



**DBJ 8<sup>th</sup> Sustainability Bond Reporting (Date of Issue : 2021.9.9)**

DBJ issued 8<sup>th</sup> sustainability bond on 2021.9.9 based on DBJ's Sustainability Bond Framework (the "Framework").

**■The Framework and Second Party Opinion on Framework**

- For more details about the Framework and Second Party Opinion on the Framework, please refer to each of the following links.

DBJ's Sustainability Bond Framework

<https://www.dbj.jp/en/pdf/ir/credit/sri/framework.pdf>

Second Party Opinion on Framework (Provider : ISS ESG)

<https://www.dbj.jp/en/pdf/ir/credit/sri/latest-opinion.pdf>

- The net proceeds, or an amount equal to the net proceeds, from the DBJ Sustainability Bond will be allocated to the "Eligible Financings" defined in the Framework (4.1 Use of Proceeds).

[The Project Categories to which the net proceeds, or amount equal to the net proceeds, from DBJ Sustainability Bond can be allocated]

Eligible Categories	Project Categories
Climate Resiliency / Climate Change Mitigation (Green Eligible Categories)	<ul style="list-style-type: none"> <li>➤ Green buildings</li> <li>➤ Renewable energy</li> <li>➤ Clean Transportation</li> <li>➤ Energy Efficiency</li> </ul> -DBJ Environmentally Rated Loan Program ("DBJ ERLP")
Disaster Resiliency (Social Eligible Categories)	<ul style="list-style-type: none"> <li>➤ Employment generation, and programs designed to prevent and/or alleviate unemployment stemming from socioeconomic crises</li> <li>➤ Affordable basic infrastructure - Power cable and grid upgrade (Energy efficiency - Efficient power grid)</li> <li>➤ Socioeconomic advancement and empowerment - DBJ Business Continuity Management Rated Loan</li> </ul>

	Program (“DBJ BCMRLP”)
Healthcare & Social Well-being (Social Eligible Categories)	<ul style="list-style-type: none"> <li>➤ Affordable housing</li> <li>➤ Access to essential services - healthcare</li> <li>➤ Socioeconomic advancement and empowerment - DBJ Employee's Health Management Rated Loan Program (“DBJ HMRLP”)</li> </ul>

**■DBJ 8th Sustainability Bond Reporting (Overview)**

- The net proceeds, or an amount equal to the net proceeds, from DBJ 8<sup>th</sup> Sustainability Bond have been allocated in full to 6 Project Categories below (as of 2022.9.2). Please refer to the pie chart below for details of allocation by project categories.
- The net proceeds, or an amount equal to the net proceeds, from DBJ 8<sup>th</sup> Sustainability Bond have been allocated to the loans and the investments already provided by 2021.9.9, and the share of refinancing is 100%.
- Unallocated proceeds will be held in cash and/or a money-market portfolio. There is no unallocated proceeds as the allocation have been completed as described above, and the amount of unallocated proceeds are nil.

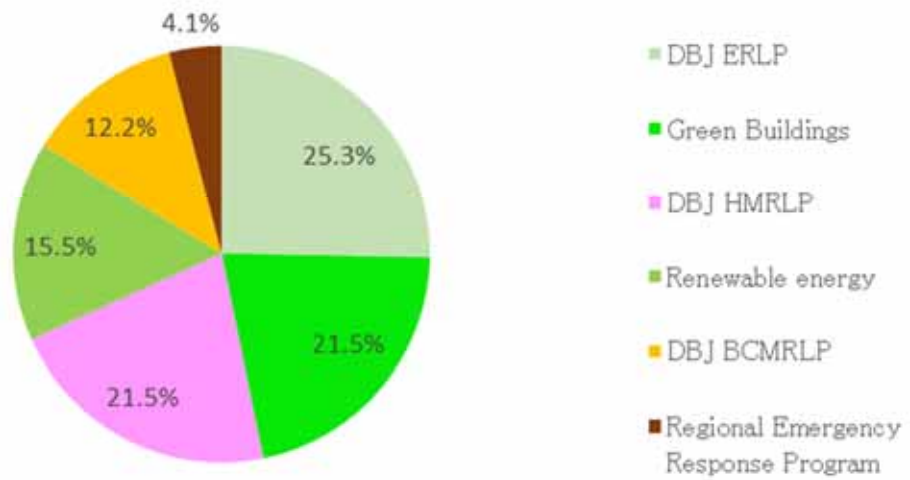
Please refer to the Framework (4.3 Management of Proceeds) for more details.

[The Project Categories to which the net proceeds, or amount equal to the net proceeds, from DBJ 8<sup>th</sup> Sustainability Bond have been allocated]

Eligible Categories	Project Categories
Climate Resiliency / Climate Change Mitigation (Green Eligible Categories)	<ul style="list-style-type: none"> <li>➤ Green buildings</li> <li>➤ Renewable energy</li> <li>➤ Energy Efficiency</li> <li>-DBJ Environmentally Rated Loan Program (“DBJ ERLP”)</li> </ul>
Disaster Resiliency (Social Eligible Categories)	<ul style="list-style-type: none"> <li>➤ Employment generation, and programs designed to prevent and/or alleviate unemployment stemming from socioeconomic crises - Regional Emergency Response Program</li> <li>➤ Socioeconomic advancement and empowerment - DBJ Business Continuity Management Rated Loan Program (“DBJ BCMRLP”)</li> </ul>
Healthcare & Social Well-being	<ul style="list-style-type: none"> <li>➤ Access to essential services - healthcare</li> </ul>

(Social Eligible Categories)	➤ Socioeconomic advancement and empowerment - DBJ Employee's Health Management Rated Loan Program ("DBJ HMRLP")
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Allocation of the net proceeds or an equal amount to the net proceeds, by Project Categories



### ■DBJ 8th Sustainability Bond Reporting (Details)

- The details of Project Categories allocated to DBJ 8th Sustainability Bond are as follows.

#### Energy Efficiency - DBJ Environmentally Rated Loan Program

- The DBJ Environmentally Rated Loan Program is the world's first financing menu to incorporate environmental ratings. Using a proprietary screening system, DBJ rates enterprises on the quality of their environmental management.

- Sector Distribution of Clients

Manufacturing	1
Total	1

Certification Vintage	2018/9
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#### Green Buildings

-(1) Funds to finance or refinance buildings that are rated 3, 4 or 5 stars under the DBJ Green Building Certification Program ("GBC")

- DBJ Green Building Certification is an environmental and social rating system created and applied by DBJ to measure the environmental and social awareness characteristics of real estate properties. For more details, please visit the relevant page of the DBJ's website (<http://igb.jp/en/index.html>).

Number of assets	2
Certification Vintage	FY2021

-(2) Funds to finance or refinance companies, buildings, real estate properties or REITs that have a 'Green Star' rating under the Global Real Estate Sustainability Benchmark ("GRESB") evaluation framework.

- GRESB (formerly known as "Global Real Estate Sustainability Benchmark") is an industry-driven organization that assesses the ESG performance of real assets and infrastructure globally. The GRESB Assessments collect information regarding the sustainability performance of companies, funds and assets, including information on

performance indicators, such as energy, GHG emissions, water and waste. The Assessments are guided by what investors and the industry consider to be material issues in the sustainability performance of real asset investments. For more details about GRESB, please refer to the GRESB's official website (<https://gresb.com/nl-en/>). DBJ has been involved with GRESB since October 2014, when it became the first Japanese investor member, and since September 2016 been appointed to the first Japanese member of the GRESB Advisory Board.

Number of assets	12
Certification Vintage	FY2021

-(3) Funds to finance or refinance Buildings with CASBEE or BELS score in the top 3 levels

- For more details about CASBEE and BELS, please refer to each of the following links.

CASBEE

<https://www.ibec.or.jp/CASBEE/english/>

BELS

<https://www.hyokakyokai.or.jp/bels/info.html>

Number of assets	CASBEE B+ rank: 1 (Logistics)
Certification Vintage	FY2018

**Socioeconomic advancement and empowerment - DBJ Employee's Health Management Rated Loan Program**

The DBJ Employees' Health Management Rated Loan Program is the world's first financing menu to incorporate health management ratings into the assessment of companies' management of employee health and welfare and the selection of those with outstanding records in this area.

➤ Sector Distribution of Clients

Manufacturing	6
Information and Communications	1
Retail Trade	2
Total	9

Certification Vintage	2018/9~2021/6
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➤ Case Study No.1

Client	Daifuku Co., Ltd.
Head Office	Osaka City, Osaka
Sector	Manufacturing
Certification Vintage	2021
Health Management Rating	A
Currency	JPY
URL	<a href="https://www.dbj.jp/upload/dbj_news/docs/432e1f639e503a9f278521bb7317be70.pdf">https://www.dbj.jp/upload/dbj_news/docs/432e1f639e503a9f278521bb7317be70.pdf</a>

[Key points of assessment]

- (1) Since 2006 the company has had a committee dedicated to promoting the mental and physical health of employees. It has formulated a mid-term action plan and works continuously with industrial physicians, health staff, health insurance associations, and labor unions to improve its health management.
- (2) The Daifuku Group Health Management Declaration positions health management as the foundation for sustainable business growth. The Daifuku White Paper on Health is distributed to each employee to ensure that all are aware of the significance of health management and the group's initiatives to promote it.
- (3) With a view to further developing its global business, Daifuku is striving to provide a comfortable workplace for all employees, including those from other countries. It is placing greater priority on work-life balance and diversity in a range of corporate practices, and promotes organization-wide understanding through training programs tailored to each level of the corporate structure.



Core strengthening seminar



Lunchtime walk



Logistics system in shoe maker's distribution center (USA)



➤ Case Study No.2

Client	Fujiwara Techno Art Co., Ltd.
Head Office	Okayama City, Okayama
Sector	Manufacturing
Certification Vintage	2021
Health Management Rating	A
Currency	JPY
URL	<a href="https://www.dbj.jp/upload/dbj_news/docs/78a2b8396f622943d69d6fb19b25ea55.pdf">https://www.dbj.jp/upload/dbj_news/docs/78a2b8396f622943d69d6fb19b25ea55.pdf</a>

[Key points of assessment]

- (1) To reach the goals it set forth in *Development Vision 2050: Co-creating a Global Microbial Industry*, the company has positioned health management as a fundamental initiative for enhancing the abilities of each employee. Throughout the firm it carries out a range of measures, including seminars and health-related events, based on priority themes set for each fiscal year.
- (2) Through programs such as unconscious bias training, Fujiwara Techno Art is creating a corporate culture in which diverse employees can achieve their potential. Developing and retaining human resources is one of the pillars of its mid-term management plan, which focuses on building organizational strength through education and training systems for each type of job under the direction of the Human Resources Development Committee.
- (3) By using workshops to envision an optimum situation for each department and sharing the findings of customer interviews, the company can confirm the value it provides to customers and society, and ensures that its corporate philosophy and Vision are well understood throughout the organization and lead to greater job satisfaction.



Lecture on Diversity



Health Management Rating Award Ceremony



Rotary type automatic Koji making equipment

**Renewable energy**

➤ Impact on CO2 avoidance

Category	Number of projects	Total amount of power generation per annum *	Estimated Carbon Avoidance per annum*
Solar	2	185,075MWh	72,328 t - CO <sub>2</sub> **
Total	2	185,075 MWh	72,328 t - CO <sub>2</sub> **

\* Proportionate to the ratio of the funds DBJ provided to the relevant total project costs.

\*\* Estimated using GHG emission factor disclosed in Ministry of the Environment (Japan)/ US Environmental Protection Agency (USA)

**Socioeconomic advancement and empowerment - DBJ Business Continuity Management Rated Loan Program**

- The DBJ Business Continuity Management Rated Loan Program is the world's first loan menu to use BCM ratings to select outstanding companies on the basis of disaster prevention, business continuity and crisis management measures.

➤ Sector Distribution of Clients

Electricity, Gas, Heat Supply and Water	2
Transport and postal activities	2
Wholesale	1
Real estate	2
Goods Rental and Leasing	1
Total	8

Certification Vintage	2018/9~2019/6
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**Employment generation, and programs designed to prevent and/or alleviate unemployment stemming from socioeconomic crises - Regional Emergency Response Program**

➤ Sector Distribution of Clients

Manufacturing	1
Electricity, Gas, Heat Supply and Water	1
Transport and postal activities	1
Total	3

Financing amount	JPY 3,400 million
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(As of 2022.9.2)