# Outline of Climate Response Financing Operations

<table>
<thead>
<tr>
<th><strong>Purpose</strong></th>
<th>To provide funds to financial institutions within the amount outstanding of their investment or loans that contribute to Japan's actions to address climate change, with a view to supporting private sector efforts on climate change</th>
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| **Eligible Counterparties** | Financial institutions that disclose information on (1) and (2) below concerning their efforts to address climate change:  
(1) Four thematic areas (governance, strategy, risk management, and metrics and targets) in the TCFD recommendations  
(2) Targets and actual results for their investment or loans |
| **Duration** | One year in principle (counterparties may receive long-term financing by using the operations successively) |
| **Interest Rate, etc.** | The interest rate is 0 percent per annum.  
- In the Interest Scheme to Promote Lending, the operations fall under Category III, for which the applied interest rate is 0 percent.  
- Twice as much as the amount outstanding of funds counterparties receive is added to the Macro Add-on Balances in their current accounts at the Bank. |
| **Investment or Loans to Contribute to Addressing Climate Change** | (1) The investment or loans that comply with international standards or the Japanese government's guidelines  
-- Counterparties are required to disclose which standards or guidelines they used as criteria.  
(2) The investment or loans that are substantially equivalent to those prescribed in (1)  
-- Counterparties are required to disclose the contents of their own criteria they established. |
| **Implementation Period** | Through March 31, 2031, unless the smooth conduct of market operations is interfered with |
| **Schedule** | The Bank starts accepting applications for the operations today.  
The first loan disbursement is planned to take place in late December. Thereafter, loans will be offered biannually in principle. |