



JBIC Sustainability Governance and Management Systems

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1. Message from the Governor



JBIC will contribute to the realization of “the colorful world” with our expertise and long-standing relationships with our stakeholders as a policy-based financial institution.

In line with our corporate philosophy: “positioned at the crossroads of global business opportunities, JBIC is opening new venues to the future for the Japanese and global economy”, JBIC has been engaged in addressing global issues toward realizing sustainable development for the global economy and society.

The world had begun to normalize social and economic activities constrained under the COVID-19 pandemic, when the Russian invasion of Ukraine shocked the world overtly challenging world peace and prosperity and dealing a heavy blow on the global economy. Energy, food, and other commodities are in critical shortage. Monetary conditions have been drastically tightened, leaving financial markets more volatile and uncertain.

I believe that the key for countries and companies to thrust forward in this age of uncertainty and complexity lies in the pursuit of sustainability including SDGs and decarbonization. Under its ESG Policy announced in October 2021, JBIC has strengthened its sustainability governance and management systems and has been proactively promoting green finance, transition finance and social impact finance. In July 2022, JBIC established “Global Investment Enhancement Facility” to support the overseas businesses of Japanese companies contributing toward the preservation of global environment and the realization of global sustainability by leveraging their cutting-edge or unique technologies.

I envision beyond such activities what should be waiting for us is “the colorful world” that embraces diversified spectrum and gradation of countries and people. We will accelerate efforts to support the energy transition towards a decarbonized society through engagement with the relevant national governments and international institutions and will strive for the realization of global sustainable developments and “the colorful world” with the relevant stakeholders through resolving global challenges.

A handwritten signature in black ink, reading 'Nobumitsu Hayashi'.

HAYASHI Nobumitsu, Governor
Japan Bank for International Cooperation

2. Medium-term Business Plan (FY2021-FY2023)

JBIC's Fourth Medium-term Business Plan (announced in June 2021), identified the addressing of “global issues toward realizing sustainable development for the global economy and society” as its first key focus area.

Fourth Medium-term Business Plan Navigator in an era of transformation (JBIC Compass 2.0)

Key Focus Areas

1. Address global issues toward realizing sustainable development for the global economy and society.

2. Support the strengthening of the international competitiveness of Japan's industries in the era of industrial and social transformation

3. Propel strategic initiatives to promote quality infrastructure projects overseas

4. Execute policy-based finance functions that are adapted to changes in the economic situation

5. Develop a business structure that can adapt to changes in the external environment

6. Manage the organization efficiently in order to respond to the “new normal.”

Action Plans

- ① Respond to **energy transformation** toward the realization of a **decarbonized society**

Green Finance

Transition Finance

- ② Support projects that contribute toward **resolving social issues**

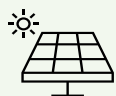
Social Impact Finance

2. Medium-term Business Plan (FY2021-FY2023)

JBIC is actively working to support this global agenda through the provision of green finance, transition finance and social impact finance.

Green Finance

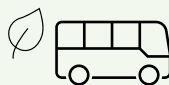
To contribute toward the creation of a new ecosystem, with a view to reducing greenhouse gases worldwide and realizing decarbonization in Japan, support efforts to reduce greenhouse gases and popularize green innovation by financing projects.



renewable energy and energy savings



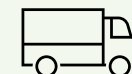
smart energy



green mobility



smart cities



production, transportation, and utilization of hydrogen

Transition Finance

While working to engage host countries to make the shift toward sustainable energy, provide support for initiatives toward global energy transition by financing projects in order to contribute toward expanding businesses that help to reduce environmental burden.



Energy conversion



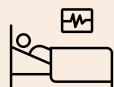
CCUS/carbon recycling



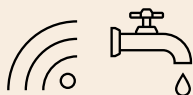
ammonia and hydrogen co-combustion

Social Impact Finance

To contribute toward efforts aimed at resolving social issues in host countries and realize sustainable growth, such as efforts to improve health, welfare and hygiene, create employment, and develop sustainable cities and living spaces, provide support for projects that assist resolving social issues in the host countries.



development and enhancement of the medical care environment



access to basic infrastructure



improvement in the hygiene environment



development of the living environment



food safety and sustainable food systems

3. JBIC ESG Policy

- JBIC released its ESG Policy in October 2021, in advance of COP26. JBIC is committed to pursuing ambitious and accelerated efforts to achieve net-zero emissions in its finance portfolio by 2050.
- JBIC will contribute to realizing global carbon neutrality by supporting and accelerating the energy transition towards a decarbonized society of emerging and developing countries through continued engagement with the relevant national governments and authorities.

① Policies towards the realization of sustainability

- ◆ **Actively support** Japanese companies and the global economic community in their efforts to achieve **decarbonization and SDG goals**
 - Support through the provision of **green finance, transition finance and social impact finance**
 - Exercise its risk-assuming function as a policy-based financial institution and long-standing relationships with its stakeholders and overseas networks
- ◆ **Appropriately disclose** sustainability-related information to its stakeholders
- ◆ Foster a culture that harnesses the **diversity of its employees**, promote Work Style Reform and support individual **career development and knowledge development**

② Climate change policy

Contributing to the global implementation of the Paris Agreement

JBIC is committed to pursuing ambitious and accelerated efforts to reduce its operational emissions to net zero by 2030, and to achieve net-zero emissions in its finance portfolio by 2050.

- Strengthening **climate change-related finance**
- Enhanced climate-related financial disclosures pursuant to the **TCFD recommendation**
- **Environmentally and socially conscious** financings and investments

3. JBIC ESG Policy ~Disclosure of Sustainability Information~

JBIC will contribute toward global sustainable development and resolving global challenges, to ensure the realization of sustainable societies, by actively supporting initiatives that promote decarbonization and the SDGs. Also, in recognition of the importance of disclosing climate-related financial information, JBIC provides information to its stakeholders as appropriate.

JBIC has added a “Sustainability” chapter to its annual report to introduce its sustainability initiatives and provides the latest information on the “Sustainability” page of its website. In addition, JBIC has been disclosing climate-related information based on the TCFD recommendations every year since October 2022.

~Climate-related Disclosures based on the TCFD Recommendations~



URL:https://www.jbic.go.jp/en/information/annual-report/image/2022E_m00_full.pdf#page=34



URL:
https://www.jbic.go.jp/ja/information/news/news-2023/image/TCFD_2023.pdf

4. JBIC Human Rights Policy

- JBIC released its Human Rights Policy in April 2023. It expresses JBIC's commitment to human rights, and states that JBIC expects its clients and suppliers to respect human rights.
- In recognition of respect for human rights as an important issue to be proactively addressed, JBIC will continue to respect human rights and promote the realization of sustainability, in line with this policy.

Commitment to Respect Human Rights:

- **Respect international human rights standards and endeavor to respect human rights.**
- **Share the philosophy behind this policy and expect suppliers and clients to endeavor to respect human rights.**

[International human rights standards]

- The Universal Declaration of Human Rights
- International Covenants on Human Rights
- ILO Declaration on Fundamental Principles and Rights at Work
- Guiding Principles on Business and Human Rights

Philosophy

- Prohibit discrimination of any kind
- Zero tolerance to human rights violations, including harassment, forced labor, child labor, or human trafficking

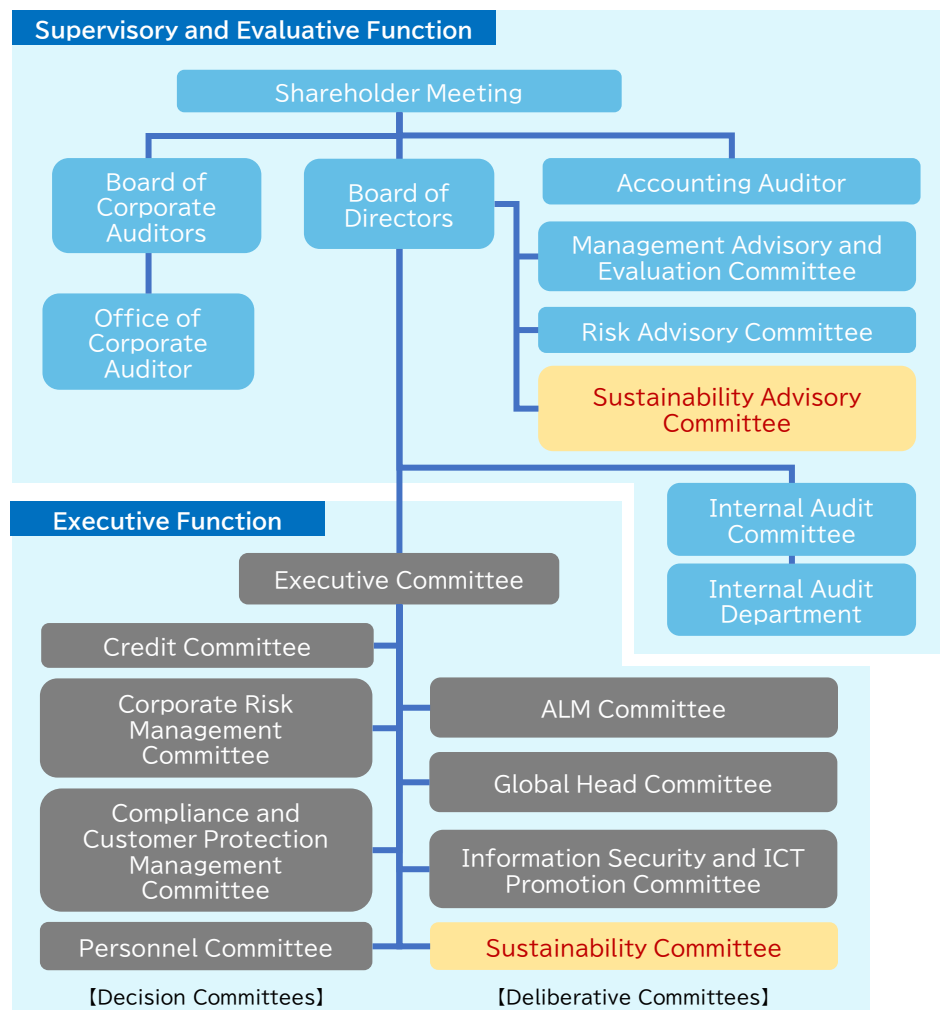
Actions

- Confirm the human rights considerations undertaken pursuant to the Guidelines※
- Take appropriate measures to remedy the situation in the event that products or services provided by JBIC are found to have caused or contributed to adverse impacts on human rights and establish a complaint counter
- Familiarize executives and employees with the Policy through training etc.
- Adopt objection procedures concerning the Guidelines※ and appropriate disclosure

※ the Japan Bank for International Cooperation Guidelines for Confirmation of Environmental and Social Considerations

5. Strengthening of Sustainability Governance and Management Systems

In June 2022, JBIC has established the Sustainability Advisory Committee, Sustainability Committee as a part of its efforts toward “strengthening its sustainability governance and management systems,” as set out in the ESG Policy. JBIC will accelerate sustainability management throughout the organization.



Sustainability Advisory Committee

An advisory body of the Board of Directors, comprising external experts. It provides advice on matters such as JBIC's policies for advancing initiatives toward the realization of sustainability.

Committee Members

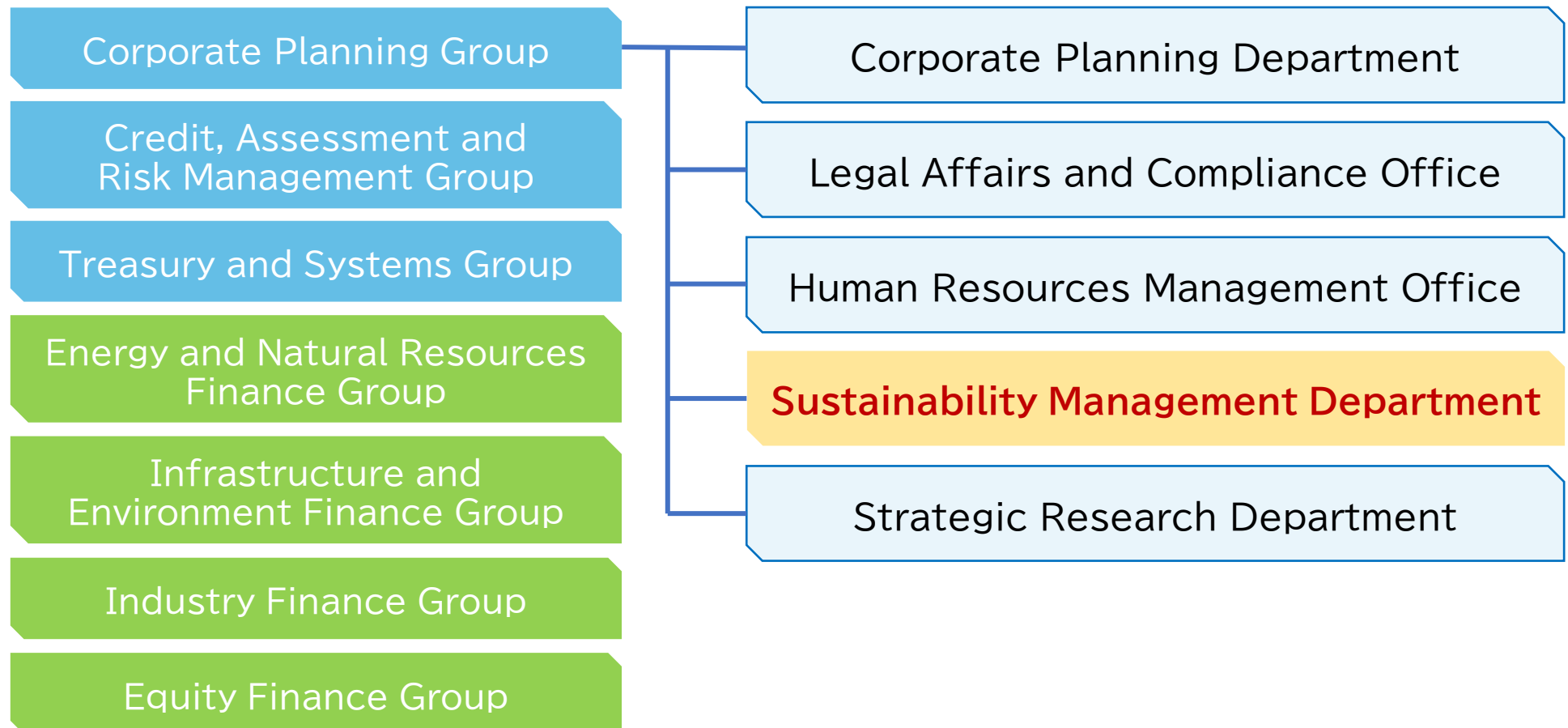
Name	Profession
Prof. Yukari Takamura	Professor, Institute for Future Initiatives, the University of Tokyo
Prof. Rachel Kyte	Dean Emerita, the Fletcher School, Tufts University
Prof. Tim Benton	Director, Environment and Society Centre, Chatham House

Sustainability Committee

Deliberate on JBIC's policies for promoting sustainability and other important matters, based on the mandate of the Executive Committee.

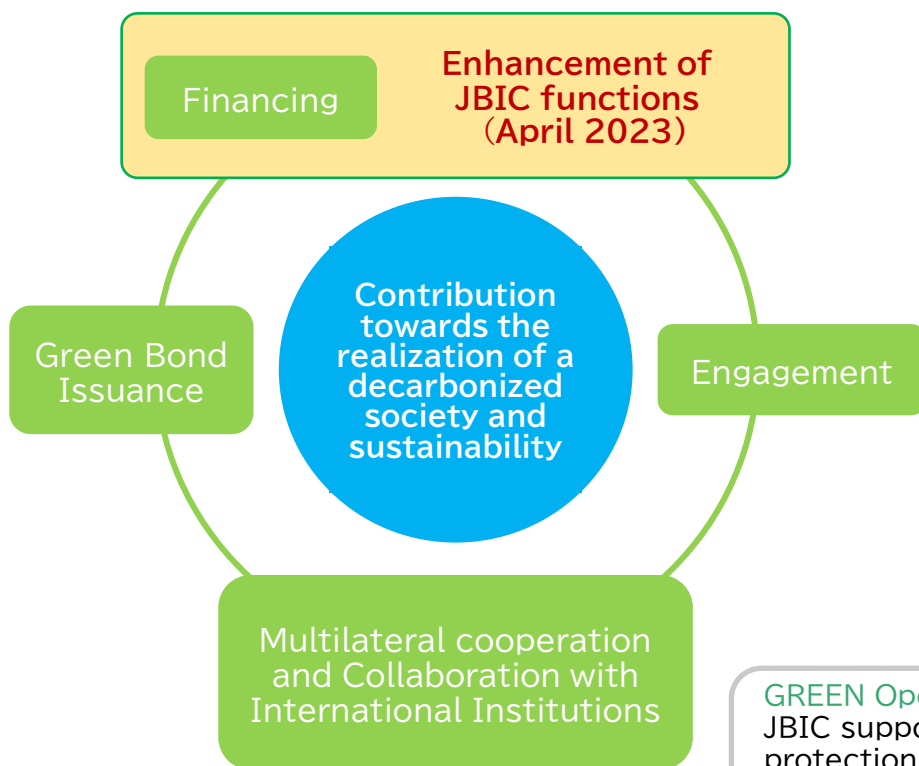
5. Strengthening of Sustainability Governance and Management Systems

Sustainability Management Department has been established under the Corporate Planning Group to promote JBIC's initiatives toward the realization of sustainability.



6. Contributing to Sustainability through a Variety of Policy-based Finance Tools

- JBIC will contribute to addressing climate change issues and realization of sustainability in the international economy and society through the maximum use of its functions as a policy-based financial institution, including various types of financing, engagement, and multilateral cooperation.
- In addition to the establishment of a support menu for the realization of sustainability, such as the GREEN Operations and the Global Investment Enhancement Facility, the JBIC Act was revised in April 2023, and JBIC is enhancing its risk-taking capacity to support the creation of innovations by Japanese companies, including start-ups, which is necessary for the realization of a sustainable society.



Global Investment Enhancement Facility (since July 2022)

Global Value Chain Resilience Window

Sustainability Window

- **Contribution toward preserving the global environment**
 - ✓ Renewable energy, energy savings and green mobility
 - ✓ Low-carbon technologies and materials
 - ✓ Technologies that are expected to contribute toward preserving the global environment*
*e.g. Prevention of air pollution, water pollution, and marine plastic pollution
- **Enhancement of the resilience of the whole value chains from upstream to downstream businesses**
 - ✓ Enhancement of supply chain resilience
 - ✓ Expansion of high-quality infrastructure
 - ✓ Creation of markets by utilizing technologies or strengths

GREEN Operations

JBIC supports projects that are expected to have a favorable impact on the protection of the global environment, including construction of photovoltaic power plants utilizing advanced environmental technologies and installation of energy-saving equipment through loans, equity participation and guarantees.

7. Appendix : About JBIC

● Profile

Name	Japan Bank for International Cooperation (JBIC)		
Office	4-1 Ohtemachi 1-chome, Chiyoda-ku, Tokyo 100-8144, Japan	Establishment Date	April 1, 2012
Governor	HAYASHI Nobumitsu	Support Menu	Export Loans, Import Loans, Overseas Investment Loans, Untied Loans, Equity Participations, Guarantees, and Research and Studies.
Corporate Philosophy	<p>Positioned at the crossroads of global business opportunities, JBIC is opening new venues to the future for the Japanese and global economy.</p> <p>Hands-on Policy: Pioneering new value by participating at the forefront of overseas project development, and by engaging proactively in projects from the early stages</p> <p>Customer-1st Approach: Offering customers one-of-a-kind solutions by adopting their perspectives and integrating their views into policy development</p> <p>Forward-looking Action: Contributing to the sustainable development of Japan and the world as a whole by deploying highly professional skills, with a view to realizing a secure and affluent future society</p>		

● Overseas Network



● Corporate Slogan

日本の力を、世界のために。
Supporting Your Global Challenges

7. Appendix : About JBIC

● The Mission of JBIC

JBIC's mission is to contribute to the sound development of Japan and international economy and society by conducting financial operation in the following four fields:

1

Promoting the overseas development and securement of resources which are important for Japan



2

Maintaining and improving the international competitiveness of Japanese industries



3

Promoting the overseas business having the purpose of preserving the global environment, such as preventing global warming



4

Preventing disruptions to international financial order or taking appropriate measures with respect to damages caused by such disruption



JBIC website
Sustainability initiatives

You can also watch the video
about our initiatives via this link.



URL:
<https://www.jbic.go.jp/en/sustainability.html>

JBIC ESG Policy Introduction
to Initiatives



URL:
[https://www.jbic.go.jp/en/image/ESG Policy
EN.pdf](https://www.jbic.go.jp/en/image/ESG Policy EN.pdf)