

JBIC ESG Policy

Introduction to Initiatives

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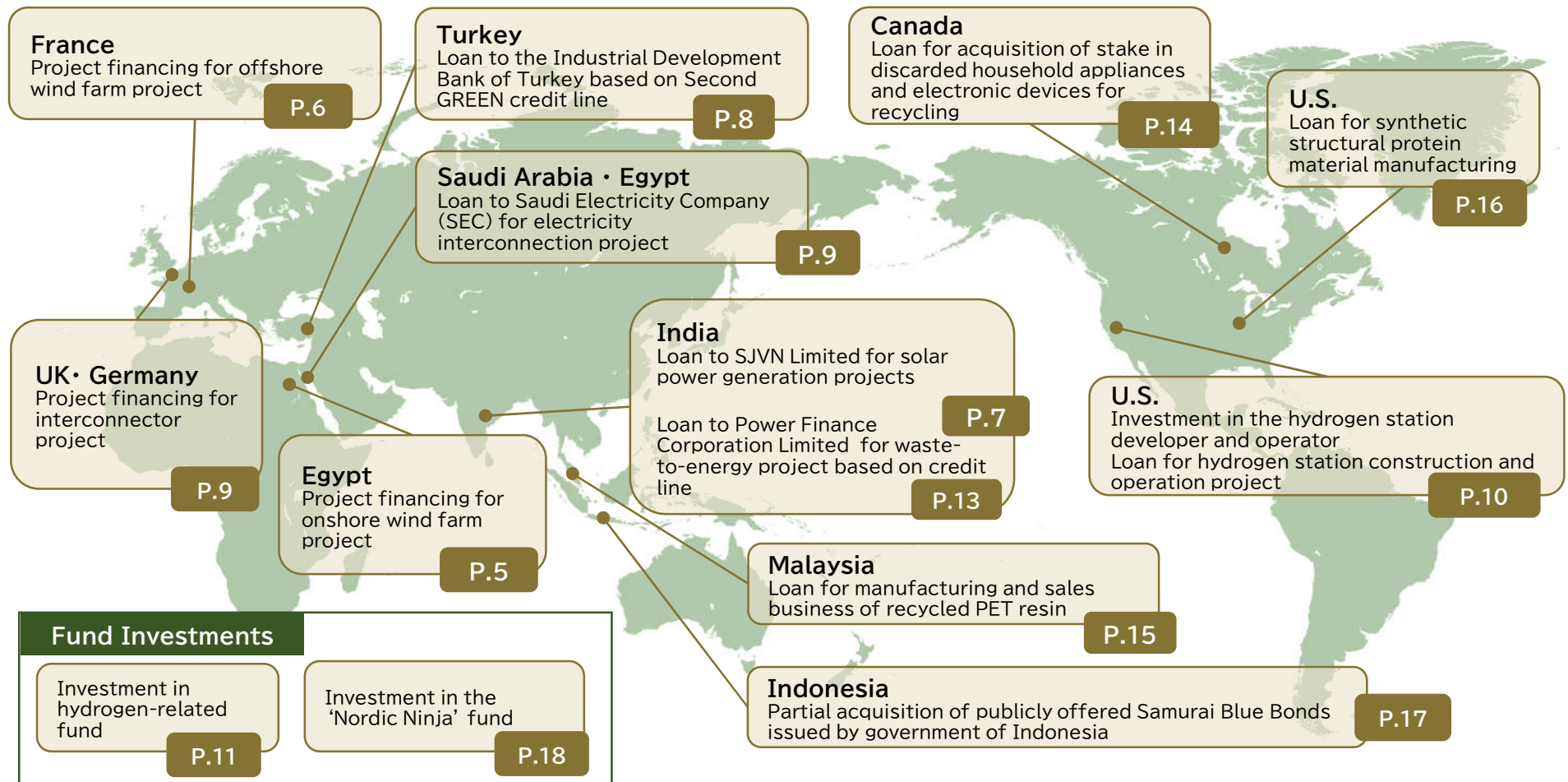


1 Environmental Initiatives

Toward the Realization of a Sustainable Society

Toward the sustainable development of an international economic society, JBIC promotes initiatives in the **Environment field**. Moreover, through continued **engagement** with the relevant national governments and authorities, as well as **multilateral cooperation**, JBIC will encourage the realization of a sustainable society, including the energy transition and the circular economy in emerging and developing countries.

Project Map



Environmental Initiatives

Social Initiatives

Participation in Sustainability Initiatives

Examples of Green Finance ~Renewable Energy/ Energy Savings~

JBIC makes use of a wide range of financing tools to support renewable energy projects in countries around the world.

Egypt/Project financing for onshore wind farm project (March 2023)

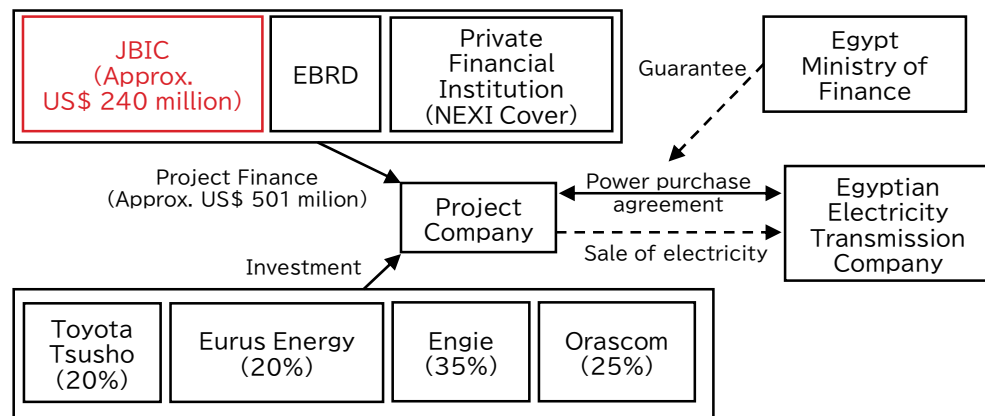
Outline

- In this project, RED SEA WIND ENERGY S.A.E. (RED SEA), invested in by, inter alia, Toyota Tsusho Corporation and Eurus Energy Holdings Corporation, will build, own, and operate a 500 MW onshore wind farm in Ras Ghareb within the Red Sea Governorate along the shore of the Gulf of Suez, 200 km southeast of Cairo, the capital of Egypt. RED SEA will also sell the electricity generated by the wind farm to Egyptian Electricity Transmission Company for a duration of 25 years.
- The total co-financing amount is approximately USD 501 million (of which JBIC's contribution is approximately USD 240 million).
- In October 2022, JBIC signed a memorandum of understanding (MOU) with the EBRD to fortify cooperation between the two organizations. This is the first co-financing with the EBRD since the signing of the MOU.

Project Highlight

- The Toyota Tsusho Group, the Japanese sponsor of this project, has identified "Renewable Energy Strategy" and "African Growth Strategy" within four priority areas in its three-year management plan (FY2022 to FY2024).
- The Government of Egypt has set a goal of GHG emissions reduction by increasing power generation capacity from renewable energy sources and promoting renewable energy in order to reduce its dependence on thermal power. This project is expected to contribute to the **energy transition** to which the Government of Egypt aspires.

Finance Scheme



Examples of Green Finance ~Renewable Energy/ Energy Savings~

France/Project financing for offshore wind farm projects (April 2023)

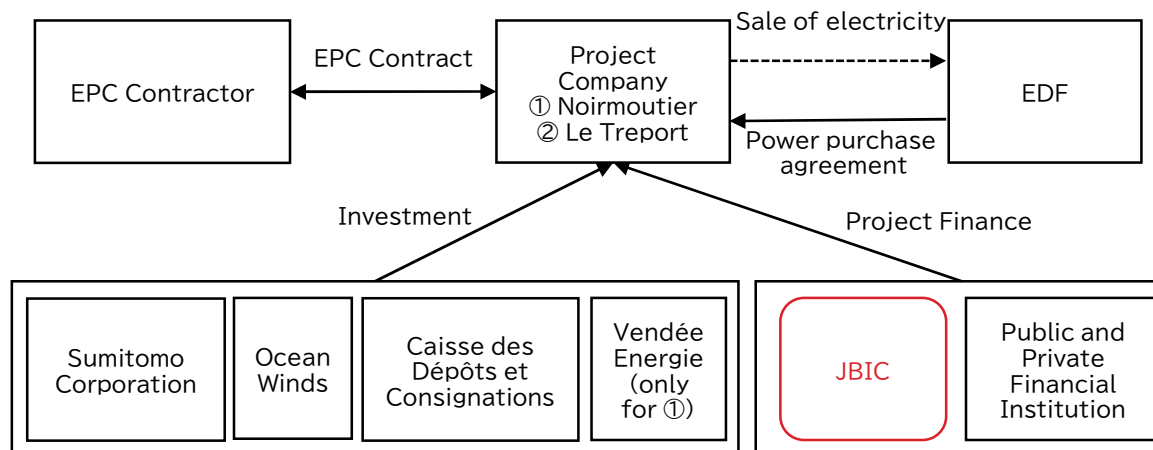
Outline

- In this project, Eoliennes en Mer Iles d'Yeu et de Noirmoutier S.A.S. (Noirmoutier) and Eoliennes en Mer Dieppe Le Treport S.A.S. (Le Treport) of France, invested in by, inter alia, Sumitomo Corporation, will build, own, and operate offshore wind farms (approximately 500 MW each, 1 GW in total). The electricity generated by the project will be sold to the French electric utility company Electricite de France (EDF) for a duration of 20 years.
- The total co-financing amount is approximately EUR 2.2 billion (for Noirmoutier) and EUR 2.4 billion (for Le Treport) (of which JBIC's contribution is approximately EUR 1.1 billion each).

Project Highlight

- Sumitomo Corporation, the Japanese sponsor of these projects, has identified **an increase of renewable energy supply** in its new medium-term management plan 2021-2023, released in May 2021. The Japanese company will participate in this project as an investor and will be involved in the project operation and management for a long term.
- In April 2020, the Government of France announced the Multi-Annual Energy Plan, which aspires to introduce renewable energy on a large scale. This loan is in line with the Plan and will contribute toward **the increase of the country's offshore wind farm installed capacity**.

Finance Scheme



Examples of Green Finance ~Renewable Energy/ Energy Savings~

India/Loan to SJVN Limited for solar power generation projects (March 2023)

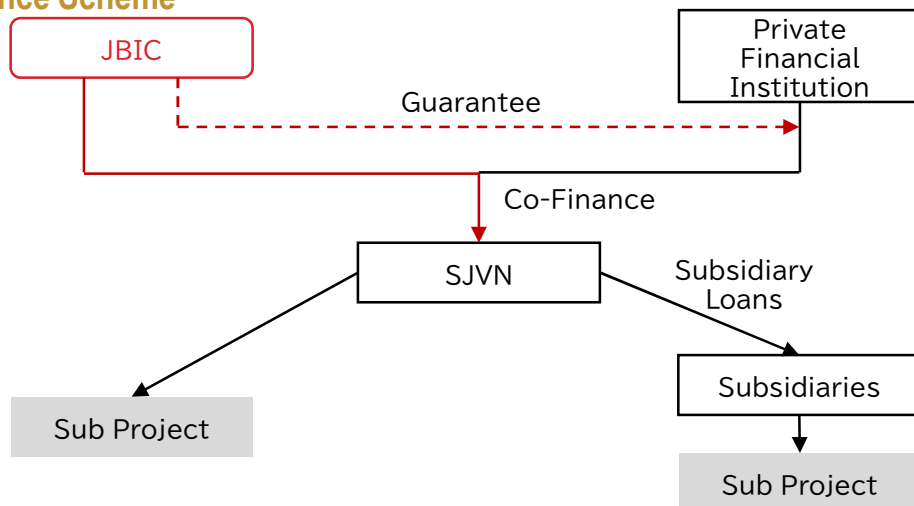
Outline

- The loan is provided to SJVN Limited (SJVN), India's state-owned company, as a part of JBIC's "Global action for Reconciling Economic growth and Environmental preservation" (GREEN) operations, and it is intended to provide with the funds necessary for solar power generation projects in India that will be implemented by SJVN or its subsidiaries.
- The total co-financing amount is approximately JPY 15 billion (of which JBIC's contribution is approximately JPY 9 billion).

Project Highlight

- As demand for electric power is expected to grow in India due to its economic growth, the Government of India pledged in 2021 that the country would become **"energy-independent" by 2047** and **achieve carbon neutrality by 2070**, and aspires to achieve **50% cumulative electric power installed capacity from non-fossil fuel-based energy resources by 2030**. SJVN, as a state-owned company, also aims to contribute to the Government's goal of carbon neutrality.
- JBIC supports the **Government of India's and SJVN's initiatives that contribute toward decarbonization** with this loan.

Finance Scheme



Examples of Green Finance ~Renewable Energy/ Energy Savings~

Second GREEN credit line for the Industrial Development Bank of Türkiye (TSKB) (February 2022)

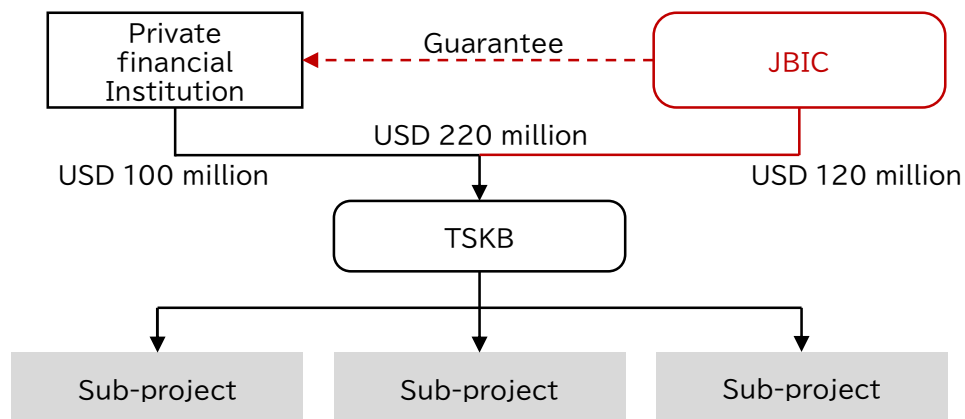
Outline

- JBIC is providing a loan through Türkiye Sınai Kalkınma Bankası A.Ş. (TSKB), the Industrial Development Bank of Türkiye, **to provide funding for projects in Turkey aimed at preserving the global environment**, under JBIC's GREEN operations.
- Funds from the loan will be used for **renewable energy projects** and **energy efficiency projects** financed by TSKB.

Project Highlight

- The borrower, TSKB, has been engaged in environmental initiatives since its establishment, and has set the goal of **providing more than US\$800 million for SDGs-related financing by 2030**.
- The Government of Turkey ratified the Paris Agreement in October 2021. The production from the renewable energy projects supported by TSKB by the end of 2021 represents 15% of Turkey's domestic power generation capacity. This GREEN support aims at further promoting **energy-saving buildings and technologies to improve the efficiency of industrial facilities and power transmission and distribution facilities**.

Finance Scheme



Examples: Renewable energy projects, promotion and expansion of energy-saving buildings, improvement in efficiency of factories and power transmission and distribution facilities

Examples of Green Finance ~Electricity Interconnector Project~

UK & Germany / Project financing for interconnector project (July 2022)

Outline

- The project will construct a high voltage direct current (HVDC) transmission system that will link the eastern region of the United Kingdom and Northern Germany with a cable of total length of approximately 720 km and a capacity of 1,400 MW.
- The total co-financing amount is approximately GBP 1,069 million and EUR 910 million (of which JBIC's contribution is approximately GBP 270 million and EUR 156 million).
- For JBIC, this is **the first project financing offered for an interconnector project**.
- It is also the first co-financing since JBIC and the European Investment Bank (EIB) signed an MOU to further strengthen cooperation in areas such as the environment and climate change.

Project Highlight

- The project contributes to the **promotion of renewable energy and decarbonization through enabling power sharing** between the UK and Germany.
- KEPCO, the Japanese sponsor of this project, has set a policy of **promoting energy business that contributes to achieving zero carbon society**, and the loan will financially support this policy.



Saudi Arabia & Egypt / Loan to Saudi Electricity Company (SEC) for electricity interconnection project (February 2023)

Outline

- The project will construct a 3,000 MW HVDC system with 1,350 km of overhead power lines and 22 km of submarine cables to connect northwestern Saudi Arabia and Egypt.
- The loan is provided as part of JBIC's GREEN operations, and it is intended to provide SEC with the funds necessary for the project construction in Saudi Arabia.

Project Highlight

- The Government of Saudi Arabia views the growth of renewable energy and the enhancement of transmission infrastructure as an important policy issue under its national development strategy, Saudi Vision 2030.
- SEC, which is a vertically integrated electric utility that generates, transmits, and distributes electricity throughout Saudi Arabia, is **enhancing infrastructure, including interconnection projects**.
- The loan will support **the effective use of electricity and system stabilization of a system** where Saudi Arabia and Egypt can **share surplus power**, thereby contributing toward **the growth of renewable energy in Saudi Arabia**.



Examples of Green Finance

~Promoting Production, Transportation, and Utilization of Hydrogen~

JBIC is enhancing its support toward projects in the field of hydrogen, which is drawing attention as a next-generation energy source.

California, U.S./Investment in the hydrogen station developer and operator (June 2020)

Outline

- FirstElement Fuel Inc. (FEF), is the largest hydrogen station developer and operator in the State of California.
- JBIC, together with Mitsui & Co., Ltd., has invested in FEF to support the expansion of FEF's hydrogen station network.
- The investment of approximately USD 23 million was carried out through JBIC's Special Operations Account to take the demand risk of hydrogen.

Project Highlight

- The State of California is one of the largest markets in the world for fuel cell electric vehicles (FCEV), ZEVs running with electricity generated by hydrogen and oxygen. Through dialogue with the state government, JBIC has verified the stability of the policies, including subsidy systems, etc. for the expansion of hydrogen station network.
- This investment is expected to help Japanese companies **gain a foothold in the development of global hydrogen-related businesses**, as well as boost FCEV sales by Japanese auto manufacturers in the U.S.



California, U.S./ Loan for hydrogen station construction and operation project (December 2021)

Outline

- This is a hydrogen station construction and operation project based in the State of California, undertaken by Iwatani Corporation of America (ICA), the U.S. subsidiary of Iwatani Corporation (Iwatani) in Japan.
- The total co-financing amount is approximately USD 26 million (of which JBIC's contribution is approximately USD 15 million).

Project Highlight

- Iwatani was **the first Japanese corporation to operate hydrogen stations in the U.S.**, which it began in 2019. It has decided to install more new hydrogen stations in the State of California.
- Iwatani anticipates growth of demand for hydrogen, which is a next-generation energy source. In view of that, the loan will financially support for **the expansion of hydrogen station construction and operation projects in the U.S..**



@Iwatani Corporation

Examples of Green Finance

~Promoting the Production, Transportation, and Utilization of Hydrogen~

Investment in world's largest hydrogen-related fund under JBIC's GREEN operations (March 2022)

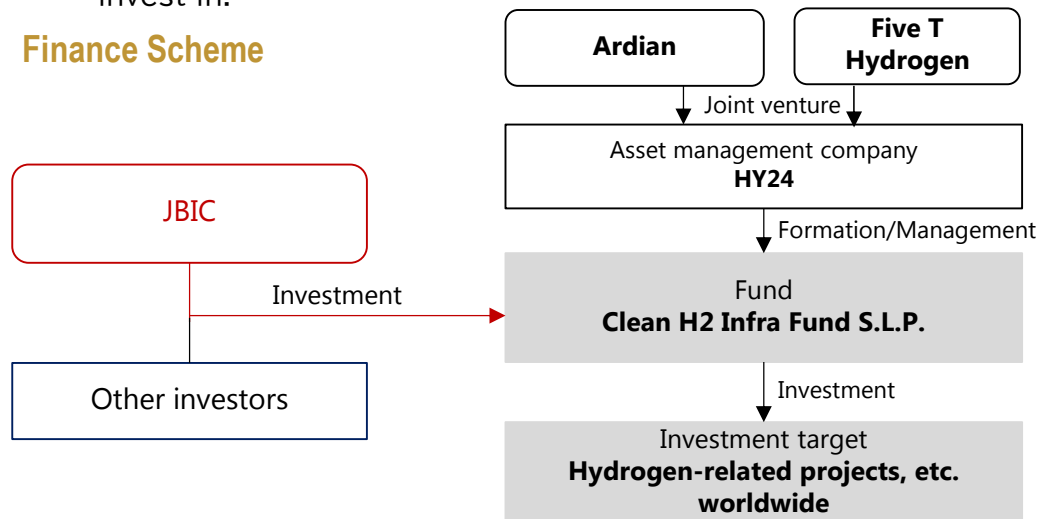
Outline

- JBIC has signed an agreement on equity participation in the world's largest hydrogen-related fund. The fund, which will invest in hydrogen-related projects worldwide, is formed and managed by HY24 that is a joint venture between the French asset management firm, Ardian, and Swiss investment firm, FiveT Hydrogen AG. JBIC plans to invest up to EUR100 million.

Project Highlight

- The fund intends to **accelerate the scaling up of hydrogen markets by investing in throughout the hydrogen value chain from upstream to downstream**, while contributing GHG emissions reduction to realize decarbonized society.
- This is **the world's largest hydrogen-related fund** which welcomes the equity participation of global corporations in hydrogen-related sectors such as French companies Air Liquide, TotalEnergies, and VINCI, and U.S. company Plug Power.
- As the only anchor investor from Japan, JBIC aims to promote **international collaboration in the hydrogen sector**, such as by exploring potential involvement of the Japanese companies in the clean hydrogen projects that the Fund will invest in.

Finance Scheme

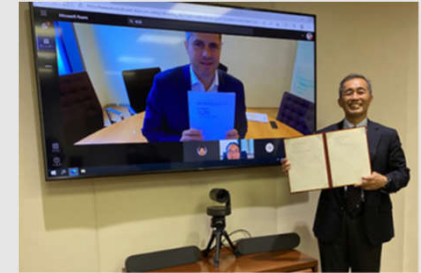


Initiatives toward Building Hydrogen and Ammonia Supply Chains

In July 2022, JBIC established the Energy Transformation Strategy Office as a department in charge of businesses related to hydrogen, ammonia, and other next-generation energies in an integrated manner. We are pursuing project opportunities around the world, from upstream to downstream, in order to develop a supply chain for hydrogen and ammonia.

Norway MoU with YARA (June 2022)

- YARA International ASA is one of the world's largest **fertilizer and ammonia manufacturers**.
- JBIC and YARA will establish a framework for discussions regarding potential projects with Japanese companies related to **ammonia as a fuel source** and finance schemes.
- They aim to accelerate the structuring of projects for developing the supply chain of ammonia as a fuel source to Japan and collaboration with Japanese companies.



Singapore MoU with Sembcorp (October 2022)

- Sembcorp Industries Ltd. is a **Singaporean conglomerate** that operates in the energy and urban sectors.
- JBIC and Sembcorp strengthen cooperation **in the sector of hydrogen and ammonia as a fuel source**.
- They promote hydrogen and ammonia-related technology deployment, business participation, and supply chain development by Japanese companies.



Indonesia MoU with Pupuk (May 2023)

- PT Pupuk Indonesia (Persero) is Indonesia's state-owned fertilizer company that **manufactures fertilizer and ammonia**.
- JBIC and Pupuk strengthen cooperation mainly in **the clean ammonia sector**.
- They promote clean ammonia-related business participation and supply chain development by Japanese companies.



Examples of Green Finance

~ Waste energy generation (power generation from non-fossil fuels) ~

JBIC provides support for projects in areas such as waste management and core materials in order to realize circular society.

India / Credit line for Power Finance Corporation Limited (March 2023)

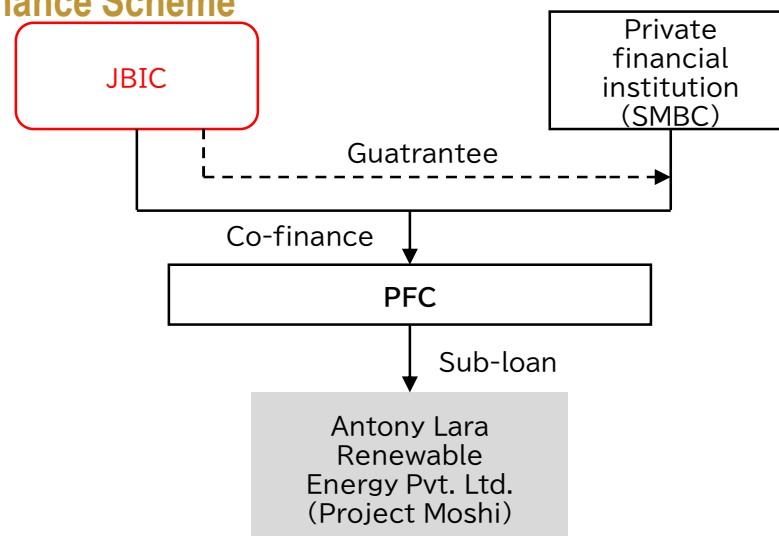
Outline

- JBIC is providing a loan through Power Finance Corporation Limited (PFC), a government financial institution in India, with **the funds necessary for a waste-to-energy project in India**, as part of JBIC's GREEN operations.
- The loan is based on the credit line that JBIC signed with PFC in July 2022 for renewable energy projects, energy efficient power generation and heat supply projects. The total co-financing amount is approximately JPY 2.6 billion (of which JBIC's contribution is approximately JPY 1.5 billion).

Project Highlight

- India is relying on fossil fuels for nearly 80% of its energy demand. Given such circumstances, Prime Minister Modi committed to **boosting the non-fossil energy capacity to 500GW by 2030**.
- On another front, as repercussions of the urbanization for the growing population, such as mounting untreated wastes, are escalating, the government of India continues to address the improvement of hygiene problems in the country and **to promote waste processing facilities as waste-to-energy plants, with the aim of making urban India "Garbage Free."**
- This loan supports the Government of India's initiatives that contribute toward global environmental preservation with the loan.

Finance Scheme



Examples of Finance ~ Circular Economy & Recycling ~

Canada/Loan for acquisition of stake in discarded household appliances and electronic devices (e-scrap) for recycling (February 2023)

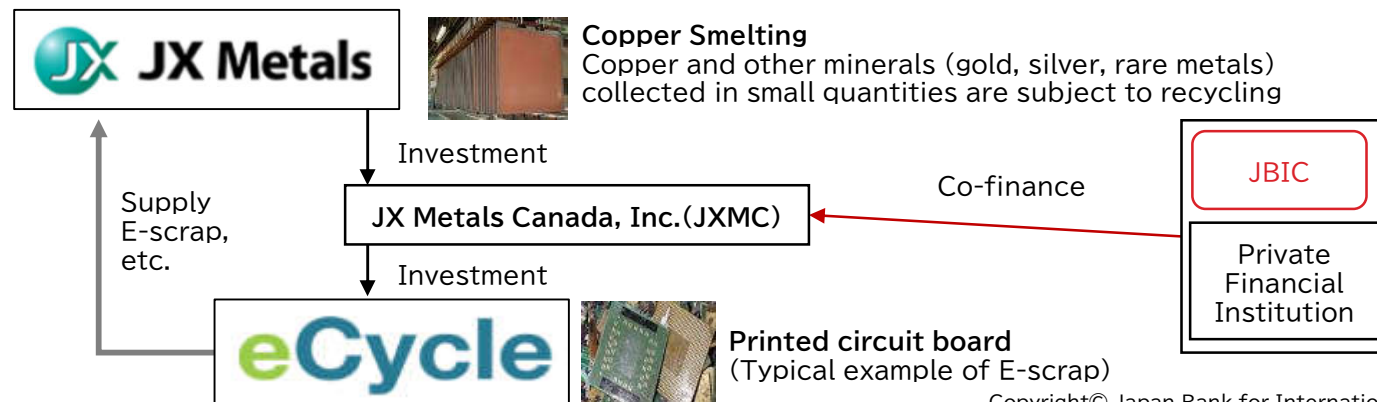
Outline

- This loan **in Canadian dollars** is intended to finance part of the funds necessary for JX Nippon Mining & Metals Corporation (JXNMM) to acquire, through JX Metals Canada Inc. (JXMC), a Canadian subsidiary of JXNMM, shares in eCycle Solutions Inc., which engages in the business of **recycling of electric and electronic waste (e-scrap)** in Canada.
- JBIC's "**Energy and Natural Resources Loans**" have been mainly used for the acquisition of concessions and development of natural mineral resources; however, this is **the first time the loans were offered for the acquisition of concessions in recycled resources**. It also contributes toward securing a long-term, stable supply of resources to Japan, strengthening the resilience of Japanese companies' supply chains, and realizing a sustainable society.

Project Highlight

- As demand for copper and other metals, essential for the realization of carbon neutrality, is growing and natural resource-based raw materials alone cannot meet this demand, **competition to acquire recycled resources, such as e-scrap, is becoming more intense**.
- JX Metals will **secure recycled raw materials, such as e-scrap**, through this acquisition and will increase the ratio of recycled raw materials in its copper smelting operations.

Finance Scheme



Examples of Finance ~ Circular Economy & Recycling ~

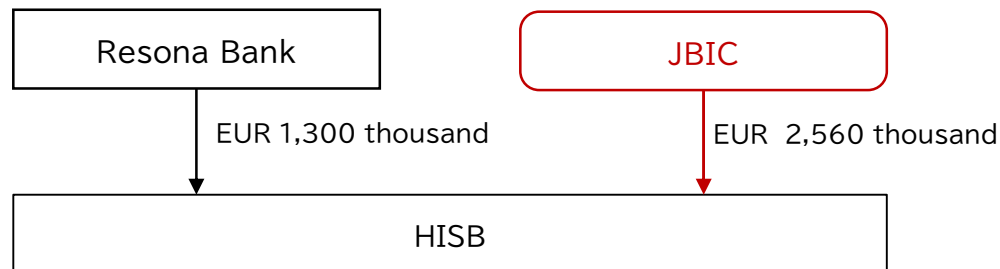
Malaysia/Loan for manufacturing and sales business of recycled PET resin (July 2022)

Outline

- This loan is intended to finance the manufacturing and sales business of recycled PET resin in Johor, Malaysia, conducted by Hiroyuki Industries (M) Sdn. Bhd. (HISB), a Malaysian subsidiary of HIROYUKI CO., LTD.

Project Highlight

- The funds will be used for the expansion of its production facilities to collect used plastic bottles in Malaysia and produce recycled PET resin for food packages. HISB aims to **build a recycling-based society** and contribute to solving environmental problems in the country, and also **conducts social contribution activities (e.g., recycling projects) for elementary schools** in Johor.
- HISB has conventionally manufactured and sold stretch film and other packaging products, but started this business by utilizing its **resin processing technology** in response to the restrictions on the import of waste plastics by China in 2017. As orders from overseas bases of major beverage manufacturers are increasing rapidly, the company expects to further expand its business base.
- **Finance Scheme**



Examples of Finance ~ Marine/Biodiversity ~

U.S./Loan for synthetic structural protein material manufacturing business (October 2021)

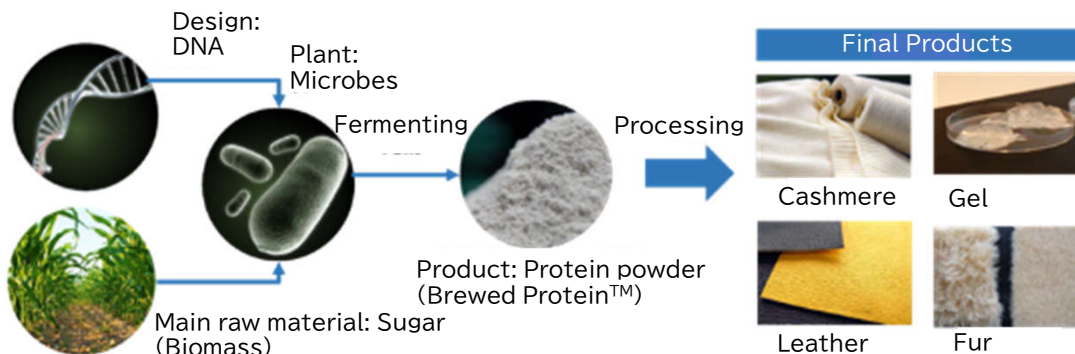
Outline

- Spiber Inc. (Spiber) is a biotechnology startup that develops Brewed Protein™ materials—synthetic structural protein-based biomaterials.
- This project supports the establishment of a production plant for Brewed Protein polymer by Spiber America LLC, a U.S. subsidiary of Spiber.
- The total co-financing amount is 10 billion yen (of which JBIC's contribution is 5 billion yen).

Project Highlight

- Brewed Protein materials are attracting attention as a **new industrial cornerstone material from Japan that can contribute to the development of a sustainable society** from the following perspectives: (1) Brewed Protein materials are not petroleum-based, **do not release microplastics**, and have been verified to be **marine biodegradable**, contributing to decarbonization and reduction of environmental impact; (2) Brewed Protein materials are not animal-based, thus **avoid raising concerns related to animal welfare**.
- They play a significant role in meeting demands for petroleum-free, animal-free products in various industries such as the apparel and automotive sectors. Particularly in the apparel sector, they have **the potential to greatly reduce GHG emissions** when compared to cashmere fibers.

Product Manufacturing Process



Examples of Products



Apparel products made from Brewed Protein fibers, developed with GOLDWIN Co.

Examples of Finance ~Marine/Biodiversity~

Under the 'Guarantee and Acquisition toward Tokyo market Enhancement (GATE)' facility, JBIC is supporting the issuance of ESG-focused yen-denominated foreign bonds (Samurai bonds) in the Tokyo market and contributing toward the further deepening and development of economic relations between Japan and the related countries.

Indonesia / Partial acquisition of publicly offered Samurai Blue Bonds issued by government of Indonesia (May 2023)

Outline

- This is partial acquisition of yen-denominated foreign bonds, Samurai bonds (Blue Bonds※), totaling JPY20.7 billion, issued by the Government of Indonesia through public placement in the Japanese market.
※Blue bonds are the SDG bonds whose use of proceeds is limited to activities in the marine sector, such as conservation of marine resources.
- It is **the first Blue Bonds issuance supported by JBIC** as well as **the first Blue Bonds issued by the Government of Indonesia**.
- **The Government of Indonesia is the first foreign issuer** of Blue bonds in the Samurai bond market.

Project Highlight

- The proceeds of the Blue Bonds will be allocated to the eligible projects under the SDG Government Securities framework, which may include **marine and coastal protection and restoration of biodiversity and ecosystems, waste management, sustainable fisheries**.
- This strengthens **the cooperation between the Government of Indonesia and JBIC**, through contributing toward resolving social issues in Indonesia.



(All photos are images only.)

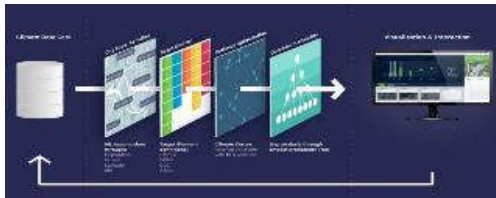
Initiatives through JBIC's Subsidiary 'JBIC IG Partners*'

*JBIC IG Partners was established in 2017 as a joint venture between Industrial Growth Platform, Inc. (IGPI) and JBIC For the purpose of providing investment advice to overseas investment funds.

JBIC is promoting innovation towards a more sustainable society, by investing in the “Nordic Ninja” fund that targets at start-ups in the Northern European/Baltic region.

ClimateView (Sweden)

- The company provides Climate OS, a platform that offers a unique range of functions that helps cities develop, **implement, and manage comprehensive climate action plans** and accelerate action to decarbonize their economy.
- With cities around the world setting out goals towards decarbonized society, ClimateOS models the impact of low-carbon initiatives, allowing leaders to explore different ways of meeting their carbon targets, and identify the best transition path to meet local needs



Einride (Sweden)

- A Transport-as-a-Service (TaaS) operator, the company provides new transportation solutions by utilizing the “Pod”, a self-driving EV truck manufactured in-house.
- The electrification of the trucks enhances energy efficiency and is expected to **contribute to the low carbon emissions of the logistics industry.**



Logmore (Finland)

- > Logmore has developed an electronic QR code-based data logger (storage devices) for quality control in the transportation and storage of cargos such as goods, medical supplies, and vaccines. The data logger automatically measures the condition of the cargo and saves the data on the on their proprietary cloud service.
- > Logmore costs less for the suppliers compared to existing products and the accumulated data enables the cargo suppliers to analyze their supply-chain issues and **reduce waste reduction in shipments.**



Rens (Finland)

- The company operates a multi-verse sustainable fashion brand.
- It manufactures sustainable shoes, hoodies, and other apparel products from discarded coffee waste. Additionally, it sells digital products usable in the Metaverse as well.
- All products manufactured by Rens are sustainability conscious and therefore it has achieved carbon neutrality in its manufacturing process.



Issuance of Green Bonds

In January 2022, JBIC issued the first Green Bonds as a Japanese government-guaranteed foreign bond, followed by the second issuance in October 2022. Through green finance, JBIC is contributing to the formation of a new ecosystem for GHG reduction and the decarbonization of Japan.

Outline

- Significantly oversubscribed due to a large demand from a wide range of investors, particularly overseas green investors.
- The raised funds will be used for eligible assets, including renewable energy, based on the JBIC Green Bond Framework, which is certified by Sustainalytics, a renowned organization in the sustainability field.

Features of the issuance

	The First (JBIC50)	The Second (JBIC55)
Guarantor	The government of Japan	
Currency	U.S. dollar	
Maturity	5 years	
Coupon rate	1.625%	4.375%
Amount	USD 500 million	

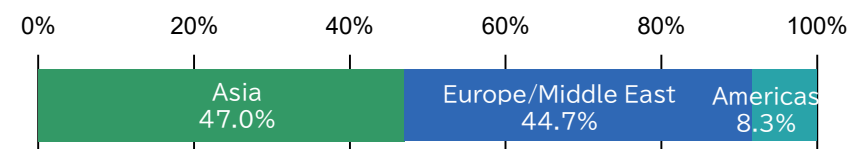
Projects eligible for use of funds

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



Sales by Region

The first Green Bonds (JBIC50)

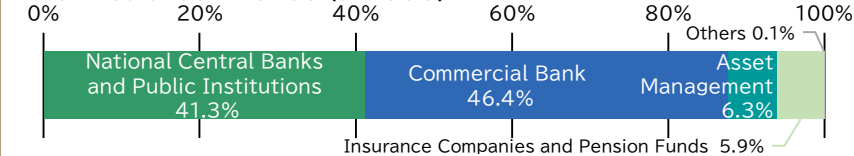


The second Green Bonds (JBIC55)

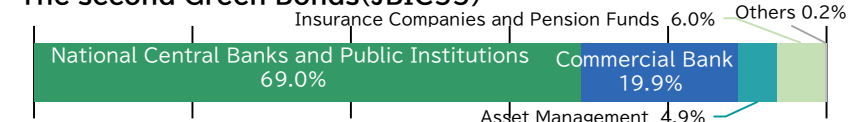


Sales by Sector

The first Green Bonds (JBIC50)



The second Green Bonds (JBIC55)



Examples of Engagement

~Engagement with the relevant national governments and authorities~

JBIC promotes engagement with the relevant national governments and authorities, in order to contribute to realizing global carbon neutrality by supporting and accelerating the energy transition towards a decarbonized society of emerging and developing countries.

Major Examples of Engagement

Vietnam

Dialogue between JBIC's Governor, HAYASHI Nobumitsu, and Prime Minister of Vietnam, H.E. Pham Minh Chinh (September 2022)

- Exchanged views with **the Government of Vietnam and Communist Party**, which announced at COP26 its target of achieving carbon neutrality by 2050, on **financial cooperation towards promoting projects of energy transition and decarbonization**.

Vietnam

Australia-Japan-United States dialogues with Communist Party of Vietnam Central Economic Commission (October 2022)

- Dispatched a joint mission to Vietnam with the U.S. DFC and Australia's DFAT/EFA and announced to the Government of Vietnam and the Communist Party its intention **to accelerate support for the energy transition in Vietnam**.

Vietnam

Launch of Vietnam Climate Finance Framework (VCFF) (January 2023)

- Launched the **Vietnam Climate Finance Framework (VCFF)** under the Australia-Japan-United States partnership to promote projects contributing to Vietnam's goal of achieving net zero greenhouse gas (GHG) emissions by 2050.

Indonesia

Annual dialogue with PT PLN (Persero), the state-owned electricity utility company (December 2022)

- Conducted Fifth Annual Dialogue with PLN, which is taking on a leading role in Indonesia's **energy transition** based on the Electricity Supply Business Plan (RUPTL 2021 - 2030).
- Exchanged views on the potential for collaboration between JBIC and PLN for **a smooth energy transition in Indonesia**.

Indonesia

Annual policy dialogue with the Government of Indonesia (March 2022)

- Conducted 10th Policy Dialogue among JBIC, the Ministry of Finance of Indonesia, the Ministry of Energy and Mineral Resources (MEMR) and the Indonesia Investment Authority (INA).
- Exchanged views on investment trends of Japanese companies and JBIC's potential plan to **support decarbonization in Indonesia**.



Examples of Engagement

~Cooperation with Government and International Agencies~

By strengthening cooperation with foreign government agencies, JBIC provides support from the financial aspects to create new business opportunities for Japanese companies and promote business in sectors such as decarbonization.



Malaysia
MOU with Petroliaam
Nasional Berhad
(PETRONAS)
(September 2022)

The MOU promotes PETRONAS and Japanese companies' collaborative projects in a variety of sectors including **decarbonization, energy transition, and high-technology.**



JBIC signed MOUs related to energy transition, taking the opportunity of the November G20 Summit.

Indonesia
National Power
Company, PT PLN
(Persero)

PLN and JBIC cooperate through the exchange of information and views on projects related to the energy transition, including renewable energy and other technologies contributing to GHG emission reductions.



Indonesia
National Oil Company,
Pertamina

Pertamina and JBIC aim to sign JBIC's new GREEN facility agreement and cooperate through the exchange of information and views on projects related to renewable energy, CCS, hydrogen, ammonia, etc.



Indonesia
Infrastructure Finance
Company PT Sarana
Multi Infrastruktur
(Persero)

SMI and JBIC cooperate through the exchange of information and views to support the energy transition in Indonesia.



Australia
MOU with State of
Western Australia
(January 2023)

JBIC and the State Government have further strengthened the cooperation since the signing of the former MOU in 2011 and **promoted cooperation** to structure projects in which Japanese companies are expected to participate in Western Australia in fields including **critical minerals, hydrogen, and ammonia.**



Examples of Engagement

~Cooperation with Government and International Agencies~

By strengthening cooperation with foreign government agencies, JBIC provides support from the financial aspects to create new business opportunities for Japanese companies and promote business in sectors such as decarbonization.

Major Examples of Cooperation with Government Agencies

Egypt MOU with Ministry of International Cooperation (April 2023)

- Support the business development of Japanese companies in a variety of sectors, including **decarbonization, such as renewable energy, hydrogen, and ammonia**, by strengthen the cooperation between the Government of Egypt and JBIC.



Cote d'Ivoire/Uganda MOU with the Ministry of Economy and Finance (Côte d'Ivoire) and the Ministry of Finance, Planning and Economic Development (Uganda) (August 2022)

- Promote structuring projects with the involvement of Japanese companies in Cote d'Ivoire and Uganda, respectively, by strengthening relations through the exchange of information on the political and economic situation and **the environmental conservation sector, including greenhouse gas emission reductions** in both countries.



UAE MOU with Abu Dhabi National Oil Company (ADNOC) (July 2023)

- Promote cooperation between ADNOC and Japanese corporations, with a focus on **areas such as decarbonization, energy transition, and energy efficiency**.



Saudi Arabia MOU with Public Investment Fund (PIF) (February 2022)

- Strengthen a partnership with PIF, leading **the transition from an oil-dependent economy towards a diverse economy and renewable energy**, under the "Vision 2030" announced by Saudi Arabia, and **promote collaboration between PIF and Japanese companies in Saudi Arabia**.



Azerbaijan MOU with State Oil Company of the Azerbaijan Republic (SOCAR) (May 2023)

- Promote collaboration between SOCAR and Japanese companies and contribute to the realization of a decarbonized society through the exchange of information **on the introduction of low-carbonization technologies, including CCS and CCUS, as well as projects related to hydrogen and ammonia, etc.**

Examples of Engagement

~Cooperation with Government and International Agencies~

By strengthening cooperation with international agencies, JBIC provides support from the financial aspects to create new business opportunities for Japanese companies and promote business in sectors such as decarbonization.

Major Examples of Cooperation with International Agencies

MOU with European Investment Bank (EIB) (October 2021)

- Further strengthen the cooperative relationship that JBIC has built up with EIB since the conclusion of the MOU in 2018, to **promote cooperation between the two agencies**, including co-financing, toward the establishment of projects that Japanese and European corporations are expected to participate in, in **areas such as carbon neutrality, infrastructure, innovation, and SDGs**.

MOU with European Bank for Reconstruction and Development (EBRD) (October 2022)

- **Further promote cooperation between JBIC and EBRD** in financing operations in areas such as **Central and Eastern Europe, Central Asia, and the Southern and Eastern Mediterranean**, as well as in **energy transformation, digital transformation, and solutions to social issues**, by developing the MOU signed in 2019 for global environmental protection, and innovation promotion, etc.

MOU with West African Development Bank (BOAD) (August 2022)

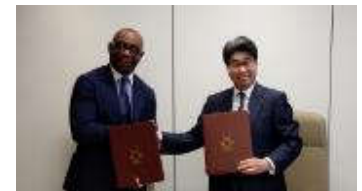
- Promote structuring projects with the involvement of Japanese companies in West Africa by strengthening relations through the exchange of information on the political and economic situation and **the environmental conservation sector, including greenhouse gas emission reductions** of BOAD member countries in **West Africa**.

MOU with Africa Finance Corporation (AFC) (May 2023)

- Promote structuring projects with the involvement of Japanese companies in Africa by strengthening relations through the exchange of information on the political and economic situation and **the environmental conservation sector, including greenhouse gas emission reductions** of AFC member countries **all over Africa**.

MOU with Inter-American Development Bank and Inter-American Investment Corporation (April 2023)

- **Further strengthen the existing cooperative relationship** between the two organizations by **expanding the areas of cooperation to sustainability (including hydrogen and ammonia), social infrastructure, and supply chain resiliency**, in addition to the existing areas of cooperation, such as energy conservation and renewable energy.



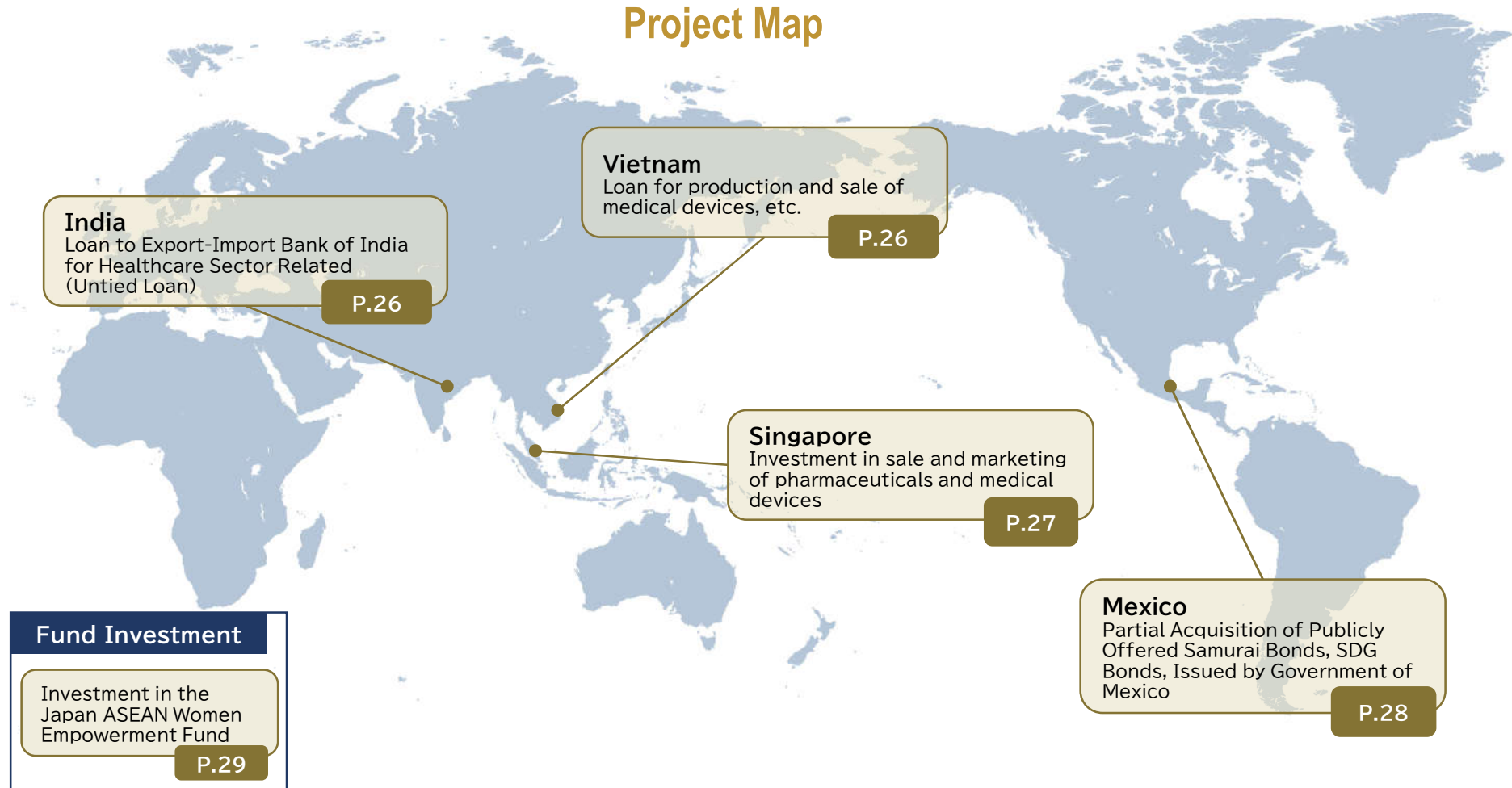


2 Social Initiatives

Toward Resolving Social Issues

JBIC promotes initiatives in the social sector to support projects that contribute toward resolving social issues. In the organizational aspect, it is also engaged in promoting human resource development and work style reforms that can maximize performance and draw out vitality of diverse employees.

Project Map



Examples of Social Impact Finance

~Improvement and expansion of the medical environment~

India/Loan to Export-Import Bank of India for Healthcare Sector (Untied Loan)(May 2022)

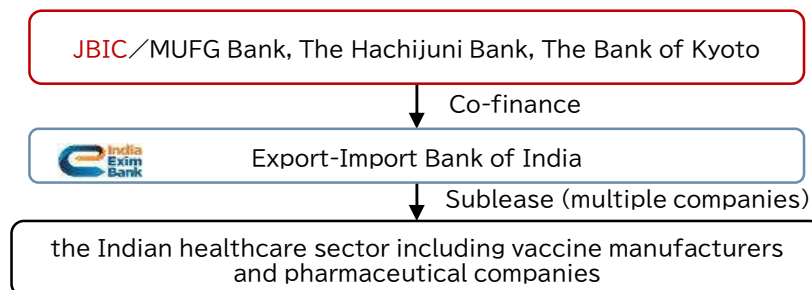
Outline

- This loan is provided to Export-Import Bank of India, a policy-based financial institution wholly owned by the Government of India.
- The total co-financing amount is USD 100 million (of which JBIC's contribution is USD 60 million.)

Project Highlight

- By helping smoothen the flow of funds for the Indian healthcare sector related to COVID-19 including vaccine manufacturers and pharmaceutical companies in India, this loan **supports initiatives across the health care sector to terminate COVID-19 in India**. Also, it contributes to maintaining the business operations of Japanese companies that have been severely affected by COVID-19.
- This is an **initiative based on the agreement reached at the second Japan-Australia-India-U.S. (Quad) Summit held in September 2021**, and demonstrates the Quad Partners' strong unity and robust commitment to the Indo-Pacific region, while also enhancing the bilateral cooperation between Japan and India, as they celebrate the 70th anniversary of the establishment of diplomatic relations between the two countries.

Finance Scheme



Vietnam/Loan for production and sale of medical devices, etc. (December 2021)

Outline

- In this project, JBIC will provide financing toward the business funds required for the production and sale of medical devices by Nipro Vietnam Company Limited (NVC), the Vietnamese subsidiary of NIPRO CORPORATION (NIPRO).
- The total co-financing amount is 10 billion yen (of which JBIC's contribution is 6 billion yen.)

Project Highlight

- By providing support to NVC through this project, the loan is expected to contribute toward the resolution of social issues by helping **to raise the level of health and hygiene in Asia**.



Examples of Social Impact Finance

~Improvement and expansion of the medical environment~

Singapore/Investment in the sales and marketing of pharmaceuticals and medical devices (April 2023)

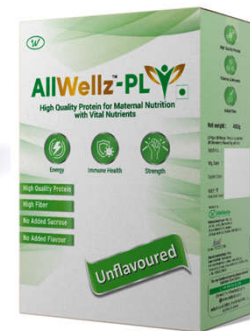
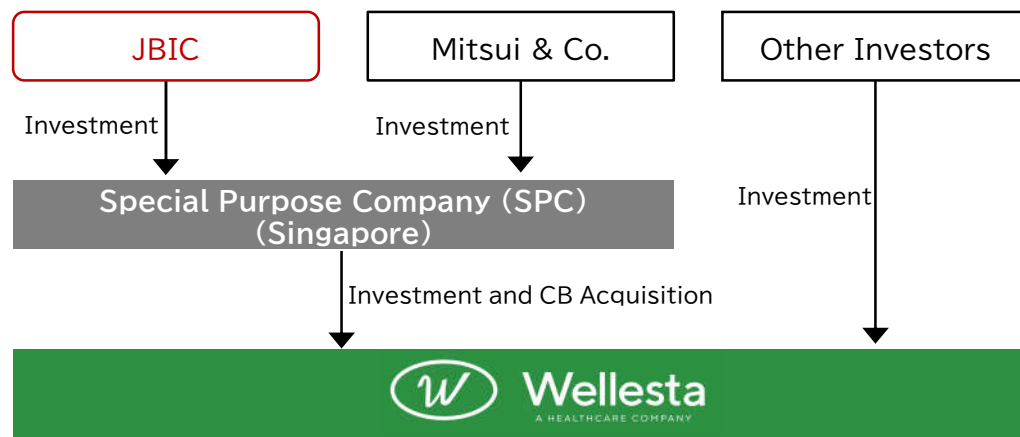
Outline

- Wellesta Holdings Pte. Ltd. (Wellesta) is a startup company founded in 2019 and engages in the entire process, from regulatory approval to sales and marketing of pharmaceuticals and medical devices developed by mega-pharmaceutical companies and other pharmaceutical companies in various countries, mainly in Asia.
- JBIC acquires shares and convertible bonds of Wellesta with Mitsui & Co., through a special purpose company (SPC) established in Singapore (of which JBIC's contribution is up to approximately SGD 20 million.)

Project Highlight

- In developing countries in Asia, there are **social issues (drug lag and device lag)** that limit access to medicines and medical devices that are already available in developed countries.
- By engaging in sales and marketing activities on behalf of mega-pharmaceutical companies in countries where mega-pharmaceutical companies are not able to obtain regulatory approval or engage in sales and marketing activities, Wellesta contributes **to improving access to medicines and medical devices** in the Asian region and elsewhere.

Finance Scheme



Examples of Social Impact Finance

～ Improvement of living environment ～

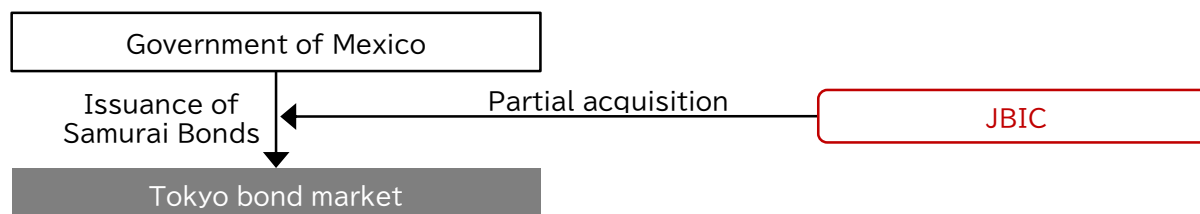
Mexico／Partial Acquisition of Publicly Offered Samurai Bonds, SDG Bonds, Issued by Government of Mexico (September 2022)

Outline

- JBIC partially acquired yen-denominated foreign bonds, Samurai bonds (SDG Bonds), totaling JPY 75.6 billion, issued by the Government of Mexico through public placement in the Japanese market, under the Guarantee and Acquisition toward Tokyo market Enhancement (GATE) financing facility. This issuance is based on the SDG Sovereign Bond Framework developed by the Government of Mexico.
- The bonds are **the first SDG Bonds acquired and supported by JBIC**. They are also **the first SDG Bonds issued by the Government of Mexico in the Tokyo market, with the largest amount of ESG bonds ever issued by a sovereign in the Tokyo bond market**.

Project Highlight

- In February 2020, the Government of Mexico formulated the SDG Sovereign Bond Framework in collaboration with UNDP. Through financing based on this framework, the government intends to promote initiatives to address internal social issues and has issued bonds both domestically and internationally.
- The funds raised are used for the government's programs **to contribute to improving living conditions in the areas of poverty**, mostly in Southern Mexico. This bond issue support contributes to solving social issues in Mexico by improving the level of education, healthcare, and basic social infrastructure.
- Mexico is also a highly important investment target for Japanese companies, and this bond issue support is intended to **maintain and strengthen the relationship with the government of Mexico**.
- JBIC has **conducted policy dialogue with the Government of Mexico continuously** and is strengthening coordination and cooperation with the Government of Mexico in various areas including infrastructure, energy, and supply chain resilience in the manufacturing sector.



Examples of Social Impact Finance ~Gender Equality~

Investment in the Japan ASEAN Women Empowerment Fund (JAWEF)

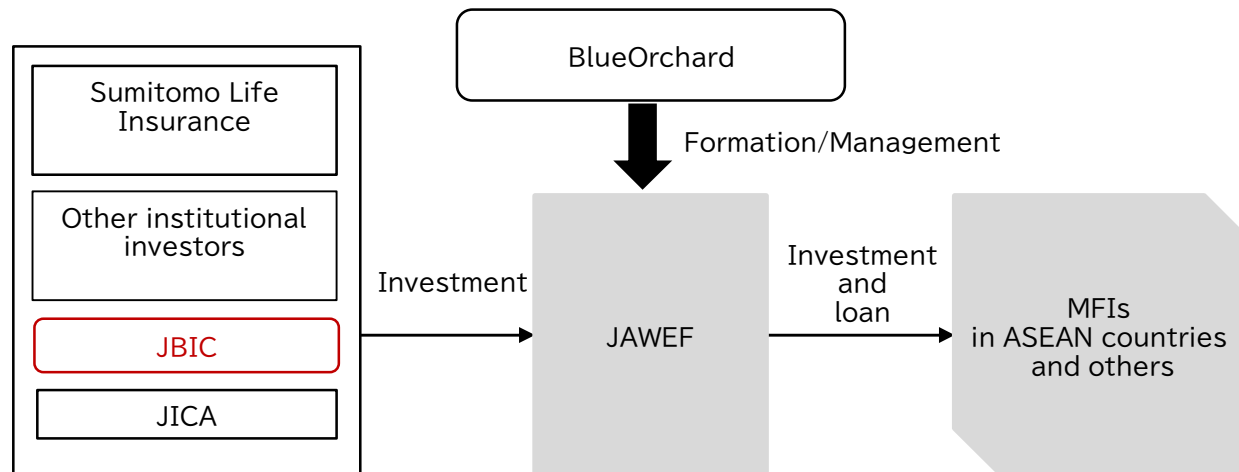
Outline

- JAWEF is a **fund that provides investments and loans to microfinance institutions (MFIs)** to support female entrepreneurs in ASEAN countries and others. It is formed and operated by BlueOrchard Finance Ltd (BlueOrchard).
- JBIC committed up to US\$60 million and aims to mobilize private capital from Japanese institutional investors such as Sumitomo Life Insurance.

Project Highlight

- Through microfinance, the project aims to achieve **financial inclusion**, which is mentioned in 8 of the 17 SDGs such as poverty eradication and sustainable economic growth.
- As of December 2022, approximately **500,000 micro entrepreneurs in eight countries has been supported** since its launch in 2016, and **women account for 91% of the customers** of the MFIs that JAWEF finances.

Finance Scheme



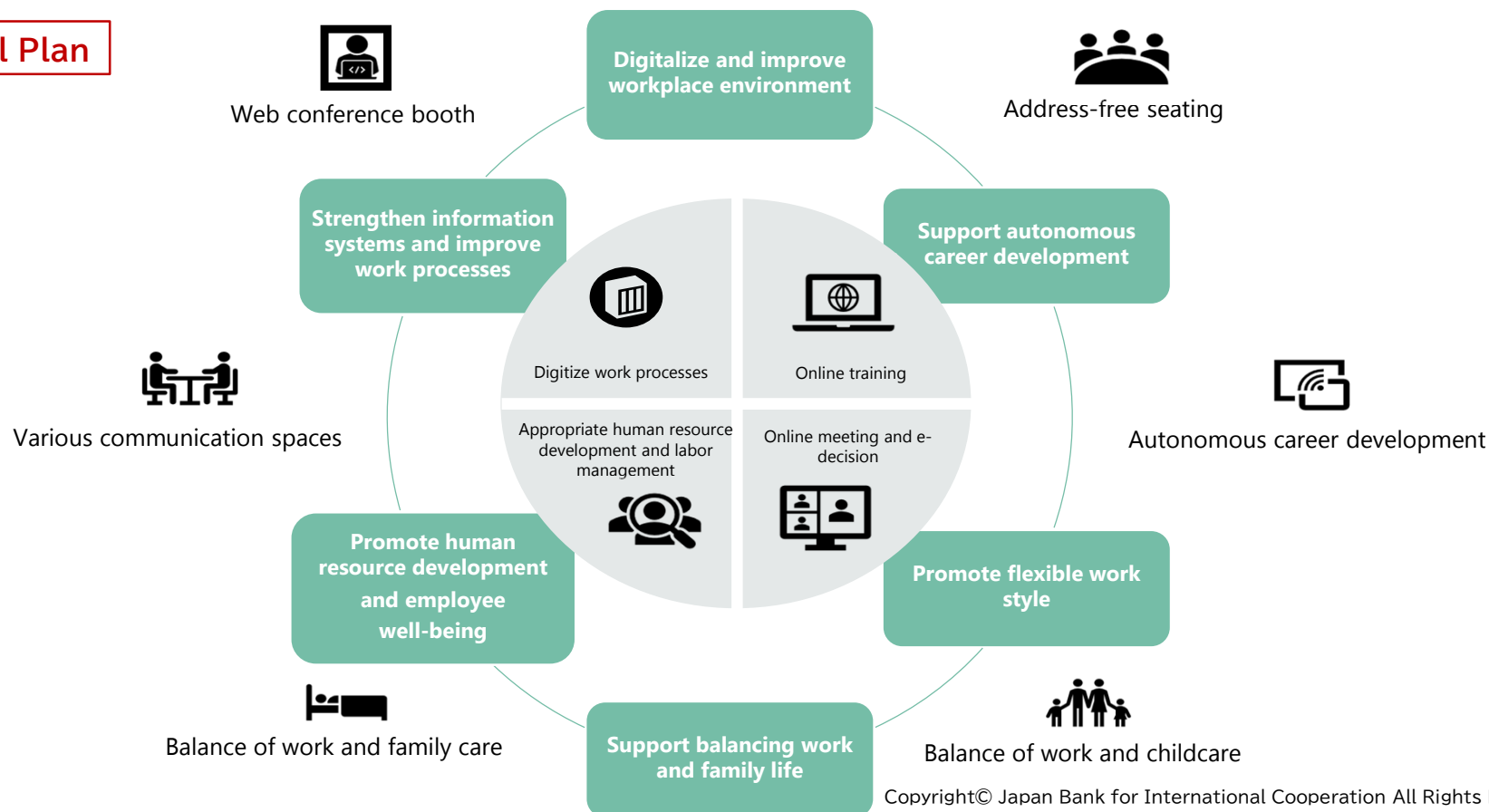
Diversity and Inclusion ~Second Plan for Work Style Reform~

JBIC is promoting work style reform with the objective of 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”.

Outline

- To realize diversity and inclusion, JBIC is working to **promote human resource development and work style reform that draws out the abilities and vitality of diverse employees**, which is one of the action plans of the Fourth Medium-term Business Plan (FY2021-FY2023).

Overall Plan





3 Participation in Sustainability Initiatives

Participation in Sustainability Initiatives

~Sustainability Leaders Council/2X Challenge/2X Global~

Toward the healthy development of the international economic society, JBIC is participating in various external initiatives, collaborating with diverse companies and organizations, and distributing information.

Sustainability Leaders Council (SLC)

- The council's objective is to **publicize Asian perspectives on global discussions about sustainability**.
- JBIC supports the activities of the Sustainability Leaders Council (SLC), which was jointly established by the Eurasia Group of the US and Suntory Holdings Limited, and participates as a Sponsoring Partner.
- The council holds annual global events, at which the world's political and business leaders gather, and discusses sustainability agenda in Asia.

Major Activities in 2022

1. Virtual events

- In October 2022, a virtual event, 'SLC Livestream 2022,' was held to discuss **biodiversity**.
- JBIC presented **the importance of innovation and cross-industry partnerships** to accelerate the realization of Nature Positive.



2. Public Reports

- The council published a report on corporate biodiversity strategies and the direction of their efforts, titled **"Addressing Nature Loss in Asia"** in January 2023.



2X Challenge/ 2X Global

- 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)" together with development finance institutions (DFIs) of the G7. The 2X challenge is a target that calls on DFIs to mobilize their own funds as well as private capital **for supporting businesses, corporations and funds that contribute to the social empowerment for women**.
- The 2X Challenge successfully mobilized **approximately USD7 billion** by 2020 and **approximately USD16.3 billion** in 2021 and 2022, both including private capital.
- JBIC is also a member of '2X Collaborative (currently **2X Global**),'* an global industry body evolved from 2X Challenge.

※ Newly launched in January 2022 by 2X Challenge to unlock gender lens investments through further collaborations with relevant institutions.



Participation in Sustainability Initiatives ~Other 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.



Clean Fuel Ammonia Association

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.



TNFD Forum

JBIC has become a member of the Taskforce on Nature-related Financial Disclosures (TNFD) Forum, which supports the work and mission of the TNFD.

Executive Sustainability Forum

The forum was launched in 2022 as a venue for exchanging and conveying opinions on sustainable growth and business in Japan and Asia under the leadership of the private sector. The forum is held twice a year to have discussions among corporate executives who are actively engaged in sustainability management, and to deliver proposals to society.

Keidanren Committee on Nature Conservation

The objective of the committee is to support biodiversity conservation activities in developing countries and in Japan, as well as to promote business' biodiversity conservation activities. Through the Keidanren Nature Conservation Fund, the committee supports projects, makes policy recommendations, raises awareness, and provides information to businesses. JBIC joined in June 2023.

African Clean Cities Platform

In July 2022, JBIC became an associate member of the African Clean Cities Platform which was established for achieving SDGs through sharing knowledge and promoting investment in sanitary urban environments and waste management in African countries.

JBIC website
Sustainability initiatives



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

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