The bulk of assets in our investment portfolio consists of unlisted shares and mezzanine financing. We quantify our risk exposure to these assets with a focus on risk characteristics in each asset category and differences in methods for recouping investments.

Specifically, DBJ assesses credit risk for asset types where investments are likely to be recovered mainly through business cash flow. We also take into account market risk for asset types where investments are likely to be recovered when the asset is sold to a third party or the market. In these ways, DBJ quantifies risks by applying methods to estimate credit risk and market risk.

Stress Tests

In addition to managing integrated risks based on risk exposure, DBJ performs stress tests on its own capital adequacy in order to ensure uninterrupted financial functions in Crisis Response Operations, for example, while maintaining the soundness of management under stressful conditions. The results of these stress tests are also used in evaluating the degree of impact on our own capital in the context of our medium-term management plans and business plans, as well as in examining possible responses to various management issues.

In these stress tests, DBJ sets scenarios assuming challenging conditions such as a major economic recession or strong market stressors, comprehensively taking into account external conditions such as the latest forecasts for economic conditions and the international situation, as well as DBJ's financial position and other factors. We evaluate whether operations can be executed and adequate financial health maintained under stressful conditions, by measuring in various scenarios how risk exposure increases as a result of erosion of our own capital and of changes in our portfolio of loans and investments. We also verify the adequacy of our cash liquidity.

Business Continuity Initiatives and Cybersecurity

Basic Approach and Initiatives for Business Continuity

DBJ has prepared a business continuity plan (BCP) to protect the interests of its stakeholders, including its clients, shareholders, and executives and 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), novel influenza and other pandemics, system failures, and power outages. The BCP describes in an easy-to-understand format the role of the Disaster Response Committee, work priorities, and specific actions and procedures to be taken in the event of emergencies. When drawing up policies for business continuity and restoration, DBJ envisions specific incidents, such as an earthquake underneath the Tokyo metropolis or a novel virus outbreak, and methodically decides how to respond to anticipated damage in each emergency scenario.

Main countermeasures	Content
Prompt and reliable decision-making	- Rules on chain of command and order of delegation of authority - Organizing and clarifying initial emergency responses, and business continuity and recovery procedures by business unit
Securing of redundant communication channels	Deploying satellite phones and other tools to major bases and personnel
Enhancement of system robustness	Securing a main center with advanced security standards and establishing a backup center
Business continuity training and drills	Conducting training and drills for business continuity based on specific incident scenarios

Cybersecurity Posture

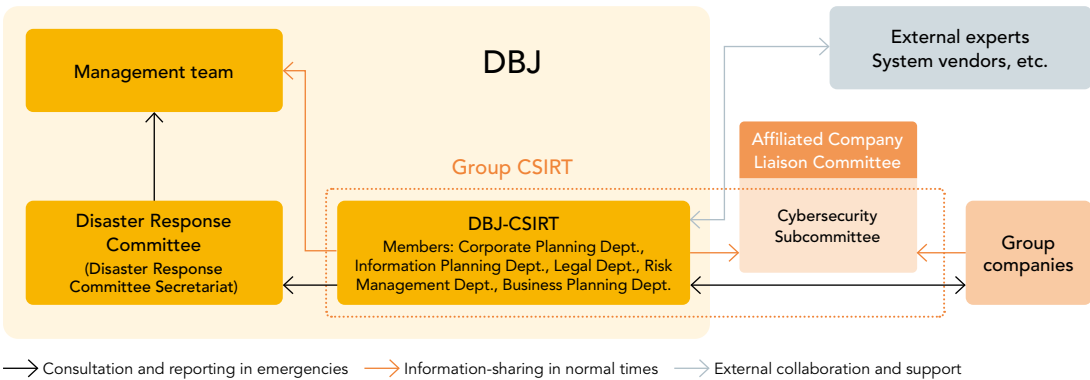
With cyberattack methods becoming more sophisticated and the risk of damage increasing in recent years, we have established a specialized unit within the Information Resources Department and, together with the Corporate Planning & Coordination Department, set up the DBJ Computer Security Incident Response Team (DBJ-CSIRT) as a cross-departmental team specializing in cybersecurity incident response. This team works with DBJ Digital Solutions Co., Ltd., to handle cybersecurity incidents within the DBJ Group and to strengthen and enhance the systems necessary for cybersecurity.

Cybersecurity Countermeasures

To prepare for cyberattacks, the DBJ Group's systems feature multi-layered defenses, such as intrusion prevention and antivirus software, along with maintaining a framework to monitor suspicious communications 24 hours a day, 365 days a year. In addition to regular vulnerability assessments to verify validity and prevent damage from attacks exploiting vulnerabilities, we diagnose simulated attacks. As part of Groupwide risk assessment activities, we regularly conduct surveys to evaluate each company's IT systems and security systems, and also provide security training and targeted email attack drills.

Training of Security Personnel

The DBJ Group recognizes the importance of training security personnel to support efforts in the security domain. We enhance skills through participation in external training and joint exercises, and by networking with security personnel at other companies. Moreover, we actively support the acquisition of relevant certifications and build a talent pool through measures such as regular job rotations.



Continuous Review of Operations, and **Advancement of Operations** Through **Digitalization**

The DBJ Group continuously reviews its operations and, as part of this effort, actively promotes greater efficiency and sophistication through the use of digital technologies. The Digital Strategy Office within DBJ's Information Resources Department explores ways to enhance individual and organizational productivity through advanced digital technologies such as generative AI, as well as new value creation in the financial × digital space through blockchain. It is also strengthening relationships with leading domestic and overseas companies with an eye toward future contributions to clients in the digital domain. In addition, DBJ is reinforcing these efforts through close collaboration with DBJ Digital Solutions Co., Ltd., which possesses specialized expertise.

1. Enhancing Operational Efficiency with Digital Technologies

By leveraging digital technologies to streamline business processes, DBJ is creating an environment where each employee can focus on more value-added tasks.

Promoting Individual Use

To ensure safe and effective use of generative AI, DBJ established a secure environment in November 2023 that avoids information leakage risks, and has since continued incorporating state-of-the-art technologies such as reasoning models. Through explanatory sessions, prompt collections, and workshops, DBJ is steadily increasing usage of generative AI by demonstrating use cases, such as text summarization and proofreading, to improve the efficiency of routine operations.

Expanding Applications for Business Use

In collaboration with DBJ Digital Solutions Co., Ltd., DBJ is using AI-OCR for data entry into existing business systems.

DBJ is also conducting proof-of-concept (PoC) trials for the use of generative AI across various operations. In these trials, DBJ visualizes business processes in detail and specifies tasks suitable for generative AI application, achieving a level of practical use that already enables substitution of some agent operations and debtor rating tasks with generative AI. Furthermore, DBJ systematically organizes the results, shares them internally, and supports initiatives based on employee-driven ideas, thereby expanding applications further and enhancing productivity.

2. Advancing Operations Through Finance × Digital

As part of the digital strategy under its Fifth Medium-Term Management Plan, DBJ is promoting investment in security token bonds (ST bonds) utilizing blockchain technology, pursuing the potential for new value creation through the fusion of finance and digital. Specifically, DBJ is exploring the potential use of security tokens as a fundraising method by strengthening partnerships with domestic and overseas partners, participating in study sessions to gather cutting-edge information, and acquiring ST bonds issued by domestic companies. Through these efforts, DBJ is establishing a position as a key investor while leading the market's growth and development.

Remarks from Team Members



We aim to create a workplace where each employee can work more comfortably and focus on more creative tasks. We travel abroad to study cutting-edge technologies and gradually create the financial business settings where these technologies will actually be used in the future. The satisfaction of our colleagues is a great source of motivation. Although we are a small and young team, we will continue to take on challenges without fear of trial and error.

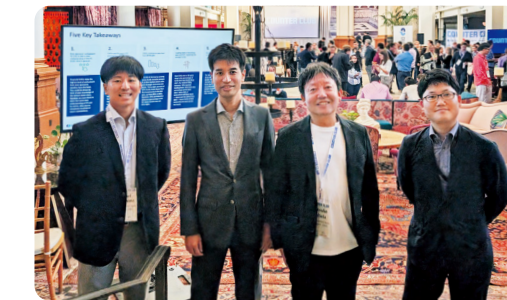


Digital currency settlement PoC



3. Gathering Advanced Information and Building Relationship Capital

DBJ is advancing initiatives to collect and utilize the latest knowledge in the rapidly evolving digital domain by gathering information and building networks from a global perspective. Specifically, DBJ collaborates with overseas research institutions to acquire cutting-edge knowledge, while also participating in innovative communities on the U.S. West Coast to gain insights into rapidly changing advanced technologies and business models. In addition, DBJ focuses on collaboration with domestic and international financial institutions and startups, working to advance internal DX while applying the knowledge gained to benefit its customers.



Participation in overseas conferences



Participation in programs at overseas research institutions

03

Business Foundation Supporting Value Creation

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The DBJ Group contributes to the realization of a sustainable society through ceaseless efforts to strengthen governance in order to continue fulfilling its unique role and responsibilities.

Message from the Chairman

Toward Unique Sustainability Management and Business Model Development

The DBJ Group practices sustainability management while balancing economic and social value to build a sustainable society, and has a business model that integrates investment and loan in accordance with the Development Bank of Japan Inc. Act. We supply risk capital to forward-looking initiatives through our Special Investment Operations and collaborate and cooperate with private financial institutions to stimulate new flows of risk capital in Japan. DBJ's investments and loans in new fields help strengthen Japan's economic competitiveness. We also address local issues through risk capital supplied through joint funds created with regional financial institutions.

Furthermore, DBJ functions as an emergency supplier of capital for responses to natural disasters and other crises. Following the Great East Japan Earthquake, the Kumamoto Earthquake, and other events calling for rapid influxes of capital, DBJ has been there to provide relief. In recent years, DBJ has also addressed the impacts of the COVID-19 pandemic.

Centered on these operations, the DBJ Group will continue to originate investments and loans from customers' perspectives for realizing a sustainable society based on its materiality (key management issues).

Enhancing the Effectiveness of Governance Suited to Our Unique Role

To continue playing this unique role, DBJ must have robust corporate governance, ensure transparency in management, and consider the opinions of outside experts. To realize this aim, we

have created the Operations Audit Committee, the Compensation Committee, and the Personnel Evaluation Committee as advisory bodies to the Board of Directors. Listening to the views of our stakeholders is imperative to strengthening this framework.

It is essential that DBJ collaborate and cooperate with, rather than compete with, private financial institutions (city banks, regional banks, and second-tier regional banks). We hold regular events for this purpose, usually twice a year, involving discussions with representatives of such institutions. We have also created the Special Investment Operations Monitoring Board as an advisory body to the Board of Directors. The board meets twice a year to discuss and evaluate the status of DBJ's business performance, as well as its complementing and encouraging of private business and maintenance of non-competitive relationships. The opinions we obtain through these discussions are reported to and debated by the Advisory Board, which is an advisory body to the Board of Directors.

In my view, a distinct aspect of corporate governance at the DBJ Group is its continuous reassessment of its unique value creation process, which is informed by dialogue with its diverse stakeholders.

While improving its institutional framework, the DBJ Group from a public standpoint must consider its accountability to society as a whole. That means according the same importance to all of society and citizens of Japan, beyond our existing stakeholders, as we do to shareholders and investors. We therefore believe it is important to always be aware of the ongoing expectation for us to provide thoughtful explanations and information disclosures to society and citizens. At the same time, we will listen to the diverse opinions of the mass

media, national government, local governments, customers, and financial institutions, and reflect these opinions in the various frameworks of our corporate governance.

A Value Creation Process That Balances Economic and Social Value

To realize a sustainable society while balancing economic and social value, the DBJ Group offers solutions to issues faced by society and by our customers. The DBJ Group has made an effort to advance sustainability management and maintain a balanced value creation process. As the social significance of balancing economic and social value increases, we have continued to create innovative business models, centered on the supply of risk capital, and to keep earning the trust of our customers and society, we believe that nothing is more important than continuously accumulating and building up best practices. I myself have engaged in many discussions with Group executives and employees at domestic branches and overseas bases. We will carry on with making every effort to engage in dialogue with our diverse stakeholders and ensure robust and effective corporate governance.

September 2025

Mitsuru Ota

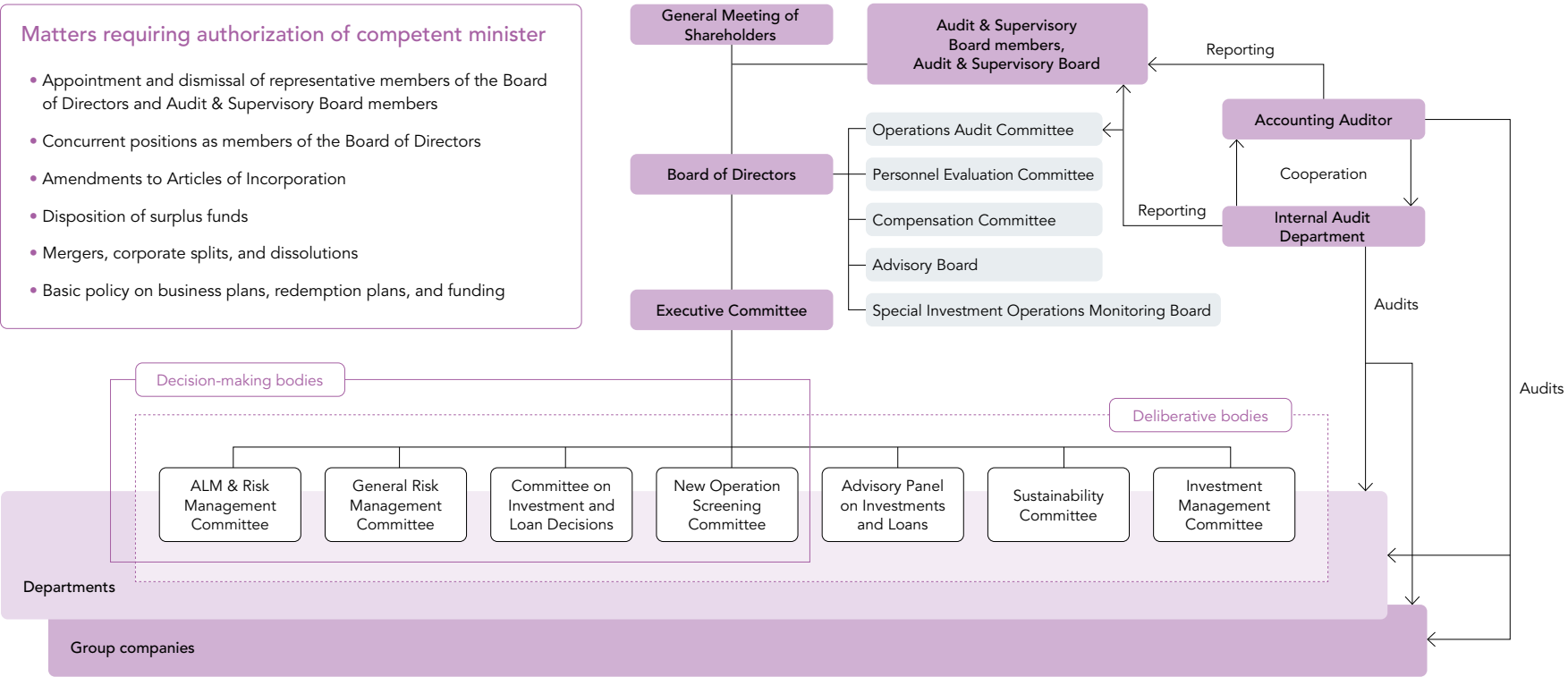
Mitsuru Ota
Chairman

Corporate Governance

The DBJ Group has special governance functions that support its unique business model.



Corporate Governance System





Basic Position on Corporate Governance

DBJ is governed by the Development Bank of Japan Inc. Act (the DBJ Act) in accordance with the following objective.

Article 1 of the DBJ Act

Development Bank of Japan Inc. (hereinafter referred to as the “Corporation”) shall be a joint-stock company (*kabushiki-kaisha*) whose objective is to contribute to the smooth supply of funds to those needing long-term business funds, as well as to the sophistication of financial functions.

DBJ is working to enhance its unique governance system in addition to its usual management supervision as a Company with a Board of Directors and Company Auditors (Audit & Supervisory Board), in order to raise the value of tangible and intangible management resources to be invested and to realize sustainable management that aims for both economic and social value through a business model built upon features such as integrated investments and loans and proper execution of the preceding objective.

The 2015 revisions to the DBJ Act established Special Investment Operations and obligatory measures to be considered, requiring that DBJ conduct its operations in a manner that does not obstruct appropriate competitive relations with other entities, in particular, applying these requirements to the Advisory Board, made up of outside experts and outside members of the Board of Directors, and the Special Investment Operations Monitoring Board, composed of outside experts, which function as advisory bodies to the Board of Directors. These bodies provide advice on DBJ’s overall management and deliberate and evaluate business results, including consistency with the policy objectives of Special Investment Operations, ensuring that appropriate competitive relations are maintained with private financial institutions.

In accordance with the corporate philosophy of the DBJ Group, we take a unified approach to Group business management, defining basic matters related to Group business management in our affiliated company management rules to ensure appropriate operations and sound management, while effectively and efficiently engaging in business. At major subsidiaries, business management is based in principle on basic policies and rules prepared by DBJ, which offers any necessary guidance and advice for maintaining internal controls. DBJ receives notifications about important matters related to business operations through prior consultation or reports. The Board of Directors periodically and as necessary receives reports about conditions at major subsidiaries, such as their compliance with laws and regulations, risk management, and customer protections, as well as the outcomes of internal audits of major subsidiaries conducted by DBJ’s Internal Audit Department. Business management of subsidiaries and other entities is conducted in ways that do not infringe on laws and regulations. Any conflicts of interest that arise within the DBJ Group are properly addressed based on its rules for managing conflicts of interest so that the interests of customers are not unfairly harmed.

DBJ’s Corporate Governance System

Institutional design configuration

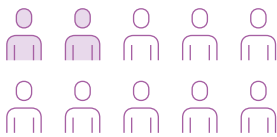
A Company with a Board of Directors and Company Auditors (Audit & Supervisory Board)

Adoption of executive officer system

Yes

Accounting auditor

Deloitte Touche Tohmatsu LLC



Number of members of the Board of Directors

10

Of whom 2 are outside members



Number of Audit & Supervisory Board members

5

Of whom 3 are outside members

Number of Board of Directors’ meetings in fiscal 2024

13

Number of Audit & Supervisory Board meetings in fiscal 2024

15



Board of Directors

The Board of Directors consists of 10 members, including two outside directors to ensure transparency in management.

The Board of Directors makes decisions on management strategies such as management plans, business plans and budgets, corporate philosophy, and basic policies that relate to sustainability, and investments and loans. The Board also provides oversight of the state of business execution, receiving reports on investments and loans executed and integrated risk conditions.

In fiscal 2024, the Board held meetings on 13 occasions to discuss and report on the following items.

Matters to be resolved	36 items	- Decisions regarding fiscal 2024 business plans and overall budgets - Revisions to important internal rules, etc.
Matters to be reported	35 items	- Investments and loans executed - Integrated risks - Investment policies for fiscal 2024, etc.

Advisory Bodies to the Board of Directors

The following advisory bodies to the Board of Directors have been established to maintain transparency and objectivity in management.

Operations Audit Committee

The Board of Directors has established the Operations Audit Committee, delegating to this body the authority to deliberate and make decisions on important matters related to internal audits. This committee met three times during the fiscal year ended March 31, 2025.

Personnel Evaluation Committee

The Personnel Evaluation Committee, composed of outside members of the Board of Directors and other outside experts, evaluates personnel proposals on the selection of members of the Board of Directors and Audit & Supervisory Board members. This committee met once during the fiscal year ended March 31, 2025.

Personnel Evaluation Committee Members (As of June 30, 2025)

Reiko Akiike	Co-Chairperson, The Boston Consulting Group K.K.
Tetsuya Akino	President (Representative Director), The Joyo Bank, Ltd.
Hiroshi Ide	Representative Director and President; Chief Executive Officer, IHI Corporation
Takeshi Kunibe	Special Advisor, Sumitomo Mitsui Financial Group, Inc.
Kazuyuki Harada	Chairperson of the Board, Representative Director, Keikyu Corporation
Kosei Shindo	Outside Member of the Board of Directors
Naoko Saiki	Outside Member of the Board of Directors

Compensation Committee

DBJ’s Compensation Committee is an advisory body to the Board of Directors. It deliberates on the compensation structure for members of the Board of Directors and evaluates the propriety of the compensation structure for the Company. The majority of its members are outside executives. This committee met twice during the fiscal year ended March 31, 2025.

DBJ takes the following basic approach to executive compensation.

- Compensation should reflect social trends in regard to executive pay.
- Compensation should provide motivation for initiatives aimed at realizing economic and social value during each fiscal year and in the medium to long term.

In accordance with this approach, DBJ provides compensation to its executives in three forms: fixed compensation, executive bonuses, and executive retirement benefits.

- (1) Fixed compensation is paid monthly in an amount based on the executive’s position.
- (2) Executive bonuses are distributed after taking into consideration the performance of each member of the Board of Directors in carrying out their duties during the fiscal year. Bonuses start with a standard amount based on the position of the member of the Board of Directors. Bonuses also include a quantitative assessment portion determined based on a preset distribution percentage that reflects the achievement of the net income attributable to

- owners of the parent target, as well as a qualitative assessment portion determined based on a preset distribution percentage that comprehensively considers each executive’s achievement of performance targets in their business division. Net income attributable to owners of the parent is used as the performance indicator because it most accurately reflects DBJ’s performance.
- (3) Executive retirement benefits are paid out upon retirement in an amount reflecting successful service over the longer term.

Below is a description of the compensation structure for members of the Board of Directors.

Compensation for full-time members of the Board of Directors consists of fixed compensation, executive bonuses, and executive retirement benefits. To maintain their independence, part-time members of the Board of Directors receive fixed compensation only.

Compensation for full-time Audit & Supervisory Board members comprises fixed compensation and executive retirement benefits. Compensation for part-time Audit & Supervisory Board members consists solely of fixed compensation.

The amount of compensation paid to members of the Board of Directors is determined by the Board, within the maximum amount approved at the General Meeting of Shareholders following discussions by the Compensation Committee. Compensation amounts are based on the position and responsibilities of each member of the Board of Directors, with due consideration given to social trends, DBJ’s financial performance, and other standards balanced against employee salaries. The General Meeting of

Compensation Committee Members (As of June 30, 2025)

Mitsuru Ota	Representative Director
Seiji Jige	Representative Director
Kosei Shindo	Outside Member of the Board of Directors
Naoko Saiki	Outside Member of the Board of Directors
Hitoshi Sato	Outside Audit & Supervisory Board Member

Fiscal 2024 Compensation

Category	Number of people*2	Compensation, etc.*2 (millions of yen)	Total amount of compensation by type (millions of yen)		
			Fixed compensation	Executive bonuses	Executive retirement benefits*1
Members of the Board of Directors (excluding outside members of the Board of Directors)	11	339	179	143	16
Audit & Supervisory Board members (excluding outside Audit & Supervisory Board members)	2	52	49	—	3
Outside executives	5	69	67	—	1
Total	18	461	296	143	21

*1 The amount of executive retirement benefits includes provisions to reserves for executive retirement benefits.

*2 The number of persons paid and the amount of compensation include three members of the Board of Directors who retired during fiscal 2024.



Advisory Board

Since DBJ’s establishment as a joint-stock company in October 2008, the Advisory Board has been in place as an advisory body to the Executive Committee, providing advice on overall management. Revisions to the DBJ Act in 2015 stipulate for an indefinite period obligatory measures to be considered—in particular, requiring that DBJ conduct its operations in a manner that would not obstruct appropriate competitive relations with other entities. Accordingly, this board is positioned as an advisory body to the Board of Directors. As one of its roles, even more than before, the Advisory Board is tasked with deliberating and evaluating important matters related to ensuring that appropriate competitive relations are maintained with private financial institutions. The Advisory Board is composed of the following outside members of the Board of Directors and outside experts in fields including industry, infrastructure, regions, and finance.

The Advisory Board convened twice during fiscal 2024, discussing our ongoing response to GX and transitions amid changing trends, strengthening coordination with regional financial institutions, and outlining expectations for ongoing efforts to expand the scope of recipients of risk capital.

With these discussions, we will continue to proactively offer know-how about supplying risk capital, in addition to cooperating further with private financial

institutions. While leveraging the functions of the DBJ Group, we will tackle the issues faced by customers. Through events to exchange opinions and proper monitoring, we are advancing initiatives while coordinating with private financial institutions and heeding appropriate competitive relationships.

Outside Experts (As of June 30, 2025)

Reiko Akiike	Co-Chairperson, The Boston Consulting Group K.K.
Tetsuya Akino	President (Representative Director), The Joyo Bank, Ltd.
Hiroshi Ide	Representative Director and President; Chief Executive Officer, IHI Corporation
Takeshi Kunibe	Special Advisor, Sumitomo Mitsui Financial Group, Inc.
Kazuyuki Harada	Chairperson of the Board, Representative Director, Keikyu Corporation

Outside Members of the Board of Directors (As of June 30, 2025)

Kosei Shindo	Senior Advisor of Nippon Steel Corporation
Naoko Saiki	Special Advisor to the Minister for Foreign Affairs



Special Investment Operations Monitoring Board

One of the measures of the 2015 revisions to the DBJ Act was in regard to Special Investment Operations. The act stipulates the establishment of a Special Investment Operations Monitoring Board as an advisory body to the Board of Directors. This monitoring board is tasked with deliberating and evaluating projects’ performance in terms of appropriateness against policy objectives and with emboldening private sector enterprises and complementing their operations while maintaining appropriate competitive relations. This board’s members include outside experts from private sector financial institutions and capital markets.

Moreover, in order to examine whether appropriate competitive relations with other entities are being maintained, roundtable discussions are held regularly with the Japanese Bankers Association, the Regional Banks Association of Japan, and the Second Association of Regional Banks, including these entities’ private financial institution members.

This board convened twice during fiscal 2024. Regarding Special Investment Operations, smooth progress in operations included decisions for investments and loans totaling more than ¥1.0 trillion, which has had a steady impact on priming the private sector. The board also gave a positive assessment of DBJ’s securing of adequate cumulative profit, and said it would like to see more effort put into corporate growth assistance through the supply of risk capital in coordination with private financial institutions, citing case studies about collaboration with regional financial institutions, support for startup companies, progress toward achieving carbon neutrality, and increasing the resilience of supply chains.

In light of these findings, through projects assembled with regional financial institutions and local stakeholders aimed at lessening the overconcentration on Tokyo, DBJ will continue to provide expertise about the supply of risk capital, train personnel with specialized knowledge, and cross-develop model projects across regions. DBJ will work to expand the supply of risk capital by cooperating with private financial institutions through risk-sharing techniques and proper business viability assessments in industrial fields where DBJ has knowledge.

DBJ is engaging in Special Investment Operations for initiatives in projects to create and nurture startup companies, advance open innovation, realize a green society, and make supply chains more resilient, such as ensuring a reliable supply of vital goods. While paying attention to collaboration with private financial institutions, DBJ will reinforce the supply of risk capital.

Outside Experts (As of June 30, 2025)

Tetsuya Akino	President (Representative Director), The Joyo Bank, Ltd.
Nobuhiro Endo	Executive Advisor, NEC Corporation
Takeshi Kunibe	Special Advisor, Sumitomo Mitsui Financial Group, Inc.
Keiko Tashiro	Deputy President, Member of the Board, Daiwa Securities Group Inc.
Matsuo Tsuji	Vice Chairperson & Senior Executive Director, The Japanese Bankers Association
Sadatoshi Tsumagari	Representative Director and President, Nihon Gas Co., Ltd.



Executive Committee

The Board of Directors has vested in the Executive Committee decision-making authority regarding the execution of business. Accordingly, the Executive Committee makes important management decisions, and deliberates agenda items prior to meetings of the Board of Directors in order to facilitate the Board’s decision-making. The committee met 25 times during the fiscal year ended March 31, 2025. Moreover, a number of subcommittees have been established as advisory bodies to the Executive Committee, or bodies delegated the authority to make decisions on certain matters.

Committees under the Executive Committee

Name	Role
ALM & Risk Management Committee	This committee deliberates and makes decisions pertaining to portfolio risk management and asset/liability management.
General Risk Management Committee	This committee deliberates and makes decisions on important items related to operational risk management, system risk management, legal compliance, responses to antisocial forces, anti-money laundering and countering the financing of terrorism, client protection management, and other important items.
Committee on Investment and Loan Decisions	This committee handles, deliberates, and makes decisions related to investments and loans, overseas business strategy, and operations and management conditions.
New Operation Screening Committee	This committee deliberates and makes decisions on the commencement of initiatives involving new businesses.
Advisory Panel on Investments and Loans	This panel handles the advance deliberation on and monitoring of investments and loans as well as deliberations on overseas business strategy and operations and management conditions.
Sustainability Committee	This committee deliberates on items related to both economic and social value as well as dialogue with stakeholders.
Investment Management Committee	This committee monitors investment projects and enhances the monitoring system, as well as discusses planned proposals for investment policies.

Audits

Audit & Supervisory Board and Audit & Supervisory Board Members

The Audit & Supervisory Board comprises five members. The Companies Act pre-scribes that a majority of Audit & Supervisory Board members be outside members. In DBJ’s case, three of the five are outside members. DBJ offices contribute three members (two members proper to DBJ and one an outside member). The Audit & Supervisory Board and Audit & Supervisory Board members audit the execution of duties by members of the Board of Directors, based on their audit plans.

Audit & Supervisory Board members attend Board of Directors’ meetings and other important meetings and may query the execution of business by members of the Board of Directors, peruse documents, and conduct audits at the head office, branches, and Group companies.

Specialist staff have been assigned to the Audit & Supervisory Board Office, which was created under the supervision of the Audit & Supervisory Board, to assist the Audit & Supervisory Board members, including outside members, in performing their duties.

Three-Pronged Auditing Approach

DBJ’s Audit & Supervisory Board members, the Internal Audit Department, and the accounting auditor periodically and as necessary exchange opinions and information, and communicate in an effort to ensure effective and appropriate audits.

Internal Audits

DBJ has established the Internal Audit Department under the direct supervision of the president and CEO of DBJ and independent of other operating departments. The department conducts inspections to ensure the appropriateness and effectiveness of internal controls, including overall operational compliance and risk management, and performs evaluations and recommends improvements. The Operations Audit Committee deliberates and decides audit plans, audit reports, and other important matters related to internal audits, and this information is reported to the Board of Directors. As of June 27, 2025, 19 people belonged to the Internal Audit Department.

Accounting Audits

DBJ has in place an agreement whereby Deloitte Touche Tohmatsu LLC conducts accounting audits as the Company’s accounting auditor in accordance with Article 436, Paragraph 2 (i) of the Companies Act and Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act.



Members of the Board of Directors, Audit & Supervisory Board Members, and Executive Officers (As of the end of June 2025)

Members of the Board of Directors



Chairman

Mitsuru Ota

1983: Joined the Ministry of Finance
2020: Vice-Minister of Finance
2023: Deputy President of DBJ
2024: Chairman of DBJ



President and CEO

Seiji Jige

1986: Joined The Japan Development Bank
2011: Executive Officer in Charge of Special Missions
2013: Executive Officer, Head of Corporate Planning & Coordination Department
2015: Managing Executive Officer of DBJ
2018: Member of the Board of Directors, Managing Executive Officer of DBJ
2020: Deputy President of DBJ
2022: President and CEO of DBJ



Deputy President

Norifumi Sugimoto

1988: Joined The Japan Development Bank
2013: General Manager, Secretariat Office
2015: Executive Officer, Head of Corporate Planning & Coordination Department
2018: Managing Executive Officer of DBJ
2020: Member of the Board of Directors, Managing Executive Officer of DBJ
2022: Deputy President of DBJ

Member of the Board of Directors,
Managing Executive Officer

Toshiyasu Takazawa

1990: Joined The Japan Development Bank
2015: General Manager, Head of Corporate Finance Department, Division 4
2017: General Manager, Secretariat Office
2018: Executive Officer, Head of Corporate Planning & Coordination Department
2021: Managing Executive Officer, Head of Kansai Branch of DBJ
2023: Managing Executive Officer of DBJ
2024: Member of the Board of Directors, Managing Executive Officer of DBJ

Member of the Board of Directors,
Managing Executive Officer

Yasumasa Tahara

1990: Joined the Ministry of Finance
2023: Director-General, Tohoku Local Finance Bureau, Ministry of Finance
2024: Member of the Board of Directors, Managing Executive Officer of DBJ

Member of the Board of Directors,
Managing Executive Officer

Shingo Kobayashi

1993: Joined The Japan Development Bank
2017: General Manager, Corporate Planning & Coordination Department
2018: General Manager, Secretariat Office
2021: Executive Officer, Head of Human Resources Management Department
2024: Member of the Board of Directors, Managing Executive Officer of DBJ

Member of the Board of Directors,
Managing Executive Officer

Masao Masuda

1991: Joined The Japan Development Bank
2017: General Manager, Corporate Finance Department, Division 3 of DBJ
2020: Executive Officer, Head of Business Planning & Coordination Department of DBJ
2022: Managing Executive Officer of DBJ
2025: Member of the Board of Directors, Managing Executive Officer of DBJ

Member of the Board of Directors,
Managing Executive Officer

Hirofumi Maki

1993: Joined The Japan Development Bank
2017: Urban Development Department of DBJ
2021: Executive Officer, Corporate Planning & Coordination Department of DBJ
2023: Managing Executive Officer, Head of Kansai Branch of DBJ
2025: Member of the Board of Directors, Managing Executive Officer of DBJ



Outside Member of the Board of Directors

Kosei Shindo

2023: Outside Member of the Board of Directors of DBJ



Outside Member of the Board of Directors

Naoko Saiki

2020: Outside Audit & Supervisory Board Member of DBJ
2023: Outside Member of the Board of Directors of DBJ

* The Board comprises 13 men and two women (13.3% ratio of women on the Board of Directors and Audit & Supervisory Board).

* Standards and policies related to independence in the selection of outside members of the Board of Directors and outside Audit & Supervisory Board members are not applicable.

* Directors Kosei Shindo and Naoko Saiki are outside members of the Board of Directors in accordance with Article 2, (xv), of the Companies Act.

* Kosei Shindo, representative director and advisor of Nippon Steel Corporation, is an outside member of the Board of Directors of DBJ. DBJ has no special relationship with Mr. Shindo, and its business with Nippon Steel Corporation is conducted normally. There are no special relationships of interest between DBJ and any of the other outside directors.

* DBJ has signed liability limitation agreements with its outside members of the Board of Directors and the Audit & Supervisory Board, based on Article 427, Paragraph 1, of the Companies Act.

Audit & Supervisory Board Members



Audit & Supervisory Board Member

Koyo Nakamura

1992: Joined The Japan Development Bank
2016: General Manager, Minami-Kyushu Branch
2019: General Manager, Accounting Department
2021: Head of Kyushu Branch
2023: Audit & Supervisory Board Member of DBJ



Audit & Supervisory Board Member

Mototsugu Matsuoka

1993: Joined The Japan Development Bank
2020: General Manager, Corporate Finance Department, Division 1 of DBJ
2022: Head of Tohoku Branch of DBJ
2024: Executive Officer, Internal Audit of DBJ
2025: Audit & Supervisory Board Member of DBJ

Outside Audit & Supervisory Board
Member

Hitoshi Sato

1984: Joined The Sumitomo Trust and Banking Co., Ltd.
2015: Managing Executive Officer of Sumitomo Mitsui Trust Bank, Limited
2021: Director, Senior Managing Executive Officer of Sumitomo Mitsui Trust Bank, Limited
2022: Audit & Supervisory Board Member of DBJ

Outside Audit & Supervisory Board
Member

Masato Dogauchi

2020: Outside Audit & Supervisory Board Member of DBJ

Outside Audit & Supervisory Board
Member

Hiroko Kaneko

2023: Outside Audit & Supervisory Board Member of DBJ

* Auditors Hitoshi Sato, Masato Dogauchi, and Hiroko Kaneko are outside members of the Audit & Supervisory Board in accordance with Article 2, (xvi), of the Companies Act.

* Outside member of the Audit & Supervisory Board Hiroko Kaneko is an outside director (Audit and Supervisory Committee Member) of Mitsubishi HC Capital Inc. DBJ has no special relationship with Ms. Kaneko, and its business with Mitsubishi HC Capital Inc. is conducted normally. DBJ has no special-interest relationship with any other of its outside Audit & Supervisory Board members.

Executive Officers (Excluding Those Who Are Concurrently Members of the Board of Directors)

Managing Executive Officer

Fumiyo Harada

In charge of GX-related divisions (Chief Sustainability Officer), overseeing of Corporate Finance Department, Divisions 4 and 5, Economic & Industrial Research Department, Regional Research & Planning Department, Research Laboratory for Capital Investment, Minami-Kyushu Branch

Managing Executive Officer

Yoshiyuki Takada

In charge of Urban Development Department, Real Estate Finance Department, Tohoku Branch, Hokuriku Branch

Managing Executive Officer

Shinji Ohno

In charge of Corporate Finance Department, Division 6, Tokai Branch

Managing Executive Officer

Yuichiro Mori

In charge of Corporate Finance Department, Division 5, Structured Finance Department, Syndication & Credit Trading Department, Kyushu Branch

Managing Executive Officer

Tetsuya Matsuura

In charge of Corporate Finance Department, Division 1

Managing Executive Officer

Rui Minowa

In charge of Corporate Finance Department, Division 3, Hokkaido Branch, Niigata Branch

Managing Executive Officer

Kazuhiko Kanazashi

In charge of Corporate Finance Department, Division 4

Managing Executive Officer (Head of Kansai Branch)

Tsuyoshi Kajimura

In charge of Kansai Branch, Chugoku Branch, Shikoku Branch

Managing Executive Officer

Tetsuji Ito

In charge of Corporate Finance Department, Division 2

Executive Officer

(In charge of Financial Institution)

Isao Nishio

Executive Officer
(In charge of Research)

Wataru Miyanaga

Executive Officer, Head of Corporate Planning & Coordination Department

Masakazu Naruse

In charge of Corporate Planning & Coordination

Executive Officer, Head of Business Planning & Coordination Department

Yoshiyuki Kasuga

In charge of Business Planning & Coordination Department

Executive Officer, Head of Information Resources Department

Kensuke Yabata

In charge of Information Resources

Executive Officer, Head of Human Resources Management Department

Masaaki Miyakama

In charge of Human Resources Management

Executive Officer
(In charge of Internal Audit)

Yasuhiro Matsui

Executive Officer
(In charge of Group IT)

Yasufumi Niizaki

Executive Officer, Head of Investment Research Department

Makoto Matsuki

In charge of Investment Research

Executive Officer, Head of Innovation Investment Department

Yuki Takemori

In charge of Innovation Investment

Messages from Outside Members of the Board of Directors’ Executive Officers (Excluding Those Who Are Concurrently Members of the Board of Directors)



Kosei Shindo

Outside Director

An Independent Perspective for Trusted Management

Since 2023, I have served as an outside director and member of the Advisory Board, the DBJ Group’s unique corporate governance body for incorporating the insights of external experts into its management. The Advisory Board is positioned as an advisory body to the Board of Directors, and not only advises on the DBJ Group’s overall management, which seeks to balance economic and social value, but also deliberates on maintaining fair competitive conditions with private-sector financial institutions. To date, I believe the Advisory Board has played an important role in monitoring, from an independent standpoint, the proper execution of legally mandated Special Investment Operations, collaboration with private-sector financial institutions, and the DBJ Group’s sustainability management initiatives.

Amid increasing global uncertainty, Japan faces a wide range of challenges, including reconciling energy security with carbon neutrality, maintaining and enhancing industrial competitiveness through innovation, and strengthening supply chains in light of geopolitical risks. Addressing these challenges will necessitate various changes in society, and I believe expectations will continue to rise for the DBJ Group, including for the supply of risk capital. To meet those expectations in a sustainable manner and achieve a balance between economic and social value, it is essential to have ongoing dialogue and collaboration with stakeholders. I will continue to fulfill my duties by supporting such efforts from a governance perspective.



Naoko Saiki

Outside Director

Sustainability Management Supported by External Expertise

Around the world, uncertainty is rising due to growing divisions in the international community and heightened tensions over economic security, and we appear to be in the midst of a major turning point in history. Even in these challenging times, Japan must aggressively pursue public-private investments in areas such as GX, DX, and supply chain resilience. With a rapidly aging population, declining birthrate, and shrinking population in Japan, efforts to revitalize regional economies are also essential. The DBJ Group has long provided timely solutions in response to evolving social issues, and going forward, I believe the DBJ Group should contribute more to the harmonious realization of economic and social value through collaboration with a broad range of stakeholders.

The DBJ Group’s efforts to help build a sustainable society must be guided by a medium- to long-term vision and supported by sound governance. To that end, bodies such as the Advisory Board and the Special Investment Operations Monitoring Board support the DBJ Group’s unique business model. In addition to my duties as an outside director, I am a member of the Advisory Board, where I provide advice on overall management together with other external experts. I will continue to fulfill my responsibilities by actively drawing on my experience and knowledge to provide guidance that advances sustainability management at the DBJ Group.



Response to Respect for Human Rights

The DBJ Group has put into place a relief mechanism and work processes for performing due diligence on human rights issues in investments, loans, and procurement activities, based on a basic policy on respect for human rights that is foundational to realizing sustainability in social and economic activities. In our evaluation, we have identified potential risks to human rights in the business activities of the DBJ Group, including 12 major Group companies, and we have identified significant human rights issues while evaluating their importance based on severity and probability. We will continue to reassess while monitoring changes in the environment.

DBJ Group Human Rights Policy
<https://www.dbj.jp/en/sustainability/management/humanrights.html>

- Policies for management, employees, customers, and suppliers
- Matters concerning respect for human rights are periodically discussed by the Executive Committee and reported to the Board of Directors.
- The policy is also applicable to 12 major Group companies.

Environmental and Social Management Policy for Financing and Investment Activity
<https://www.dbj.jp/en/sustainability/effort/resolution/investment.html>

- Rules for financing to businesses and sectors with a high likelihood of having adverse impacts on the environment and society
- Implement the same response at three Group financial companies (DBJ Asset Management Co., Ltd., DBJ Securities Co., Ltd., and DBJ Capital Co., Ltd.)

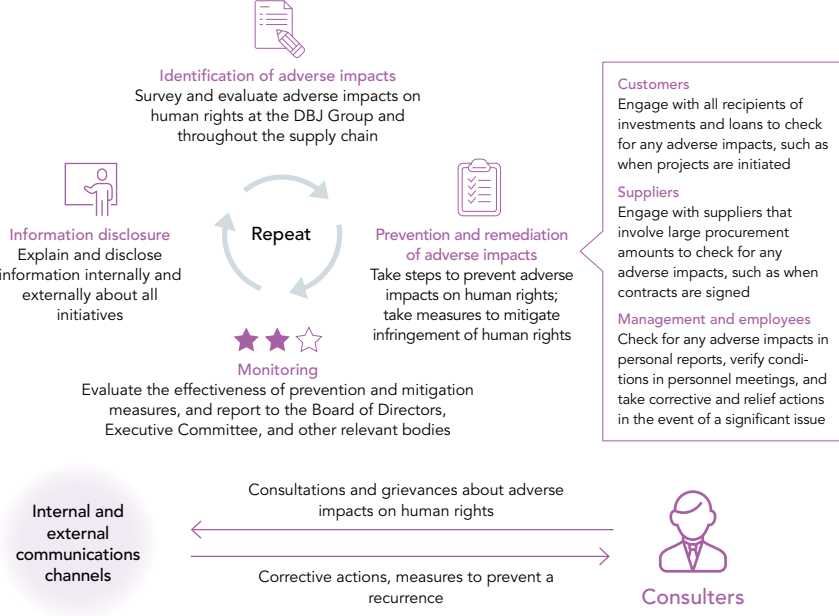
Procurement Policy
<https://www.dbj.jp/en/sustainability/effort/foundation/procurement.html>

- Establish guidelines and other provisions to further strengthen responsible procurement activities
- Applies to 12 major Group companies

Significant Human Rights Issues

Customers	Forced labor, child labor (wrongful employment of foreign technical interns at recipients of investments and loans from the DBJ Group, etc.)
	Indigenous tribes, local residents (deprivation of land and infringement on lifestyles of people due to activities of recipients of investments and loans from the DBJ Group, etc.)
	Adverse impacts on the environment and climate change (environmental damage caused by activities of recipients of investments and loans from the DBJ Group, etc.)
Suppliers	Human rights in the supply chain (human rights infringement by subcontractors of suppliers of the DBJ Group, etc.)
	Excessive and wrongful employment, occupational health and safety (encouraged to prioritize deadlines set by the DBJ Group, etc.)
	Harassment (induced by demands to work on holidays or evenings, or to meet levels required by the DBJ Group, etc.), discrimination
Management and employees	Excessive and wrongful work hours (ill effects on mental and physical health from working long hours, etc.)
	Gender, harassment (power harassment, sexual harassment, pregnancy discrimination, care harassment), discrimination
	Occupational health and safety (inadequate measures to prevent infectious diseases, such as novel coronaviruses)

Human Rights Due Diligence and Relief Mechanism





DBJ believes that compliance is both at the heart of our corporate management and that it complements our business model and strategy, like two sides of the same coin. In addition, compliance risk must be properly managed in our organization’s overall governance and control structure in implementing our corporate philosophy. We feel that compliance is achieved when every employee and executive actively engages in their work with compliance foremost in their minds.

Business Conduct and Compliance

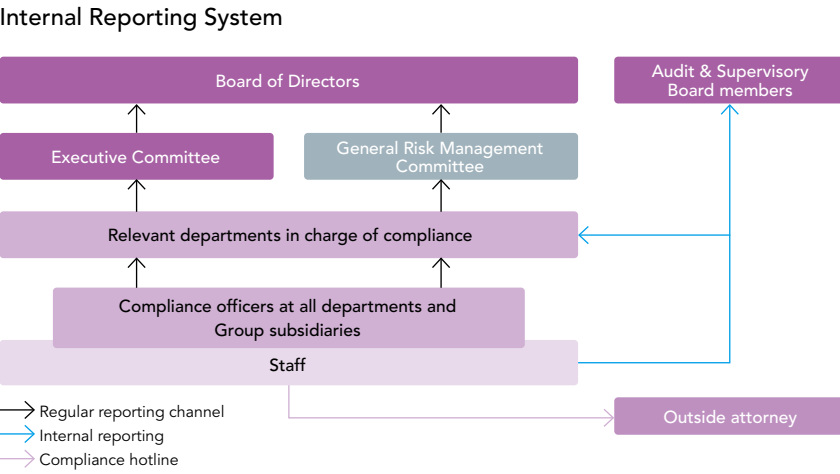
The DBJ Group is a unique financial group that integrates lending, investment, advisory and knowledge, and asset management services. Our first duty is to address the expectations of customers, while going beyond compliance with laws and regulations to be mindful of demands placed on it by society, and practicing a customer-oriented approach to business conduct. While adhering to compliance,

DBJ conducts operations through appropriate functions to mitigate conduct risk under the Three Lines of Defense model (operations, management, and internal audits). To achieve our corporate philosophy, all employees and executives take action while pursuing both economic and social value in accordance with our Code of Conduct (Action Guidelines).

Compliance Framework

The DBJ Group has determined basic policies and rules for compliance, creates and distributes compliance manuals for all employees and executives to follow, and conducts training and explanatory sessions to spread awareness of compliance. Each fiscal year, all DBJ Group companies design and implement compliance programs tailored to their particular business characteristics. DBJ has established compliance-related departments that report on the status of compliance with laws and regulations to the Executive Committee and the Board of Directors. Compliance officers have been assigned to each department to report and serve as liaisons for compliance matters within their departments. Relevant departments in charge of compliance provide advice and guidance as necessary. In order to quickly discover and resolve any compliance-related issues, DBJ has set up an internal reporting channel to relevant compliance departments and Audit & Supervisory Board members, which circumvents normal reporting channels. DBJ has also created an external reporting channel through a law office.

In light of revisions to the Whistleblower Protection Act, DBJ ensures it has put into place protections for whistleblowers, works to improve the credibility of its whistleblowing system, and is encouraging Group companies to adopt similar whistleblowing systems.



Compliance Practices

The DBJ Group believes compliance with laws and regulations is essential for maintaining the customer’s trust and ensuring the soundness and fitness of its business operations. We recognize compliance as one of our most important management priorities. Employees and executives cultivate awareness to mitigate conduct risk and engage in our business fairly, in good faith, and in compliance with not only all laws, regulations, and rules but also social norms.

Measures to Prevent Insider Trading

In the provision of various financial services including investments and loans, the DBJ Group believes that complying with insider trading regulations is essential to maintaining trust. For example, we have created rules for employees and executives to follow when trading in securities. Moreover, DBJ has established systems for preventing insider trading, as demonstrated by our formulation of strict procedures for confirming and executing transactions in our investment operations. In research operations, we manage and handle corporate information carefully.

Initiatives to Prevent Bribery and Corruption

Due to the public nature of DBJ, the DBJ Act stipulates that executives and employees must not receive improper compensation, and internal rules define matters that warrant caution when executives and employees come into contact with clients and other parties. In addition to preventing bribery and corruption at DBJ, we take steps to prevent involvement in the bribery and corruption of third parties and other entities, including recipients of investments and loans.

Elimination of Antisocial Forces

The DBJ Group has a basic policy of not having any relationships with antisocial forces, and resolutely coping with them in cooperation with the police and other external institutions. Our rules and training programs have thus been carefully crafted to prevent relationships with antisocial forces. DBJ thoroughly assesses and manages this risk for each project and takes appropriate measures when necessary while communicating with special external institutions.

Anti-Money Laundering (AML) and Countering the Financing of Terrorism (CFT) Measures

As it develops business worldwide, DBJ understands the importance of taking measures to prevent money laundering and the financing of terrorism. It has been reinforcing these measures based on guidance from the Financial Action Task Force (FATF) and the supervisory authorities. Although DBJ does not engage in foreign currency transactions or accept deposits, DBJ implements risk assessments as if it did, and takes steps based on the risks that would be involved. DBJ has systems in place to ensure that proper procedures are taken, periodically conducts risk management operations, and provides thorough training on these for its employees and executives. We also strive to continuously improve this structure by evaluating a variety of measures.

Customer Protection Management

The Company has identified “the customer’s perspective” as a key element of its Code of Conduct (Action Guidelines). We have created basic policies for customer protections not only from the standpoint of improving customer protections and convenience but also from the standpoint of ensuring the soundness and fitness of our operations. Accordingly, we have taken a management posture for ensuring customer protections.

Management of Conflicts of Interest

When providing customers with financing, investment, consulting and advisory services, asset management, and other financial services, the DBJ Group has systems in place for identifying and managing transactions in order to prevent conflicts of interest and act fully in the interests of customers, based on the transaction type and degree of risk. When obtaining consent from customers for a transaction, we provide them with accurate and appropriate information.

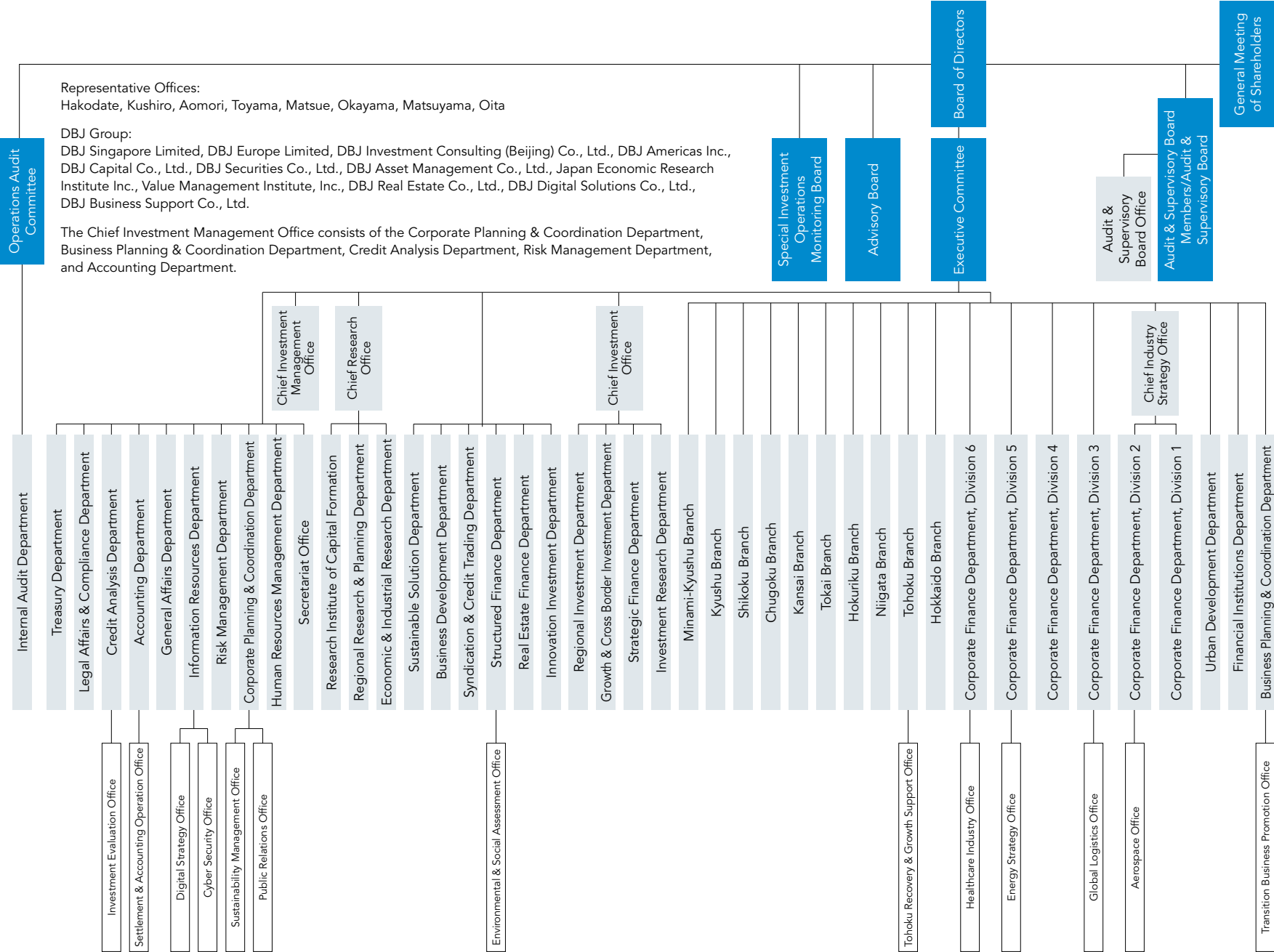
Management of Customer Information

In addition to following legal requirements and rules about sharing customer information among Group companies, preventing insider trading, and managing conflicts of interest, the DBJ Group has created management structures and systems for handling customer information, with particular attention paid to minutiae in order to maintain the customer’s trust.

04

Data

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- P.102 Consolidated Financial Summary
- P.104 Greenhouse Gas Emissions / Climate Change Scenario Analysis
- P.106 Policy on Sustainability
- P.107 Corporate Information



Consulting / Research

Japan Economic Research Institute Inc.

Japan Economic Research Institute Inc. is the main think tank of the DBJ Group, focusing on research and consulting. Its strengths include extensive networks in Japan and abroad, spanning the DBJ Group, national and local governments, universities, research institutions, and experts; its ability to propose forward-looking concepts from a neutral perspective; and the conduct of feasibility studies from a long-term viewpoint. Focusing on three fields of services for public entities, business entities, and international businesses, Japan Economic Research Institute leverages synergies to address structural challenges in the Japanese economy based on the themes of regional revitalization and decarbonization, as well as in the fields of infrastructure, energy, the economy, and industry.

Website <https://www.jeri.co.jp/en/>



Services for the Public Sector

Japan Economic Research Institute investigates and researches the problems of national and local governments from various angles, and helps guide these governments toward solutions by coming up with ideas and concepts, while helping to draft government policies and measures.



Services for Private Enterprises

Japan Economic Research Institute provides support for diverse customers, from small- to medium-sized companies, as well as mid-tier to large corporations, through a wide range of services, including proposals for corporate strategies, support for strengthening internal management, entering overseas markets, M&A, and starting new businesses.



Services for International Businesses

Japan Economic Research Institute meets the needs of customers in Japan and abroad with its insight and networks accumulated in each field, as well as through international cooperation, support for entering overseas markets, and overseas research.

Research and consulting details <https://www.jeri.co.jp/about/overview>
Around 100 specialist researchers <https://www.jeri.co.jp/about/introduce/>

Value Management Institute, Inc.

Value Management Institute, Inc., is a comprehensive think tank of the DBJ Group that provides tailored solutions for a wide range of policy issues. DBJ is helping to create value in various aspects of individual life, business, markets, corporate value, and social systems, leveraging its strengths in analysis, prediction, and evaluation using proprietary simulation models that balance advanced technical knowledge and big data with a theoretical foundation in economics, the environment, society, urban development, transportation, and other fields.

Supporting administrative bodies (central and local government entities) in policy-making, Value Management Institute offers research and consulting services in industrial and economic policy, national and urban policy, regional revitalization policy, housing policy, transportation policy, energy and environmental policy, and policy evaluation.

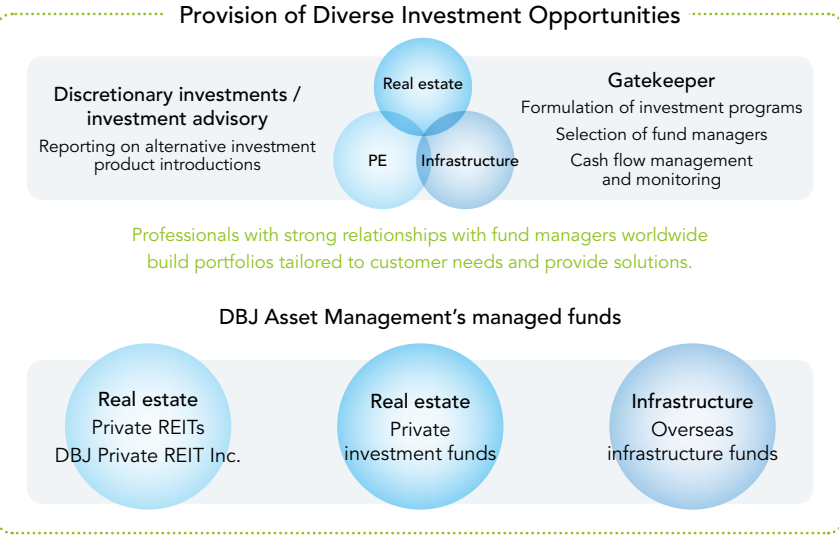
Website <https://www.vmi.co.jp/eng/>

Industry and Economy, Environment	
Industry, economy, innovation	Proposals on DX/GX, macroeconomics, industry research, and technology strategies from long-term and theoretical perspectives
Environment, energy	Stock-focused policy proposals on decarbonization, circular economy, and biodiversity from an ultra-long-term perspective
Government policy evaluation, business evaluation	Development and advancement of impact evaluation, B/C analysis, logic models, and non-market goods valuation
Urban Development, Real Estate, Transportation	
National and city government policy	Proposals on future structures, such as national land frameworks, compact cities, and regional circular and ecological spheres based on quantitative methods
Housing and real estate	Proposals on real estate stock distribution and utilization, real estate finance, and ESG based on extensive case studies and expertise
Transportation policy	Demand forecasts for airports, the Chuo Shinkansen, and expressways using a proprietary large-scale simulation model
Regional Economies, Regional Government Policy	
Regional economic analysis	Promotion of the use of regional economic circulation analysis and regional social analysis developed using extensive analytical techniques
Regional industry and decarbonization policy	Proposals on regionally beneficial businesses, industry clusters, and regional decarbonization based on quantitative analysis
Regional promotion and community development	Proposals on discovering regional resources, promoting migration and settlement, and enhancing tourism and exchange to realize regional well-being

DBJ Asset Management Co., Ltd.

DBJ Asset Management Co., Ltd., is the DBJ Group’s asset management company that specializes in the alternative domains of fund management and gatekeeper operations of domestic and international real estate, private equity, and infrastructure. The company contributes to the healthy and long-term development of the alternative investment market and expansion of long-term investment returns for investors by providing high-quality investment opportunities and asset management services to its investors, aimed at realizing a sustainable society with the backing of its comprehensive financial capabilities, while upholding the DBJ Group’s corporate philosophy.

Website <https://www.dbj-am.jp/en/>



In the 2024 assessment, DBJ received the highest five-star ranking in several modules.

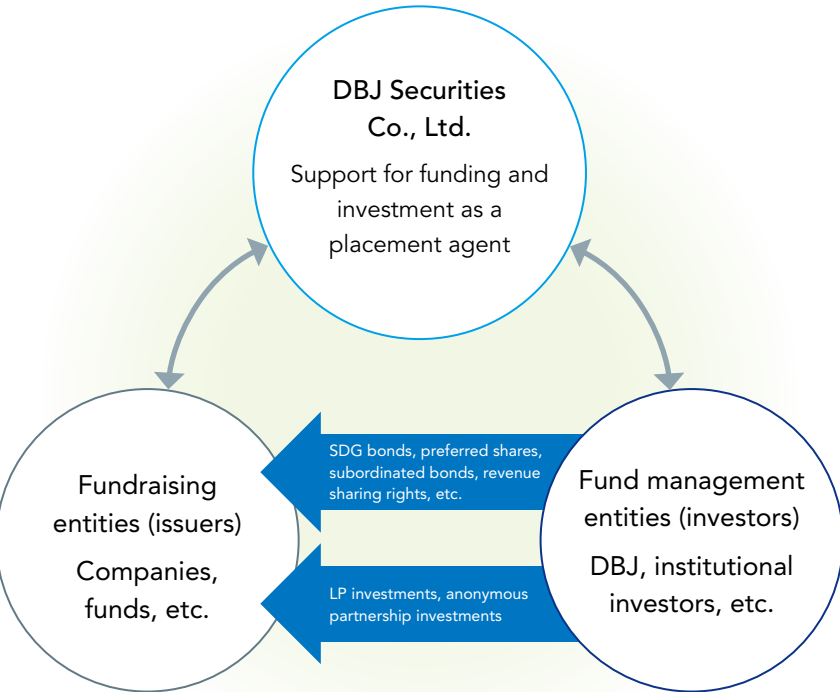


In the 2024 assessment, three funds managed by DBJ Asset Management received the highest five-star rating.

DBJ Securities Co., Ltd.

DBJ Securities Co., Ltd., is the DBJ Group’s securities firm, focused on fundraising and investment in private markets. It supports placement operations primarily in alternative markets, such as infrastructure funds including energy and data centers, where the DBJ Group can leverage its strengths, as well as fundraising and investment through private equity, mezzanine, and debt. While meeting a variety of fundraising needs via marketable securities, the company offers institutional investors investment opportunities that leverage the DBJ Group’s strengths.

Website <https://www.dbj-sec.jp/en/>



DBJ Capital Co., Ltd.

DBJ Capital Co., Ltd., is the DBJ Group’s venture capital firm that supports growth and equity investments in startups through seed and early stage funding. Its mission statement is “To make a significant impact on the world, DBJ Capital continues striving to seek innovative technologies and businesses and take on challenges with entrepreneurs by providing long-term support and financing for startups.” While utilizing the DBJ Group’s strong creditworthiness, the company assists businesses by providing access to diverse networks and long-term investments regardless of the stage of the business.

Website <https://www.dbj-cap.jp/en/>

Provision of Financial Services Tailored to Growth Stage



Examples of major investment targets

Link for Life

A startup developing next-generation cancer drugs using radiopharmaceuticals

日本サイバーディフェンス

A startup building a purely domestic cybersecurity platform using AI

JCCL
Japan Carbon Cycle Lab.

A Kyushu University startup aiming to achieve carbon neutrality with made-in-Japan CO₂ capture technology

DBJ Digital Solutions Co., Ltd.

DBJ Digital Solutions Co., Ltd., is the DBJ Group’s IT strategy company that supports business infrastructure and security from an IT perspective. The company forms an IT unit jointly with the Information Resources Department, ensuring the stability of the Group’s overall operations. It also works to help advance customers’ businesses by providing consistent, high-quality solutions and services, from consulting to system development, operation, and maintenance, while addressing social issues as well. Leveraging the DBJ Group’s solid foundation and trust, DBJ Digital Solutions contributes to value creation from a long-term perspective as a reliable ICT partner supporting customers’ security and future.

Website <https://www.dbj-digital.jp/>



📄 Securities filing for 17th fiscal year

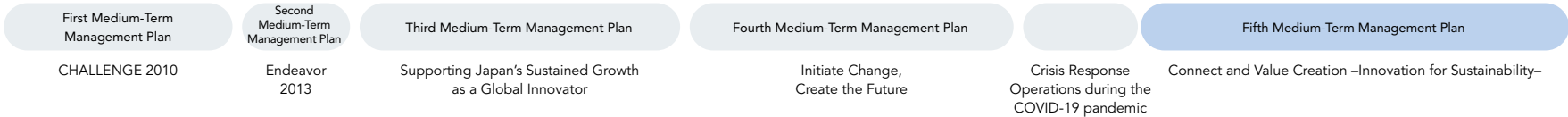
(Billions of yen)	Fiscal 2013 (April 1, 2013 to March 31, 2014)	Fiscal 2014 (April 1, 2014 to March 31, 2015)	Fiscal 2015 (April 1, 2015 to March 31, 2016)	Fiscal 2016 (April 1, 2016 to March 31, 2017)	Fiscal 2017 (April 1, 2017 to March 31, 2018)	Fiscal 2018 (April 1, 2018 to March 31, 2019)	Fiscal 2019 (April 1, 2019 to March 31, 2020)	Fiscal 2020 (April 1, 2020 to March 31, 2021)	Fiscal 2021 (April 1, 2021 to March 31, 2022)	Fiscal 2022 (April 1, 2022 to March 31, 2023)	Fiscal 2023 (April 1, 2023 to March 31, 2024)	Fiscal 2024 (April 1, 2024 to March 31, 2025)
Consolidated												
Total income	361.6	339.0	358.6	285.4	291.7	301.2	289.1	269.4	310.3	374.5	410.8	392.0
Ordinary income	165.7	153.0	185.1	122.5	127.1	128.1	78.9	73.0	86.1	135.3	147.8	113.3
Extraordinary profit/loss	0.2	0.6	1.5	(0.0)	2.2	(1.3)	4.0	0.7	2.3	0.5	2.7	0.4
Income before income taxes and minority interests	166.0	153.6	186.7	122.4	129.4	126.7	83.0	73.8	88.5	135.9	150.6	113.8
Total income taxes	(40.8)	(58.9)	(57.6)	(34.6)	(35.0)	(33.5)	(31.5)	(26.9)	(29.4)	(40.5)	(46.8)	(29.4)
Net income attributable to owners of the parent	124.3	92.7	128.9	87.6	91.9	91.9	50.4	45.2	57.6	92.7	103.2	83.7
Total dividend amount	30.8	22.5	29.2	19.7	22.1	21.0	9.9	8.1	15.6	18.2	21.3	16.1

Total assets	16,310.7	16,360.6	15,907.1	16,570.4	16,952.2	17,079.5	17,693.6	21,221.8	21,508.5	21,482.4	21,698.6	21,549.3
Loans	13,838.4	13,261.3	12,952.5	13,039.5	12,725.2	12,923.9	12,415.9	14,757.1	14,346.1	15,058.2	14,829.9	14,794.7
Securities	1,637.5	1,887.9	1,803.0	1,750.3	1,866.4	1,961.0	2,374.2	2,535.8	3,034.4	2,911.4	3,239.4	3,609.3
Total liabilities	13,682.9	13,613.3	13,022.9	13,584.2	13,842.1	13,783.2	14,259.6	17,518.4	17,676.5	17,518.6	17,589.7	17,387.3
Borrowed money	9,182.6	8,598.2	7,892.1	8,472.3	8,574.1	7,987.8	8,070.9	10,664.5	10,573.6	10,084.5	9,822.5	9,720.6
Debentures and corporate bonds	4,237.4	4,569.3	4,727.9	4,711.8	4,932.9	5,296.9	5,696.8	6,223.4	6,392.3	6,436.0	6,724.7	6,606.8
Total equity	2,627.7	2,747.2	2,884.2	2,986.2	3,110.1	3,296.3	3,434.0	3,703.4	3,832.0	3,963.7	4,108.8	4,161.9
Common stock	1,206.9	1,206.9	1,000.4	1,000.4	1,000.4	1,000.4	1,000.4	1,000.4	1,000.4	1,000.4	1,000.4	1,000.4
Common equity Tier 1 capital ratio (Basel III, BIS standard)	15.30%	16.22%	17.54%	17.22%	16.81%	16.65%	17.26%	16.65%	16.97%	16.34%	17.33%	18.10%
Non-performing loan ratio*	0.99%	0.77%	0.64%	0.54%	0.47%	0.40%	0.46%	0.76%	0.70%	0.90%	0.92%	0.74%
Return on assets (ROA)	0.76%	0.57%	0.80%	0.54%	0.55%	0.54%	0.29%	0.23%	0.27%	0.43%	0.48%	0.39%
Return on equity (ROE)	4.83%	3.47%	4.60%	2.99%	3.03%	2.88%	1.51%	1.27%	1.54%	2.39%	2.57%	2.03%
Number of employees	1,391	1,407	1,435	1,546	1,631	1,650	1,703	1,781	1,809	1,839	1,850	1,901

* Based on the Banking Act and the Civil Rehabilitation Act, the non-performing loan ratio is defined as the balance of accounts receivable excluding performing loans ÷ balance of accounts receivable. Under the previous standard before fiscal 2020, the formula for calculating this ratio was balance of risk-managed assets ÷ loan balance.

Investment and fundraising flow (non-consolidated)

Loans and investments (flow)	2,943.3	2,544.2	3,027.7	4,012.6	3,153.4	3,790.8	3,951.8	5,786.7	3,222.6	4,021.9	3,820.0	4,075.3
Loans	2,805.1	2,262.7	2,861.3	3,805.8	2,973.6	3,490.4	3,401.5	5,484.2	2,994.6	3,830.3	3,455.0	3,692.9
Investments	138.2	281.4	166.3	206.7	179.7	300.4	550.3	302.5	227.9	191.5	364.9	382.4
Funds raised (flow)	2,943.3	2,544.2	3,027.7	4,012.6	3,153.4	3,790.8	3,951.8	5,786.7	3,222.6	4,021.9	3,820.0	4,075.3
Of which, recovered, etc.	1,307.5	1,129.9	1,639.7	1,526.1	1,005.0	2,051.4	1,546.1	1,191.4	1,078.0	2,588.6	2,176.4	2,218.3



Consolidated Income Statement

(Billions of yen)	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Change
	A	B	B–A
Consolidated gross ordinary income	234.5	206.9	(27.5)
Net interest income	96.5	116.1	19.6
Net gains (losses) related to investments	113.1	51.0	(62.1)
Net gains (losses) on stocks and other securities	77.6	4.5	(73.0)
Net gains (losses) on funds	30.1	36.3	6.2
Equity-method investment gains/losses	5.4	10.0	4.6
Net fees and commissions	20.4	27.7	7.3
Other business-related income	4.3	11.9	7.6
General and administrative expenses	(64.5)	(69.3)	(4.7)
Consolidated net business profit	169.9	137.5	(32.3)
Credit-related costs (() indicates expenses)	(19.1)	(8.8)	10.2
Provision to allowance for doubtful accounts (() indicates provision)	(9.9)	(3.5)	6.3
Losses on nonperforming loans	(10.0)	(5.7)	4.2
Reversal of allowance for doubtful accounts, recoveries of written-off claims, etc.	0.8	0.5	(0.3)
Write-offs of equities and other securities	(2.9)	(15.2)	(12.3)
Ordinary profit	147.8	113.3	(34.4)
Extraordinary gain/loss	2.7	0.4	(2.3)
Net income before income taxes	150.6	113.8	(36.8)
Total income taxes	(46.8)	(29.4)	17.4
Net income	103.8	84.3	19.4
Net income attributable to non-controlling interests	0.5	0.6	0.0
Net income attributable to owners of the parent	103.2	83.7	(19.4)

Consolidated Balance Sheet

(Billions of yen)	As of March 31, 2024	As of March 31, 2025	Change
	A	B	B–A
Cash and due from banks	1,846.3	1,162.3	(684.0)
Securities	3,239.4	3,609.3	369.9
Loans and bills discounted	14,829.9	14,794.7	(35.1)
Tangible fixed assets	487.9	466.3	(21.6)
Customers' liabilities for acceptances and guarantees	731.8	737.4	5.6
Allowance for loan losses	(110.1)	(116.2)	(6.0)
Other	673.3	895.3	222.0
Total assets	21,698.6	21,549.3	(149.2)
Bonds	6,724.7	6,606.8	(117.9)
Borrowed money	9,822.5	9,720.6	(101.8)
Acceptances and guarantees	731.8	737.4	5.6
Other	310.6	322.3	11.7
Total liabilities	17,589.7	17,387.3	(202.3)
Share capital	1,000.4	1,000.4	—
Crisis response reserve	206.5	206.5	—
Special investment reserve	1,577.8	1,602.0	24.2
Special investment surplus	55.3	71.2	15.9
Capital surplus	295.4	265.8	(29.6)
Retained earnings	880.1	929.2	49.1
Accumulated other comprehensive income	77.3	70.9	(6.4)
Non-controlling interests	15.7	15.6	(0.0)
Total net assets	4,108.8	4,161.9	53.1

Greenhouse Gas Emissions

Reduction Targets

The DBJ Group aims to achieve net zero GHG emissions by 2050, encompassing its own Scope1 and Scope2 emissions, as well as Scope3 emissions of companies in its investment and loan portfolio.

Scope 1 and 2

Scope1: Direct GHG emissions from our own business activities
Scope2: Indirect GHG emissions associated with electricity, heat, and steam procured from other companies

DBJ and eight major domestic Group companies (P.13) have set targets for achieving net zero in-house emissions by fiscal 2030. GHG emissions are measured and tallied at these companies. DBJ continues to promote efforts to reduce GHG emissions, centered on the Sustainability Management Office in the Corporate Planning & Coordination Department.

Scope3

Scope3: Indirect GHG emissions outside of Scope 1 and 2 (classified into 15 categories depending on the activity)

With the goal of achieving net zero GHG emissions for its investment and loan portfolio by 2050, the DBJ Group has set interim reduction targets for GHG emissions from its investment and loan portfolio to the electric power sector and oil & gas sector, taking into account the characteristics of each sector and the amount of credit exposure. GHG emissions in its portfolio of investments and loans are measured and monitored using the PCAF*1 Standard, which offers financial institutions methods for calculating emissions in each asset class within their investment and loan activities.

*1 PCAF: Partnership for Carbon Accounting Financials

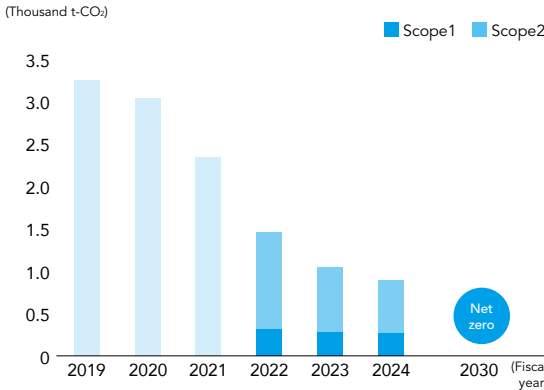
	Indicators for Sectors	Interim Reduction Targets and Approach for GHG Emissions (Scope3)	FY2024.3 Results
Electric power sector	- Recognizing that decarbonizing the electric power sector is essential to decarbonizing industry as a whole, we have set interim targets for power generation companies, taking into account DBJ's credit exposure to the electric power sector. - In the process of decarbonizing society and industry, demand for electricity is expected to increase due to electrification, and it is important to reduce the emissions intensity (GHG emissions per unit of electricity generated) through the spread of clean energy and technological innovation. We have therefore set a target for emissions intensity.	- We have set the 2030 interim reduction target at 138g-CO₂e/kWh–265g-CO₂e/kWh. - Once we achieve 265gCO₂/kWh, which aligns with the Strategic Energy Plan's Nationally Determined Contribution*2 (NDC) target for 2030, we will then work toward the 138g-CO₂e/kWh level indicated in the Net Zero Emissions (NZE) scenario of the International Energy Agency*3 (IEA).	361 _{g-CO₂e/kWh}
Oil & gas sector	- Recognizing that decarbonizing the oil & gas sector is also essential to decarbonizing industry as a whole, we have set interim targets for companies whose main business is upstream production (including integrated companies), taking into account DBJ's credit exposure to the oil & gas sector. - Using absolute GHG emissions as the measurement indicator, and given that Scope 3 Category 11*4 accounts for the majority of the oil & gas sector's GHG emissions, we include Scope 1 and 2 as well as Scope 3 Category 11 in the scope of the target.	- We have set the 2030 interim reduction target as an 11%-26% reduction compared with fiscal 2022. - Once we achieve an 11% reduction compared with fiscal 2022 levels, consistent with the IEA's Sustainable Development Scenario, by 2030, we will then target a 26% reduction compared with fiscal 2022, consistent with the Net Zero Emissions scenario.	–11% (compared with fiscal 2022)

*2 NDC: Nationally Determined Contribution

*3 IEA: International Energy Agency

*4 GHG emissions from the combustion of sold products

Scope 1 and 2 Emissions



Climate Change Scenario Analysis

Basic Approach to Climate-Related Risks and Opportunities

When formulating its Vision 2030 (P.16), the DBJ Group identified climate change as an area of change in the external environment that is having a major impact on its stakeholders. Properly understanding the risks and opportunities related to climate change is essential when establishing business strategies for the DBJ Group. We aim to achieve net zero GHG emissions by 2050. Based on a scenario where the world moves toward a decarbonized society (with an average rise in global temperatures below 2.0°C), we are advancing initiatives that take into account the results of our analysis of risks and opportunities related to climate change, including those in scenarios where average temperatures increase more than 2.0°C. Based on these results, in order to support our customers' efforts to decarbonize, we intend to extend ¥5.5 trillion in investments and loans over a five-year period under our GRIT Strategy.

Analysis of Climate-Related Risks

We are aware of climate-related financial risks in terms of transition risks and physical risks. Transition risks could impact the business strategy of the DBJ Group by increasing credit costs if the creditworthiness of the recipients of its investments and loans declines due to lower sales and higher costs, mainly from the introduction of a carbon tax and upgrades to low-carbon technologies. Physical risks might also impact our business strategy by increasing credit costs if the creditworthiness of the recipients of our investments and loans declines due to damages to collateral value as a result of abnormal weather or supply chain disruptions.

DBJ analyzed scenarios for the energy sector (electricity and oil & gas) and the steel sector for transition risks, and scenarios for direct damage (damages to collateral value) and indirect impacts (business suspensions) due to water disasters for physical risks. The results of these analyses indicate that even if DBJ's current balance of investments and loans were to stay the same, the financial impact would be limited to an acceptable level from a long-term perspective.

The DBJ Group is aware that the methodologies and data used to analyze financial risks related to climate change continue to evolve at a rapid pace. While monitoring trends in this field, we will adopt more advanced methods of analysis if necessary.

Summary of Analysis

	Transition Risk	Physical Risk
Risk event	Sudden change in policy toward net zero GHG emissions	Water damage (flooding)
Scenario	NGFS*1 Delayed Transition scenario	IPCC*2 RCP*3 8.5 (4.0°C scenario)
Scope of analysis	Energy and steel sector	Damage to collateral value and impact of business suspensions due to water disasters
Assets covered	Balance of investments and loans	Balance of investments and loans
Analysis period	By 2050	By 2100
Analysis results (level of increase in credit costs)	About ¥20.0–¥110.0 billion (cumulative)	About ¥10.0–¥30.0 billion (cumulative)

*1 NGFS: Network for Greening the Financial System

*2 IPCC: Intergovernmental Panel on Climate Change

*3 RCP: Representative Concentration Pathways

Policy on Sustainability (Enacted 2017)

Purpose

Article 1 DBJ Group, in accordance with our corporate philosophy, establishes the Policy on Sustainability described below in order to do business in a manner which resolves the issues of our customers and the larger society and realizes the sustainable development of Japan and the world.

Sustainability Management

Article 2 Sustainability management as practiced by DBJ Group is defined as management directed at creating a sustainable society: We take advantage of our unique business model that integrates investments, loans and other business activities so as to enhance the value of managerial resources, both tangible and intangible and, to realize economic and social value, while consistently improving the value creation process through communication with stakeholders.

Financial Capital and Non-financial Capital

Article 3 We comprehensively enhance the various types of capital required to conduct business consistent with our risk appetite: human, intellectual, relationship, social and other forms of non-financial capital which affect the capacity to create long-term financial value, along with financial capital.

Contribution to a Sustainable Society

Article 4

1. We work fairly and reliably to provide solutions required to create a sustainable society by identifying material social issues in our relevant fields based on trends in government policy as well as legislation and norms regarding environmental, social, and governance (ESG) criteria in Japan and throughout the world and incorporating a recognition of the need for a sustainable society into our investing, lending, asset management and other business activities and engaging in sincere and fair business activities.
2. We exercise a leadership role in building the knowledge required to create a sustainable society through ongoing surveys, research, and reporting on social issues.
3. We work to deepen our understanding of the impact of our own business activities on society and consistently improve them.
4. We are committed to meeting the legal and regulatory responsibilities for human rights and give consideration to the human rights of all people in each of our fields of business.
5. We work to consistently improve the value creation process, placing importance on communication with the stakeholders as described in Articles 5 through 9, and striving for continuous improvement of the value creation process.

Sustainable Growth for Customers

Article 5 We provide creative investment and lending solutions to our customers in various industries and infrastructure sectors both in Japan and overseas, thereby increasing our customers’ tangible and intangible value and contributing to their sustainable growth.

Self-Reliant Development of Regional Society

Article 6 We place importance on partnerships with regional communities, contributing to self-reliant development of regional society through business activities conducted in cooperation with local authorities and financial institutions.

Cooperation with Employees

Article 7

1. We work to promote the growth of each employee through efforts to develop skills and raise motivation, while maintaining and enhancing our employees’ physical and mental health.
2. We create a climate in which diverse employees, irrespective of gender, age, nationality, and physical ability, can display their ability and expertise to the fullest extent, and build an employee-friendly working environment as a necessary foundation.

Contribution toward a Developed and Stable Financial Market

Article 8

1. We play a part in vitalizing the financial markets by actively engaging in the supply of risk capital, including Special Investment Operations, and the expansion of financial frontiers in partnership and coordination with other financial institutions. “DBJ’s Special Investment Operations” will be among the instruments used for this purpose.
2. We provide highly qualified and responsible investment opportunities and investment management services as we pursue the best outcomes for our clients in our asset management business. By doing so, we meet our clients’ diverse needs for fund management and stimulate the circulation of capital.
3. We serve as a safety net and thus contribute to stable financial markets through our “Crisis Response Business.”

Communication with Investors

Article 9 We work to consistently raise both tangible and intangible corporate value as we enhance the transparency of disclosure and pursue constructive communication with investors.

Corporate Information

(As of March 31, 2025)

Name	Development Bank of Japan Inc.
Established	October 1, 2008
Head Office	Otemachi Financial City South Tower, 9-6, Otemachi 1-chome, Chiyoda-ku, Tokyo 100-8178, Japan
Capital	¥1,000,424 million
Number of Employees	1,901 (non-consolidated 1,280)

Summary of Changes to the DBJ Act after Conversion to a Joint-Stock Company

On October 1, 2008, DBJ transitioned from a special public corporation to a joint-stock company. In preparation for full-scale privatization following the disposal of all Japanese government-owned shares, DBJ has continued working to enhance its corporate value through integrated investment and loan services. These activities include providing long-term loans; equity, mezzanine financing, and other types of risk capital; and M&A advisory services.

On the other hand, shortly after DBJ’s conversion to a joint-stock company, the global financial crisis and the Great East Japan Earthquake occurred. The Japanese government called on DBJ to steadily mount large-scale Crisis Response Operations. Due to these crises, the Development Bank of Japan Inc. Act (Act No. 85 of 2007) was amended twice, with DBJ accepting an additional increase in Japanese government capital. Also, by the end of fiscal 2014, the Japanese government was committed to reviewing DBJ’s organization, including the Japanese government’s shareholdings, as stipulated by the revision.

Based on the deliberations by the Japanese government’s Study Panel Concerning the Promotion of Expanding Growth Funding, the Act for Partial Amendment of the Development Bank of Japan Inc. Act (Act No. 23 of 2015), which was enacted on May 20, 2015, maintains the direction toward full-scale privatization. At the same time, in order to fully ensure the provision of funding in response to large-scale disasters and economic crises, the amended act makes DBJ’s Crisis Response Operations obligatory for an indefinite period. From the perspective of promoting the provision of growth capital to revitalize regional economies and increase the competitiveness of enterprises, the amended act calls for DBJ to accept a certain amount of capital from the Japanese government (industrial investment). This investment is to be used for a new scheme, Special Investment Operations, to strengthen and develop the Fund for Japanese Industrial Competitiveness. In addition, with regard to the application of DBJ’s investment

Shareholder Information

(As of March 31, 2025)

Name	Number of Shares Held (Thousands of Shares)	Percentage of Total Equity (%)
Minister of Finance	43,632	100.00
Total	43,632	100.00

and loan functions toward crisis response and the provision of growth capital, measures were introduced obliging the Japanese government to hold at least a certain percentage of DBJ’s shares.

This structural revision is based on deliberations by the Japanese government’s Study Panel Concerning the Promotion of Expanding Growth Funding, which we think evaluated DBJ’s initiatives following its conversion to a joint-stock company, including DBJ’s proper implementation of Crisis Response Operations and initiatives for providing growth capital (equity and mezzanine financing) to address shortages in Japanese financial and capital markets.

In light of discussions in 2019 by the Japanese government’s Study Panel Concerning the Future Vision of Special Investment Operations at Development Bank of Japan Inc., under the Act for Partial Amendment of the Development Bank of Japan Inc. Act (Act No. 29 of 2020), which was enacted on May 22, 2020, Special Investment Operations shall take the following required measures:

- (1) extend the investment decision term and government financing term from March 31, 2021, until March 31, 2026, and
- (2) extend the deadline for ending operations from March 31, 2026, until March 31, 2031.

In light of discussions in 2024 by the Japanese government’s Study Panel Concerning the Future Vision of Special Investment Operations at Development Bank of Japan Inc., under the Act for Partial Amendment of the Development Bank of Japan Inc. Act (Act No. 36 of 2025), which was enacted on May 16, 2025, Special Investment Operations shall take the following required measures:

- (1) extend the investment decision term and government financing term from March 31, 2026, until March 31, 2031, and
- (2) extend the deadline for ending operations from March 31, 2031, until March 31, 2041.