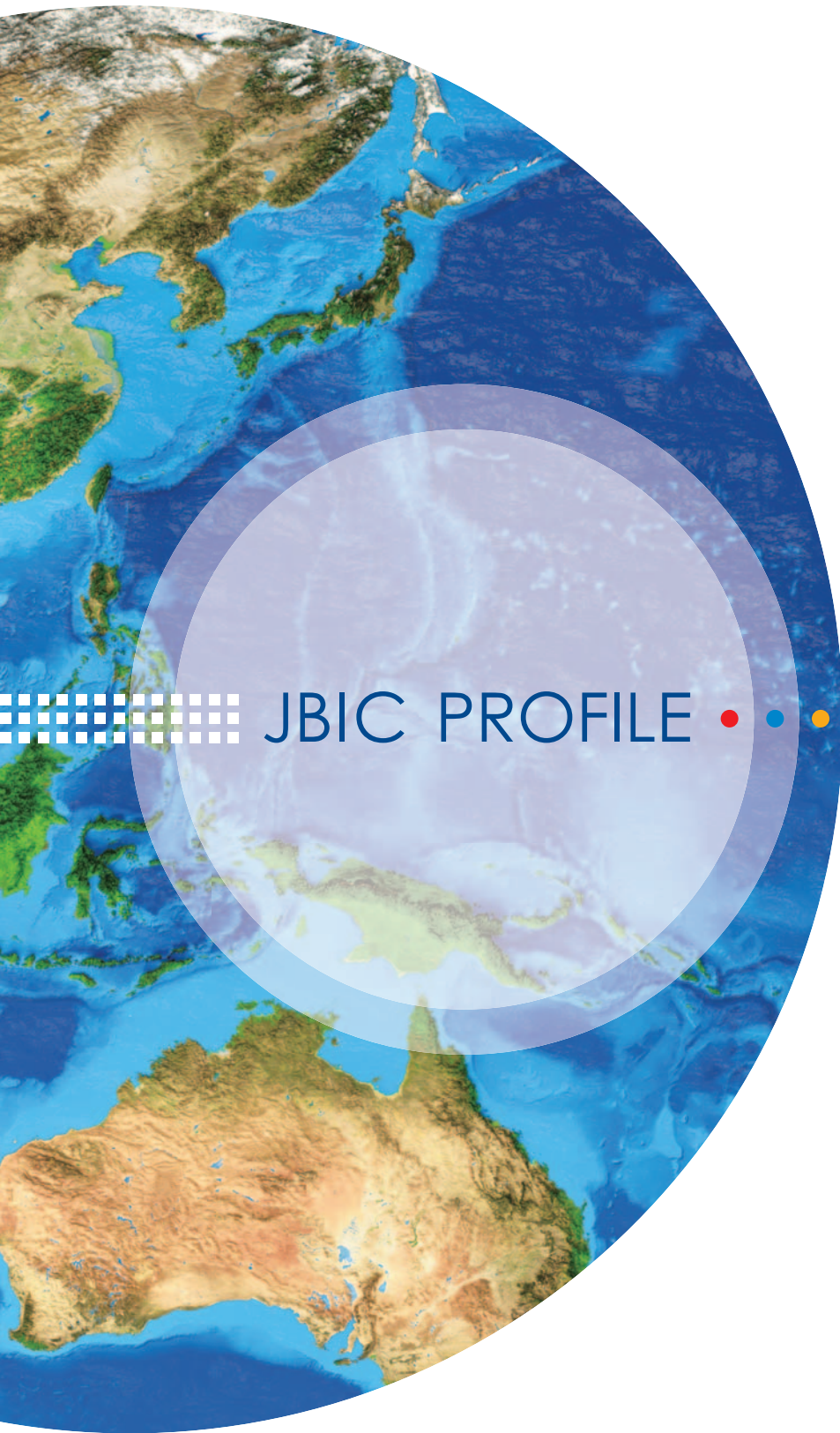


日本の力を、世界のために。

Supporting Your Global Challenges



JBIC PROFILE



Role and Function



**JAPAN BANK FOR
INTERNATIONAL COOPERATION**

JBIC is a policy-based financial institution wholly owned

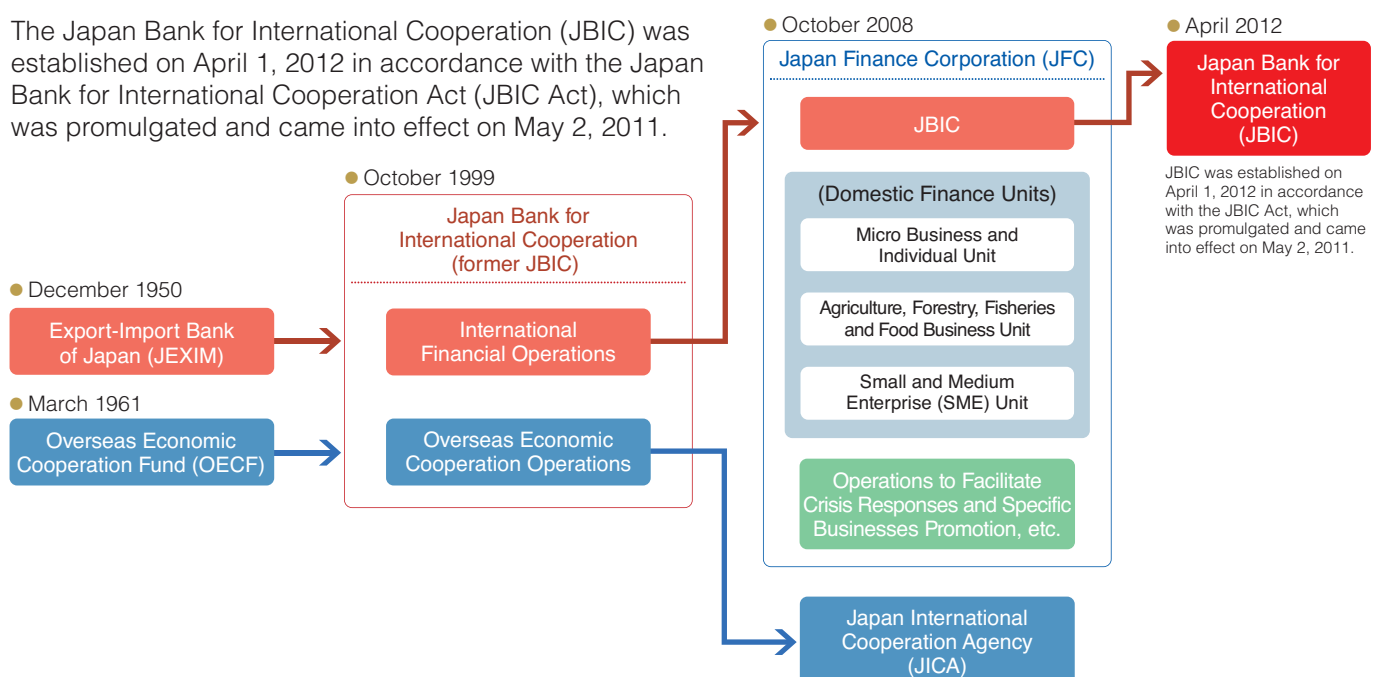
JBIC's mission is to contribute to the sound development of Japan and the international economy and society by conducting its operations in the following four fields:

- 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



History

The Japan Bank for International Cooperation (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.



by the Japanese government



Operational Principles

- 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 or 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.

Profile

Name: Japan Bank for International Cooperation (JBIC)

Office: 4-1, Ohtemachi 1-chome, Chiyoda-ku, Tokyo 100-8144, Japan

Capital: ¥2,108.8 billion (as of June 21, 2023)

Outstanding (Loans and Equity Investments): ¥15,998.6 billion (as of March 31, 2023)

Outstanding (Guarantees): ¥1,537.6 billion (as of March 31, 2023)



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

As demand for energy and mineral resources continues to rise, countries around the world are stepping up efforts to secure long-term, stable supplies of these essential resources. Additionally, efforts related to hydrogen, ammonia, and other next-generation energy, which are key to achieving a decarbonized society and green transformation, have become increasingly important. JBIC, by supporting Japanese companies wishing to acquire interests in and develop natural resources overseas, and to import them into Japan, contributes to ensuring a stable supply of the resources that are essential to the sound development of the Japanese economy.

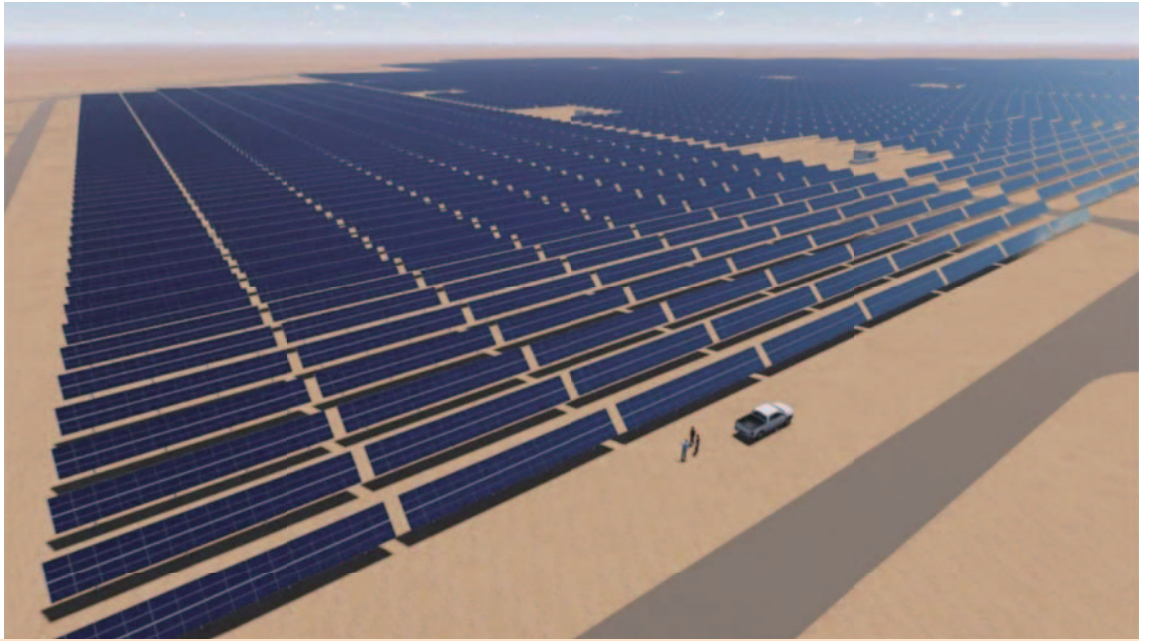




Maintaining and improving the international competitiveness of Japanese industries

Economic globalization has led to increasingly intense competition worldwide. Under these circumstances, JBIC provides support to maintain and raise the international competitiveness of Japanese industries by utilizing a variety of financing methods to support the export of machinery, equipment, marine vessels, and other infrastructure. It also supports participation in overseas infrastructure projects by Japanese companies, and to support overseas manufacturing and sales activities by Japanese companies seeking growth in foreign markets, including mid-tier enterprises (MTEs) and small and medium-sized enterprises (SMEs).





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

Climate change mitigation is an urgent issue for the entire world. JBIC supports projects undertaken in foreign countries that are having a favorable impact on the preservation of the global environment, including construction of renewable energy power plants such as wind power systems utilizing advanced environmental technologies as well as installation of energy-saving equipment. In doing so, JBIC will utilize its loans, equity investments and guarantees through the mobilization of private financing.

Under GREEN (Global action for Reconciling Economic growth and ENvironmental preservation) operations, JBIC, taking into account the need to bring Japanese advanced environmental technologies to the world, works in cooperation with international organizations and local financial institutions in developing countries to provide support for projects with a focus on environmental conservation, such as those anticipated to make a considerable contribution to reducing greenhouse gas emissions.





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

Disruptions in the international financial order have a serious impact on the Japanese and world economies and corporate activities. JBIC has worked in coordination with the Japanese government to implement measures to address obstacles such as the Asian currency crisis in 1997, the global financial crisis in 2008, and the COVID-19 pandemic in 2020.

In response to the global financial crisis in 2008, the Japanese government took measures to empower JBIC to launch three financial operations (Emergency Operations to Support Japanese Overseas Business Activities) as time-bound, exceptional measures: (1) supplier's credits to finance exports to developing countries; (2) loans to finance major Japanese companies for continuing investment projects in developing countries; and (3) loans and guarantees to finance Japanese companies' business operations in developed countries.

JBIC supported overseas operations of a large number of Japanese companies in a diverse range of industries including MTEs and SMEs. As a part of these facilities, JBIC also provided loans to domestic financial institutions in an effort to support, by means of two-step loans through these financial institutions, the overseas business activities of Japanese enterprises that were facing funding difficulties.

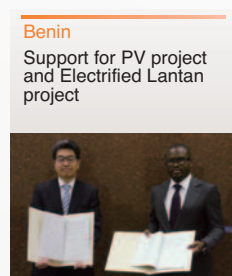
In addition, JIBIC established a fund together with the International Finance Corporation to recapitalize financial institutions in developing countries, thereby contributing to the stabilization of the international financial order.

In 2020, JIBC launched two financial operations, provisionally offered until the end of December 2021: (1) loans and guarantees for business that Japanese companies, including MTEs and SMEs, are conducting in developed countries; and (2) loans to domestic Japanese companies for their overseas business.

JBIC at a Glance

○ Total Number and Amount of Loan and Equity Investment Commitments

(as of March 31, 2023)



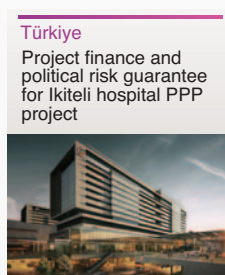
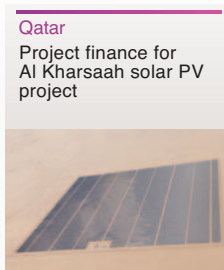
Africa
2,386
¥4,790.3 billion

The Middle East
843
¥7,945.1 billion

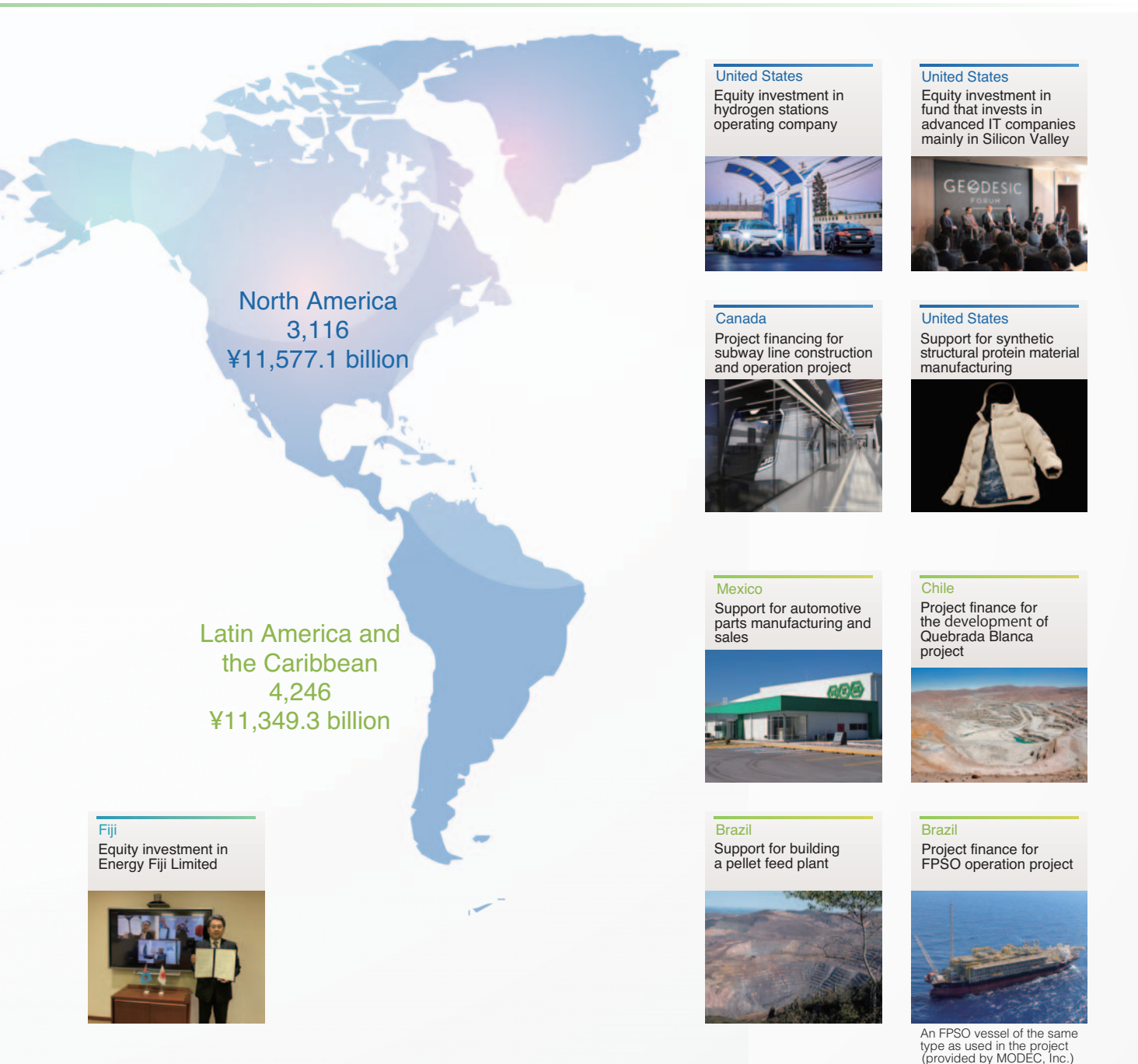
Europe
3,969
¥12,931.2 billion

Asia
11,839
¥25,102.9 billion

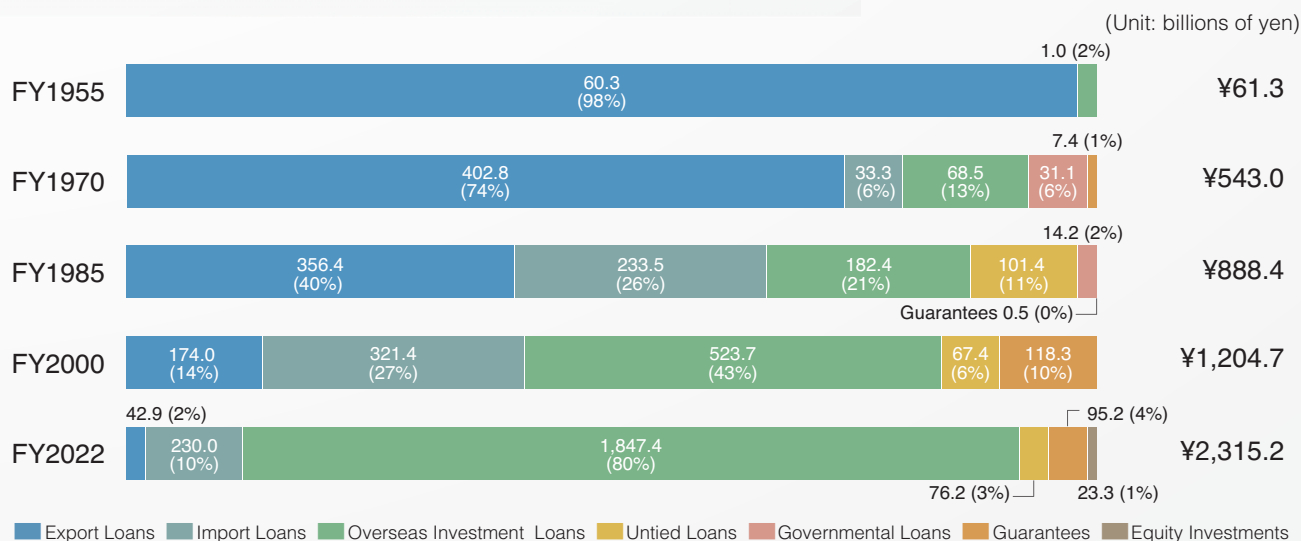
Oceania
1,145
¥3,848.5 billion



* Project finance is a financing scheme in which repayments are made solely from cash flows generated by a project and secured only by project assets.



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



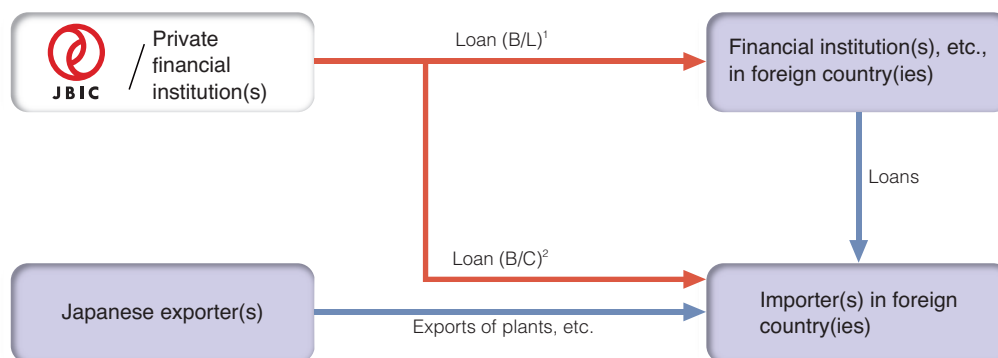
Export Loans

Export loans are provided to overseas importers and financial institutions to support finance exports of Japanese machinery, equipment, and technology mainly to developing countries. In particular, products such as marine vessels, power generation facilities, etc. incorporate a significant amount of advanced technology, and their export is instrumental in enhancing the technological base of Japanese industries. Furthermore, Japanese shipbuilding and plant facility industries have a broad range of supporting industries, including SME producing parts and components, and thus the loans are expected to positively contribute to the business of these Japanese companies. Export loans in specific sectors are also available to developed countries.*

Terms and conditions of export loans are determined based on the Arrangement on Officially Supported Export Credits (OECD Arrangement). In principle, the loan amount should not exceed the value of an export contract or technical service contract, and excludes the down payment. Local costs may be covered provided that the amount is within the scope prescribed by the OECD Arrangement.

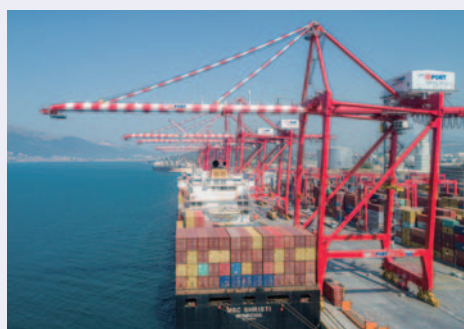
* Eligible Sectors for Export Loans in Developed Countries (as of August 31, 2023)

Ships, satellites, aircraft, medical equipment, equipment that contributes to reducing greenhouse gas (GHG) emissions, railways (high-speed, inter-city projects and projects in major cities), road business, airports, ports, water business, biomass fuel production, renewable energy power generation, nuclear power generation, hydrogen, fuel ammonia, power transformation, transmission and distribution, highly efficient coal-fired power generation, coal gasification, carbon capture and storage (CCS), highly efficient gas-fired power generation, smart grid, electricity storage, development of telecommunications network, biopharmaceuticals, manufacture of chemicals that use organic substances derived from animals and plants, electric vehicles, semiconductors, waste incineration and waste to energy, development of goods and technologies irreplaceable for a stable supply of raw materials of products, etc., business using new technology, business models, etc.



1. Loan to foreign financial institutions (bank-to-bank loan or "B/L").
2. Loan to foreign importers (buyer's credit or "B/C").

Supporting Export of Japanese Company's Port Container Cranes to Türkiye



JBIC signed a buyer's credit (export loan) agreement with the Turkish financial leasing company Yapı Kredi Finansal Kiralama A.O. (YKL). The loan is intended to provide the necessary funds, through YKL, for Yılport Holding A.Ş., another Turkish company that operates ports in Türkiye, to purchase an additional four port container cranes from Mitsui E&S Machinery Co., Ltd. for the port of Gemlik, Türkiye.

Türkiye, which has long flourished as a center for trade with Asia and Europe, is moving ahead with the development of logistics infrastructure, including railways and ports, as its future growth strategy. The country is also attracting much attention from Japanese companies as a production base targeting the

Turkish market as well as markets in the EU and neighboring countries. The loan, which will support the Japanese company's exports, is expected to serve to improve the Turkish port infrastructure and create business opportunities for Japanese companies in the Turkish port industry.

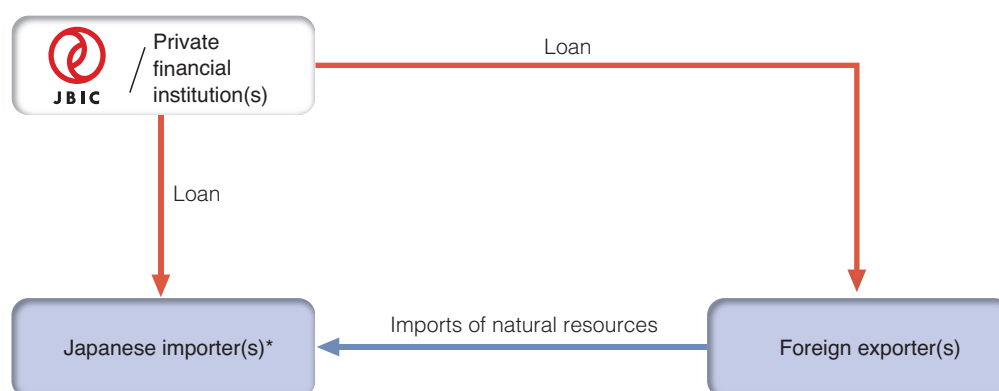
Import Loans

Import loans support imports of strategically important goods including natural resources by Japanese companies and cases where Japanese companies or Japanese affiliates receive natural resources in countries where they do business. These loans are extended to Japanese importers receiving natural resources, Japanese companies and Japanese affiliates receiving natural resources at their overseas business locations, or foreign exporters. Since Japan is poorly endowed with natural resources, stable imports of these over the long term are one of the key factors underpinning domestic economic activity. Import loans finance the development and import of energy resources, including oil and LNG, and mineral resources, including iron ore, copper, and other rare materials.

In addition to natural resources, JBIC provides a guarantee facility for goods and services essential to the sound development of the Japanese economy, such as for the import of aircraft. (See page 13 for the scheme of guarantees for imports of manufactured products.)

❖ Products Eligible for Import Loans (Natural Resources)

Oil, petroleum gas, LNG, coal, uranium, metallic ore, metals, mineral phosphate, fluorite, biomass fuel, hydrogen, ammonia used as fuel, salt, lumber, wood chips, pulp, and other materials



* Including cases where Japanese companies or Japanese affiliates receive natural resources in countries where they do business

Supporting Japanese Energy Company for Stable Procurement of LNG



JBIC concluded a loan agreement with JERA Co., Inc. (JERA) to finance JERA's importing of liquefied natural gas (LNG). The loan is co-financed with private financial institutions.

As resource prices continue to rise, stable procurement of LNG to be used as fuel for gas-fired power generation has become more important than ever in ensuring a stable supply of electricity, which is vital for the lives of the Japanese people and national economic activities.

Financing JERA with this loan is intended to contribute to a stable supply of electricity by securing a stable supply of energy to Japan.

Overseas Investment Loans

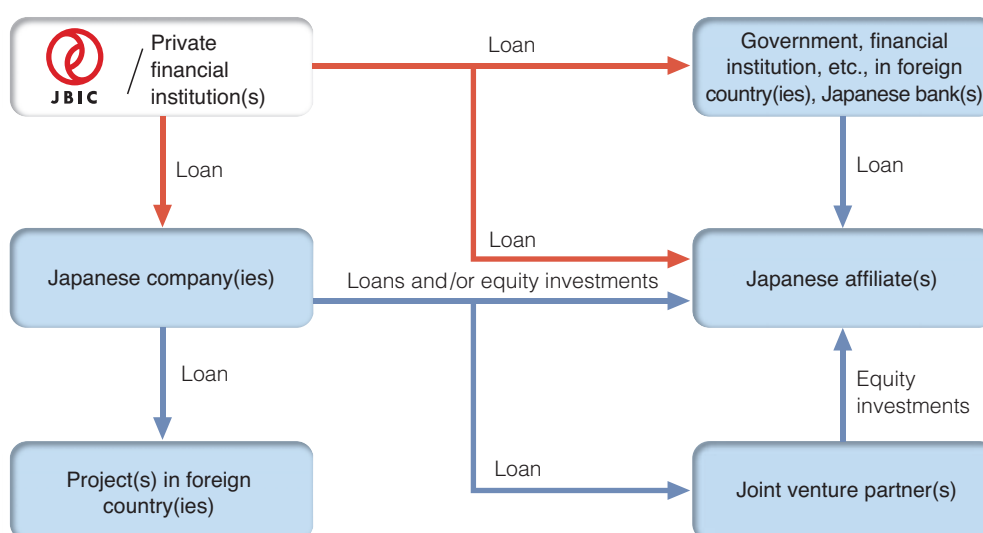
Overseas investment loans support Japanese foreign direct investments. The loans can be provided to Japanese companies (investors), overseas Japanese affiliates (including joint ventures) and foreign governments or financial institutions that have equity investments in or provide loans to such overseas affiliates.

Direct loans to Japanese companies are intended for MTEs and SMEs, as well as for projects aimed at developing or securing interests in overseas resources that are strategically important to Japan. Other target projects are projects that support merger and acquisition (M&A) activities and projects to finance overseas businesses for increasing supply chain resilience (both including those of large companies).

Moreover, JBIC provides two-step loans (TSLs) to support the overseas business of Japanese companies, including MTEs and SMEs, as well as TSLs intended to support M&A activities by Japanese companies. JBIC is also able to provide short-term loans for overseas business operations when bridge loans are required to fill the financing gaps before it offers long-term loans. Moreover, JBIC is empowered to provide investment loans for projects in developed countries for specific sectors.*

* Eligible Sectors for Overseas Investment Loans in Developed Countries (as of August 31, 2023)

Railways (high-speed, inter-city projects and projects in major cities), road business, airports, ports, water business, biomass fuel production, renewable energy power generation, nuclear power generation, hydrogen, fuel ammonia, power transformation, transmission and distribution, highly efficient coal-fired power generation, coal gasification, CCS, highly efficient gas-fired power generation, smart grid, electricity storage, development of telecommunications network, shipbuilding and marine transportation, satellite launching and operation, aircraft maintenance and sales, medical business, biopharmaceuticals, manufacture of chemicals that use organic substances derived from animals and plants, electric vehicles, semiconductors, waste incineration and waste to energy, development of goods and technologies irreplaceable for a stable supply of raw materials of products, etc., businesses using new technology, business models, etc., businesses that contribute to reducing GHG emissions, M&A activities, etc.



Supporting Overseas Business Expansion of Japanese Railway Industry



JBIC concluded a loan agreement in project financing with the Connect 6ix consortium (Connect 6ix). Connect 6ix is invested in by, among others, Hitachi Rail, which is wholly owned by Hitachi, Ltd. Under JBIC's GREEN operations, the loan will provide the funds necessary for Connect 6ix to supply, operate, and maintain subway trains and railway systems in Ontario, Canada.

The populations of both the city of Toronto, Canada, and its neighboring communities have consistently grown year over year, making it an urgent task to expand the transit system to address the rise in transportation demand. As planned, the project will construct

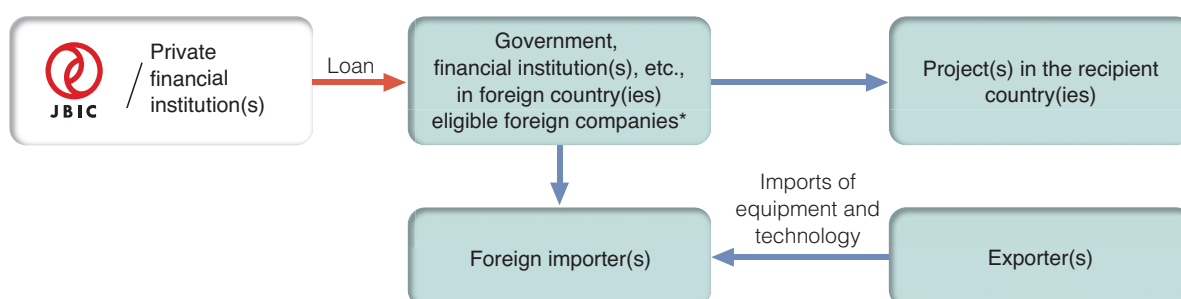
components of the 15.6-km subway line in Toronto, and operate and maintain the system for 30 years. Once completed the project is expected to reduce traffic by 28,000 vehicles per day and lower fuel consumption by 7.2 million liters per year.

Supporting the efforts of Hitachi Rail through Connect 6ix is in line with measures being implemented under the Infrastructure System Overseas Promotion Strategy 2025 promoted by the Japanese government.

Untied Loans

Untied loans are intended to finance projects and the import of goods by foreign countries, or for such countries to achieve equilibrium in their international balance of payments, or to stabilize their currencies. They are also intended to finance overseas businesses of foreign companies (“eligible foreign companies”) that have become part of supply chains or industrial platforms of strategically important goods or technologies essential for Japan’s economic activities and the lives of the people of Japan. Loans are not conditional on investments or procurement of equipment and materials from Japan.

Capital procured from untied loans is used to: maintain and expand trade with and direct investment from Japan; secure stable supplies of energy and mineral resources for Japan; promote business activities of Japanese companies; finance projects having significant effects on global environmental preservation; and finance projects maintaining order in international financing.



* Refer to foreign companies that have become part of supply chains or industrial platforms of strategically important goods or technologies essential for Japan’s economic activities and the lives of the people of Japan. The fields of applicable goods, technologies, and industrial platforms are specified in the ordinance of Japan’s Ministry of Finance (As of October 1, 2023).

(i) Operations related to “important goods”

Of the following operations, those necessary for enhancing the resilience of the supply chain for goods procured by Japanese or Japanese-affiliated companies

- Development of important resources for Japan
- Manufacturing of equipment and other items necessary to generate electricity from renewable energy
- Manufacturing of rechargeable batteries
- Manufacturing of components and accessories of ships and aircraft
- Development and manufacturing of medical devices
- Development and manufacturing of pharmaceuticals
- Manufacturing of motors
- Manufacturing of semiconductors, including the raw materials and equipment necessary for the manufacturing
- Development and manufacturing of fertilizers, agricultural instruments, and other goods necessary for food production, including agriculture
- Manufacturing of low-carbon materials

(ii) Operations related to “important technologies”

Of the following operations, those necessary for facilitating the provision of technologies utilized by Japanese and Japanese-affiliated companies

- Development of artificial intelligence-related technologies
- Development of technologies related to quantum computers and other equipment that harness the quantum property
- Development of biotechnology
- Development of blockchain technology

(iii) Operation related to “bases necessary for global business operations”

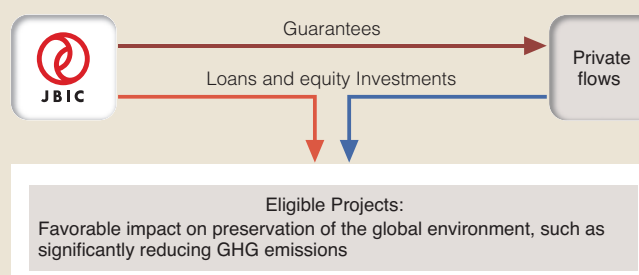
Of the following operations, those necessary for global business activities by Japanese and Japanese-affiliated companies

- Development of bases for power generation, transmission, etc., necessary to provide electricity from renewable energy
- Development of bases for utilizing information and communication technology (including launching, tracking, and controlling of communication satellites)
- Medical care

GREEN Operations

Under its GREEN (Global action for Reconciling Economic growth and ENvironmental preservation) operations, JBIC provides support for projects with a focus on environmental conservation, such as those anticipated to make a considerable reduction in GHG emissions, taking into account of propagating Japanese advanced environmental technologies to the world.

Promoting the overseas business having the purpose of preserving the global environment



Export Loans

Import Loans

Overseas Investment Loans

Untied Loans

Equity Investment

Guarantees

Bridge Loans and Others

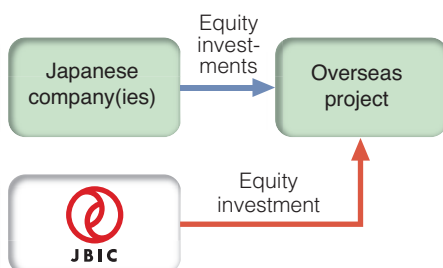
Research and Studies

Securitization and Other Financial Instruments

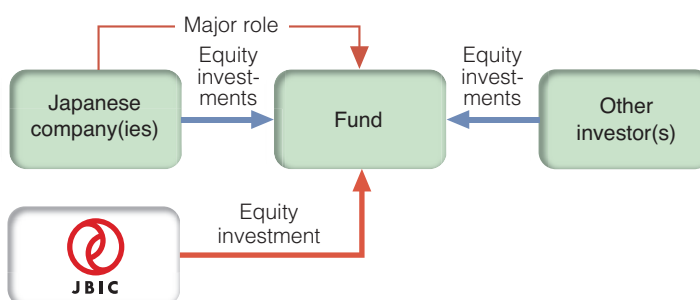
Equity Investments

Equity investments are capital contributions to companies where Japanese companies have equity stakes to undertake overseas projects, as well as funds where Japanese companies perform significant roles. In principle, equity investments take the following forms.

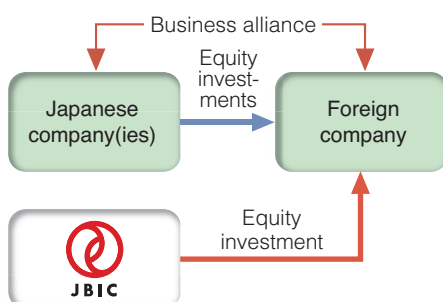
- ❖ Japanese companies make equity investments in an overseas project



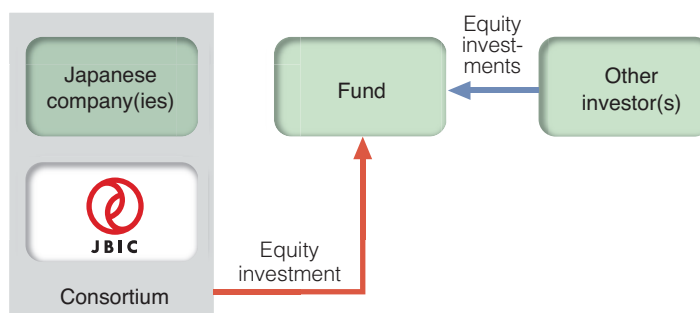
- ❖ Japanese companies participate in a fund (and perform such major roles as that of a general partner in their management and investment decisions)



- ❖ Japanese companies acquire equity interests in a foreign company to form a business alliance



- ❖ Japanese companies form a consortium and participate in an international fund

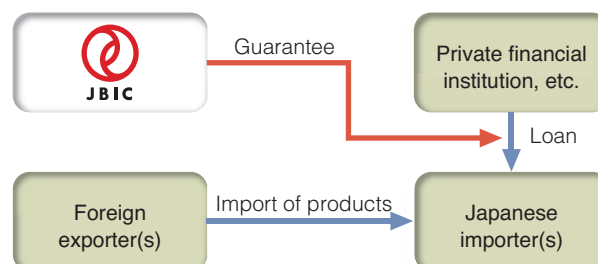


Guarantees

In addition to loans and equity investments, JBIC provides support through its guarantee facility. Guarantees are provided for loans extended by private financial institutions, bonds issued by governments of developing countries or overseas Japanese companies, as well as for currency swap transactions. JBIC also issues reassurance for guarantees from export credit agencies in other countries.

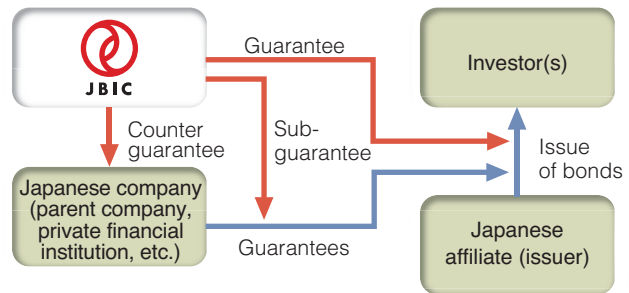
- ❖ Guarantees for Imports of Manufactured Products

JBIC has a guarantee facility for borrowing by Japanese companies to finance the import of aircraft and other manufactured products that are vital to Japan.



❖ Guarantees for Corporate Bonds Issued by Japanese Affiliates

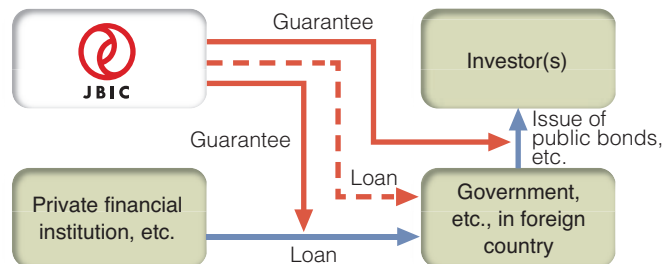
JBIC supports Japanese affiliates operating overseas by providing guarantees for the bonds they issue in local capital markets.



❖ Guarantees for Co-financing, Overseas Syndicated Loans and Public Sector Bonds

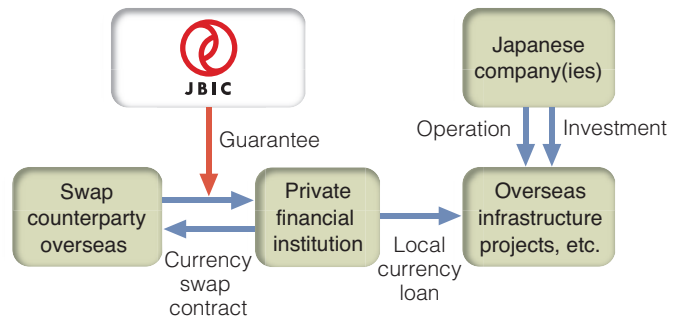
Loans to developing countries involve, among others, currency conversion and transfer risks, as well as country risks.

Guarantees that JBIC issues to cover such risks enable Japanese private financial institutions to provide medium- and long-term financing for developing countries, and contribute to developing countries by bringing in private capital and facilitating private companies to expand international business activities.



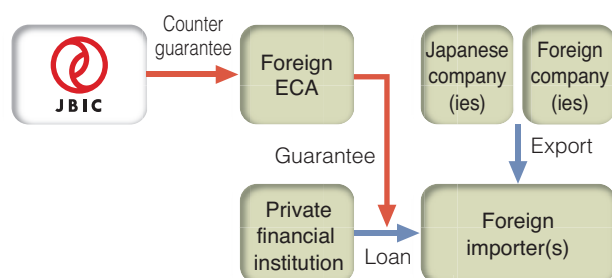
❖ Guarantees for Currency Swaps

JBIC provides guarantees for swap transactions to support the local currency financing of overseas infrastructure projects and other projects undertaken by Japanese companies.



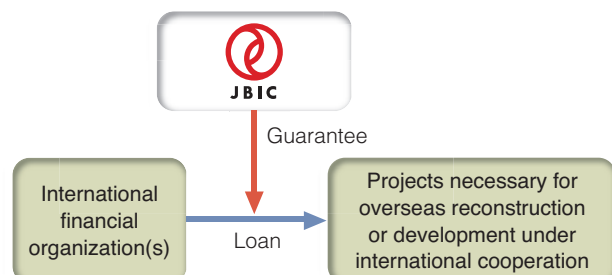
❖ Counter Guarantees for Export Credits

In cases where Japanese companies export machinery and equipment jointly with companies of another country, JBIC provides a counter guarantee for the guarantee provided by that country's export credit agency (ECA). This function enables JBIC to flexibly support export projects by Japanese companies collaborating with foreign companies through multilateral mutual guarantee schemes.



❖ International Organization Loan Guarantee

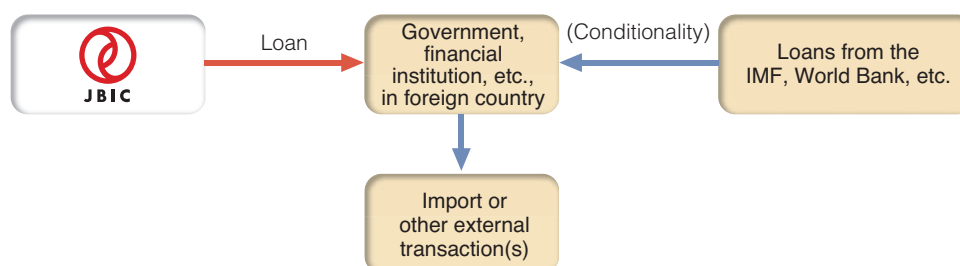
When international financial organizations provide financing for projects necessary for overseas reconstruction or development under international cooperation, JBIC guarantees these liabilities. Through such schemes, JBIC contributes to maintaining the international financial order.



Bridge Loans

JBIC provides short-term financing for governments of developing countries to meet their foreign currency needs for external transactions when they face balance-of-payment difficulties.

JBIC provided bridge loans (short-term bridging loans) for Myanmar in January 2013 to support clear the arrears of past loans from the Asian Development Bank (ADB) and the International Development Association (IDA), a member of the World Bank Group.



Acquisition of Loan Assets and Public and Corporate Bonds

When JBIC provides export loans, import loans, overseas investment loans and untied loans, it can also provide credits, in addition to providing loans and guarantees, by purchasing loan assets and acquiring public and corporate bonds* issued by borrowers for funding. The objective of such operations is to promote private financial institutions' loans in international finance and Japanese companies' funding in international capital markets.

* The scope of assets and securities acquired includes public bonds, corporate bonds, debt securities and trust beneficiary rights.

Research and Studies

JBIC conducts research and studies on individual projects during their initial stage, as well as those focused on specific regions or industry sectors that may be conducive to specific projects. This is an effective means of identifying potentially quality projects, and is expected to lead to increasing exports of materials and services from Japan, as well as expand opportunities to participate in projects by Japanese companies. Research and studies are conducted at each stage necessary for realization of the project, including preparation of a master plan for an individual project, conducting of prefeasibility and feasibility studies (Pre-F/S, F/S), front-end engineering design (FEED), and studies of regions and industry sectors conducive to specific projects. After the research and studies are completed, follow-up reviews are conducted at least once each year to confirm the progress of the project.

Research and studies are conducted in the following sequence.

1. Selection of a research and study subject
2. Selection of a contractor to conduct research and studies
3. Conduct of a research and studies
4. Completion of a research and study report
5. Follow-up

Securitization and Other Financial Instruments

JBIC provides support for securitization and an increase in liquidity in order to complement and encourage the activities of private financial institutions.

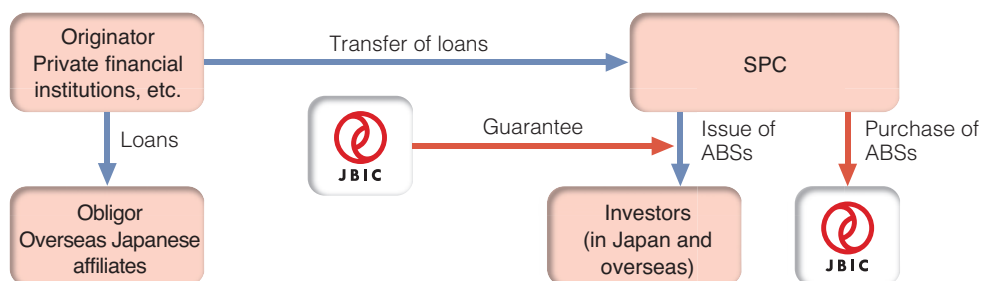
1 Securitization (Guarantees)

In cases where special purpose companies (SPCs) or trust companies issue asset-backed securities (ABSs) or other financial products with loans or other assets as collateral, JBIC guarantees the payment of such ABSs to reduce country and structure risks, thereby supporting the issuance of bonds in the emerging capital markets.

2 Securitization (Acquisition of Securities)

JBIC supports bond issues by acquiring a portion of the ABSs issued by SPCs or trust companies with loans or other assets as collateral. JBIC's acquisition supports the securitization needs of the originators* and is expected to help invigorate the bond market by circulating the acquired bonds back into the market when market conditions allow.

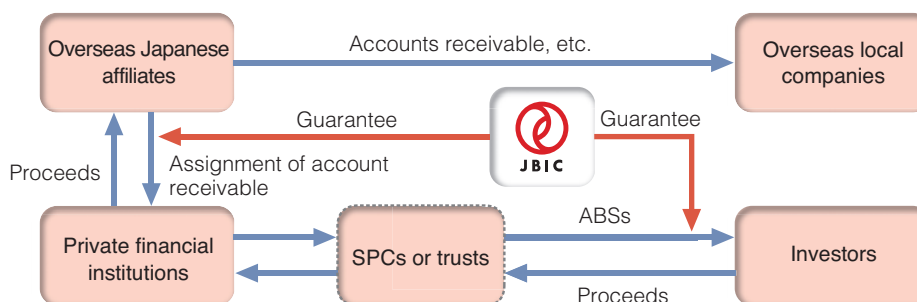
* An originator is the original owner of assets to be securitized and obtain funding through securitization.



The above diagram depicts a scheme where SPCs are used, but the clients can also use schemes where trusts are used or JBIC acquires or provides guarantees for assets backed by securitization.

3 Securitization and Liquidation of Receivables

JBIC provides guarantees for the receivables and other monetary claims held by overseas subsidiaries of Japanese companies, in order to facilitate the purchase of such receivables by banks (an increase in their liquidity). JBIC is also able to provide guarantees for securities issued by SPCs or trust companies in cases where these securities have monetary claims acquired from overseas Japanese subsidiaries on collateral.



Prominent Initiatives in Recent Years

Act for Partial Amendment of the Japan Bank for International Cooperation Act

Given multiple factors, including changes in the international situation surrounding Japan's economy, the Act for Partial Amendment of the Japan Bank for International Cooperation Act was enacted in April 2023 to further strengthen JBIC's functions. This Act allows JBIC to provide support in three fields: (1) enhancement of supply chain resilience to contribute toward maintaining and improving the international competitiveness of Japanese industries; (2) assistance to Japanese companies, including startups, in further taking risks amid growing expectations for such sectors as digitalization and green initiatives; and (3) participation in international support for the recovery of Ukraine.

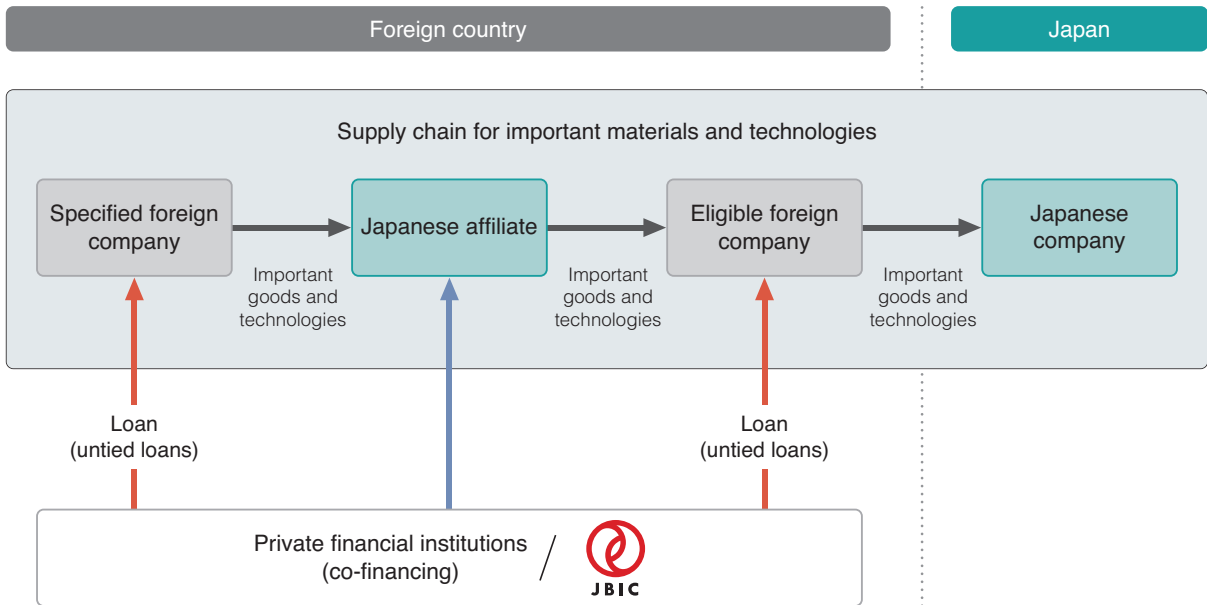
◎ Enhancement of supply chain resilience to contribute toward maintaining and improving the international competitiveness of Japanese industries

- Untied loans are now available to foreign companies that support the supply chain for important materials and technologies in maintaining and improving the international competitiveness of Japanese industries and the necessary infrastructure for the overseas business of Japanese companies.
- Support through import loans is now available not only when importing overseas resources into Japan but also when Japanese companies receive these resources overseas.
- Direct loans to Japanese companies (overseas investment loans) are now available for overseas business operations which are intended to enhance Japanese companies' supply chain resilience.

(1) Untied loans for eligible foreign corporations (overview)

Enhancement of supply chain resilience

- Given the fact that the supply chains and the industry bases for important materials and technologies essential to Japan's economic activities and people's lives are multi-layered and that the international division of labor is progressing, untied loans are now available to foreign companies integrated into these chains and bases (eligible foreign companies).
- Materials and technologies that are important in maintaining and improving the international competitiveness of Japanese industries as well as the bases necessary for Japanese companies' overseas business are designated by the Ministry of Finance Ordinance.



- ➡ Support available since October 2023
- ➡ Previously and currently available support

The assistance is available to eligible foreign companies, which are engaged in the following operations (as of October 1, 2023).

(i) Operations related to “important goods”
<p>Of the following operations, those necessary for enhancing the resilience of the supply chain for goods procured by Japanese or Japanese-affiliated companies</p> <ul style="list-style-type: none"> • Development of important resources for Japan • Manufacturing of equipment and other items necessary to generate electricity from renewable energy • Manufacturing of rechargeable batteries • Manufacturing of components and accessories of ships and aircraft • Development and manufacturing of medical devices • Development and manufacturing of pharmaceuticals • Manufacturing of motors • Manufacturing of semiconductors, including the raw materials and equipment necessary for the manufacturing • Development and manufacturing of fertilizers, agricultural instruments, and other goods necessary for food production, including agriculture • Manufacturing of low-carbon materials
(ii) Operations related to “important technologies”
<p>Of the following operations, those necessary for facilitating the provision of technologies utilized by Japanese and Japanese affiliated companies</p> <ul style="list-style-type: none"> • Development of artificial intelligence-related technologies • Development of technologies related to quantum computers and other equipment that harness the quantum property • Development of biotechnology • Development of blockchain technology
(iii) Operation related to “bases necessary for global business operations”
<p>Of the following operations, those necessary for global business activities by Japanese and Japanese-affiliated companies</p> <ul style="list-style-type: none"> • Development of bases for power generation, transmission, etc., necessary to provide electricity from renewable energy • Development of bases for utilizing information and communication technology (including launching, tracking, and controlling of communication satellites) • Medical care

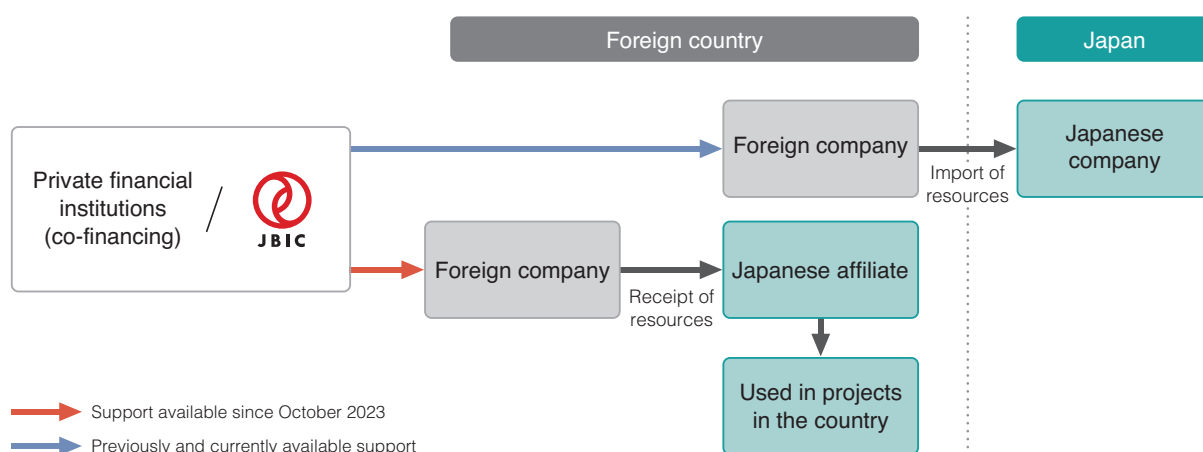
In providing a loan, etc. to an eligible foreign company, JBIC conducts screening for the applicant, from the viewpoint of contributing toward maintaining and strengthening the international competitiveness of Japanese industry, including economic security.

(2) Import loans for receiving resources overseas

Enhancement of supply chain resilience

- As the supply chains of Japanese companies are also being developed outside of Japan, support through import loan is available not only when importing resources into Japan, but also when Japanese companies and Japanese affiliated companies receive resources overseas.

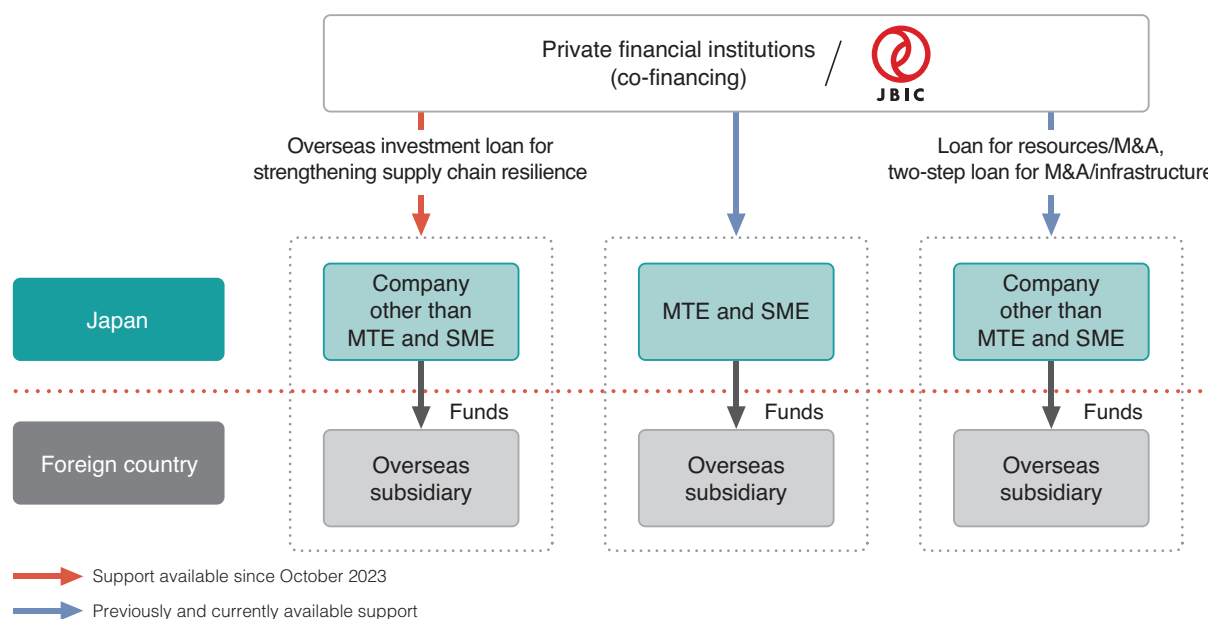
Note: **Resources important to Japan** : oil, petroleum gas, LNG, coal, uranium, metallic ore, metals, mineral phosphate, fluorite, salt, wood, wood chips, pulp, fuels derived from biomass (organic matter derived from animals and plants that can be used as an energy source, excluding crude oil, petroleum gas, flammable natural gas and coal as well as products manufactured from these), hydrogen, fuel ammonia, and other resources important to Japan.



(3) Overseas investment loans to Japanese companies for overseas business operations to strengthen supply chain resilience

Enhancement of supply chain resilience

- Given the fact that the supply chains of Japanese companies have extended across borders, direct loans to Japanese companies (overseas investment loans) are now available for overseas business operations which are intended to enhance Japanese companies' supply chain resilience, in addition to the current loans for resources and M&A, two-step loans, etc.
- JBIC supports the overseas supply chains of Japanese companies from upstream to downstream operations, ranging from manufacturing, development, transportation, and procurement of raw materials to processing, assembly, transportation, and sales of products.



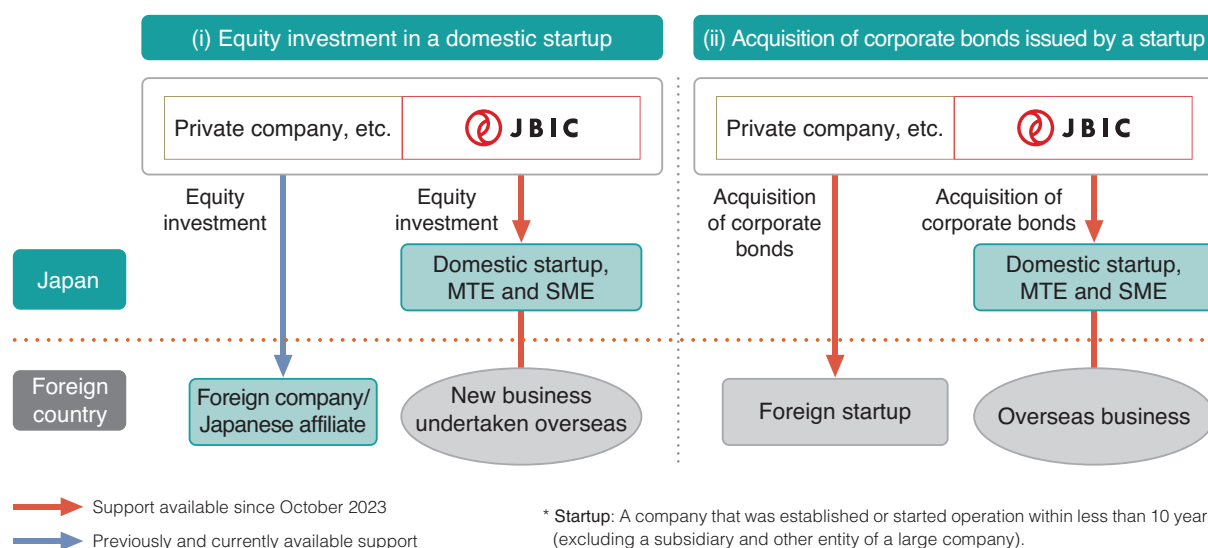
Assistance to Japanese companies, including startups, in further taking risks

- The assistance is now available for equity investments or acquisition of corporate bonds of Japanese startups (which were established or started operation within less than 10 years), MTE, and SMEs engaged in overseas business operations.
- Development of energy and natural resources, commercialization of new technology and business models, and equity investment in or acquisition of corporate bonds of startups are now included in Special Operations.

(1) Equity investment in, acquisition of corporate bonds and assisting in risk taking of domestic startups

Assistance for risk taking

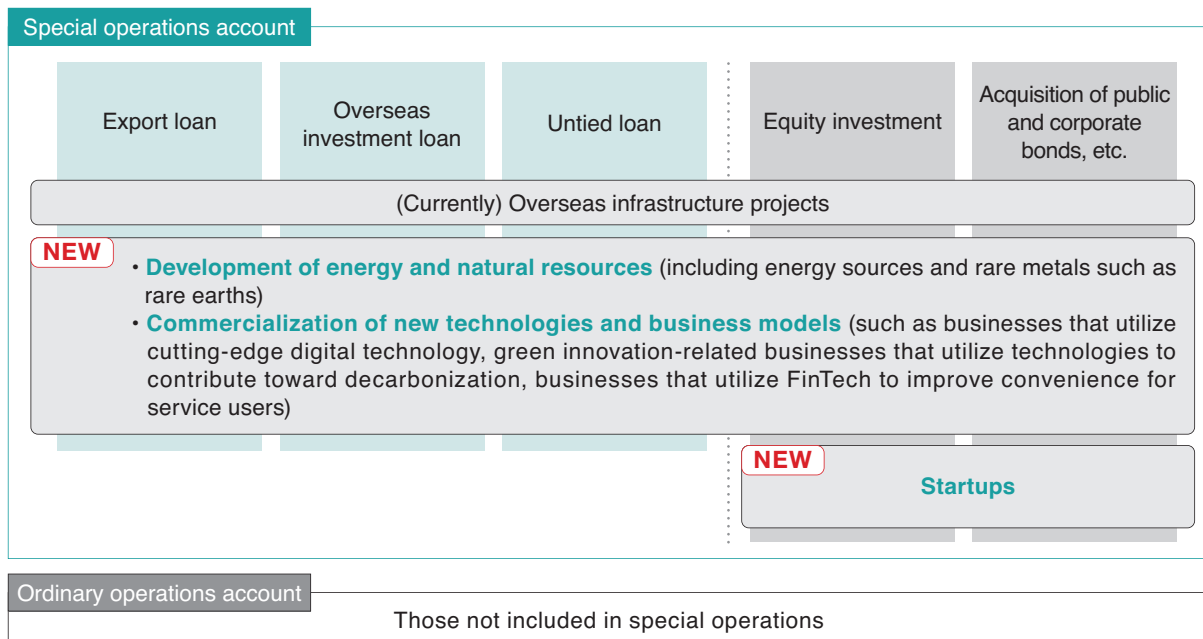
- As measures to support overseas business financing for promising startups as well as MTE and SMEs that aim to expand overseas after gaining experience in Japan, (i) equity investments in and (ii) acquisition of corporate bonds issued by startups or MTE and SMEs are now included in the operations.



(2) Expanded coverage of special operations

Assistance for risk taking

- JBIC began Special Operations in October 2016 to enable further risk-taking for overseas infrastructure projects. Projects are classified as Ordinary Operations or Special Operations and are accounted for under the respective “principle of mutual compensation.” However, the “certainty of repayment principle” does not apply to individual projects in Special Operations, from the perspective of strengthening risk-taking functions.
- Development of energy and natural resources, commercialization of new technology and business models, and equity investments in startups are now included in Special Operations to promote further risk-taking by Japanese companies.



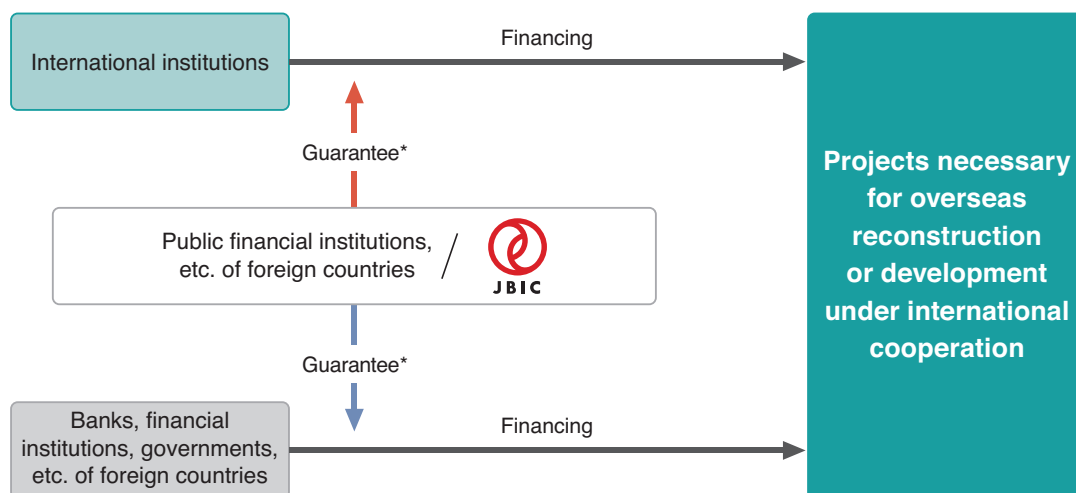
◎ Participate in international support for the recovery of Ukraine

JBIC is now able to provide guarantees for loans for the recovery of Ukraine by international financial institutions.

Guarantees for loans by international institutions

Participation in support for recovery of Ukraine

- JBIC has expanded support tools by enabling to provide guarantees to “loans by international institutions” with an eye to supporting reconstruction of Ukraine under international cooperation.
- The guarantees mentioned above are provided under the mission “Preventing disruptions to international financial order or taking appropriate measures with respect to damages caused by such disruptions (Ordinary Operations Account).”



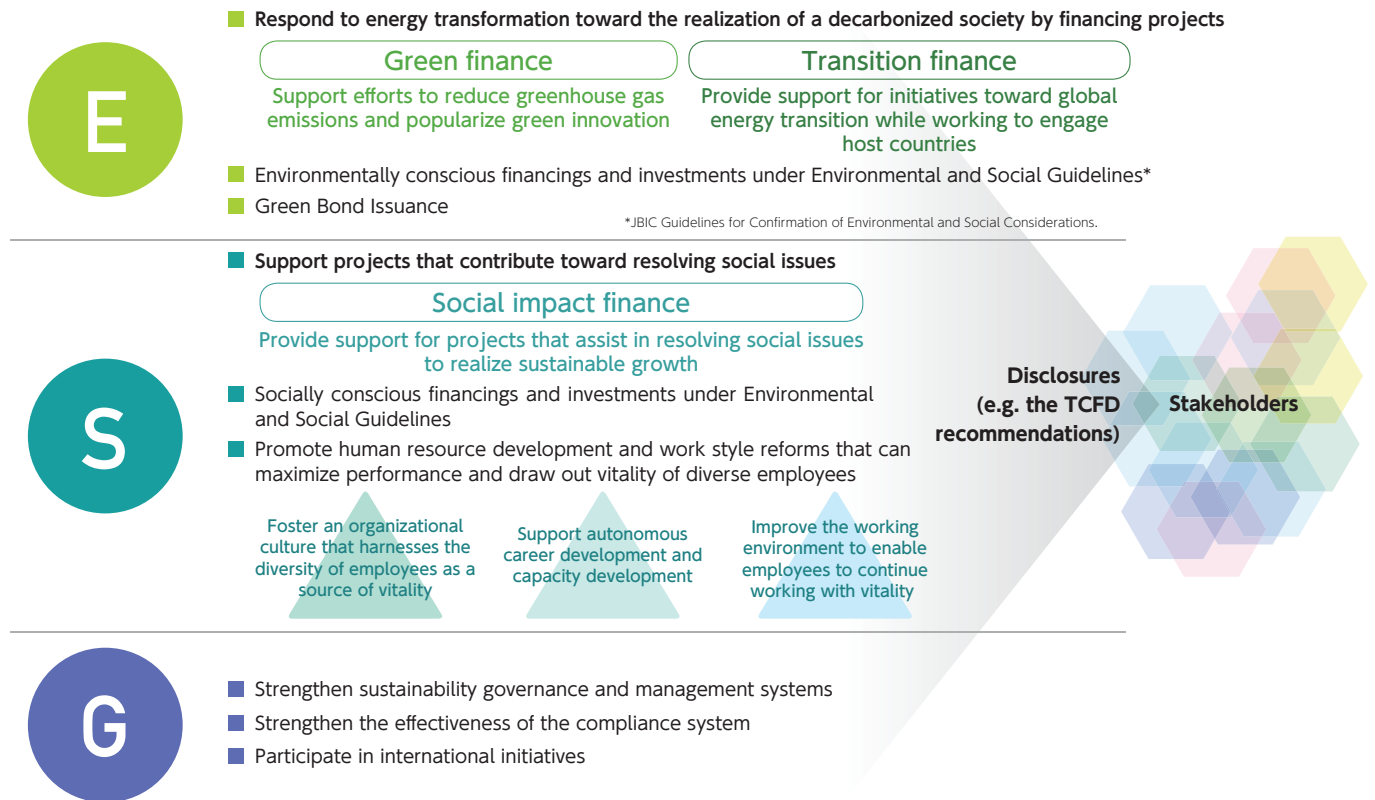
→ Support available since October 2023
→ Previously and currently available support

* The mission “Preventing disruptions to international financial order or taking appropriate measures with respect to damages caused by such disruptions (Ordinary Operations Account).”

JBIC ESG Policy

Under its ESG Policy, JBIC has strengthened its sustainability governance and management systems and has been proactively promoting green finance, transition finance, and social impact finance. In the meantime, we made our first information disclosures based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in October 2022. In April 2023, we released the JBIC Human Rights Policy, which expresses our commitment to respecting human rights and also states our expectations on clients and suppliers to respect human rights.

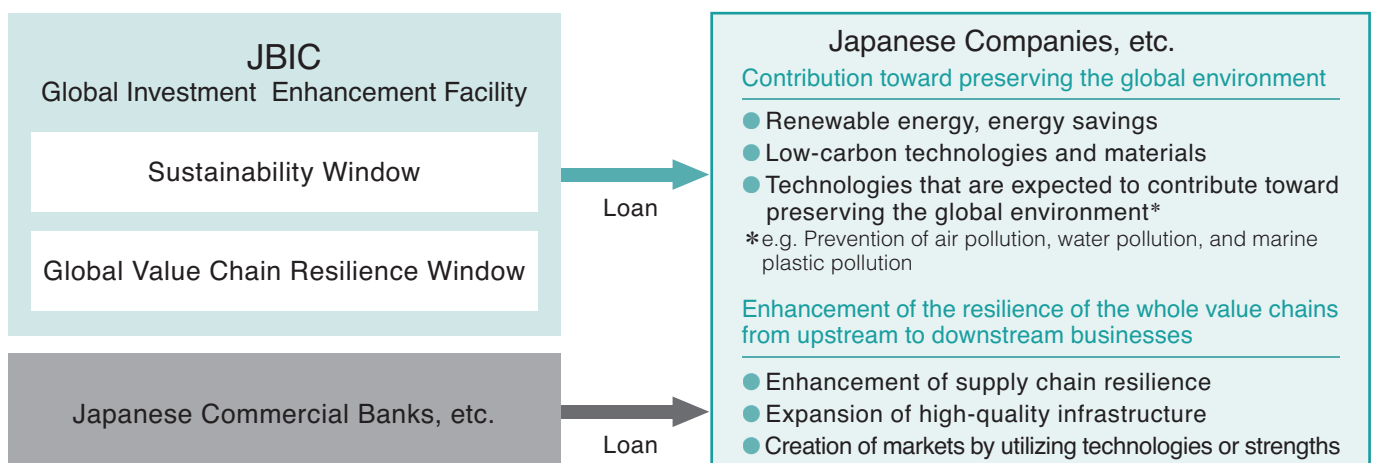
JBIC will act as a navigator in an era of transformation, and through engagement with the relevant stakeholders, further strengthen its sustainability initiatives to proactively contribute toward fostering global sustainable development and resolving global challenges.



Global Investment Enhancement Facility

In July 2022, JBIC established the Global Investment Enhancement Facility in order to support and accelerate overseas expansion of Japanese companies with their cutting-edge technologies for the environment or digitalization or with their unique competitiveness.

The Global Investment Enhancement Facility, which consists of the Sustainability Window and the Global Value Chain Resilience Window, is intended to support Japanese companies in: (i) the contribution toward preserving the global environment, including decarbonization and (ii) the enhancement of supply chain resilience, the expansion of high-quality infrastructure, and the creation of new overseas markets.



Environmental Conservation Efforts

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.

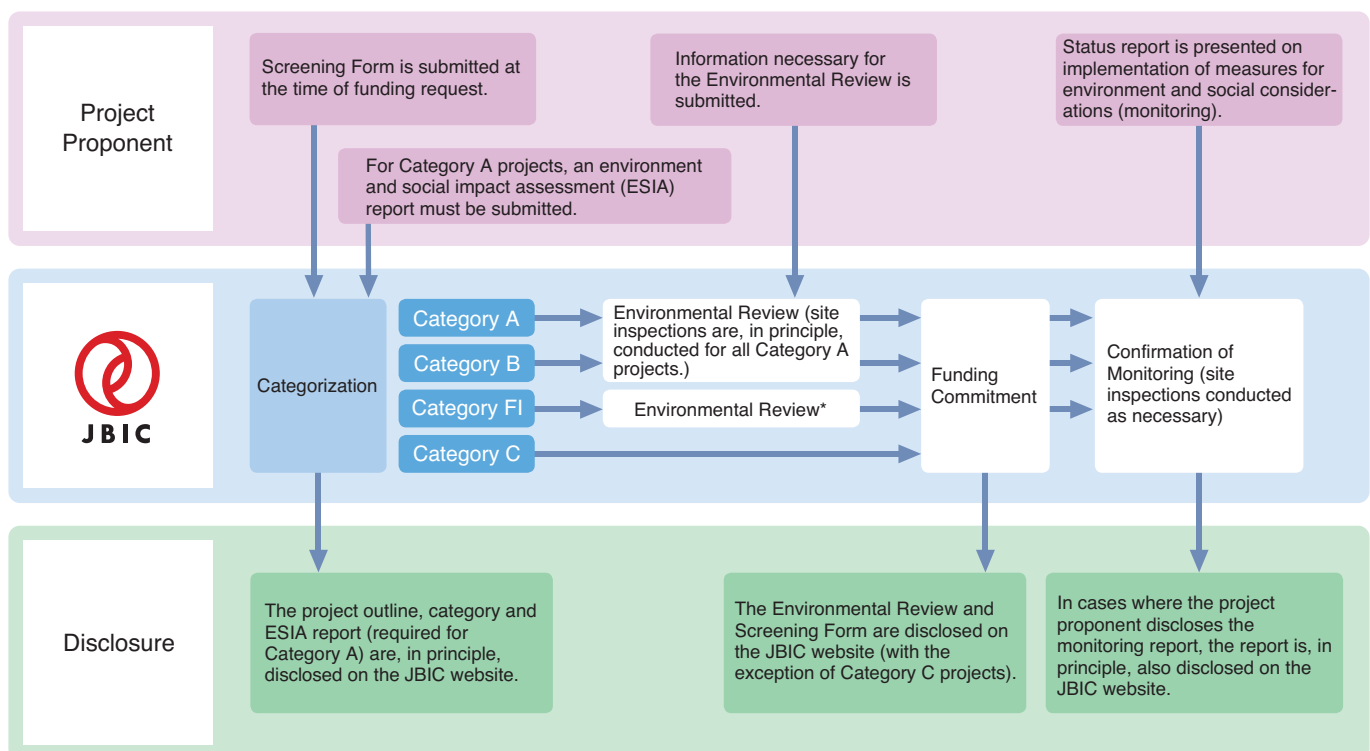
In conducting these operations, JBIC confirms whether appropriate consideration for local communities and the natural environment has been made in all the JBIC-financed projects based on the “Japan Bank for International Cooperation Guidelines for Confirmation of Environmental and Social Considerations”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

In addition, JBIC established and made public the “Japan Bank for International Cooperation Guidelines for Confirmation of Information Disclosure Considerations for Nuclear Sector Projects” (Information Disclosure Guidelines). 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.

◎ 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 Environmental 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.

Support for Mid-tier Enterprises and Small and Medium-sized Enterprises

Framework for Supporting Globalization Efforts of MTEs and SMEs

As economies in emerging market countries, especially in Asia, continue to develop, an increasing number of mid-tier enterprises (MTEs) and small and medium-sized enterprises (SMEs) seek to adapt to diversifying supply chains and expand their business in emerging markets in addition to responding to the overseas advancement of their business partners. In line with these varying purposes of expanding business overseas, their funding needs have also grown more diverse.

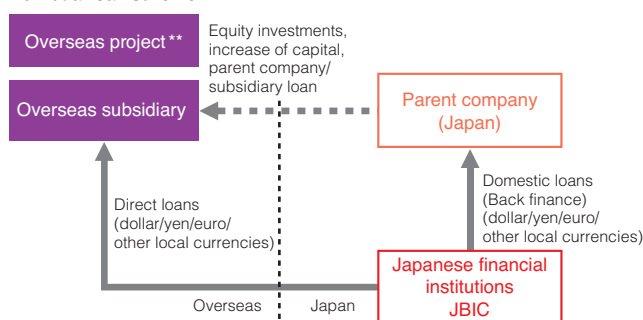
To respond to such diverse funding needs of MTEs and SMEs for their overseas expansion, JBIC has further strengthened cooperation with Japanese private financial institutions and expanded its support measures from individual loan schemes based on co-financing with private financial institutions to two-step loan schemes through private financial institutions, local currency-denominated loans, and two-step loans to support finance leases. Additionally, JBIC has been further enhancing cooperation not just with major financial institutions but also with private financial institutions, including regional banks and Shinkin (credit) banks, and local financial institutions in countries where MTEs and SMEs are expanding their business.

◎ Characteristics of support to overseas business of MTEs and SMEs

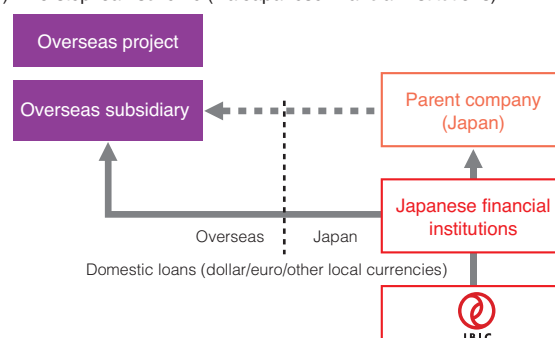
- (1) Prompt and flexible support to respond to funding needs of MTEs and SMEs (including loans of a relatively small amount)
- (2) Reducing currency exchange risk through local currency-denominated loans in addition to loans in Japanese yen, U.S. dollar, and euro
- (3) Responding to diverse funding needs by utilizing variety of financing tools, including loans for M&As, export loans, and equity investments
- (4) Collaborating with private financial institutions (mega banks, regional banks, Shinkin banks, and local financial institutions) to respond to and support overseas business of MTEs and SMEs in Japan
- (5) Utilizing networks of JBIC overseas offices in 18 cities to provide information services on overseas investment environment and assist solving issues with foreign governments

Example of MTEs and SMEs* support schemes

1) Individual loan scheme



2) Two-step loan scheme (via Japanese financial institutions)



* MTEs and SMEs are Companies capitalized at less than ¥1 billion or with not more than 300 employees. Consolidated subsidiaries of large companies are excluded.

** In principle, in developing countries.

◎ Cooperation with Japanese private financial institutions

Private financial institutions with MTEs and SMEs as their client base, play an important role when they seek to develop their business expand overseas. Among private financial institutions, regional banks and Shinkin (credit) banks have especially close ties to MTEs and SMEs. In cooperation with such private financial institutions, JBIC broadly supports the overseas expansion of local Japanese companies by not just providing financial services but also co-hosting seminars focused on overseas business development etc. In addition, JBIC has general agreements with a number of private financial institutions to establish credit lines as a means to promptly finance the funds necessary for the overseas business development by MTEs and SMEs in emerging market.

◎ Cooperation with local financial institutions in emerging countries

It is essential for MTEs and SMEs to obtain support from local financial institutions in countries where they are expanding their business, which are well acquainted with the local area. Besides supporting Japanese affiliates overseas, JBIC has also strengthened its relationships with local financial institutions in emerging countries, for example, providing two-step loans to them with the objective of fostering and supporting local companies that supply raw materials and parts to Japanese affiliates overseas. In addition, JBIC has concluded MOUs with local financial institutions in Thailand, Indonesia, India, the Philippines, Vietnam, and Mexico to set up a system to support overseas business expansion of MTEs and SMEs. Under these MOUs, JBIC has opened or expanded a single contact point for overseas affiliates of Japanese companies ("Japan desk") in these local financial institutions and has established a framework to discuss cooperation and collaboration that involve Japanese private financial institutions.

◎ Providing local currency-denominated loans

JBIC provides loans in various local currencies, including the Thai baht, Indonesian rupiah, and Chinese yuan. Especially for MTEs and SMEs running domestic demand-based businesses in respective countries, stable financing of local currency funds is an important issue in their business strategy from the viewpoint of avoiding currency exchange risk. JBIC prepares long-term fixed-rate local currency loans alongside with finance from private financial institutions to their Japanese clients' affiliates overseas.

◎ Information services and seminars

In addition to individual consulting services for MTEs and SMEs' overseas expansion of their business, JBIC provides advisory services to business partners and cooperating regional financial institutions through experts concerning the legal, accounting, and currency regulations related to tax affairs, employment and labor issues, contracts, company establishment, and other issues for China, India, ASEAN, North America, Latin America, Europe, and the Middle East.

JBIC also organizes seminars and consultations on overseas business deployment in cooperation with organizations such as private financial institutions, prefectural and municipal governments, and local chambers of commerce and industry. In addition, it conducts field studies to assess investment climates in countries where Japanese companies are actively expanding their business. The findings of these studies are compiled into guidebooks, which are available in book form and on JBIC's website.

◎ Case studies

Indonesia

SHINKO KOGYO CO., LTD. (Okayama Prefecture)

Manufacture and Sale of Automotive Parts

SHINKO KOGYO engages in the manufacture and sale of cutting and processing parts for automobiles, such as brake parts and wheel hubs. In 2014, SHINKO KOGYO established PT. Shinko Kogyo Indonesia (PT. SKI) to expand its business in Indonesia and is seeking to increase market share by building an additional manufacturing facility. JBIC provided an Indonesian rupiah-denominated loan to PT. SKI for its business of manufacturing and selling automotive parts in Karawang Regency, Indonesia. The loan is co-financed with TOMATO BANK, LTD.



Thailand

Tsujiko Co., Ltd. (Shiga Prefecture)

Manufacture and Sale of Food Coloring

Tsujiko engages in the manufacture and sale of electric machinery and appliances. Recently, Tsujiko is also focusing on agribusiness, including manufacture of food materials, and in 2022 established Anchan Natural Blue Co., Ltd. (ANB), in Thailand. The aim is to manufacture natural blue food coloring using butterfly pea.* and sell it in global markets. JBIC provided a loan to ANB for its business of manufacturing and selling food coloring in Thailand. The loan is co-financed with THE SHIGA BANK, LTD.

* Butterfly pea is a legume that blooms blue flowers. Blue powder made from its dried, sterilized flowers is used to color food, such as chocolate and ice cream.



Vietnam

KOBAORI Co., Ltd. (Kyoto Prefecture)

Manufacture and Sale of Biomass Plastics

KOBAORI engages in the manufacture and sale of accessory materials for apparel brands. HUARI (VIETNAM) PRINTING AND PACKAGING CO., LTD. (HUARI (VIETNAM)), a joint venture established by KOBAORI in 2016, is now manufacturing RiceResin* and promoting its sales as an effort for business diversification. JBIC provided a loan to HUARI (VIETNAM) for its business of manufacturing and selling RiceResin and other biomass plastics. The loan is co-financed with Resona Bank, Limited.

* RiceResin is a biomass plastic developed in Japan, which uses wasted rice.



U.S.

KOSHII & CO., LTD. (Osaka Prefecture)

Manufacture and Sale of Interior Panels of Subway Cars

KOSHII engages in the manufacture of wooden groundsills and pillars for housing, to which its original preservative and termite control technologies are applied. In 1996, KOSHII established KOSHII MAXELUM AMERICA, INC. (KMA) in the U.S. and is working to expand business utilizing its technological capabilities related to wood materials. JBIC provided a loan to KMA for its business of mainly manufacturing and selling interior panels of subway cars in the U.S. The loan is co-financed with Kansai Mirai Bank, Limited.



JBIC's Profile

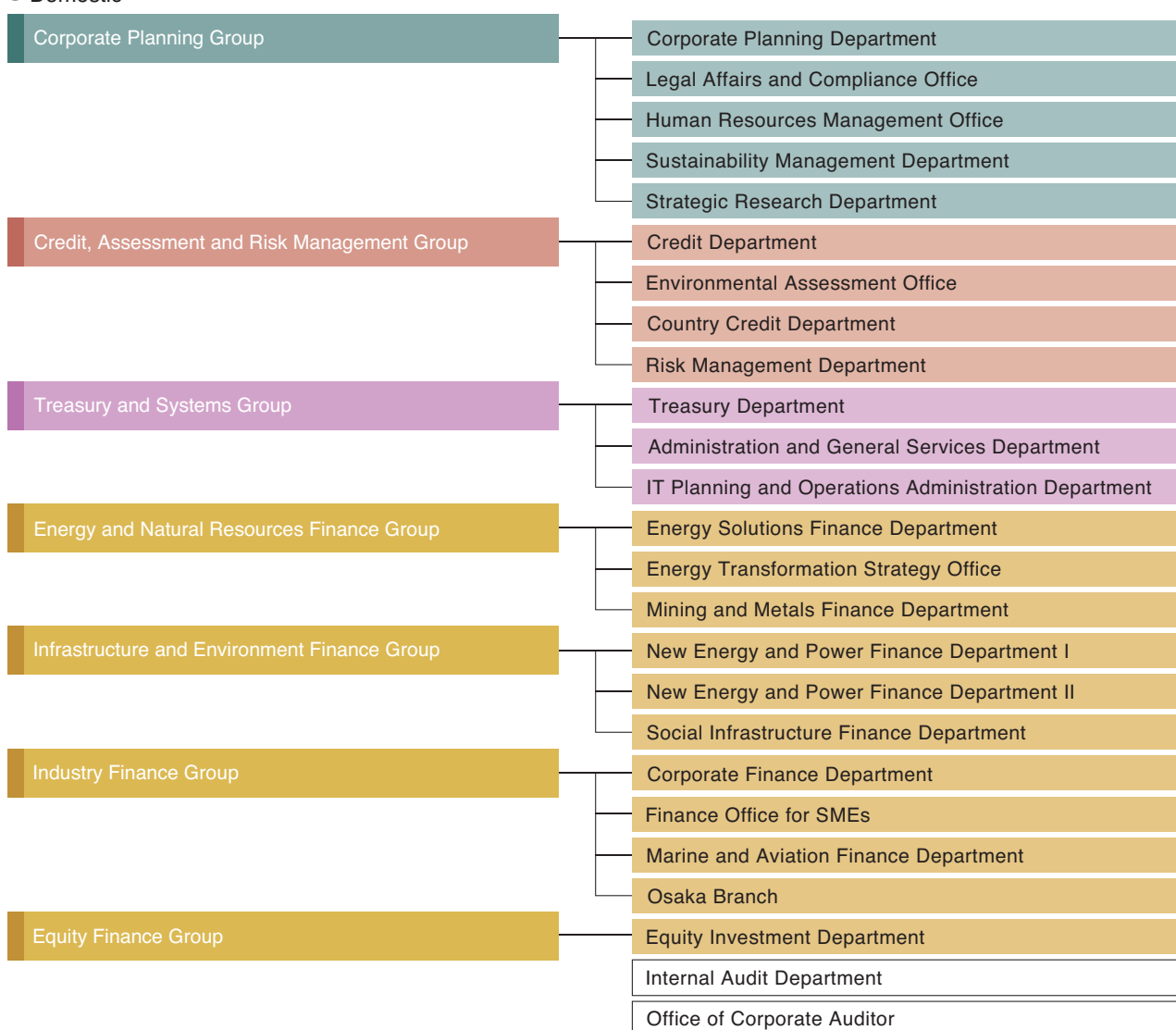
Corporate Philosophy

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

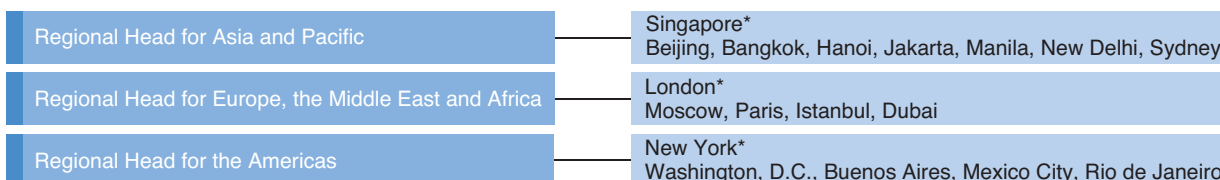
- Hands-on Policy** | Pioneering new value by participating at the forefront of overseas project development, and by engaging proactively in projects from the early stages.
- Customer-1st Approach** | Offering customers one-of-a-kind solutions by adopting their perspectives and integrating their views into policy development.
- Forward-looking Action** | Contributing to the sustainable development of Japan and the world as a whole by deploying highly professional skills, with a view to realizing a secure and affluent future society.

Organizational Chart (as of January 31, 2024)

● Domestic

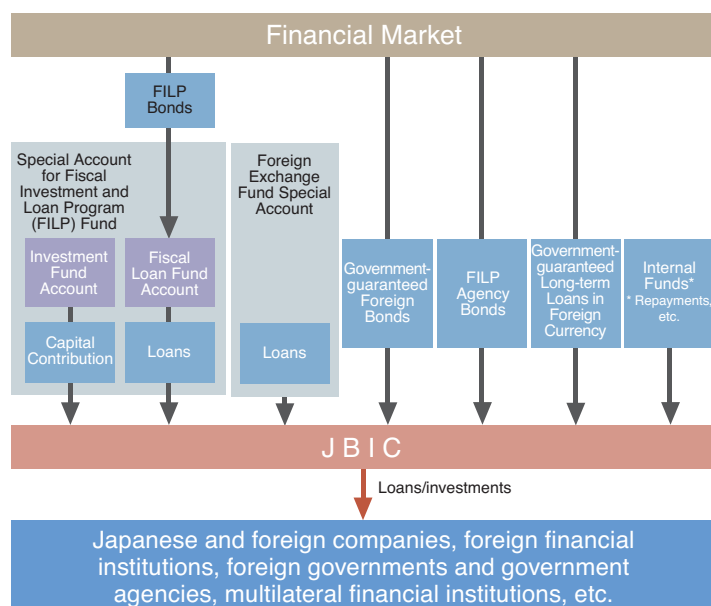


● Overseas



* Singapore, London and New York are assigned as core regional headquarters to supervise business and administrative activities and support project formulation in Asia and the Pacific; Europe, the Middle East and Africa; and the Americas, respectively.

Funding Sources



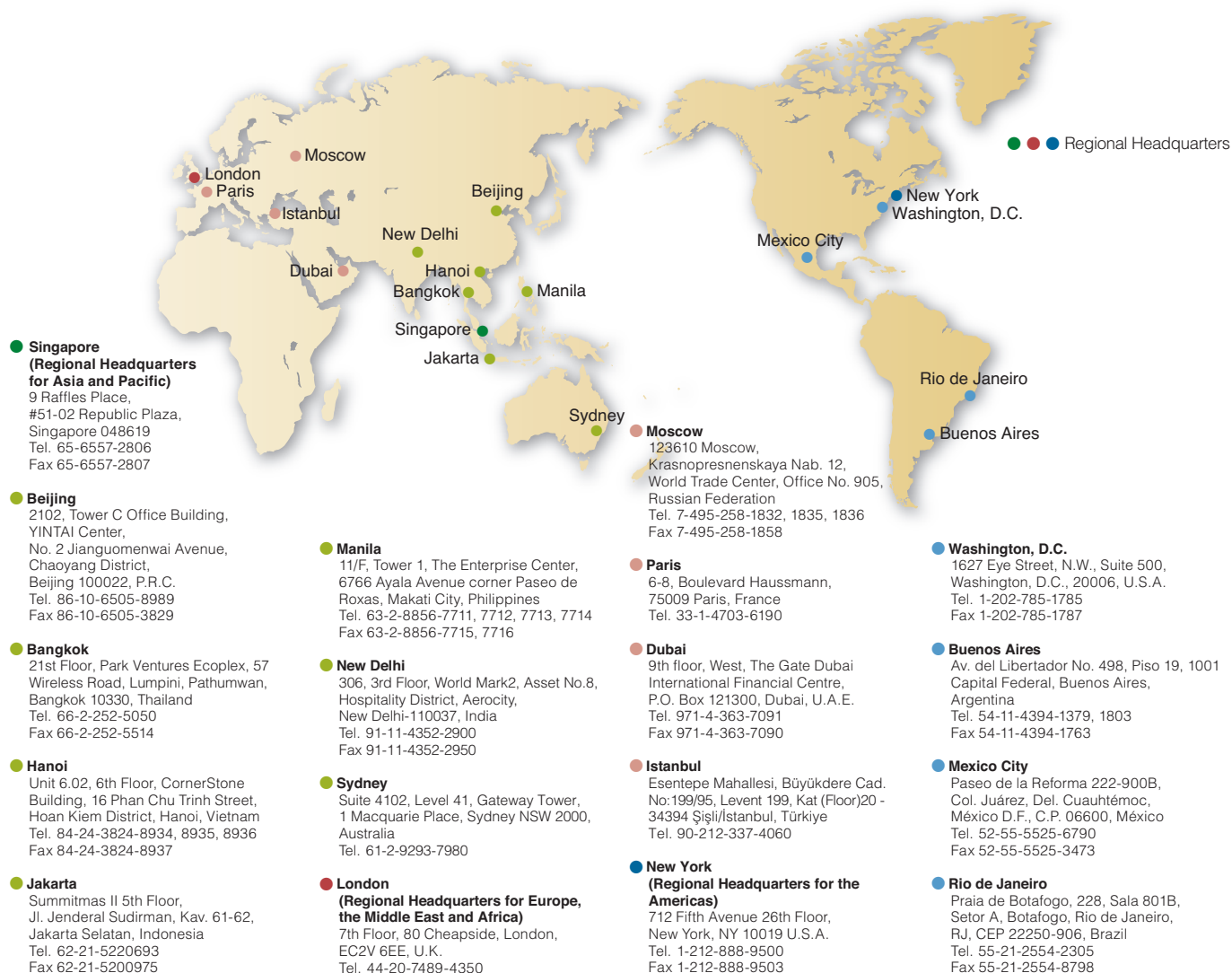
Funding Sources: Actual

Unit: billions of yen

	FY2020	FY2021	FY2022
Capital Contribution from FILP Industrial Investment	80.0	60.0	85.0
Borrowing from FILP Fiscal Loan	14.9	11.5	909.2
Borrowing from Foreign Exchange Fund Special Account	2,051.1	1,299.1	2,523.8
Government-guaranteed Long-term Loans in Foreign Currency	—	—	—
Government-guaranteed Foreign Bonds*	833.4	642.3	1,071.8
FILP Agency Bonds*	—	—	—
Other Sources of Funds, Including Repayments	(1,119.2)	62.7	(2,778.5)
Total	1,860.2	2,075.7	1,811.3

* Figures for bonds are indicated at face value.

Overseas Network of Representative Offices (as of January 31, 2024)

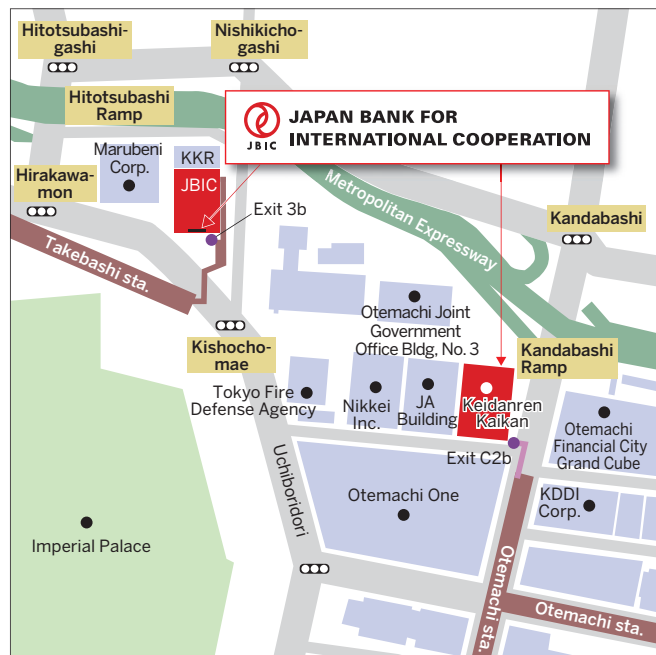


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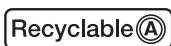
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