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Profile of JBIC

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1. Profile

The Purpose of JBIC

Japan Bank for International Cooperation (JBIC) is a policy-based financial institution wholly owned by the Japanese government, which has the objective of contributing to the sound development of Japan and the international economy and society, by conducting financial operations in the following four fields:

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

Maintaining and improving the international competitiveness of Japanese industries

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

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

Corporate Slogan

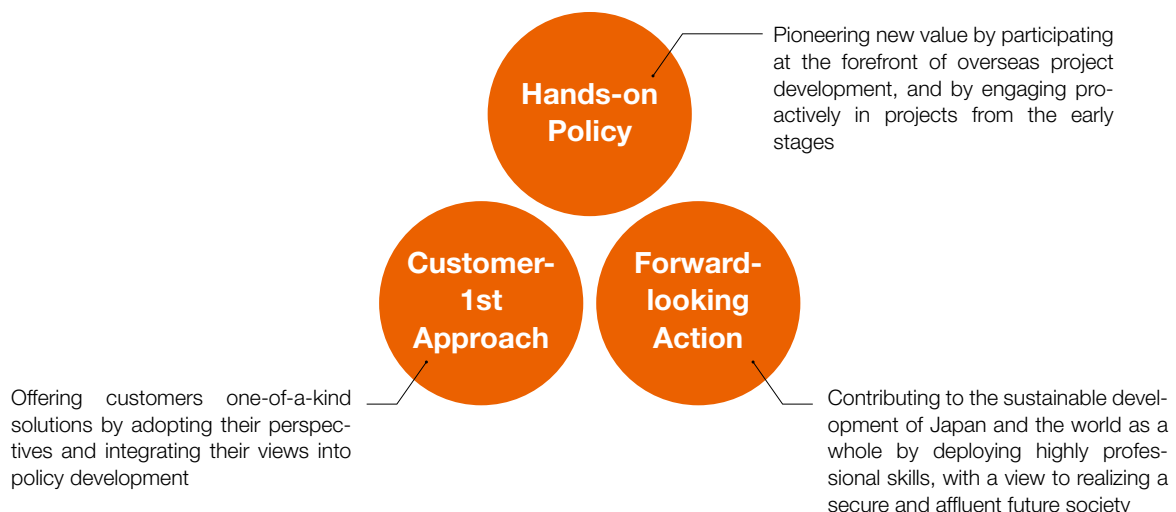
日本の力を、世界のために。

Supporting Your Global Challenges

Corporate Philosophy

The objective of JBIC, as set forth in its statutory law, is to “contribute to the sound development of Japan and the international economy and society” by executing a variety of financial functions. To pursue this objective, we have set out the following corporate philosophy, which espouses three core values: “Hands-on Policy,” “Customer-1st Approach,” and “Forward-looking Action.”

Positioned at the crossroads of global business opportunities, JBIC is opening new venues to the future for the Japanese and global economy.



Operational Principles

JBIC, as a policy-based financial institution and in accordance with the following principles, conducts speedy and well-focused operations based on policy needs in response to economic and financial situations in Japan and abroad.

1 Supplementing the financial transactions implemented by private-sector financial institutions

To effectively perform the functions required for policy-based financing, JBIC shall take account of situations where private-sector financial institutions are placed in their international finance activities and supplement their operations.

2 Ensuring financial soundness and certainty of repayment

Pursuant to the JBIC Act, JBIC shall make efforts to maintain the financial soundness of its operations, and when making financial decisions, to conduct adequate screening regarding the outlook for the recovery of funds.

3 Maintaining and improving international creditworthiness and confidence

In order to conduct adequate operations and effective overseas funding operations, JBIC shall maintain and improve the international creditworthiness and confidence gained by JBIC over the years.

4 Conducting business operations by drawing on its expertise and initiatives

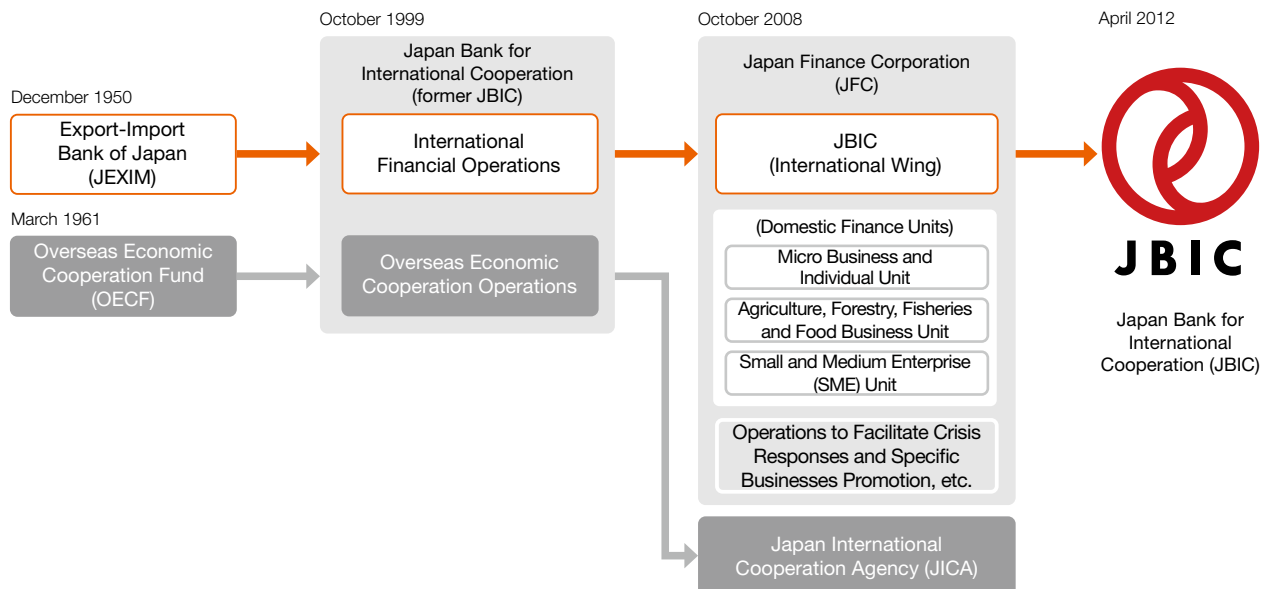
JBIC shall conduct operations by drawing on its own expertise and initiatives on international finance.

JBIC Code of Conduct

- Act consistently in the public interest. Contribute to Japan and the international community by pursuing our Mission.
- Prioritize client satisfaction. Deliberate, decide, and act from the client's perspective.
- Accept responsibility as a professional. Perform every task based on your own initiative.
- Undertake challenges daringly. Create new value without fear of failure.
- Work quickly and cost-effectively. Enhance your work quality with an eye to efficiency.
- Focus on teamwork. Share unified objectives with your colleagues to achieve significant successes.
- Maintain high ethical standards and a law-abiding spirit. Observe our moral code as a JBIC member at all times.

History

JBIC was established on April 1, 2012 in accordance with the Japan Bank for International Cooperation Act (JBIC Act), which was promulgated and came into effect on May 2, 2011.



Profile

Name	Japan Bank for International Cooperation (JBIC)
Office	4-1, Ohtemachi 1-chome, Chiyoda-ku, Tokyo 100-8144, Japan
Capital*	¥2,023.8 billion (wholly owned by the Japanese government)
Outstanding Loans and Equity Participations*	¥15,146.4 billion
Outstanding Guarantees*	¥1,724.8 billion

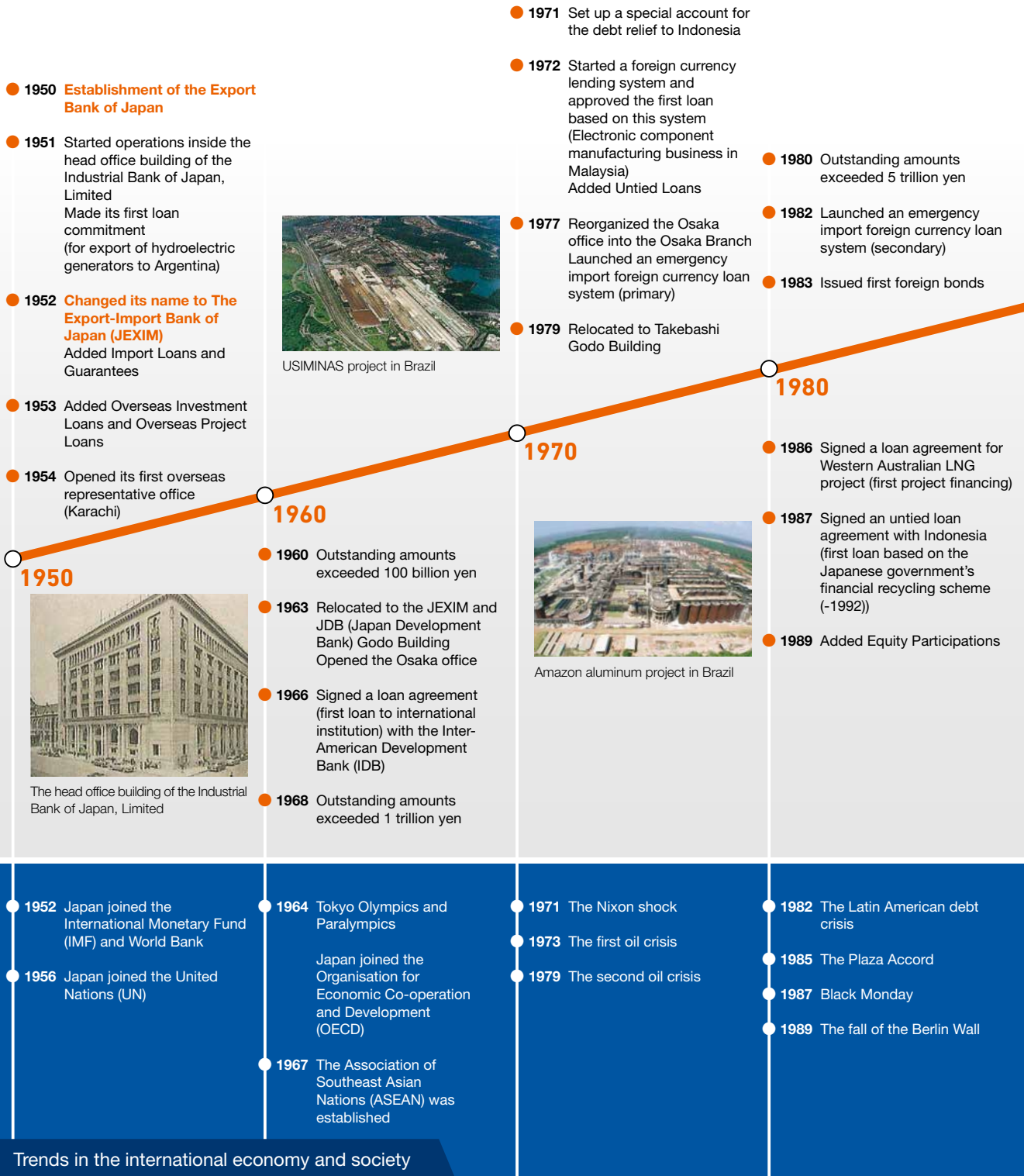
* As of June 22, 2022

2. History of JBIC

The Japan Bank for International Cooperation (JBIC) was established in 1950 as the Export Bank of Japan to promote exports of various types of heavy machineries.

Since then, JBIC has fulfilled this responsibility by enhancing and transforming its functions in response to the demands in each era, affected by the international political and economic environment surrounding Japan, and changes in the overseas business strategies of Japanese companies.

With the objective of supplementing the financial transactions implemented by private financial institutions, JBIC will continue to contribute to the sound development of the Japanese and international economic and society.





Panama Canal Expansion Project

● **1992** Added Bridge Loans

● **1993** Signed untied loan agreement with Bulgaria (first loan based on the Japanese government's "Fund for Development initiative" (-1997))

1990

● **1998** Implemented the assistance measures for Asia based on the Japanese government's "New Miyazawa Initiative" Outstanding amounts exceeded 10 trillion yen

● **1999** Established the Environmental guidelines **Established the Japan Bank for International Cooperation** by merging the Export-Import Bank of Japan and the Overseas Economic Cooperation Fund



Sakhalin-II oil and gas field development project

● **2001** The Reorganization and Rationalization Plan for Special Public Institutions decided by the Cabinet

● **2003** Established the JBIC Guidelines for Confirmation of Environmental and Social Considerations (Revised in 2009 and in 2015)

2000

● **2008** **Establishment of Japan Finance Corporation** merging JBIC and three domestic policy-based financial institutions Implemented emergency measures in response to global financial turmoil (-March 2011)



Intercity Express Programme in the UK



Esperanza copper mine development project in Chile

● **2010** Launched the Global action for Reconciling Economic growth and ENvironmental preservation (GREEN) Established the Guidelines for Measurement, Reporting and Verification of greenhouse gas Emission Reductions in JBIC's GREEN (J-MRV Guidelines)

● **2011** Reconstitutes organization structure (mission/sector-oriented business group structure)

● **2012** **Japan Bank for International Cooperation (JBIC)** was spun off from the Japan Finance Corporation and made a new start as the new JBIC. Formulated the First Medium-term Business Plan

2010

● **2015** Formulated the Second Medium-term Business Plan

● **2016** Established the Equity Finance Group Added the Special Operations

● **2017** Established JBIC IG Partners in collaboration with Industrial Growth Platform, Inc.

● **2018** Formulated the Third Medium-term Business Plan Launched the Global Facility to Promote Quality Infrastructure Investment for Environmental Preservation and Sustainable Growth (QI-ESG)



Moray East offshore wind power generation project in the UK

2020

● **2020** Launched the Growth Investment Facility

● **2021** Launched the Post-COVID-19 Growth Facility Formulated the Fourth Medium-term Business Plan

● **2022** Establishment of Sustainability Management Department Launched the Global Investment Enhancement Facility

● **1991** The collapse of Japan's bubble economy The dissolution of the Soviet Union

● **1992** Adoption of the United Nations Framework Convention on Climate Change (UNFCCC)

● **1993** Establishment of the European Union (EU)

● **1994** The Mexican peso crisis (Tequila Effect)

● **1997** The Asian Currency Crisis

● **1999** Launch of the Euro currency

● **2001** The September 11 terrorist attacks

● **2005** The Kyoto Protocol entered into force

● **2008** The Bankruptcy of Lehman Brothers

● **2010** The European debt crisis The Arab Spring

● **2011** The Great East Japan Earthquake

● **2015** Adoption of "Paris Agreement" at the COP21 (The 21st Conference of the Parties)

● **2016** The Paris Agreement entered into force

● **2020** Brexit

COVID-19 pandemic

● **2021** Tokyo Olympics and Paralympics

3. Top Message

Support Environmental and Leading-Edge Technologies to Create New Markets

On behalf of the Japan Bank for International Cooperation (JBIC), I would like to express my sincerest appreciation for your support and understanding.

Global socioeconomic activities are now normalized after having been constrained by the COVID-19 pandemic. Nonetheless, Russia's invasion of Ukraine, which has upended the international order that seeks peace, coupled with soaring commodity prices, have dealt a harsh blow to the global economy. Due in part to these factors, financial markets are changing dramatically as authorities in various countries turn to monetary tightening.

On top of this, we are entering a new era in which any one country cannot attain prosperity alone unless it endeavors to work toward achieving the sustainable development goals (SDGs) that include eradicating poverty and hunger, correcting inequality and disparities, and realizing a carbon-neutral society.

Japan will be unable to gain a respectable standing within the international community without directly and firmly confronting an array of tough challenges such as its shrinking population, declining birthrate, and aging population as well as hard-pressed supply of and demand for energy, disruptions of supply chains, and decarbonization.

Under the Fourth Medium-term Business Plan (FY2021-FY2023) formulated in June 2021, JBIC has set priority targets that include realizing the SDGs, decarbonization, energy transformation, and digital transformation as it aims to fulfill its mandates steadily and flexibly. During the first fiscal year of the business plan, JBIC supported the overseas business deployment of Japanese companies affected by the pandemic as one of its COVID-19 countermeasures. At the same time, as we move into the post-COVID era JBIC provided wide-ranging support for transforming the economic structure and realizing a virtuous cycle. This included supporting high-quality infrastructure projects overseas for realizing a decarbonized society, supporting overseas M&A, and strengthening of the resilience of supply chains.

In June 2022, the Cabinet Order was amended, allowing JBIC to expand the scope of eligible support for export loans and overseas investment loans for projects in developed countries in the fields of decarbonization, supply chain resilience, and innovation. JBIC also began providing support through the Global Investment Enhancement Facility in July 2022 to support the creation of new markets and overseas business deployment utilizing environmental technologies, digital technologies, and other cutting-edge technologies.

In terms of sustainability, JBIC formulated the JBIC ESG Policy in October 2021 that articulates its action policies for realizing sustainability. Subsequently, in June 2022, JBIC newly established the Sustainability Management Department to consolidate sustainability-related knowledge and functions. In conjunction, in July 2022, JBIC established the Energy Transformation Strategy Office to promote businesses related to hydrogen, ammonia, and other forms of innovative energy as we established an organizational structure to further strengthen our initiatives for the realization of a decarbonized society.

It is precisely in times like today characterized by increased uncertainties and unclear prospects that JBIC, as a policy-based financial institution, must live up to the expectations of Japanese companies and the people of Japan.

I look forward to your continued support and cooperation.



HAYASHI Nobumitsu

Governor

Japan Bank for International Cooperation

Provide Financial and Knowledge-related Support to Compete Globally

Since 2020, liberal globalism has been significantly challenged by global socioeconomic stagnation caused by the COVID-19 pandemic, the rise of autocracy as typified by Russian invasion of Ukraine, or recurring food crises and debt problems in emerging countries. There has also been a shift away from market-centered economies toward state and governmental intervention, as the U.S. government has enacted the CHIPS and Science Act (note), which allocates the equivalent of ¥5 trillion in subsidies for research and development in the domestic semiconductor manufacturing business.

The survival of Japanese companies amid increasingly fierce government-led competition requires that companies reassess traditional globalization policy, strengthen the resilience of their supply chains, and lead the way in innovation by refining their own unique technologies. In particular, the key will be to transform business models through digital technologies and contribute toward global-scale issues such as the SDGs and decarbonization.

JBIC's mission is to support these efforts by Japanese companies. In recent years, the way of overseas expansion by Japanese companies has been evolving. To improve their competitiveness in international markets, a growing number of Japanese companies are now developing their overseas businesses while collaborating with other Japanese companies as well as with companies from other countries. Focusing on the environment surrounding Japanese companies, JBIC identifies business-related barriers to overseas expansion, collects and analyzes information such as on local legal systems, negotiates and coordinates with partner country governments and institutions, and will provide financial support. This is a challenging task and a function that only JBIC can serve.

In keeping with these roles and functions of JBIC, the Fourth Medium-term Business Plan sets the priority goals of supporting Japanese companies' supply chain resilience, cutting-edge technology innovation, and green finance for decarbonization, which is a global issue, and social impact finance for addressing social agenda.

Note: A bill passed by the U.S. Congress in July 2022 to support advanced research, development, and production of semiconductors in the U.S.

Support Mid-tier Enterprises and Small- and Medium-sized Enterprises in Post-Pandemic Times

In FY2021, the first year of the 4th Medium-term Business Plan, loans, equity participations, and guarantees surpassed ¥2 trillion for the second consecutive year as JBIC contributed toward supporting the overseas business of Japanese companies, which have faced hardships during the COVID-19 pandemic. JBIC also made numerous achievements that include supporting decarbonization and digital transformation in anticipation of the post-pandemic world economy. JBIC will strive to further enhance such initiatives going forward.

As responses to the COVID-19 pandemic, JBIC has focused on supporting large companies as well as mid-tier enterprises and small and medium-sized enterprises (SMEs). A prime example is JBIC's support for SUGAWARA Industry Co., Ltd., a company that engages in public works in Kesennuma City, Miyagi Prefecture. In the aftermath of the Great East Japan Earthquake in 2011, SUGAWARA Industry accepted technical intern trainees from Indonesia to participate in reconstruction of the devastated regions. This connection ultimately led to SUGAWARA Industry's plan to start up a plant that uses recycled asphalt to pave and repair roads in Indonesia. JBIC provided support for this plant in cooperation with local regional financial institutions. JBIC also provided similar support for business development in India by a Saga Prefecture-based company



JBIC will actively support mid-tier enterprises and SMEs and startup companies that contribute toward local employment, the reduction of environmental impacts, and, ultimately, economic development.

that produces precast concrete products.

JBIC has fostered relationships of trust with the governments and government institutions of such countries as Indonesia over long years and is utilizing these ties to provide assistance from a variety of angles. JBIC provides finely tuned support such as offering advice on local regulations and tax systems to Japanese companies and providing loans in local currencies. In the future as well, JBIC aims to strengthen support for mid-tier enterprises and SMEs that contribute toward local economies, reduce environmental impacts, and revitalize local economies.

Support Startup Companies that Open the Way to a New Era

For Japanese companies to contest with the rest of the world, there is an urgent need to spur innovation and create new businesses that transcend the framework of existing businesses. This means that supporting startup companies that lead the way in a new era is essential. However, Japan currently lags behind the U.S., China, and European countries in cultivating startups.

In 2017, JBIC and Industrial Growth Platform, Inc. (IGPI) established JBIC IG Partners, an investment advisory company. JBIC IG Partners has established a venture capital fund jointly with fund managers in the Nordic and Baltic regions and has invested in a total of 18 startup companies by the end of March 2022 while promoting collaboration with Japanese companies.

In 2020, JBIC also invested in the Irish subsidiary of Exergy Power Systems, Inc., a startup established at the University of Tokyo that operates a business providing ancillary services to adjust electric power supply using next-generation energy storage systems on the island of Ireland. In 2021, JBIC also provided financing to Spiber Inc., a startup company from Keio University. Spiber uses plant-derived sugars to ferment and synthesize structural proteins for use in textiles and fur products. This is an epoch-making technology that does not release microplastics, which are considered to be one of the causes for marine pollution, and also leads to the protection of

wildlife. JBIC provided a loan for Spiber's plan to start full-scale production in the U.S.

JBIC will continue to actively support startup companies that have potential for the next era.

Bring into Operation “JBIC ESG Policy” for Decarbonization and Resolving Social Issues

In October 2021, JBIC announced its ESG Policy that compiles action policies towards the realization of sustainability and policies for addressing climate change.

In working toward the realization of a decarbonized society, JBIC is promoting green finance and is supporting renewable energy projects such as geothermal power generation and wind power generation projects in Asia and Africa as well as wind power generation projects in Europe in which Japanese companies have participated. JBIC also supported a power transmission network project for an offshore wind power plant in the UK in recognition of the importance of strengthening the power transmission and distribution networks to utilize renewable energy, which is easily affected by weather conditions.

Large-capacity batteries that store electricity are crucial for solar and wind power generation. By supporting Japanese companies participating in renewable energy projects in Europe, which is leading in this field, such as the previously mentioned power supply adjustment service using high-performance storage batteries in Ireland, we will also contribute toward improving the technological capabilities of Japanese companies.

Hydrogen and ammonia are gaining the spotlight as next-generation energy in the diversification of the power supply mix. Utilizing hydrogen as a source of energy requires the building of a hydrogen value chain, from production to storage, transportation, and utilization. As part of efforts to build such a chain, JBIC has invested in a hydrogen station business in the U.S. and also provided a loan for Iwatani Corporation's hydrogen station business in the U.S. At the same time, Australia and Middle East oil-producing countries also have keen interest in the hydrogen business and we will support Japanese companies involved in creating hydrogen value chains in these regions.

Another key area is transition finance. For energy security, the stable lives of the citizenry, and the continuous development of industry, conventional power generation is also necessary as a transitive measure. For this reason, there are instances when transition measures that replace outdated facilities with high-efficiency ones is effective in reducing CO₂ emissions.

Japan's Prime Minister KISHIDA Fumio is advocating for the Asia Zero Emission Community (AZEC) and the Ministry of Economy, Trade and Industry is promoting technical cooperation with the governments of various countries. Alongside initiatives in advanced countries, efforts by developing nations to reduce their CO₂ emissions and environmental impacts are also important. As an example of such efforts, JBIC, together with French and German public institutions, invested in a fund managed by BlackRock, one of the largest asset management companies in the U.S., that targets renewable energy power generation projects in developing countries. This marks the first time a firm like BlackRock that pursues maximum investment returns has invested in a renewable energy project in a developing country. This investment symbolizes a world in which mobilizing and promoting private funds for the SDGs and social issues is essential. As the largest investor, JBIC will support projects that help resolve global issues while supporting the economic advance of developing countries.

For resolving social issues, JBIC supports Saraya Co., Ltd., which engages in manufacturing and sales of hygiene products in Egypt, as well as NIPRO CORPORATION, which manufactures medical equipment in Vietnam. JBIC seeks to further expand this kind of social impact finance.

To accelerate the promotion of sustainability in this manner, JBIC newly established the Sustainability Management Department in June 2022 to effectively manage sustainability-related

knowledge and functions. In July, JBIC established the Energy Transformation Strategy Office for engaging in innovative energy such as hydrogen and ammonia in a holistic manner.

JBIC supports decarbonization and the SDGs initiatives of Japanese companies. At the same time, I believe that actively disseminating JBIC's own initiatives will also help facilitate a global understanding of ideas that are unique to Japan and excellent technologies of Japanese companies.

Expand Operations in Developed Countries under the Global Investment Enhancement Facility

During the COVID-19 pandemic, JBIC has supported Japanese companies through the Growth Investment Facility (COVID-19 Emergency Window) and the Post-COVID-19 Growth Facility. The Global Investment Enhancement Facility, established in July 2022, aims to further advance initiatives undertaken to date as a crisis response and post-pandemic response in two key areas. The first area is sustainability. This facility supports efforts to address global issues, including decarbonization. The second area is support for strengthening of the resilience of supply chains. As an example, given the critical importance of semiconductors as an industrial component, JBIC provided the funds for the M&A of Dialog Semiconductor Plc, a British subsidiary of Renesas Electronics Corporation. This fiscal year, we are providing loans to a U.S. subsidiary of JX Nippon Mining & Metals Corporation that manufactures sputtering targets, which are a crucial component in semiconductor manufacturing.

In addition, in June 2022, the Cabinet Order was amended to expand the scope of eligible business sectors that JBIC can finance in developed countries. In a Survey Report on Overseas Business Operations by Japanese Manufacturing Companies compiled by JBIC, the U.S. ranks third after China and India in the ranking of promising countries/regions over the medium term and is attracting the attention of Japanese companies. The number of projects in advanced European countries, which are at the vanguard of renewable energy, is also increasing. Given this, expanding eligible business sectors in developed countries across industries enables JBIC to support a broad range of initiatives by Japanese companies related to innovation, decarbonization, and supply chain resilience. JBIC seeks to support a wider range of projects that have strategic and policy significance in developed countries.

Aim for “Value Model” Work Style

JBIC has also set work style reforms as an important goal. I believe that we have steadily enhanced our IT infrastructure, software as well as hardware, and this has facilitated teleworking even during the COVID-19 pandemic. JBIC has also proactively set up systems so that it respects each and every employee's pursuit of values in their work and private lives.

Our theme for the future is to reform employees' awareness. I will aim for what I call a “value-model” whereby we strive to realize an organization that focuses on how much each employee can work in a pleasant, comfortable, and positive way and that enables them to get a true feel of how their work brings value to the world. We will consider whether employees in all departments and duties, not just those on the front lines who directly interact with clients, are contributing to society, and we will build a workplace where employees can perform their work even better. We will also actively strive to create an environment that reduces unproductive tasks and improves work efficiency.

Be the Platformer for Overseas Business

I would like to see JBIC play the role of a platformer for overseas business development.

For example, GAFA (Google, Amazon, Facebook, Apple) is building a business and life platform using IT as an infrastructure. JBIC wishes to act as an intermediary between our clients and overseas governments or partners, mainly in the field of finance, and consider and propose ways that enable both sides to perform their duties more easily. We hope that by utilizing the new Facility, we will be able to work together with clients to solve problems of which they may be unaware.

Due in part to the recent weakening of the yen, Japan's share of the world economy has shrunk. Nevertheless, JBIC will continuously support companies possessing strengths unique to Japanese companies.

Australia was the first country I visited after taking over the role of JBIC's Governor in June. For Japan, Australia is an important source of imports of natural gas, coal, and iron ore. Australia is also blessed with rare resources such as critical minerals and is attracting attention for producing hydrogen energy from gas and coal. Furthermore, Australia is a key partner in supporting the economic development of the Pacific nations under Japan-U.S.-Australia collaboration. In FY2021, JBIC opened a Representative Office in Sydney. JBIC will strive to contribute toward the overseas expansion of Japanese companies by building even better relationships with Australia and other countries that seek investment from Japanese companies. In response to the diversifying needs of Japanese companies, we would like to meet your expectations by further enhancing the investment functions of JBIC as a government agency and its risk-assuming functions through Special Operations.

JBIC will expand transition finance and social impact finance and support decarbonization and SDGs initiatives of Japanese companies in countries throughout the world.



4. Directors, Managing Executive Officers and Corporate Auditors (As of September 1, 2022)

Directors



Governor
HAYASHI Nobumitsu



Deputy Governor
AMAKAWA Kazuhiko



Executive Managing Director
HASHIYAMA Shigeto



Senior Managing Director
OISHI Ichiro



Senior Managing Director
TANAKA Kazuhiko



Senior Managing Director
TANIMOTO Masayuki

Managing Executive Officers

Managing Executive Officer	Global Head of Corporate Planning Group	KIKUCHI Yo
Managing Executive Officer	Global Head of Credit, Assessment and Risk Management Group	SASAKI Satoshi
Managing Executive Officer	Global Head of Treasury and Systems Group	OGAWA Kazunori
Managing Executive Officer	Global Head of Energy and Natural Resources Finance Group	INABA Yutaka
Managing Executive Officer	Global Head of Infrastructure and Environment Finance Group	UCHIDA Makoto
Managing Executive Officer	Global Head of Industry Finance Group	ASO Kenichi
Managing Executive Officer	Global Head of Equity Finance Group	MORITA Kentaro

Non-Executive Directors



Managing Director, Chairman
of the Board of Directors
MAEDA Tadashi



Managing Director
(Outside Director)
KOIZUMI Shinichi



Managing Director
(Outside Director)
KAWAMURA Yoshinori

Corporate Auditors



Corporate Auditor
(Full-Time Corporate Auditor)
NASU Noriko



Corporate Auditor
(Outside Corporate Auditor)
TSUCHIYA Mitsuaki



Corporate Auditor
(Outside Corporate Auditor)
MOTOMURA Aya



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

COVID-19 is currently having a tremendous impact on numerous countries and regions, and Japan is no exception. At the same time, the need for structural changes in industry and society has become clearly evident for proceeding with global rebuilding with an eye toward the post-pandemic world. In the international community, there is an urgent need for ambitious efforts to realize a smooth energy transition to respond to climate change problems and to attain inclusive and sustainable development and growth. Furthermore, in industry there are ongoing moves to re-evaluate and optimize global supply chains in view of consumer needs and rising geopolitical risks in the age of the so-called new normal, while efforts are also being made to pursue international collaboration for adapting to the rapid advances of digitization and innovation.

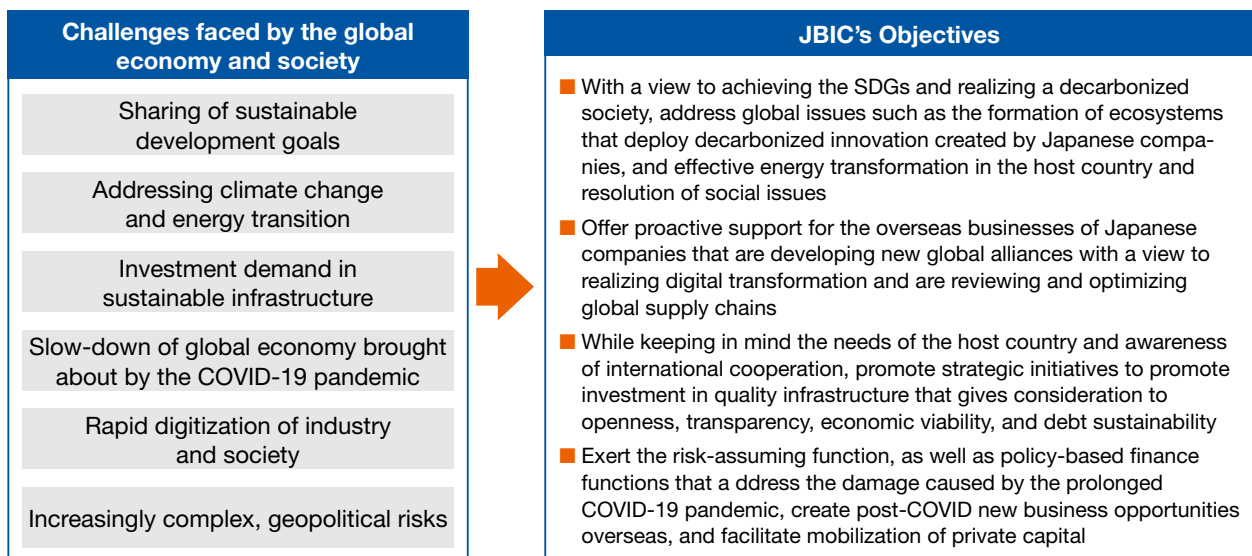
To address these issues, JBIC formulated its Fourth Medium-term Business Plan (FY2021- FY2023) in June 2021. This business plan sets out six Key Focus Areas and 17 Action Plans under the focus areas and JBIC is working to attain these goals. In FY2021, the first year of the plan, JBIC steadily achieved results in both its business and organization. On the business side, JBIC especially strived to steadily respond to the finance needs of Japanese companies, which includes providing support for supply chains, in view of the impact of the COVID-19 pandemic while also focusing on project formation. In its organization as well, JBIC generally achieved the targets set in the action plans (please refer to page 16 for the results of the first fiscal year).

5

■ Direction of the Business in the Fourth Medium-term Business Plan

In FY2020, economic activities faced an unprecedented degree of restrictions due to the COVID-19 pandemic. Amidst expectations of strong recovery of the global economy after such a year, the international community is confronted by these common challenges: (1) exploring the way toward sustainable growth and development that achieves balance between the economy, society, and the environment; (2) acceleration of energy transition toward

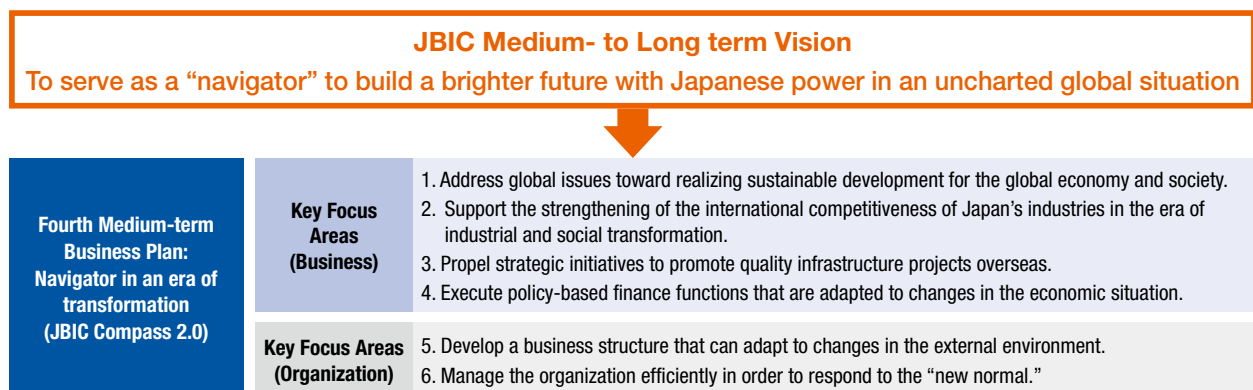
the realization of a decarbonized society; (3) responding to industrial and social transformation due to advancement in digitization. Taking these challenges into consideration, JBIC has set out the following objectives, from the perspective of policy-based finance. These objectives have been incorporated as action plans into the Fourth Medium-term Business Plan. JBIC is fully committed to the achievement of the plan.



■ Key Focus Areas

JBIC's corporate philosophy is, "Positioned at the crossroads of global business opportunities, JBIC is opening new venues to the future for the Japanese and global economy." Under this philosophy, it has established the medium- to long-term vision, "To serve as a 'navigator' to build a brighter future with Japanese power in an uncharted global situation," which defines what JBIC wishes to become over the next 10 years. Based on this vision, the Fourth Medium-term Business Plan sets out six

key focus areas based on the theme "navigator in an era of transformation," in the context of objectives such as the realization of the SDGs and a decarbonized society, and the irreversible advancements in energy transformation and digital transformation. Seventeen action plans have been positioned under these six key focus areas, and JBIC is committed to achieving these action plans in coming years.



■ Action Plans

	Key Focus Areas	Action Plans
Business	1 Address global issues toward realizing sustainable development for the global economy and society.	(1) Respond to energy transformation toward the realization of a decarbonized society. (2) Support projects that contribute toward resolving social issues.
	2 Support the strengthening of the international competitiveness of Japan's industries in the era of industrial and social transformation.	(1) Address the strengthening of resilience and rebuilding of international supply chains. (2) Support M&A and technology acquisition by Japanese companies toward digital transformation, etc.
	3 Propel strategic initiatives to promote quality infrastructure projects overseas.	(1) Support participation in overseas infrastructure projects that harness the strengths of Japanese companies. (2) Promote multilateral cooperation and cooperation with multilateral financial institutions, etc.
	4 Execute policy-based finance functions that are adapted to changes in the economic situation.	(1) Respond swiftly to overseas businesses that have been impacted by the COVID-19 pandemic. (2) Undertake strategic initiatives for countries/regions of great importance from a policy perspective. (3) Execute-business steadily as a policy-based financial institution, including support for small and medium-sized enterprises. (4) Strengthen the risk-assuming functions as a policy-based financial institution. (5) Further promote the mobilization of private capital.
Organization	5 Develop a business structure that can adapt to changes in the external environment.	(1) Develop a business structure that is adapted to changes in the business environment and customer needs. (2) Respond appropriately to interest rate benchmark reforms. (3) Conduct appropriate and efficient credit analysis and credit management during and after the COVID-19 pandemic.
	6 Manage the organization efficiently in order to respond to the "new normal."	(1) Digitalize the working environment that can adapt to the "new normal." (2) Promote human resource development and work style reforms that can maximize performance and draw out vitality of diverse employees. (3) Strengthen the effectiveness of the compliance system.

■ Action Plans (Business)

Key Focus Area: 1 Address global issues toward realizing sustainable development for the global economy and society.

Action Plan (1) Respond to energy transformation toward the realization of a decarbonized society.

- 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 in fields such as renewable energy and energy savings, smart energy (power storage technology, etc.), green mobility, smart cities, and promotion of the production, transportation, and utilization of hydrogen (Green 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 areas such as energy conversion, CCUS/carbon recycling, ammonia and hydrogen co-combustion, in order to contribute toward expanding businesses that help to reduce environmental burden (Transition finance)

Action Plan (2) Support projects that contribute toward resolving social issues.

- 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. These include the development and enhancement of the medical care environment (infectious disease countermeasures, hospital and medical equipment), access to basic infrastructure (water and sewage services, rural electrification and distributed power systems, information communications), development of the living environment (urban development and disaster prevention, public transport), improvement in the hygiene environment (waste disposal, reuse and recycling, countermeasures for marine plastic waste), and food safety and sustainable food systems (food value chains) (Social impact finance)

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

Action Plan (1) Address the strengthening of resilience and rebuilding of international supply chains.

- To contribute toward efforts aimed at the restructuring of global supply chains by Japanese companies and the building of local supply chains in order to cultivate new markets, support Japanese companies to rebuild and strengthen the resilience of global supply chains. These efforts include new capital investment overseas by Japanese companies (investments related to the relocation, establishment, and expansion of business bases), and infrastructure development for local supporting industries and industrial cluster overseas

Action Plan (2) Support M&A and technology acquisition by Japanese companies toward digital transformation, etc.

- To cope with the rapid progress of digital transformation, and to support initiatives by Japanese companies to rebuild their business models as well as develop and acquire state-of-the-art technology, provide support to strengthen the international competitiveness of Japanese companies during the period of digital transformation by financing efforts for the acquisition of advanced technologies and knowhow from overseas, including digital technology

Key Focus Area: ③ Propel strategic initiatives to promote quality infrastructure projects overseas.

Action Plan (1) Support participation in overseas infrastructure projects that harness the strengths of Japanese companies.

- To secure debt sustainability in host countries and economic viability that reflects the life cycle costs of a project, and to contribute toward the promotion of quality infrastructure overseas that takes environmental and social impact into consideration, provide support for the quality infrastructure projects overseas through means such as the utilization of core technologies by Japanese companies and continued involvement in O&M

Action Plan (2) Promote multilateral cooperation and cooperation with multilateral financial institutions, etc.

- To meet global infrastructure needs through coordination and cooperation with diverse funding sources, promote initiatives toward deal-sourcing and structuring of projects through multilateral cooperation, including Japan-U.S.-Australia-India cooperation, and coordination with multilateral financial institutions, etc.

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

Action Plan (1) Respond swiftly to overseas businesses that have been impacted by the COVID-19 pandemic.

- Implement emergency measures steadily (financing based on the Emergency Window)
- Respond flexibly to changes in the global financial environment (including appropriate credit management)

Action Plan (2) Undertake strategic initiatives for countries/regions of great importance from the policy perspective.

- Undertake strategic initiatives toward the formation of loan, equity participation, and guarantee projects in countries and regions of great importance from policy perspectives (including enhancing support for projects in Africa and initiatives based on multilateral cooperation)

Action Plan (3) Execute business steadily as a policy-based financial institution, including support for mid-tier enterprises and small and medium-sized enterprises.

- Implement policy-based finance steadily, including securing important resources and supporting overseas expansion by Japanese industries
- Support overseas expansion by small and medium-sized enterprises through efforts such as strengthening cooperation with private financial institutions, including regional financial institutions, and knowledge sharing

Action Plan (4) Strengthen the risk-assuming functions as a policy-based financial institution.

- Strengthen the risk-assuming function through means such as the utilization of special operations, and diversify financing products by utilizing local currency-denominated financing, etc.
- Strengthen external presence and negotiation leverage as a policy-based financial institution

Action Plan (5) Further promote the mobilization of private capital.

- Actively promote the mobilization of private capital, including private investment and financing by private financial institutions, through our loan, equity participation, and guarantee operations and the securitization of loan assets

■ Action Plans (Organization)

Key Focus Area: 5 Develop a business structure that can adapt to changes in the external environment.

Action Plan (1) Develop a business structure that is adapted to changes in the business environment and customer needs.

- Develop a business process and structure that takes the external environment into consideration, such as changes in the business environment and customer needs, response to SDGs and climate change issues, and global trends related to ESG investments

Action Plan (2) Respond appropriately to interest rate benchmark reforms.

- Respond appropriately to interest rate benchmark reforms (LIBOR cessation), including the smooth transition to an alternative interest rate benchmark in loans, equity participation, and guarantee operation, and system modification and the review of credit analysis processes

Action Plan (3) Conduct appropriate and efficient analysis and credit management during and after the COVID-19 pandemic.

- Conduct appropriate and efficient credit analysis and credit management under the constraints of a remote work environment
- Adjust risk-management framework to changes in the international situation and social environment, such as the prolonged COVID-19 pandemic and interest rate benchmark reforms

Key Focus Area: 6 Manage the organization efficiently in order to respond to the “new normal.”

Action Plan (1) Digitalize a working environment that can adapt to the “new normal.”

- Agilely review, improve, and digitize work processes, and utilize RPA
- Strengthen functions toward improving user experience for information systems, in anticipation of the normalization of remote work, and secure stability and safety of information systems

Action Plan (2) Promote human resource development and work style reforms that can maximize performance and draw out vitality of diverse employees.

- Foster an organizational culture that harnesses the diversity of employees as a source of vitality, and support autonomous career development and capacity development
- Undertake initiatives toward improving the working environment to enable employees to continue working with vitality

Action Plan (3) Strengthen the effectiveness of the compliance system.

- Develop a compliance system that strikes a balance between effectiveness and efficiency

6. Sustainability

Policies toward the Realization of Sustainability

The world's economies are facing the shared challenges of dealing with climate change and pursuing sustainable growth and development while seeking to achieve a balance between the economy, society, and the environment. In response to these challenges, JBIC promotes initiatives under its Fourth Medium-term Business Plan and work with stakeholders toward fostering global sustainable development and resolving global challenges, to ensure the realization of sustainable societies, as well as realizing "the colorful world" that embraces diversified spectrum and gradation of countries and people.

JBIC released its ESG Policy on October 28, 2021, in advance of the 26th Conference of the Parties to the United Nations Framework Convention on Climate Change (COP26). JBIC is committed to pursuing ambitious and accelerated efforts to achieve net zero emissions in its finance portfolio by 2050.

JBIC contributes toward realizing global carbon neutrality by supporting and accelerating the energy transition of emerging and developing countries through continued engagement with the relevant national governments and authorities.

E

- Respond to energy transformation toward the realization of a decarbonized society by financing projects
 - Green finance** Support efforts to reduce greenhouse gas emissions and popularize green innovation
 - Transition finance** Provide support for initiatives toward global energy transition while working to engage host countries
- Environmentally conscious financings and investments under Environmental and Social Guidelines*
- Green bonds issuance

* JBIC Guidelines for Confirmation of Environmental and Social Considerations

S

- Support projects that contribute toward resolving social issues
 - Social impact finance** Provide support for projects that assist resolving social issues to realize sustainable growth
- Socially conscious financing and investments under Environmental and Social Guidelines
- Promote human resource development and work style reforms that can maximize performance and draw out vitality of diverse employees
 - Foster an organizational culture that harnesses the diversity of employees as a source of vitality
 - Support autonomous career development and capacity development
 - Improve the working environment to enable employees to continue working with vitality

G

- Strengthen its sustainability governance and management systems
- Strengthen the effectiveness of the compliance system
- Participation in international initiatives

Disclosures (e.g., the TCFD recommendations) Stakeholders

JBIC ESG Policy

1. Policies towards the Realization of Sustainability

The world's economies are facing the shared challenge of dealing with climate change whilst pursuing sustainable growth and development, and all the while seeking to achieve a balance between the economy, society, and the environment. In light of these challenges, 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. Accordingly, JBIC is actively working to support this global agenda through the provision of green finance, transition finance, and social impact finance. In addition, as an organization, under the Fourth Medium-term Business Plan and the Second Plan for Work Style Reform, JBIC strives to foster a culture that harnesses the diversity of its employees, support individual career development and knowledge development, and continue to improve the working environment for its employees.

- JBIC continues to review its organizational structure, systems and processes with a view to strengthening its sustainability governance and management systems, so that JBIC can actively support Japanese companies and the global economic community in their efforts to achieve decarbonization and SDG goals, and as appropriate, disclose the results of the provision of such support to its stakeholders.
- With a view to fulfilling JBIC's role as "a navigator to build a brighter future with Japanese power" (as stated in JBIC's Fourth Medium-term Business Plan), JBIC, through its risk-assuming function as a policy-based financial institution and long-standing relationships with its stakeholders and overseas networks, proactively contributes to fostering global sustainable development and resolving global challenges, to ensure the realization of sustainable societies.

2. Climate Change Policy

- Climate change is one of the most urgent challenges facing the world's economies. Following the adoption of the Paris Agreement in December 2015, the global effort to address climate change has accelerated. In October 2020, the Japanese government made a declaration to aim for carbon neutrality by 2050 (i.e., to achieve net zero greenhouse gas emissions). In order to achieve the objectives of the Paris Agreement, global collective action is urgently required through not only efforts led by developed countries, but also through coordinated action taken by developing and emerging countries to ensure the energy transition towards a decarbonized society.
- In recognition of the urgency to accelerate global concerted efforts to combat climate change, and in alignment with Japanese government policy, JBIC set out its plans to address climate change in paragraphs (1) to (4) below, in advance of the United Nations Climate Change Conference (COP26) starting on October 31, 2021. As Japan's policy-based financial institution, JBIC continues to be proactive in providing financial support for efforts to tackle climate change, based on Japanese government policy.

(1) Contributing toward the Global Implementation of the Paris Agreement

- In order to align with the international goals to achieve the objectives 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. Moreover, through continued engagement with the relevant national governments and authorities, JBIC will contribute in realizing global carbon neutrality by supporting and accelerating the energy transition towards a decarbonized society of emerging and developing countries.

(2) Strengthening Climate Change-related Finance

- Achieving the objectives of the Paris Agreement requires substantial investment. As such, the flow of funds, including those through the mobilization of private finance, needs to be redirected and applied to pathways towards decarbonization. JBIC harnesses its risk-assuming function as a policy-based financial institution as well as its negotiation leverage, to promote green innovation and accelerate the energy transition of emerging and developing countries through engagement with the relevant national governments and authorities, and through multinational coordination. JBIC thereby takes the lead in global decarbonization through such actions and the provision of finance, in addition to disseminating climate-related information, and issuing green bonds, among other things.
- In addition to ending the provision of financing for unabated international thermal coal power generation as agreed at the G7 Summit in June 2021, JBIC also backs efforts leading to the transition to clean energy generation by harnessing new technologies.

(3) Enhanced Climate-related Financial Disclosures Pursuant to the TCFD Recommendations

- In recognition of the importance of reporting on climate-related financial information, JBIC announced in October 2019 of its endorsement of the Task Force on Climate-related Financial Disclosures (TCFD) that was established by the Financial Stability Board (FSB). JBIC also engages in the TCFD Consortium, which was set up as a forum for institutions who support the TCFD recommendations to exchanges ideas. JBIC will proceed in disclosing relevant information based on the TCFD framework.

(4) Environmentally and Socially Conscious Financings and Investments

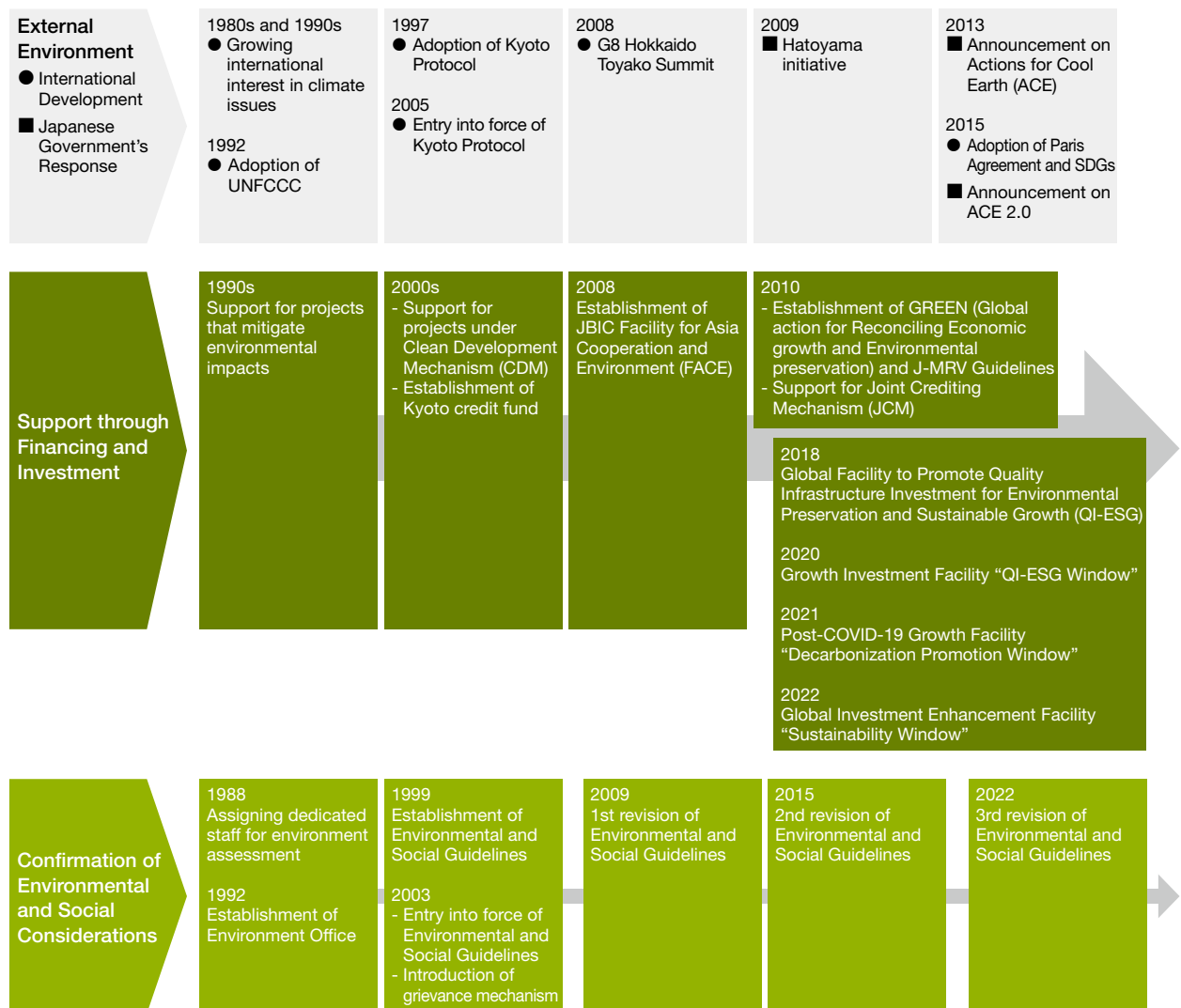
- Since the formulation and publication of the JBIC Guidelines for Confirmation of Environmental and Social Considerations in 1999, JBIC has ensured that the financing of its relevant projects have been subject to the environmental and social impact considerations required under such guidelines. JBIC will be at the forefront of such environmental and social considerations by reviewing, as appropriate, the guidelines and taking into consideration, among other things, the international frameworks that are in place with respect to environmental and social considerations, the discussions taking place at the Organisation for Economic Co-operation and Development (OECD) regarding the Common Approaches for Officially Supported Export Credits and Environmental and Social Due Diligence, and a wide public consultation process.

E Environment

JBIC's Journey on Climate Change Issues

In recognition of the importance of global efforts to address environmental issues, and in alignment with Japanese government policy, JBIC has been working since the 1990s to create a new finance menu and develop a governance and management systems.

JBIC continues to be proactive in providing financial support for efforts to tackle climate change, based on the Japanese government policy.



Examples of Business Outcomes Relating to Green Finance

Through green finance and transition finance, we are responding to energy transformation toward the realization of a decarbonized society.

Loan for Solar Photovoltaic (PV) Power Generation Project in State of Queensland, Australia

Point JBIC concluded in December 2021 a loan agreement amounting up to approximately \$36 million (JBIC portion) with Sojitz Corporation (Sojitz). The loan is co-financed with a private financial institution, and the total co-financing amount is approximately \$60 million. This loan will also contribute to the Australian government's policy to transition to renewable energy.

As one of the leading resource-rich countries in the world, Australia has been heavily dependent on coal fired power generation for its power needs. However, in light of environmental burden considerations, it has been promoting the transition to renewable energy in recent years. Investment in solar PV projects has been particularly strong in the country, leveraging its vast land with a lot of sunlight.

Sojitz seeks to utilize its experiences cultivated in developing and operating large-scale solar PV projects in and outside Japan. Through Edenvale Solar Park Pty Ltd., which is an Australian company jointly invested in by Sojitz and ENEOS Corporation, Sojitz will construct, own, and operate a 204MW solar PV plant in Edenvale, located about 300 km west of Brisbane in the State of Queensland, Australia. The electricity generated by the project will be sold to multiple buyers including a local electricity retailer and the electricity wholesale market.

The provision of the loan by JBIC to Sojitz, which will engage in the solar PV project in Australia, will not just contribute toward maintaining and improving the international competitiveness of Japanese industry but also to the energy transition policy of Australia, which is an important resource supplier and a friend of Japan, thereby serving to further strengthen the relationship between the two countries.



Illustration of the completed solar PV plant

Loan for Hydrogen Station Construction and Operation Project in State of California, U.S.

Point JBIC concluded in December 2021 a loan agreement amounting up to approximately \$15 million (JBIC portion) with Iwatani Corporation (Iwatani) for its U.S. subsidiary to construct and operate hydrogen stations. The loan is co-financed with MUFG Bank, Ltd. and Mizuho Bank, Ltd., and the total co-financing amount is approximately \$26 million.

Hydrogen, which does not emit CO₂, is drawing attention as the energy solution of the future. The State of California of the U.S. is leading the world in an effort to socially implement hydrogen fuel cell vehicles.

Iwatani acquired hydrogen stations in California through Iwatani Corporation of America (ICA), its U.S. subsidiary, in March 2019. ICA is the first Japanese operator of hydrogen stations in the U.S., and Iwatani has also decided to promote the installation of hydrogen stations in California as it aims to reinforce its hydrogen business under its Medium-term Management Plan.

The loan will contribute toward maintaining and improving the international competitiveness of Japanese industry in hydrogen-related businesses.



Iwatani's new hydrogen station constructed in California (© Iwatani Corporation)

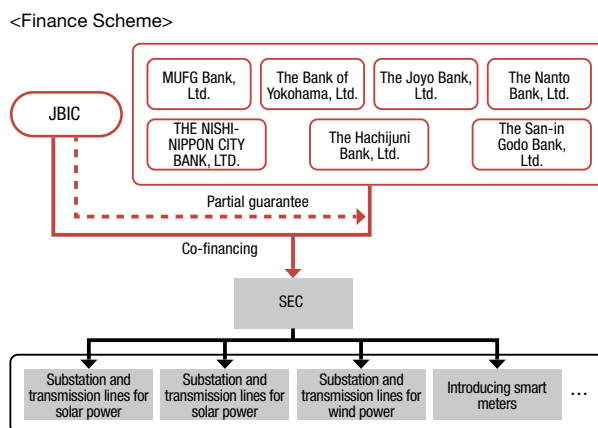
Supporting Low-carbonization in Electricity Transmission and Distribution Sector of Saudi Arabia

Point JBIC concluded in July 2021 a loan agreement amounting up to \$500 million, of which JBIC's portion is \$250 million, with Saudi Electricity Company (SEC) for projects to construct a new substation and transmission lines to integrate renewable energy to the grid networks and to introduce smart meters. The loan is co-financed with seven private financial institutions.

The Government of Saudi Arabia has formulated the Saudi Vision 2030 as its national development strategy and is proceeding with economic reform, including industry diversification, under the vision. As one such effort, Saudi Arabia is promoting projects that contribute toward the growth of renewable energy, energy efficiency, and more.

As a vertically integrated electric utility that generates, transmits, and distributes electricity throughout Saudi Arabia, SEC is enhancing transmission and distribution networks for a stable supply of power sources from renewable energy in line with the government policy to promote renewable energy. In December 2020, JBIC signed a memorandum of understanding (MOU) on strategic partnerships in the power sector with SEC. This loan, which is for a project in the field of electricity transmission and distribution contributing toward the mitigation of environmental impact, is one outcome of the MOU and is provided as part of JBIC's GREEN operations.

JBIC will promote energy transition and environmental and social sustainability in Saudi Arabia by developing solutions to SEC's challenges in the power sector through investments by Japanese companies and/or introduction of Japanese products and technologies.



Equity Participation in a Fund Investing in Clean Hydrogen-related Projects around the World

Point JBIC signed in March 2022 an agreement for equity participation in the Clean H2 Infra Fund S.L.P. a fund investing in clean hydrogen-related projects worldwide. JBIC plans to invest up to €100 million.

Hydrogen, which does not emit CO₂ when used as a fuel, is drawing attention as the energy solution of the future. Recently, many countries and regions focus on hydrogen as an essential energy source for decarbonization, and the demand for financing for hydrogen-related projects is growing.

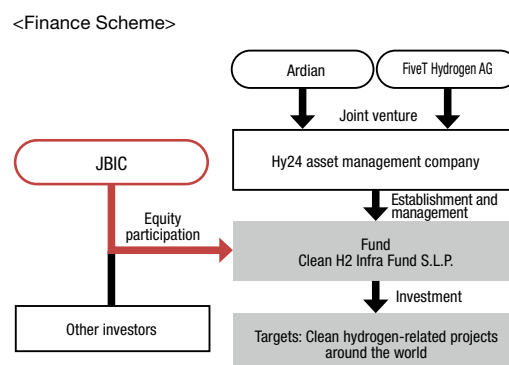
The fund, in which JBIC participates, is the world's largest clean hydrogen infrastructure investment fund and is committed to by a leading group of industrial and financial investors globally active in the clean hydrogen sector such as Air Liquide, TotalEnergies, VINCI Concessions, and Plug Power. The fund is managed by Hy24, which is a joint venture by FiveT Hydrogen AG, an investment manager specializing purely in clean hydrogen investments, and Ardian, a world-leading private investment house in Europe. It invests in clean hydrogen-related projects around the world, from upstream projects like green hydrogen production to downstream projects like captive fleet and refueling stations. JBIC participates in the fund under its GREEN operations.

The policy of the fund is to invest in hydrogen-related projects that conform to one of the six environmental objectives of the EU taxonomy, "Climate change mitigation," and the fund will have sustainable investment as its objective in accordance with Article 9 of the SFDR regulation*.

* The SFDR (Sustainable Finance Disclosure Regulation) was enacted by the European Union with the aim of achieving more transparency of sustainability characteristics of financial products including funds. Funds fall into three taxonomic groups based on Article 6, Article 8, and Article 9 of the SFDR. Article 9 Funds, to whom the applicable disclosure requirements are the most rigorous, have sustainable investment as their objective and measure how much the objective is attained based on a quantitative benchmark.



A project image the fund invests in



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

As global concern over the environment and human rights heightens, there are more than a few cases, in which insufficient risk management of possible environmental and social impacts has seriously affected project implementation or undermined its social reputation.

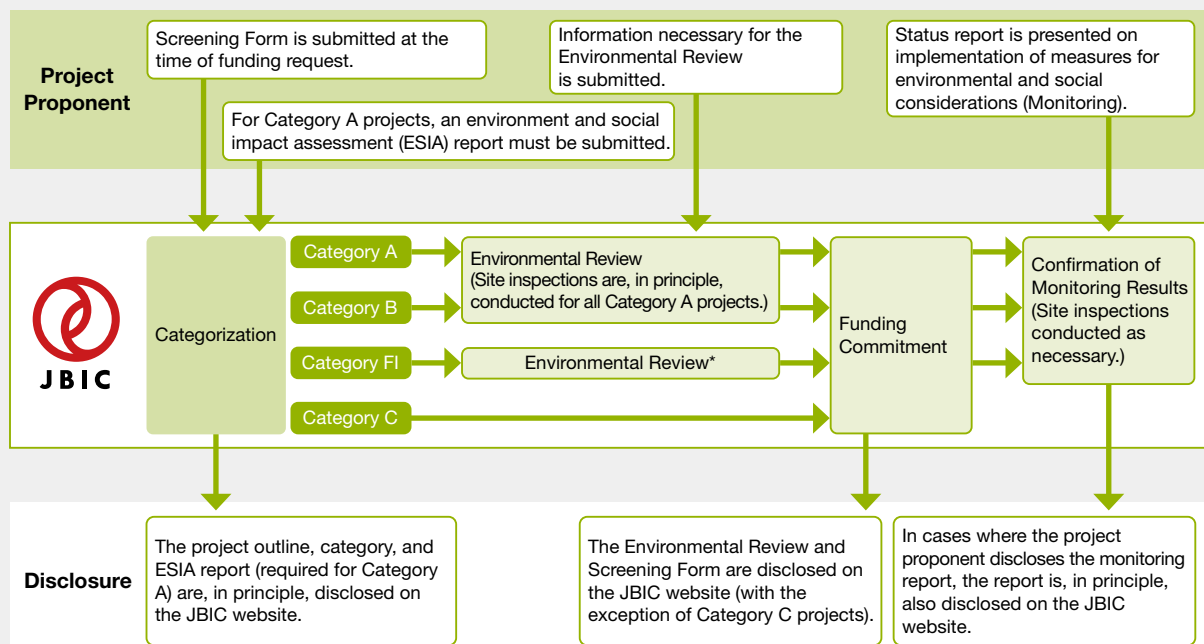
In conducting its operations, JBIC confirms whether appropriate consideration for local communities and the natural environment has been made in all the JBIC-financed projects based on the “Japan Bank for International Cooperation Guidelines for Confirmation of Environmental and Social Considerations” (Environmental Guidelines).

The Environmental Guidelines set out the procedures, criteria, and requirements that JBIC-financed projects must meet in confirming environmental and social considerations. When JBIC judges that the project proponents have not made appropriate environmental and social considerations, it will encourage them to take remedial measures. If appropriate environmental and social considerations have not been taken, JBIC may decide not to extend funding or may request early redemption to the borrower.

As for nuclear sector projects, JBIC also established and made public the “Japan Bank for International

Procedure for Confirmation of Environmental and Social Considerations

Prospective projects are screened prior to funding and classified into categories according to the degree of potential environmental impact. An Environmental Review is then conducted to verify that the environmental and social impacts have been considered in a proper manner. After funding has been approved, projects are monitored to assess the actual impact.



* For Category FI projects, JBIC confirms through the financial intermediary that the proper environmental and social considerations indicated in the Environment Guidelines have been followed for the project.

Projects are classified into one of the following four categories in relation to the degree of environmental impact, based on the information provided by the project proponent during the screening process.

Category A	Project with the potential for a serious and adverse impact on the environment
Category B	Project with the potential for an adverse impact on the environment, but less than that of Category A projects
Category C	Project with the potential for minimal or no adverse impact on the environment
Category FI	Project for which JBIC provides funding to a financial intermediary, and after acceptance of JBIC funding, the financial intermediary selects and conducts screenings for specific subprojects, in cases where subprojects cannot be determined prior to acceptance of JBIC funding, and where such subprojects are anticipated to have an impact on the environment

Cooperation Guidelines for Confirmation of Information Disclosure Considerations for Nuclear Sector Projects” (Information Disclosure Guidelines) in December 2017. Based on the Information Disclosure Guidelines, JBIC confirms that appropriate measures are carried out by project proponents and other relevant parties to ensure information disclosure and public participation for issues specific to each project.

Also, every five years after the enforcement, the Environmental Guidelines are subject to a comprehensive review based on a verification of the implementation status during the period, in order to make revisions as necessary according to the review result. In 2020, five years after the enforcement, JBIC initiated the revision

process, disseminating it broadly to the public, and revised the Environmental Guidelines in May 2022, which became effective in July 2022. In order to ensure an open and transparent process in making the revision, JBIC held a consultation forum for a total of 10 times between February 2021 to February 2022 and solicited public comments on the draft revision. In keeping with the revision of the Environmental Guidelines, JBIC also revised its “Summary of Procedures to Submit Objections concerning JBIC Guidelines for Confirmation of Environmental and Social Considerations” (Procedures) in May 2022. The current Procedures were also enforced in July 2022.

Green Bonds

JBIC aims to contribute to realizing a sustainable society and environment through green finance. To raise the necessary funds for green finance, JBIC issued green bonds for the first time as international bonds guaranteed by the Japanese government in January 2022. The funds raised through the issuance of green bonds will be

allocated to eligible projects, including those related to renewable energy and clean transportation.

The issuance of green bonds in January 2022 has been conducted based on a stringent framework acknowledged by Sustainalytics, a company holding a major share and highly recognized in the market.

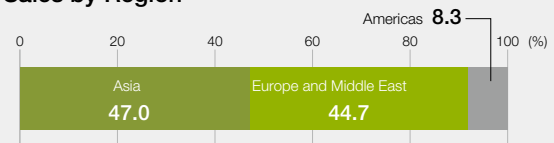
Description of Issuance

- **Guarantor** Japanese government
- **Currency** US dollar
- **Maturity** 5 years
- **Coupon rate** 1.625%
- **Amount** USD500 million

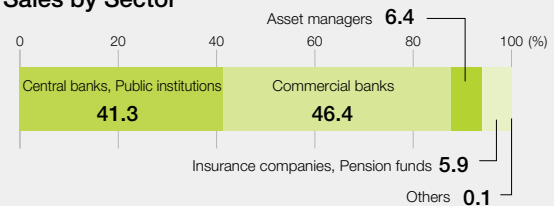
Eligible Projects

- Renewable energy (e.g. wind power projects in Africa, geothermal power projects in Southeast Asia)
- Clean transportation (e.g. high-speed railway projects in Europe)

Sales by Region



Sales by Sector



Examples of Business Outcomes Relating to Social Impact Finance

Through social impact finance, we are providing support for projects that assist resolving social issues.

Loan for Health and Hygiene Products Sales Business of Japanese Company in Hong Kong

Point JBIC concluded in September 2021 a loan agreement amounting up to \$7 million (JBIC portion) with a subsidiary of Saraya Co., Ltd. (Saraya) in Hong Kong. The loan is co-financed with MUFG Bank, Ltd., and the total co-financing amount is approximately \$10 million.

Saraya is an SME established in 1952 and is engaged in the manufacturing and sales business of health and hygiene products. In 2003, it established a subsidiary in Hong Kong, Saraya HongKong Co., Limited (SHK), and has been selling health and hygiene products to combat infectious diseases and improve the health and hygiene environment in countries and regions in Asia, including Hong Kong.

In these countries and regions, growth in demand for health and hygiene products, such as liquid soaps, detergents, and disinfectants, is expected due to the spread of COVID-19. JBIC provided the funds necessary for SHK to make additional investment for expanding its sales business.

In March 2021, JBIC also provided a loan to another subsidiary of Saraya in Egypt, Saraya Middle East for Industrial Investment J.S.C. (SMEI), for its manufacturing and sales business of health and hygiene products. This loan to SMEI, which commenced operations in 2022, was JBIC's first direct financing targeting mid-tier enterprises and SMEs in Africa.

As Japan's policy-based financial institution, JBIC will continue to focus on supporting Japanese companies in expanding their businesses, which will lead to the resolution of social issues in countries and regions in Asia, the Middle East, and Africa, including improvement and enhancement of the medical care environment, improvement of the hygiene environment, and establishment of food delivery services.



Laundry and kitchen detergents sold in Hong Kong



Hand disinfectants manufactured and sold in Egypt

Loan for Recycled Asphalt Mixture Manufacturing and Sales Business in Indonesia

Point JBIC concluded in December 2021 a loan agreement amounting up to IDR13 billion with PT. SUGAWARA KOGYO INDONESIA (PSKI), an Indonesian subsidiary of SUGAWARA Industry Co., Ltd. (Sugawara Industry). The loan is co-financed with the 77 Bank, Ltd., and the total co-financing amount is approximately IDR25.5 billion.

Sugawara Industry is an SME engaged in civil engineering and construction work related to piping and water supply facilities, paving work for roads and building sites, and collection and transportation of industrial waste.

Sugawara Industry established PSKI in 2017 in Indonesia, where infrastructural development has been proceeding, and started manufacturing asphalt mixture that recycles asphalt waste as a road paving material. PSKI aims to expand its business by utilizing this pavement recycling technology, and JBIC responded to this need and provided a loan in the local currency to support PSKI's business expansion.

Sugawara Industry's involvement with Indonesia began when it started accepting and training technical interns from Indonesia. PSKI plans to proactively employ these interns, who have gained skills at Sugawara Industry, and also launch asphalt paving and other new businesses.

JBIC will continue to cooperate with regional financial institutions and provide support meticulously matched to the funding needs of Japanese companies, including mid-tier enterprises and SMEs.



Paving works with recycled asphalt in Indonesia

Loan for Medical Device Manufacturing and Sales Business of NIPRO's Vietnamese Subsidiary

Point JBIC concluded in December 2021 a loan agreement amounting up to ¥6 billion (JBIC portion) with NIPRO CORPORATION (NIPRO) for its business of manufacturing and sales of medical devices in Vietnam. The loan is co-financed with Mizuho Bank, Ltd. and MUFG Bank, Ltd., and the total co-financing amount is ¥10 billion.

Since its founding in 1954, NIPRO has achieved significant growth by conducting business in the fields of medical devices, pharmaceuticals, and pharmaceutical packaging. The company was also quick to expand business overseas and has established a global manufacturing, sales, and service network covering Asia, Europe, Africa, and the Americas.

NIPRO established Nipro Vietnam Company Limited (NVC) in 2017 as a manufacturing and sales base of medical devices in Vietnam. NVC manufactures aspiration catheters and dialyzers and supplies its products broadly to Asia and other parts of the world.

NIPRO aims to further expand its business, and JBIC provided the funds necessary for NVC to construct new facilities. The loan to NVC is expected to contribute toward the resolution of social issues by helping to raise the level of health and hygiene in Asia.

As Japan's policy-based financial institution, JBIC will continue to provide support to overseas businesses of Japanese companies in the medical and other fields, which will help resolve social issues, by drawing on its various financial facilities and schemes.



NVC's medical device manufacturing plant in Vietnam

Loan for Biotechnology Startup Aiming to Launch Synthetic Structural Protein Material Manufacturing Business in the U.S.

Point JBIC concluded in October 2021 a loan agreement amounting up to ¥5 billion (JBIC portion) to support the synthetic structural protein material manufacturing business of a U.S. subsidiary of Spiber Inc. (Spiber). The loan is co-financed with MUFG Bank, Ltd., and the total co-financing amount is ¥10 billion.

Spiber is a biotechnology startup established in 2007 by university researchers who succeeded in synthesizing spider thread.

Spiber has established a fermentation process to brew a large quantity of structural protein polymers using plant-derived raw materials and microbes having its original, specially-designed DNA and has developed Brewed Protein™ materials, to which various characteristics can be added. Using these materials, the development is undergoing to create spun yarn with a cashmere- and wool-like texture, filament yarn with silky luster, and leather and fur alternatives. Spiber has tied up with a leading sports goods manufacturer, and an outdoor jacket and T-shirt that use Brewed Protein™ fibers have already been commercialized.

As Brewed Protein™ materials have been verified to be marine biodegradable, they will not remain in the marine environment for a long period as compared to petroleum-based synthetic fibers and plastics. In the future, they are expected to cause less GHG emissions than cashmere and wool, can be used in medical materials and automotive parts, and are drawing attention from the perspective of animal welfare as a fur alternative. They have also attracted attention as next-generation core materials from Japan, which are capable of playing a role in the development of a sustainable society.



Synthetic structural protein, Brewed Protein™ materials



Jacket and sweater made from Brewed Protein™ fibers

Promoting Active Engagement of Diverse Human Resources

Plan for Work Style Reform

JBIC has formulated the Second Plan for Work Style Reform (FY2021–FY2023) based on one of the action plans set out in its Fourth Medium-term Business Plan (FY2021–FY2023): “Promote human resource development and work style reforms to maximize performance and draw out the vitality of diverse employees.”

The Second Plan for Work Style Reform aims to create organizations where all employees can work sustainably and with vitality, in work styles that suit their own values, and strengthen the resilience of organizational foundations under the “new normal.”

Specifically, the second plan focuses on strengthening our organizational foundations to contribute toward the sound development of Japan and the international economy and society by simultaneously enabling work styles more matched to the individual values of employees, while going a step beyond the previous plan and capturing the behavior change resulting from the COVID-19 pandemic, and by turning JBIC into an organization where employees can fully demonstrate their respective capabilities for more active engagement.

In order to allow all employees to show maximum performance and take active roles based on their

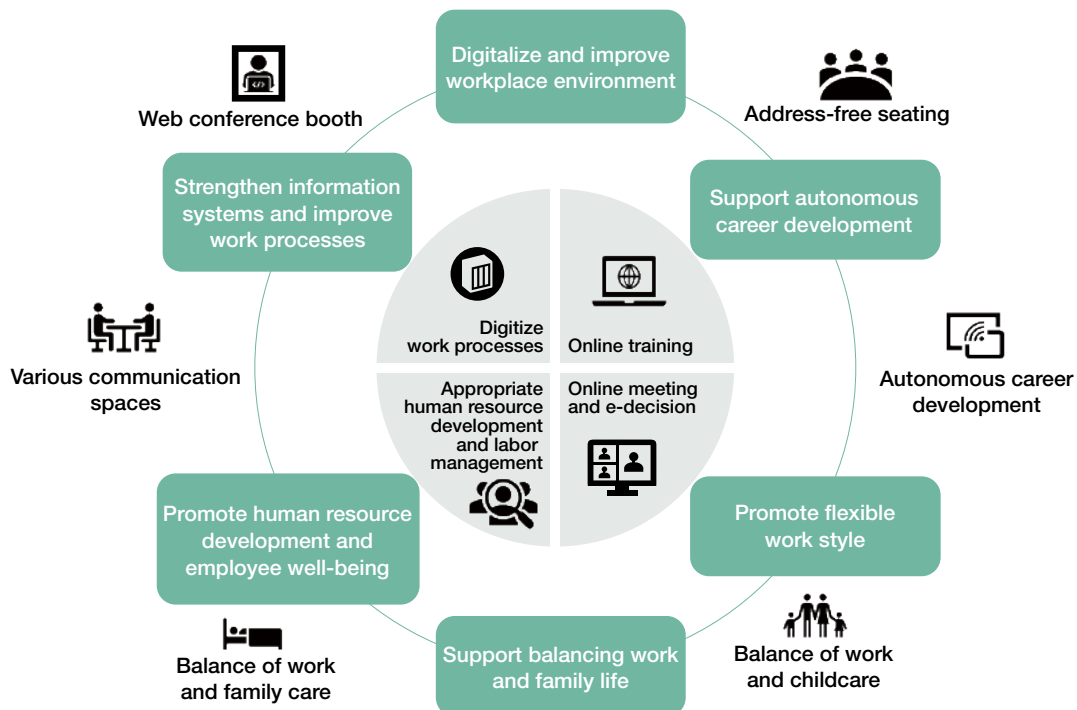
individual values, we are undertaking various measures while continuously encouraging teleworking. These measures include: strengthening information systems and improving work processes mainly through digitalization; digitalizing and improving the workplace environment; promoting the mental and physical health of employees while giving consideration to the teleworking environment; supporting autonomous career development; supporting balancing work and family life; and further promoting a flexible work style.

In FY2021, while working to improve the network environment used by employees for teleworking, we initiated efforts to provide an improved, more comfortable office environment to enable them to demonstrate high productivity in their on-site work and implemented measures to cultivate a sense of unity and foster communication. We have also been undertaking initiatives to develop human resources and support employees’ autonomous career development and enhancing systems to help them balance work and family life.

JBIC continues to promote various measures under its Second Plan for Work Style Reform.

Objectives of the Plan

Creating organizations where all employees can work sustainably and with vitality, in work styles that suit their own values, and strengthening the resilience of organizational foundations under the “new normal”



Initiatives for Developing Human Resources and Supporting Their Active Engagement

The role of JBIC is to realize its corporate philosophy, “Positioned at the crossroads of global business opportunities, JBIC is opening new venues to the future for the Japanese and global economy,” in the global business context by means of finance. This requires the active engagement of human resources who possess high levels of specialized skills on finance as well as public awareness and an international perspective needed to look ahead for the development of Japan and the

international economy and society amid complex international relations. As such, we have included “Promote human resource development and work style reforms to maximize performance and draw out the vitality of diverse employees” as one of the action plans in our Fourth Medium-term Business Plan and have been conducting initiatives to secure and develop excellent human resources and support their active engagement.

For Supporting Active Engagement of Human Resources

With a view to enabling work styles matched to the diverse values of employees, we have established leave and other personnel systems and a range of support programs to help employees who are engaging in childcare or nursing care to balance work with family life. Our efforts in FY2021 under the Second Plan for Work Style Reform included revising relevant systems to encourage both male and female employees to use childcare leave, enhancing our programs to support employees having children attending school to balance work with childcare, and providing training for managers to support balancing work with family life. In recognition of these and other efforts, JBIC has received “Kurumin” certification as a company supporting child-rearing and

has obtained “Tomonin” certification as a company striving to create a workplace environment that helps employees to balance work with nursing care.

In response to COVID-19, we have been working to ensure the safety of employees working or studying in respective countries by monitoring the local situations. In Japan, we have directed our efforts to preventing the spread of infections among employees while fulfilling responsibilities imposed on JBIC, by encouraging teleworking and staggered working hours to the extent possible.

We continue to accelerate our initiatives to support the active engagement of employees, including enhancing our systems to help balance work and family life.



■ Corporate Governance

JBIC's Fourth Medium-term Business Plan identified "Develop a business structure that can adapt to changes in the external environment" and "Manage the organization efficiently in order to respond to the 'new normal.'" as its key focus areas.

We are developing a business process and structure that takes the external environment into consideration,

such as changes in the business environment and customer needs, response to the SDGs and climate change issues, and global trends related to ESG investments.

For details of JBIC's corporate governance, please refer to Section 1 "Corporate Governance" in Chapter 4 (page 90) of this report.

■ Establishment of the Sustainability Committee and Sustainability Advisory Committee

As part of its efforts toward "strengthening its sustainability governance and management systems" as set out in the ESG Policy, JBIC newly established the Sustainability Advisory Committee and Sustainability Committee in June 2022. (For the overall picture of JBIC's sustainability governance and management systems, please refer to page 33.) We are accelerating sustainability management throughout the entire organization toward the realization of global sustainability, including sustainable development of the global economy and society and resolution of global issues.

Sustainability Advisory Committee

As an advisory body to 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.

Sustainability Committee

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

■ Establishment of the Sustainability Management Department

As another effort to strengthen our sustainability governance and management systems, we established the Sustainability Management Department under the Corporate Planning Group in June 2022. By centralizing

the knowledge and functions related to sustainability, JBIC further promotes its initiatives toward the realization of sustainability.



■ Participation in International Initiatives

TCFD Consortium

In October 2019, JBIC expressed its support for the objectives of the Task Force on Climate-related Financial Disclosures (TCFD) and joined the TCFD Consortium.



Japan Hydrogen Association

The Japan Hydrogen Association is a forum for various stakeholders in the public and private sectors to discuss the direction of strategies for realizing a hydrogen-based society.



Japan Hydrogen Forum (JH2F)

Established by 15 Japanese companies engaging in hydrogen-related businesses in the U.S., JH2F aims to contribute toward the achievement of the country's decarbonization goal. Among its five sub-committees of Hydrogen Production, Land Transport, Port Decarbonization, Power Generation, and Finance, JBIC is a member of the Finance sub-committee.

Clean Fuel Ammonia Association

The Clean Fuel Ammonia Association was established in April 2019 as a general incorporated association (formerly known as the Green Ammonia Consortium) to establish a value chain from the production to the use of CO₂-free ammonia and for its social implementation, thereby realizing a low-carbon society.

Sustainability Leaders Council

The Sustainability Leaders Council was jointly established by the Eurasia Group, GZERO Media, and Suntory Holdings Limited in October 2021 to advance sustainability agenda in Asia. JBIC is contributing toward the activities of this council as a sponsoring partner.

2X Challenge / 2X Collaborative

JBIC announced in June 2018 at the G7 summit in Charlevoix, Canada, its participation in The G7 2X Challenge: Financing for Women (the 2X Challenge), an initiative to promote women's social empowerment.

JBIC also joined the 2X Collaborative, an extended platform launched in January 2022, for promoting investments that contribute toward gender equality by further collaborating with relevant institutions.



African Clean Cities Platform

In July 2022, JBIC became an associate member of the African Clean Cities Platform, which was established for achieving the SDGs by realizing clean and healthy cities, sharing knowledge on waste management, and promoting relevant investment in African countries.

JBIC's Initiatives Related to Climate Change (Information Disclosures Based on the TCFD Recommendations)

The world's economies are facing the shared challenges of dealing with climate change and pursuing sustainable growth and development while seeking to achieve a balance between the economy, society, and the environment. Even though the world has begun to normalize social and economic activities constrained under the COVID-19 pandemic, the Russian invasion of Ukraine shocked the world, overtly challenging world peace and prosperity and dealing a heavy blow on the global economy. In an era of increasing uncertainty, the pursuit for sustainability, including the SDGs, is the key driving force for the growth of the global economy, countries, and companies. Climate change, in particular, is one of the most urgent challenges facing the international economy and society. Following the adoption of the Paris Agreement in December 2015, the global effort to address climate change has accelerated. In October 2020, the Japanese government made a declaration to aim for carbon neutrality, or in other words, to achieve net zero GHG emissions, by 2050. In order to achieve the objectives of the Paris Agreement, global collective action is urgently required through not only efforts led by developed countries, but also through coordinated action taken by developing and emerging countries to ensure the energy transition toward a decarbonized society.

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 international economy and society as Japan's policy-based financial institution. In recognition of the urgency to accelerate concerted international efforts to combat climate change, and in alignment with the Japanese

government policy, in October 2021 we formulated the ESG Policy and announced the climate change policy to show our strong commitment to achieving sustainability.

Under the climate change policy, JBIC pursues ambitious and accelerated efforts to reduce GHG emissions from its operations to net zero by 2030 and to achieve net zero GHG emissions in its finance portfolio by 2050. Moreover, through continued engagement with the host countries' governments and authorities, we contribute toward realizing global carbon neutrality by supporting and accelerating the energy transition toward a decarbonized society of emerging and developing countries. Achieving the objectives of the Paris Agreement also requires substantial investment. As such, we strengthen climate change-related finance through our risk-assuming function as a policy-based financial institution and through multinational coordination.

Recognizing the importance of disclosing climate-related financial information, JBIC has declared in its ESG Policy to promote information disclosures based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). JBIC made disclosures based on these recommendations for the first time in this report and will continue to make appropriate information disclosures in the future as well.



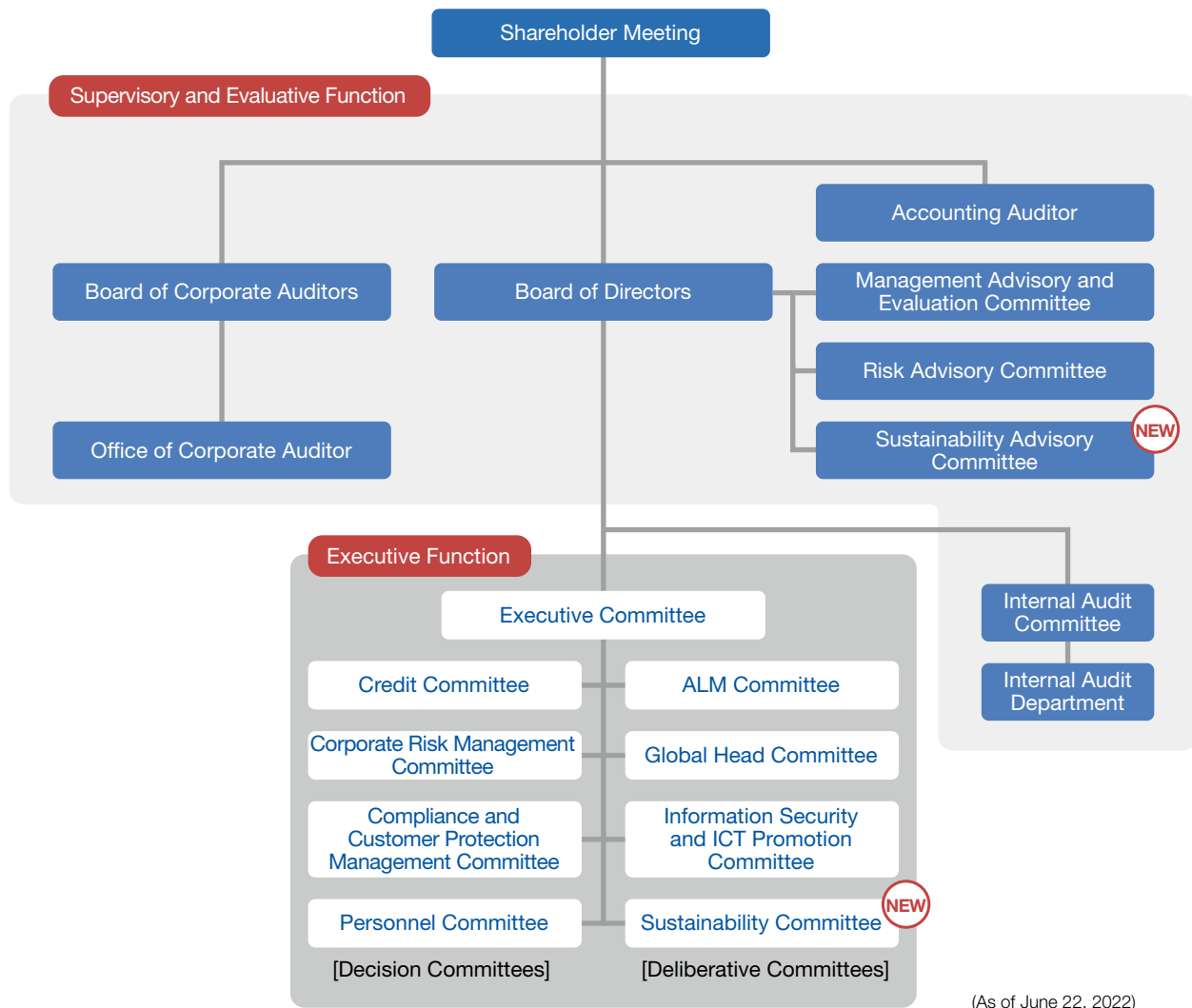
■ Governance

Strengthening Sustainability Governance and Management Systems

In June 2022, JBIC newly established the Sustainability Advisory Committee, Sustainability Committee, and Sustainability Management Department as part of its efforts toward "strengthening its sustainability governance and management systems," as set out in the ESG Policy. Under the supervision of multiple organs including the Board of Directors, important matters related to sustainability, including those concerning climate change, will be discussed at the Executive Committee, Sustainability Committee, and Corporate Risk Management Committee.

Under the new sustainability governance and management systems, JBIC proactively contributes toward fostering global sustainable development and resolving global challenges, to ensure the realization of sustainable societies by actively supporting Japanese companies and the global economy and society in their efforts to achieve decarbonization and the SDGs and appropriately disclosing the outcomes of such support to its stakeholders.

Sustainability Governance and Management Systems



Roles of Each Organ Concerning Sustainability-related Matters, Including Climate Change

Board and Committees		Role
Supervisory and Evaluative Function	Board of Directors	Passes resolutions on basic matters and changes thereof related to policies toward the realization of sustainability, including the ESG Policy
	Sustainability Advisory Committee	Provides advice on matters inquired by the Board of Directors related to policies for advancing initiatives toward the realization of sustainability
Executive Function	Executive Committee	Determines and deliberates on matters of managerial importance that relate to policies for advancing initiatives toward the realization of sustainability, as delegated by the Board of Directors
	Sustainability Committee	Deliberates on policies for advancing initiatives toward the realization of sustainability and other important matters, as delegated by the Executive Committee
	Corporate Risk Management Committee	Determines and deliberates on important matters related to management of corporate risks (including climate change-related risks), as delegated by the Executive Committee

Strategies

In its Fourth Medium-term Business Plan announced in June 2021, JBIC identified the addressing of “global issues toward realizing sustainable development for the global economy and society” as its first key focus area. Accordingly, we regard climate change as an opportunity to accelerate energy transition toward a decarbonized society and actively work to support this global agenda through the proactive provision of green finance, transition finance, and social impact finance, and through reinforcement of its organizational structure.

In addition, as one important role of JBIC as Japan’s policy-based financial institution, we are promoting engagement with the host countries’ governments and authorities and collaboration with overseas governmental organizations and international organizations for achieving global carbon neutrality.

Initiatives Related to Green Finance*

To contribute toward the creation of a new ecosystem, and with a view to reducing Greenhouse gas (GHG) emissions worldwide and realizing decarbonization in Japan, we support efforts to reduce GHG emissions and popularize green innovation by financing projects in fields such as renewable energy and energy savings, smart energy (power storage technology, etc.), green mobility, smart cities, and promotion of the production, transportation, and utilization of hydrogen.

Initiatives Related to Transition Finance*

While working to engage host countries to make the shift toward sustainable energy, we provide support for initiatives toward global energy transition by financing projects in areas such as energy conversion, CCUS/ carbon recycling, and ammonia and hydrogen co-combustion, in order to contribute toward expanding businesses that help to reduce environmental burden.

* For details, please refer to the Fourth Medium-term Business Plan on page 14.

Initiatives Related to Innovative Energy

In addition to its initiatives in the financial field, JBIC has joined various meetings and study groups that contribute toward its support for the development of innovative energy and smooth energy transition toward a decarbonized society.

As specific examples, we have joined the Japan Hydrogen Association, a forum for various stakeholders in the public and private sectors to discuss the direction of strategies for realizing a hydrogen-based society, and the Clean Fuel Ammonia Association, which promotes the establishment of a value chain from the production to the use of CO₂-free ammonia and its social implementation. We have provided opinions from the standpoint of a policy-based financial institution.

On July 1, 2022, we established the Energy Transformation Strategy Office within the Energy Solutions Finance Department of the Energy and Natural Resources Finance Group, thereby strengthening our abilities to collect and disseminate information and conduct studies

for structuring projects related to hydrogen, ammonia, and other forms of innovative energy as well as associated loan, guarantee, and research operations.

Initiatives Related to Engagement

We believe that engagement with stakeholders represents our important responsibility as a policy-based financial institution for accelerating energy transition in emerging and developing countries toward the realization of a decarbonized society and for ultimately achieving global carbon neutrality. Moreover, as achieving the objectives of the Paris Agreement requires substantial investment, it is essential that the flow of funds, including those through the mobilization of private finance, needs to be redirected and applied to pathways toward decarbonization. As Japan’s policy-based financial institution, JBIC continues to be proactive in providing financial support for efforts to tackle climate change through the reinforcement of collaboration with overseas governmental organizations and international organizations.

Engagement with the Host Countries’ Governments and Authorities

Date	Outline
October 2020, January 2022	Australia-Japan-U.S. dialogues with the Central Economic Commission of the Communist Party of the Socialist Republic of Vietnam
November 2021	Dialogue between then JBIC Governor MAEDA Tadashi and Vietnamese Prime Minister Pham Minh Chinh
September 2021	Dialogue with Indonesian state-owned electricity utility PT PLN (Persero)
March 2022	Policy dialogue with the Indonesian government

Reinforcement of Collaboration with Governmental Organizations and International Organizations

Date	Outline
March 2021	Signing of a memorandum of understanding (MOU) with the State of California of the United States
October 2021	Signing of an MOU with the European Investment Bank
November 2021	Signing of an MOU with Emirati oil company Abu Dhabi National Oil Company
November 2021	Signing of an MOU with the Commission for the Management of State Capital at Enterprises of Vietnam
February 2022	Signing of an MOU with the Public Investment Fund of Saudi Arabia

Strengthening Sustainability Governance and Management Systems

In June 2022, JBIC newly established the Sustainability Advisory Committee, Sustainability Committee, and Sustainability Management Department as part of its efforts toward “strengthening its sustainability governance and management systems,” as set out in the ESG Policy. For details, please refer to page 30.

Establishment of the Global Investment Enhancement Facility (Sustainability Window)

In July 2022, JBIC established the Global Investment Enhancement Facility in order to support the overseas businesses of Japanese companies that make use of cutting-edge or unique technologies such as green and

digital technologies. Through the Sustainability Window established under the Facility, we support Japanese companies’ projects* that are expected to contribute toward the preservation of the global environment, including decarbonization.

* Eligible projects: 1) Projects that help reduce GHG and other emissions (renewable energy, energy savings, low-carbon technologies and materials, etc.); and 2) Other projects that contribute toward the preservation of the global environment (prevention of air, water, and marine plastic pollution, etc.)

Risk Management

Recognizing the importance of managing risks related to climate change (collectively, “climate-related risks”), JBIC has designated climate-related risks as one of the Top Risks and has been monitoring them. Moreover, we use scenario analysis on transition risks of climate change in order to identify and assess the impact of climate change on our portfolio over time.

We also recognize that JBIC’s engagement-related activities described in the “Strategies” section are important not only from the perspective of realizing a decarbonized society but also in terms of mitigating the climate-related risks in the future.

Top Risk Management

At JBIC, risk events that will significantly impact JBIC when they become apparent and require particular attention are designated as Top Risks. Recognizing the importance of responding to the climate-related risks, we have specified this risk as one of the Top Risks.

Under this framework, we periodically monitor the social and regulatory trends related to climate issues, and at the same time, are advancing the use of scenario analysis to capture the potential impacts of the climate-related risks on JBIC’s portfolio and developing climate-related risk management process.

Scenario Analysis

JBIC conducts scenario analysis on transition risks of climate change, in which the transition to a low-carbon economy will impact corporate business activities. The analysis uses the Net Zero 2050 Scenario assuming the achievement of global carbon neutrality by 2050 (1.5°C scenario) and other scenarios provided by the Network of Central Banks and Supervisors for Greening the Financial System (NGFS) to identify the medium- to long-term impacts of climate change on JBIC’s portfolio and examine future policies and actions for managing the climate-related risks.

The uncertainties and complexities associated with climate-related risks in general make it difficult to identify specific channels, touchpoints and time frames in which climate change may affect an organization.

Moreover, the use of climate-related risk scenario analysis to assess potential business implication and risks of climate change is still at an early stage throughout the world. There are also challenges on access to data sets and tools for organizations to conduct scenario analysis more effectively. As such, JBIC continues to develop and refine methods to conduct analysis and identify impacts in a way to fit the characteristic of business and portfolio of Japan’s policy-based financial institution, while taking into consideration progress in international practices in scenario analysis and climate-related risk management.

Initiatives Related to Thermal Coal Power Generation Projects

JBIC has discontinued its financing to unabated international thermal coal power generation projects as agreed at the G7 summit in June 2021. The outstanding of project financing to the thermal coal power generation projects as of March 31, 2022 stood at JPY826 billion, and we expect to reduce it to zero in the early 2040s.

Engagement

As described in the “Strategies” section, JBIC is promoting its engagement with the host countries in order to contribute toward realizing global carbon neutrality by supporting and accelerating the energy transition toward a decarbonized society of emerging and developing countries. This engagement is regarded important both in terms of realizing a decarbonized society and mitigating JBIC’s future climate-related risk. For specific examples of our engagement, please refer to page 34.

■ Metrics and Targets

Number of Climate Change-related Finance Projects Committed and Structured

As described in the “Strategies” section, JBIC has set targets for green finance and transition finance under one of the action plans, “Respond to energy transformation toward the realization of a decarbonized society,” of its Fourth Medium-term Business Plan. Using the numbers of projects committed and structured as our metrics, we

have defined three-year targets covering the period of the business plan and targets for each fiscal year and have been monitoring the status of achievement at the Executive Committee.

The table below shows the targets and results concerning the numbers of green finance and transition finance projects committed and structured.

Evaluation Metrics	Three-year* Targets	FY2021 Targets	FY2021 Results	FY2022 Targets
Number of green finance projects committed	64	20	12	23
Number of green finance projects structured	66	23	31	23
Number of transition finance projects committed	19	4	4	10
Number of transition finance projects structured	45	19	22	12

* From FY2021 to FY2023

Climate Finance

At the G7 Cornwall Summit, the Japanese government declared that it provides climate finance, both public and private, totaling JPY6.5 trillion over the next five years, from 2021 to 2025. At the World Leaders Summit held during COP26, Japan again declared its additional assistance on public and private finance of up to USD10 billion over the same five-year period. JBIC plays a role in these support measures of the Japanese government.

Greenhouse Gas (GHG) Emissions

JBIC is conducting analysis and examination on the measurement of its GHG emissions as a metric to evaluate and manage climate-related risks and opportunities.

We are committed to pursuing such efforts as climate change-related finance and engagement to reduce GHG emissions from our operations to net zero by 2030 and to achieve net zero GHG emissions in our finance portfolio by 2050, toward the global implementation of the Paris Agreement.

7. Outline of Operations in FY2021

Operational Highlights

The total amount of commitments JBIC made during FY2021 in loans, equity participations, and guarantees was approximately ¥2,065.5 billion, which is a decrease of 20.5% from FY2020. As of March 31, 2022, the outstanding amount of loans and equity participations was approximately ¥15,146.4 billion and the outstanding amount of guarantees was approximately ¥1,724.8 billion, for total of approximately ¥16,871.3 billion.

Until December 31, 2021, JBIC supported Japanese companies affected by COVID-19 in their overseas business through the Emergency Window for Overcoming the COVID-19 Crisis (COVID-19 Emergency Window), which was established under the Growth Investment Facility in April 2020 in order to address COVID-19.

Also, with the purpose of transforming the economic structure and realizing a virtuous circle for the post-

COVID-19 era, JBIC supported Japanese companies in the overseas expansion of high-quality infrastructure toward a decarbonized society and the enhancement of supply chain resilience, through the Post-COVID-19 Growth Facility established in January 2021.

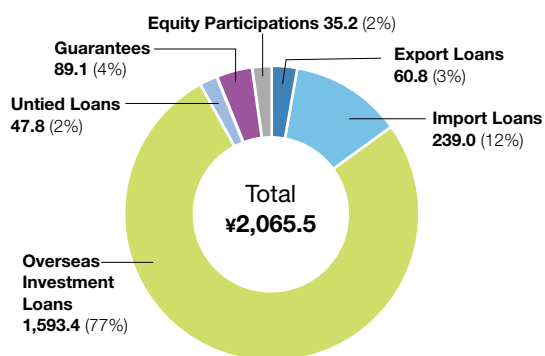
The following is a report on JBIC's major operations in each sector during FY2021.

Efforts in the Energy and Natural Resources Sector

As Japan depends on imports from overseas for most of its resources, it is an important challenge that the country secures a stable supply of energy and mineral resources in the medium to long term by increasing its self-development ratio of those resources. JBIC contributes toward securing a long-term stable supply of resources through financial

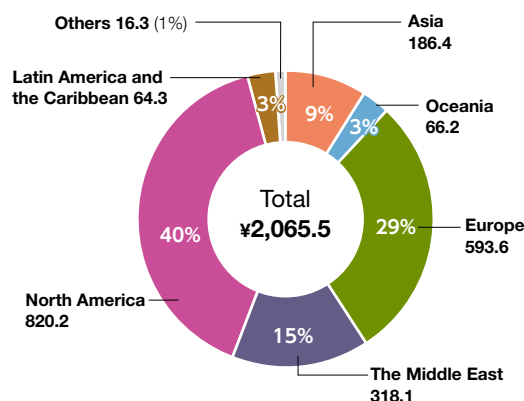
Commitments by Purpose of Financing

(FY2021; unit: billions of yen)



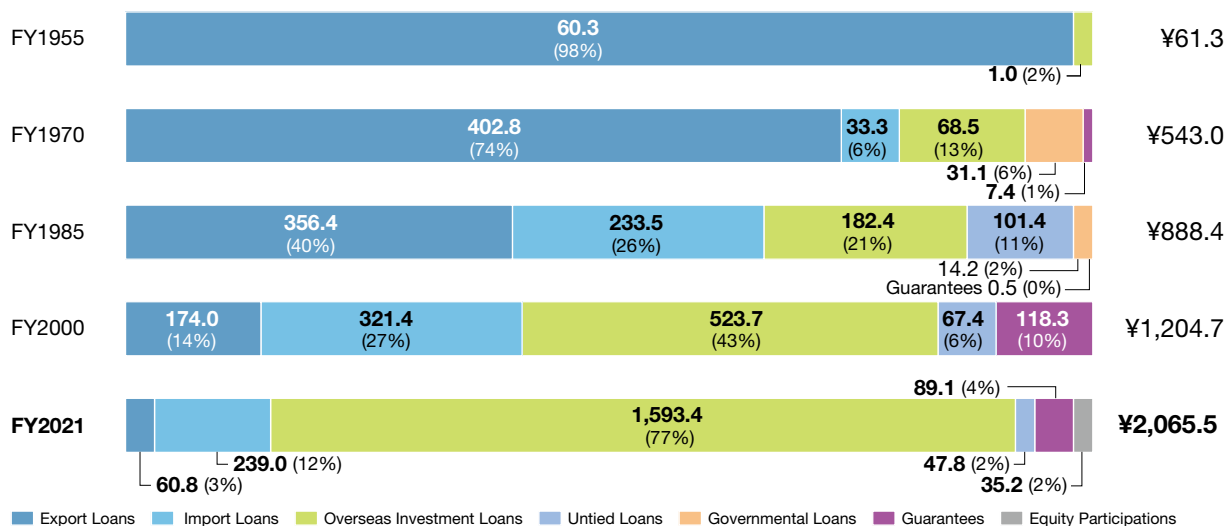
Commitments by Region

(FY2021; unit: billions of yen)



Changing Composition of Loans, Equity Participations, and Guarantees (Commitments)

(Unit: billions of yen)



support for acquisition of upstream interests in resources development, diversification of supply sources and strengthening of relationships with resource-rich countries. In FY2021, JBIC made a total of nine financial commitments in the resources sector, amounting to approximately ¥653.5 billion in loans.

Supporting Strategic Overseas Business Activities by Japanese Companies

To support the overseas business deployment of Japanese companies, JBIC supports Japanese companies, through its various financial instruments, in implementing their overseas business as well as maintaining and strengthening their global supply chains, thereby contributing toward maintaining and increasing the international competitiveness of Japanese industries.

JBIC supported M&A transactions by Japanese companies through providing loans for the acquisition of an analog semiconductor company in the U.K. and a convenience store business in the U.S. JBIC also provided loans for businesses in which Japanese companies participate, including a medical device manufacturing and sales business in Vietnam and a synthetic structural protein material manufacturing business in the U.S. In addition, JBIC made a joint investment with Japanese companies in a fund that invests in advanced technology companies mainly in Silicon Valley, the U.S.

Supporting Overseas Business Deployment of Japanese Mid-tier Enterprises and SMEs

To assist Japanese mid-tier enterprises and small- and medium-sized enterprises (SMEs) in expanding overseas, JBIC made a total of 116 financial commitments, aggregating approximately JPY16.6 billion in loans and guarantees in co-financing with Japanese regional financial institutions. The support includes loans for an automotive parts manufacturing and sales business in Mexico and a recycled asphalt mixture manufacturing and sales business in Indonesia. In addition, JBIC, in cooperation with Japanese regional financial institutions, hosted various

seminars and events to provide information that might help Japanese companies expand overseas.

Efforts in the Environment-related Sector

Under its GREEN Operations (for details refer to page 73), JBIC provided a loan to support low-carbonization in the electricity transmission and distribution sector of Saudi Arabia and invested in a fund that invests in climate infrastructure in developing countries and another fund that invests in clean hydrogen-related projects around the world. JBIC made a total of six financial commitments amounting to approximately ¥95.4 billion in loans, equity participations and guarantees in FY2021 under this framework.

To support the overseas expansion of high-quality infrastructure and overseas business activities toward a decarbonized society, JBIC provided loans for multiple businesses including a hydrogen station construction and operation business in the U.S. invested in by a Japanese company.

Supporting Japanese Companies with Local Currency Loans

JBIC made 47 local currency¹ financial commitments totaling to the equivalent of approximately ¥109.9 billion in loans and equity participations. The loans include an Indian rupee loan for a steel distribution and processing center operation business and a Thai baht loan for a dry warehouse business, both invested in by Japanese companies.

Supporting through facilities

In FY2021, JBIC made a total of 174 financial commitments under the Growth Investment Facility, amounting to approximately ¥1,365.1 billion in loans and guarantees, and 22 financial commitments under the Post-COVID-19 Growth Facility, amounting to approximately ¥563.4 billion in loans, equity participations and guarantees.

1. Currencies other than JPY, USD and EUR.

■ Examples of Business Outcomes Relating to Studies and Collaboration with Overseas Governmental Organizations and International Organizations

JBIC conducts research and surveys related to overseas investment and international finance. These efforts include collection and analysis of a wide range of information, as well as knowledge sharing, while interacting with overseas government organizations, foreign and domestic research institutes, and experts in various fields.

Survey Report on Overseas Business Operations by Japanese Manufacturing Companies

JBIC conducted the 33rd Survey Report on Overseas Business Operations by Japanese Manufacturing Companies. Conducted since 1989, this survey attempts to identify the strategies and challenges of Japanese manufacturing companies expanding overseas, and appeals to a broad audience for its originality and

continuity.

The FY2021 survey shows that a recovery to the pre-COVID-19 pandemic level seems to be postponed in overseas business as a whole due to the prolonged impact of COVID-19 and uncertainties about the pandemic's aftereffects. In the ranking of promising countries/regions, China remains at the top following last year's survey and the U.S. rises to third. In terms of external shocks supply chain, there is a recognition that "disruption and pressure on logistics" is an even bigger risk than COVID-19 and that the semiconductor shortage affects all industries. Regarding digital transformation (DX), half of the companies are advancing their adoption and the other half has not yet to be started. In particular, advanced companies are more likely to collaborate with foreign companies in DX.

The survey shows that about 80% of companies expect decarbonization to have an impact on their businesses and that many companies are enthusiastic about reducing emissions in supply chains, which are called Scope 3 emissions.

JBIC publishes its survey results and widely announces related information, such as by holding online seminars in FY2021. JBIC also hosts explanatory meetings for Japanese chambers of commerce located overseas as well as for foreign governments, and the survey's results have been effectively utilized in policy recommendations to foreign governments.



Collaboration with Overseas Governmental Organizations and International Organizations

In FY2021, MAEDA Tadashi, Governor of JBIC (at that time), participated in the Sustainability Leaders Summit, a virtual event held by the Sustainability Leaders Council in October 2021 to discuss climate change and other issues toward the realization of sustainability. At this event, participants discussed topics such as plastic waste and climate change in Asia. The Sustainability Leaders Council was jointly established by Eurasia Group, GZERO Media, and Suntory Holdings Limited to advance sustainability agendas in Asia. JBIC participates as a sponsoring partner of the Council.

In November 2021, JBIC participated in the 2021 French-Japanese Business Summit hosted by French Chamber of Commerce and Industry in Japan. HAYASHI Nobumitsu, JBIC Deputy Governor (at that time), delivered a presentation at the panel discussion about “Financing the Future: Finance as a Key Pillar to Enable Sustainable Transformations.” His presentation introduced (1) JBIC’s Medium-term Business Plan that includes JBIC’s action plan of green finance and transition finance, (2) JBIC’s ESG Policy, in which JBIC declares that it is committed to pursuing efforts to reduce its operational greenhouse gas emissions to net zero by 2030, and to achieve net zero emissions in its finance portfolio by 2050, and (3) financial commitments JBIC had made in loans and equity participation for green projects collaborating with French and Japanese companies. Following the presentation, the panelists and the moderator exchanged their views on financing for realizing a sustainable society.

Also, the Australia-Japan-United States Trilateral Infrastructure Partnership (TIP) held a virtual conference with the Deputy Chair of the Communist Party of Vietnam (CPV) Central Economic Commission (CEC) and senior officials of the Ministry of Industry and Trade (MOIT) of Vietnam in January 2022. The TIP is an initiative to drive

economic growth in the Indo-Pacific and promote sustainable infrastructure investment in the region through cooperation among countries that share values toward the realization of a free and open Indo-Pacific. From TIP, the conference was attended by top executives from JBIC, the United States International Development Finance Corporation (DFC), the Department of Foreign Affairs and Trade (DFAT) of Australia, and Export Finance Australia (EFA) and agreed to promote financial cooperation for addressing the growing demand for power in Vietnam, with a focus on energy transition.

Furthermore, in February 2022 JBIC held an online meeting titled “JBIC-IFC Deep Dive” with the International Finance Corporation (IFC). The meeting consisted of several sessions to discuss the potential of the two organizations’ cooperation in key areas of focus and specific approaches for structuring cooperative projects in some regions. The attendees exchanged their views on climate change measures and cooperation in the environmental and infrastructure sectors in developing regions such as Asia and Africa in a lively and open manner. JBIC and IFC agreed to continue to further cooperate in structuring specific projects.



2021 French-Japanese Business Summit

■ Operation Results

JBIC made total disbursements of ¥2,075.7 billion in FY2021

Planned and Actual Lending and Investments

(Unit: billions of yen)

	FY2018		FY2019		FY2020		FY2021	
	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual
Export Loans	352.9	100.0	345.3	174.1	308.0	71.2	308.0	71.2
Import Loans and Overseas Investment Loans	1,730.0	1,269.6	1,681.3	1,490.0	1,900.0	1,699.5	1,700.0	1,898.5
Untied Loans	50.0	39.2	80.0	9.7	87.0	76.6	587.0	68.6
Equity Participations	124.0	42.4	115.0	30.2	105.0	12.7	105.0	37.3
Total	2,256.9	1,451.3	2,221.6	1,704.1	2,400.0	1,860.2	2,700.0	2,075.7

■ Financial Results

Principles of Accounting

(1) Separate Accounting

Pursuant to Article 26-2 of the Japan Bank for International Cooperation Act, JBIC shall apply separate accounting to Operations other than the Special Operations (Ordinary Operations) and Special Operations.

(2) Preparation of Financial Statements

Pursuant to the Companies Act and Article 26 of the Japan Bank for International Cooperation Act, JBIC prepares financial statements and submits them to the Minister of Finance. The report on the final settlement of accounts is submitted to the government of Japan, together with the financial statements and, after examination by the Board of Audit of Japan, to the Diet.

Pursuant to the Companies Act, JBIC prepares consolidated financial statements and pursuant to Article 5 of the Ordinance of the Ministry of Finance regarding Japan Bank for International Cooperation, JBIC submits the consolidated balance sheet and the consolidated statement of operations to the Minister of Finance.

Ordinary Operations

(1) Statement of Operations

In FY2021, JBIC recorded ¥226.2 billion in Interest Income and ¥309.4 billion in Ordinary Income. This was for various reasons including support for promoting the acquisition of interest, and the development of natural resources, and the overseas operations of Japanese companies such as infrastructure projects and efforts to facilitate business overseas to preserve the global environment. On the other hand, JBIC recorded ¥294.8 billion in Ordinary Expenses as a result of posting ¥135.3 billion in Interest Expenses, such as Interest on bonds. As a result, Ordinary Profit and Net Income both amounted to ¥14.6 billion.

(2) Balance Sheet

Total Assets amounted to ¥18,103.7 billion. This was due primarily to an increase in Loans and Bills Discounted (increased by ¥1,197.8 billion to ¥14,723.0 billion compared with FY2020). Total Liabilities amounted to ¥15,520.1 billion. This was mainly due to an increase in Bonds Payable owing to the issuance of new bonds (increased by ¥670.0 billion to ¥5,634.9 billion from the end of FY 2020). Total Net Assets was ¥2,583.6 billion. This was due mainly to the capital increase and Net Income of ¥14.6 billion, despite the payment to national treasury through appropriation of retained earnings in FY2020.

Special Operations

(1) Statement of Operations

In FY2021, Ordinary Income was ¥1.8 billion. This was due mainly to Interest Income of ¥1.8 billion. On the other hand, JBIC recorded ¥1.7 billion in Ordinary Expenses as a result of posting ¥0.5 billion in Interest Expenses, such as Interest on Interest Swaps. As a result, Ordinary Profit and Net Income both amounted to ¥0.1 billion.

(2) Balance Sheet

Total Assets amounted to ¥320.0 billion. This was due mainly to an increase in Loans and Bills Discounted (increased by ¥4.4 billion to ¥36.0 billion compared with the end of FY2020) and an increase in Securities due to new investments (increased by ¥13.2 billion to ¥15.8 billion compared with the end of FY2020). Total Liabilities was ¥6.2 billion. Total Net Assets was ¥313.7 billion. This was due mainly to a Net Income of ¥0.1 billion.

The Tenth Term for JBIC (FY2021)

[Consolidated Financial Statements]
Consolidated Statement of Operations

(April 1, 2021–March 31, 2022; unit: millions of yen)

Accounts	Amounts
Ordinary Income	313,480
Interest Income	227,973
Fees and Commissions	26,100
Other Ordinary Income	31,416
Other Income	27,989
Ordinary Expenses	296,089
Interest Expenses	135,363
Fees and Commissions Payments	3,492
Other Ordinary Expenses	1,988
General and Administrative Expenses	21,713
Other Expenses	133,531
Ordinary Profit	17,391
Extraordinary Income	4
Extraordinary Loss	0
Net Income Before Income Taxes	17,394
Income Taxes – Current	48
Total Income Taxes	48
Net Income	17,345
Net Income Attributable to Non-controlling Interests	46
Net Income Attributable to Owner of Parent	17,299

[Non-consolidated (JBIC only)]
Statement of Operations

(April 1, 2021–March 31, 2022; unit: millions of yen)

Accounts	Amounts
Ordinary Income	309,943
Interest Income	227,537
Fees and Commissions	25,770
Other Ordinary Income	31,394
Other Income	25,240
Ordinary Expenses	295,171
Interest Expenses	135,363
Fees and Commissions Payments	2,829
Other Ordinary Expenses	1,988
General and Administrative Expenses	21,458
Other Expenses	133,531
Ordinary Profit	14,771
Extraordinary Income	4
Extraordinary Loss	0
Net Income	14,774

Consolidated Balance Sheet

(As of March 31, 2022; unit: millions of yen)

Assets		Liabilities and Net Assets	
Accounts	Amounts	Accounts	Amounts
Cash and Due from Banks	1,451,153	Borrowed Money	7,554,208
Securities Note 7	328,053	Bonds Payable Note 9	5,634,984
Loans and Bills Discounted Note 8	14,759,174	Other Liabilities	609,336
Other Assets Note 8.9	602,264	Provision for Bonuses	597
Property, Plant and Equipment Note 10	29,229	Provision for Directors' Bonuses	9
Intangible Assets	9,170	Net Defined Benefit Liability	6,056
Customers' Liabilities for Acceptances and Guarantees Note 8	1,721,217	Provision for Directors' Retirement Benefits	51
Allowance for Loan Losses	(470,834)	Acceptances and Guarantees	1,721,217
		Total Liabilities	15,526,462
		Capital Stock	2,023,800
		Retained Earnings	976,953
		Total Shareholder's Equity	3,000,753
		Valuation Difference on Available-for-sale Securities	16,084
		Deferred Gains or Losses on Hedges	(116,730)
		Foreign Currency Translation Adjustment	2,508
		Total Accumulated Other Comprehensive Income (Loss)	(98,136)
		Non-controlling Interests	350
		Total Net Assets	2,902,967
Total Assets	18,429,429	Total Liabilities and Net Assets	18,429,429

Note: See Notes 7 to 10 on pages 30 to 31 of Appendix for details.

Balance Sheet

(As of March 31, 2022; unit: millions of yen)

Assets		Liabilities and Net Assets	
Accounts	Amounts	Accounts	Amounts
Cash and Due from Banks	1,450,470	Borrowed Money	7,554,208
Securities	323,829	Bonds Payable	5,634,984
Loans and Bills Discounted	14,759,174	Other Liabilities	609,212
Other Assets	601,519	Provision for Bonuses	597
Property, Plant and Equipment	29,206	Provision for Directors' Bonuses	9
Intangible Assets	9,169	Provision for Retirement Benefits	6,056
Customers' Liabilities for Acceptances and Guarantees	1,721,217	Provision for Directors' Retirement Benefits	51
Allowance for Loan Losses	(470,834)	Acceptances and Guarantees	1,721,217
		Total Liabilities	15,526,338
		Capital Stock	2,023,800
		Retained Earnings	974,259
		Total Shareholder's Equity	2,998,059
		Valuation Difference on Available-for-sale Securities	16,084
		Deferred Gains or Losses on Hedges	(116,730)
		Total Valuation and Translation Adjustments	(100,645)
		Total Net Assets	2,897,414
Total Assets	18,423,753	Total Liabilities and Net Assets	18,423,753

[Ordinary Operations Account]

Statement of Operations

(April 1, 2021–March 31, 2022; unit: millions of yen)

Accounts	Amounts
Ordinary Income	309,480
Interest Income	226,273
Fees and Commissions	25,770
Other Ordinary Income	32,146
Other Income	25,289
Ordinary Expenses	294,854
Interest Expenses	135,362
Fees and Commissions Payments	2,752
Other Ordinary Expenses	1,988
General and Administrative Expenses	21,136
Other Expenses	133,614
Ordinary Profit	14,625
Extraordinary Income	4
Extraordinary Loss	0
Net Income	14,629

[Special Operations Account]

Statement of Operations

(April 1, 2021–March 31, 2022; unit: millions of yen)

Accounts	Amounts
Ordinary Income	1,896
Interest Income	1,809
Other Income	86
Ordinary Expenses	1,750
Interest Expenses	545
Fees and Commissions Payments	77
Other Ordinary Expenses	752
General and Administrative Expenses	374
Other Expenses	0
Ordinary Profit	145
Net Income	145

Balance Sheet

(As of March 31, 2022; unit: millions of yen)

Assets		Liabilities and Net Assets	
Accounts	Amounts	Accounts	Amounts
Cash and Due from Banks	1,185,333	Borrowed Money	7,550,008
Securities	307,946	Bonds Payable	5,634,984
Loans and Bills Discounted	14,723,082	Other Liabilities	607,234
Other Assets	598,283	Provision for Bonuses	587
Property, Plant and Equipment	29,206	Provision for Directors' Bonuses	9
Intangible Assets	9,169	Provision for Retirement Benefits	6,023
Customers' Liabilities for Acceptances and Guarantees	1,721,217	Provision for Directors' Retirement Benefits	51
Allowance for Loan Losses	(470,492)	Acceptances and Guarantees	1,721,217
		Total Liabilities	15,520,116
		Capital Stock	1,710,500
		Retained Earnings	974,230
		Total Shareholder's Equity	2,684,730
		Valuation Difference on Available-for-sale Securities	15,748
		Deferred Gains or Losses on Hedges	(116,848)
		Total Valuation and Translation Adjustments	(101,100)
		Total Net Assets	2,583,630
Total Assets	18,103,746	Total Liabilities and Net Assets	18,103,746

Balance Sheet

(As of March 31, 2022; unit: millions of yen)

Assets		Liabilities and Net Assets	
Accounts	Amounts	Accounts	Amounts
Cash and Due from Banks	265,137	Borrowed Money	4,200
Securities	15,882	Other Liabilities	2,018
Loans and Bills Discounted	36,092	Provision for Bonuses	10
Other Assets	3,276	Provision for Directors' Bonuses	0
Allowance for Loan Losses	(342)	Provision for Retirement Benefits	32
		Provision for Directors' Retirement Benefits	0
		Total Liabilities	6,262
		Capital Stock	313,300
		Retained Earnings	28
		Total Shareholder's Equity	313,328
		Valuation Difference on Available-for-sale Securities	336
		Deferred Gains or Losses on Hedges	118
		Total Valuation and Translation Adjustments	454
		Total Net Assets	313,783
Total Assets	320,046	Total Liabilities and Net Assets	320,046

Funding Sources

JBIC finances its operations through various sources, including borrowings from the Fiscal Investment and Loan Program (FILP) Fiscal Loan, Government-guaranteed Foreign Bond issuance, Government-guaranteed Long-term Loans in Foreign Currency, FILP Agency Bond issuance, Capital Contributions from FILP Industrial Investment, and borrowings from the Foreign Exchange Fund Special Account.

As JBIC provides long-term financing, its operations are financed by long-term funds to match maturities between funding and lending instruments.

Borrowings from FILP Fiscal Loan, Government-guaranteed Foreign Bond issuance, Government-guaranteed Long-term Loans in Foreign Currency, and Capital Contributions from FILP Industrial Investment, etc., are included in the national budget (either as an item in the General Account budget or the Special Account budget), and requests for them are submitted to the Diet for approval along the operating budget of JBIC. Recent funding results and plans for FY2022 are shown in the table below.

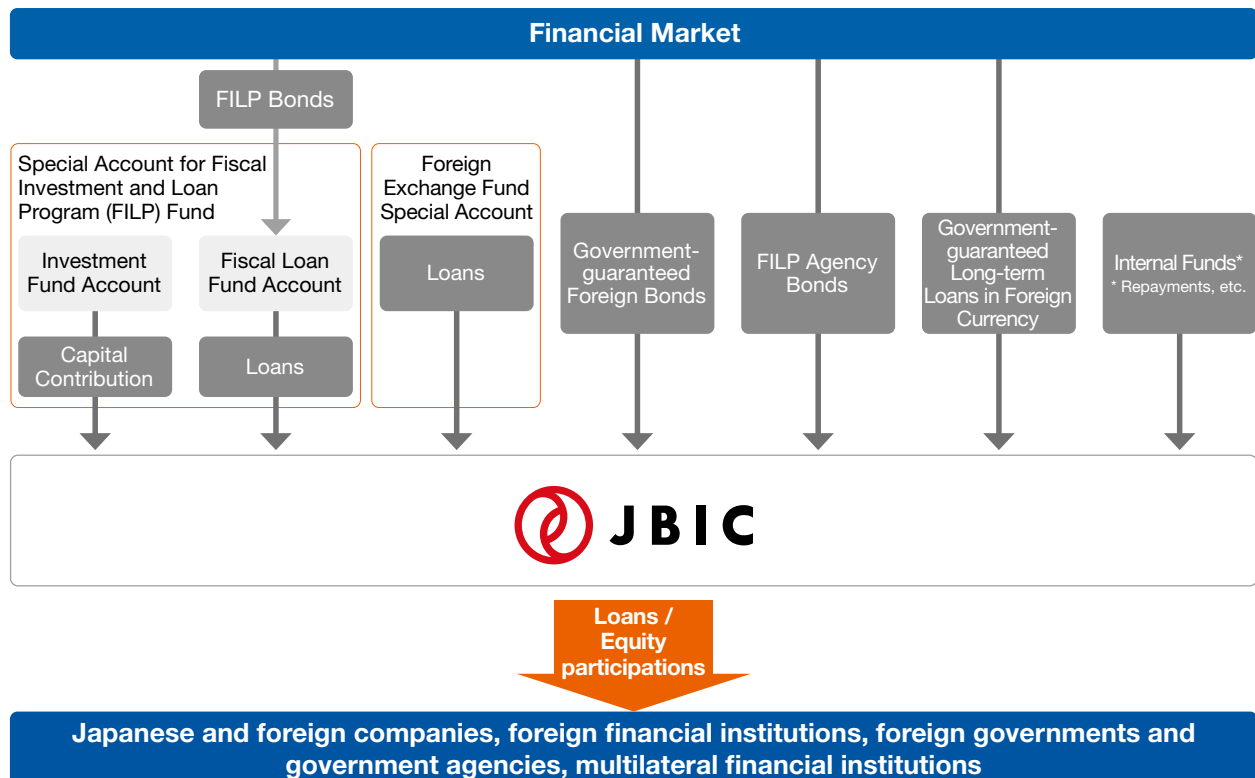
Funding Sources: Actual and Planned

(Unit: billions of yen)

	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Actual	FY2022 Planned
Capital Contribution from FILP Industrial Investment	20.1	98.5	80.0	60.0	85.0
Borrowing from FILP Fiscal Loan	109.6	43.7	14.9	11.5	401.0
Borrowing from Foreign Exchange Fund Special Account	654.9	422.9	2,051.1	1,299.1	—
Government-guaranteed Long-term Loans in Foreign Currency	—	—	—	—	40.0
Government-guaranteed Foreign Bonds*	724.2	849.4	833.4	642.3	1,836.0
FILP Agency Bonds*	—	—	—	—	20.0
Other Sources of Funds, Including Repayments	(57.4)	289.5	(1,119.2)	62.7	(82.0)
Total	1,451.3	1,704.1	1,860.2	2,075.7	2,300.0

* Figures for bonds are indicated at face value.

Funding Sources



Government-guaranteed Foreign Bonds

JBIC raises part of its funds by issuing Government-guaranteed foreign bonds in international capital markets. Outstanding Government-guaranteed foreign bonds at the end of FY2021 amounted to ¥5,584.4 billion at face value, which accounts for 42.31% of the total outstanding borrowings and bonds. JBIC provides foreign currency loans when necessary to effectively implement policy, and funds raised by issuing Government-guaranteed foreign bonds are used as a source of those loans.

In October 2021, JBIC developed the JBIC Green Bond Framework aligned with the Green Bond Principles 2021 published by the International Capital Market Association (ICMA) and in January 2022 JBIC issued its first Green Bond. This Green Bond is also the first initiative for a Government-guaranteed foreign green bond. The proceeds from the issuance of this Green Bond will be used as funds needed for renewable energy projects toward a decarbonized society and green finance toward green mobility.

In the FY2022 budget, JBIC plans to issue in the total amount of up to ¥1,836.0 billion in Government-guaranteed foreign bonds.

JBIC's Government-guaranteed foreign bonds receive the same ratings as the Government of Japan from the rating agencies (A1 from Moody's Japan K.K. (Moody's) and A+ from S&P Global Ratings Japan Inc.

(S&P) as of September 1, 2022). Since they are treated as assets for which the Bank for International Settlements (BIS) assigns zero risk weight in calculating the capital adequacy ratio for depository institutions, these bonds provide a quality investment opportunity for investors in international capital markets.

FILP Agency Bonds

In compliance with the government policy to reform FILP, JBIC has issued bonds without government guarantees (FILP agency bonds) in the Japan's capital market since FY2001, thereby raising funds based on its own creditworthiness. JBIC plans to issue up to ¥20.0 billion in FY2022.

FILP agency bonds that JBIC has already issued received the same ratings as the Government of Japan (as of September 1, 2022) as shown below. They are treated as assets for which BIS assigns 10% risk weight in calculating the capital adequacy ratio for depository financial institutions.

Rating & Investment Information, Inc. (R&I)	AA+
Japan Credit Rating Agency, Ltd. (JCR)	AAA
Moody's	A1
S&P	A+