

Outline of Climate Response Financing Operations

Purpose	<ul style="list-style-type: none"> 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
Eligible Counterparties	<ul style="list-style-type: none"> Financial institutions that disclose information on (1) and (2) below concerning their efforts to address climate change: <ul style="list-style-type: none"> (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	<ul style="list-style-type: none"> One year in principle (counterparties may receive long-term financing by using the operations successively)
Interest Rate, etc.	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> (1) The investment or loans that comply with international standards or the Japanese government's guidelines <ul style="list-style-type: none"> -- 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) <ul style="list-style-type: none"> -- Counterparties are required to disclose the contents of their own criteria they established.
Implementation Period	<ul style="list-style-type: none"> Through March 31, 2031, unless the smooth conduct of market operations is interfered with
Schedule	<ul style="list-style-type: none"> 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.