

# Nippon Healthcare Investment Corporation

## Japan's first listed REIT specialized in healthcare institutions and facilities

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Daiwa Securities Group Inc.

### Outline

In the Japan Revitalization Strategy announced in June 2013, the development of the health and longevity industry was identified as a strategic area in which the development of the residential environment for the elderly using private funding was stipulated as a major policy, as well as improvement in medical and nursing-care services. Under this policy, in order to resolve the shortage of domestic housing for the elderly as quickly as possible, relevant environments are being prepared by newly established REITs related to healthcare.

As the need for houses and facilities for the elderly grows, the number of paid nursing homes operated by corporations and homes for the elderly with support services is expected to increase. In the midst of this trend, Daiwa Real Estate Asset Management Co.Ltd. of the Daiwa Securities Group established the Nippon Healthcare Investment Corporation in January 2014. The Daiwa Securities Group believes that the new company will contribute to society and the further growth of the expanding senior market by selectively investing in facilities and homes for the elderly as part of the social infrastructure.

We will remain committed to the realization of a sustainable society and to the pursuit of economic goals by supporting the solution of social agendas through our main business through our finance function.

### Effects and achievements

The Nippon Healthcare Investment Corporation commenced operations in March 2014, shortly after its establishment in January of the same year. The Corporation obtained about JPY 6 billion in a public offering and became listed on the Tokyo Stock Exchange on November 5 as Japan's first listed REIT specialized in healthcare facilities. Total assets of the Corporation were about JPY 13.2 billion at the time of the listing (cost of acquisition of 14 real estate properties), and is aimed to increase to JPY 100 billion in three years.

The Nippon Healthcare Investment Corporation is expected to generate stable leasing income from contracts at long-term fixed rates with the providers of nursing-care services (operators). Also, since many of the operators are major companies in the nursing care industry or subsidiaries of listed companies, the business of the new company is considered highly reliable with regard to the performance of nursing care facilities and operational credibility. Hence, both profit and the management of facilities will be stable in the mid to long terms, despite any instability in the operator's sources of income, such as deposits, monthly fees, and care charges. For operators, on the other hand, the assets for the business with the new company would be the off-balance sheet and thereby would be possible to build or open more new facilities. Thus, our business is expected to contribute to the increase in the supply of facilities.

### Applied principles

Principle 1 Principle 2 Principle 4 Principle 6 Principle 7

## The promotion of ESG Investment to asset owners in Japan (cooperative approach by PRI signatories)

Nissay Asset Management Corporation

### Outline

The PRI Japan network has independent working groups that consist of PRI signatories. The awareness working group is one of those represented by Nissay Asset Management Corporation. The members are actively working on practices to achieve the aim of the group, which is to promote ESG Investment, with the practical goal of increasing asset owner signatories.

#### Major activities

- Examining the promotional methods of ESG Investment targeting asset owners
- Researching and publicizing ESG Investment according to the needs of asset owners
- Providing ESG-related information to asset owners
- Using media effectively for promotion
- Outspreading the network

### Effects and achievements

The most appealing feature of the group is that the outcome and effect from our practices for promoting ESG Investment can be multiple times greater than what each organization could ever achieve solely, thanks to the cooperation of aggregations with the common status as signatories. We will keep working on ESG Investment promotion by focusing on our cooperative practices with advisors from the PRI Japan network (Mr. Hiroichi Yagi, Managing Director of SECOM Pension Fund, and Mr. Teruo Katsura, Advisor and Compliance Officer of Pension Fund Association) and our members and by exploring the possibilities of collaborating with other initiatives that share the same philosophy.

#### Main achievements

- Hosted workshops focusing on case studies (FY 2012)  
Enhanced the awareness and knowledge of the working group members
- Translated a responsible investment guidebook titled “ESG Criteria in Manager Selection, Agreements and Monitoring” (in Japanese, FY 2012)  
Distributed mainly to asset owners, while used at seminars and other occasions as well (FY 2013)
- Delivered a series of ESG Investment seminars (FY 2013)  
Numbers of participants:\* the 1st seminar: 42 (24); 2nd: 66 (30); 3rd 58 (21); 4th 86 (33) (\*The numbers of asset owners are in brackets.)
- Enhancing mutual understandings and considering possible cooperation by exchanging views with the stakeholders (asset owners, consultants, members of Global Compact, and so on) (ongoing)
- Organizing workshops to improve knowledge and understanding of Japan’s Stewardship Code and Corporate Governance Code (ongoing)

### Applied principles

Principle 1 Principle 4 Principle 6

GOOD PRACTICES: INSURANCE CATEGORY

## Countermeasures for the falling birth rate (inviting nursery schools to our real estate, subsidizing nursery facilities, and promoting work-life balance in cooperation with local governments)

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The Dai-ichi Life Insurance Company, Limited

### Outline

The falling birth rate is a significant problem facing society that ought to be resolved for the sustainable management of the social security system of the country. As a countermeasure, The Dai-ichi Life Insurance Company, Limited ("Dai-ichi Life") is inviting nursery schools to the real estate we own to alleviate the problem of nursery waiting lists. In order to expand this project, we are using the buildings for lease and those being used as offices for our own life insurance business. Additionally, we are exchanging information regularly with more than twenty companies that operate nursery schools, including two of the major facilities in the nursery industry with which we have business alliances.

Adding to the invitation of nursery schools to solve the shortage of nursery facilities, a project was started by The Dai-ichi Life Foundation ("DL Foundation") in 2013 to subsidize the cost of purchasing equipment for newly founded nursery schools. It is the first private foundation to offer such a service. The aim of the project is to subsidize the cost of purchasing the equipment needed for nursery plans that are independently implemented by nursing institutions. The target of the subsidy is licensed nursery schools, certified and other kinds of nursery schools, and certified children centers, and their the parent organizations can be stock corporations as well as social welfare corporations. To improve the recognition of the project, related information is released on the homepage of DL Foundation and on the website of Dai-ichi Life.

In order to counter the fertility crisis, Japan must establish the appropriate working conditions for working women to return to work with no problems after maternity leave. Dai-ichi Life has been honored for its efforts as a corporation promoting a better work-life balance. Furthermore, cooperating with local government bodies, we have supported business partners in promoting a better work-life balance since 2012 to extend our own efforts from Dai-ichi Life to the wider society.

### Effects and achievements

We have established eleven new nursery schools as of the end of January 2015, after negotiating steadily with local government bodies. We are also about to open more schools in Ota Ward in Tokyo and Kamakura City in Kanagawa Prefecture in April 2015. As a result, we secured nursery schools placements for approximately 650 children, including schools in preparation. In addition, we hope to encourage real estate companies to make this kind of effort by showing that the establishment of nursery schools can be a profitable business.

DL Foundation is the first private foundation to subsidize the cost of equipment for newly established nursery facilities. The Foundation subsidized 35 cases from 231 applications in the first round (2013) for a total of JPY 28.93 million and another 35 cases from 157 applications in the second round this year for a total of JPY 29.59 million in subsidies. Furthermore, this subsidizing project contributes to the improvement of the quality of nursery education through supporting nursery facilities that are making sincere and honest effort for the balanced development of children. Thus, the project supplements nursery education, a matter which is of significant public interest, utilizing DL Foundation's status as a foundation

We are also continuing our activities at the local municipal level, utilizing the public systems available for companies to promote work-life balance. We have concluded a partnership agreement with Kyoto Prefecture in 2012, with Miyagi and Akita Prefectures in 2013, and with Kanagawa Prefecture in January 2015. This is the first promotional effort for work-life balance in Japan that involves local governments, unique in extending the positive result of one corporate group to society.

### Applied principles

- Principle 1
- Principle 2
- Principle 3
- Principle 4
- Principle 6

## Research on earthquake-induced tsunami risk by Tohoku University and Tokio Marine & Nichido (an industry-academia collaboration)

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Tokio Marine & Nichido Fire Insurance Co., Ltd.

### Outline

Tokio Marine & Nichido Fire Insurance (Tokio Marine) concluded an industry-academia collaboration agreement with Tohoku University in July 2011, shortly after the Great East Japan Earthquake. In April 2012, the two organizations established the Earthquake Induced Tsunami Risk Evaluation (Tokio Marine) Endowed Research Division in International Research Institute of Disaster Science (IRIDeS) at Tohoku University and have been involved in research on the risks inside and outside the country ever since.

Combining the knowledge and skills of each entity, Tohoku University and Tokio Marine are working together in researching methods to assess tsunami risks incorporating a more reliable damage estimation (simulation) and a more accurate stochastic evaluation of the disaster, taking into account the vulnerability and disaster prevention capability of the society, while also analyzing the tsunami risks (factors such as the distribution of wave heights and the arrival times of tsunami) from the Great East Japan Earthquake and other great earthquakes in the past. Moreover, the members of the Earthquake Induced Tsunami Risk Evaluation in IRIDeS have been utilizing the results of research in presentations at conferences and academic journals, as well as by in a variety of other activities for the benefit of society, including seminars, classes in schools, and local disaster prevention activities. The main activities are as follows:

- Research on the model of the assessment of earthquake-induced tsunami risk, and hazard research in general
- Collection and analysis of the data of the risks of the earthquakes and tsunamis in and outside of Japan
- Analysis of a variety of information concerning of the accurate damage of, and the recovery and rehabilitation from, the Great East Japan Earthquake
- Support for the recovery from the earthquake (development of the disaster prevention and evacuation plans); educational and enlightening activities (including supervising "Disaster Prevention Lessons" for elementary school children and information website "For tomorrow's Smile" about disaster preventions and mitigations, development of disaster prevention goods, etc.)

(<http://www.tokiomarine-nichido.co.jp/world/egao/>)

### Effects and achievements

Our project develops a structured system and methods of assessing earthquake and tsunami risks. These systems and methods have improved the reliability of damage estimates, and the estimates in turn are contributing substantially to the creation of a safe, secure, and resilient society as the base of information for disaster prevention plans for coastal areas. In particular, as tsunami risks have hardly been researched properly before, we have assessed the disaster risks of different places inside and outside Japan with reference to the situation of the Great East Japan Earthquake, and have been provided support for the construction of well-organized disaster prevention and mitigation plans. Furthermore, we aim to construct a system of disaster avoidance that diverts disaster risks. So far we have improved the accuracy of risk evaluations by constructing probabilistic evaluation methods of tsunami risks and a method of evaluating damage from earthquakes and tsunamis to buildings and marine vessels. We have also been contributing to the design and execution of evacuation plans and exercises.

- Risk research: We have presented the results of our research on risk assessment at academic occasions regarding natural disaster science. The paper “Stochastic Evaluation of Tsunami Inundation and Quantitative Estimating Tsunami Risk” was awarded the encouragement prize from the Coastal Engineering Committee of the Japan Society of Civil Engineers.
- Symposia and seminars: October 2012 (Sendai), February 2013 (Tokyo), and October 2013 (Sendai)
- Disaster Prevention Lessons for elementary school children: By the end of March 2014, approximately 7,300 children attended at total 90 elementary schools nationwide

## Applied principles

Principle 1

Principle 2

Principle 3

Principle 4

Principle 6

provisional translation

GOOD PRACTICES: DEPOSIT, LOAN, AND LEASE CATEGORY (COMMERCIAL BANKS, LEASING COMPANIES, AND SO ON)

## Storage Battery System Rental Service

ORIX Corporation

### Outline

ONE Energy Corporation (\*)—a joint venture of ORIX Corporation, NEC Corporation, and EPCO Incorporated—offers house-use storage battery system rental service, utilizing applications that visualize electricity consumption and contribute to electricity-saving.

(\*) Shareholders: ORIX 70.2%, NEC 14.9%, EPCO 14.9%

ONE Energy Corporation : <http://oneenergy.co.jp/>

ONE Energy service catalogue : [http://oneenergy.co.jp/img/OESP201403\\_004.pdf](http://oneenergy.co.jp/img/OESP201403_004.pdf)

### Effects and achievements

- ONE Energy's service provides rental of an entire system including NEC-manufactured fixed-storage batteries paired with an application for smart-houses (called "PiPiPa"), through cloud data link. It is Japan's first(\*) rental package of such system in its entirety for detached houses.

(\*)As of April 25, 2013, SVP JAPAN Co., Ltd survey. For fixed-storage batteries for home use.

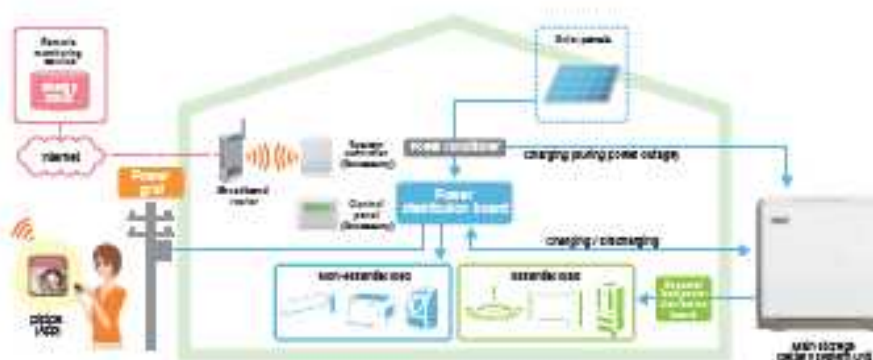
- This service enables customers to reduce their electricity bills by storing low-cost electricity during the night and releases it later for use during the day. The system helps to reduce peak day time electricity demand, and also provides emergency power source during power cuts.
- Households can store or sell any surplus electricity generated through the combined use of storage batteries and a solar power system. When surplus electricity is stored, the household will aim for energy self-sufficiency by reducing the amount of power purchased from the electric power company. Even when surplus electricity is sold instead of stored, since there is no double power generation(\*) households can sell power without reducing the purchase price.

(\*) Double power generation allows households to sell a greater amount of power by combining solar power systems with fuel cells or storage batteries for household use. A lower feed-in tariff rate has been set for double power generation, compared with power generated only by solar power systems.

- Utilizing its long-time expertise in the lease and rental business, ORIX has, in cooperation with NEC and EPCO, created a rental plan that offers a stationary electricity storage system with long-term security and without the initial cost of implementing equipment.

### Applied principles

Principle 1 Principle 2 Principle 3 Principle 4



## Continuous initiative towards the Equator Principles for the sustainable development of the society in cooperation with different stakeholders,

Mizuho Financial Group, Inc.

### Outline

The Equator Principles: a framework that assures impacts to natural environment and local communities is appropriately considered when financial institutions participate in large scale development or construction projects. The Principles have been adopted by 80 financial institutions in 34 countries worldwide as of the end of June 2014.

#### A. Consistent implementation of the Equator Principles to projects financed

Mizuho Bank believed that management of environmental and social risks in large-scale projects is necessary for sustainable development of society, and that the Equator Principles would become the international standard for such management. In this belief, Mizuho adopted the Equator Principles in October 2003, the first Asian financial institution to do so. Since then, to implement the Principles, Mizuho founded a specialized team and has been using its own implementation manual worldwide, in addition to holding relevant in-house training sessions regularly. In applying the Equator Principles, Mizuho assesses the environmental and social impacts of the subject project according to the framework of the Principles, requests borrowers to understand the importance of environmental and social considerations, and directs the business operators to take necessary measures to address them. Also, Mizuho makes adherence to the guidelines of the Principles as one of its loan conditions.

#### B. Taking a leadership in the activities of the Equator Principles Association

For 12 years since the adoption of the Principles, Mizuho has been engaged in the management and planning of the Equator Principles Association as the secretariat bank, a member of several working groups, and a member of the steering committee of the association. Such contributions have been valued highly, and Mizuho became the first Asian bank to become the chair of the association in May 2014. As Chair, Mizuho is taking a leadership in the association by guiding the various discussions and decisions. Also, it has contributed significantly to the wide spread of the Principles by organizing seminars and study sessions within and outside of the bank.

### Effects and achievements

#### A. Consistent implementation of the Equator Principles to projects financed

Mizuho has been applying the Principles to its projects that affect the environment and society globally. Since its adoption to fiscal year 2013, Mizuho has screened as many as over 350 projects.

#### B. Taking leadership in the activities of the Equator Principles Association

Mizuho has been engaged continuously and diligently in activities for the association in a variety of aspects, such as the management of the association, active participation in the outreach, biodiversity, climate change, and social risks working groups, and considerable contribution to the third revision of the Principles. Furthermore, as the leader of the Asia outreach working group, Mizuho has held seminars for and exchanged views with more than 100 financial institutions and government organizations in eight different countries in Asia from fiscal year 2012 to 2014 and supported banks in China and India to adopt the Principles. Moreover, bank associations and environment authorities in Asian countries were impressed by Mizuho's induction as the chair of the association, and there is a growing interest in the



Principles. In response to their interest, Mizuho is actively organizing relevant presentations and helping delegation to visit Japan for study tours.



### Applied principles

- Principle 1
- Principle 4
- Principle 6
- Principle 7



The annual general meeting of the Equator Principles Association

## Green ATMs with carbon offsetting

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The Daishi Bank, Ltd.

### Outline

- We have started the operation of Green ATMs with the concept “ATMs good for the environment.”
- We are installing more of these energy-saving, small footprint ATMs, attaching to them the function of offsetting the CO<sub>2</sub> produced in ATM operations based on the credits certified by the Niigata prefectural government to be used in the prefecture (for the amount of greenhouse gas to be reduced or absorbed).
- Twenty grams of CO<sub>2</sub> emissions is offset every time one of the Green ATMs is used. The customer can offset the CO<sub>2</sub> emissions from the use of ATMs no matter how frequently the machines are used.
- This project started in August 2014 with the installation of the new energy-saving, small footprint ATMs. Two more machines were installed later, one each the following October and November.
- From December 1st, the carbon offsetting function was attached to part of existing ATMs as well, not only to the energy-saving, small footprint Green ATMs, thus expanding the activity of ATM carbon offsetting considerably.
- The operation from December 1st has obtained the Carbon Offsetting certification of the Ministry of the Environment. We expect about 40 tons of CO<sub>2</sub> to be offset in this operation by the end of November 2015.
- We are planning to extend the operation further, contributing more to the environment.

### Effects and achievements

- This project is Japan's first ATM service with a carbon offsetting function.
- As the credits used for offsetting are certified by the Niigata prefectural government and required to be used in the prefecture, this project works positively for environmental conservation in Niigata.
- Our system with the new Green ATMs relates every customer to environmental conservation through our everyday ATM service, while also enhancing the customers' interest in environmental issues. We also aim to heighten and extend our customers' awareness of the environment by clearly showing the connection between the amount of CO<sub>2</sub> to be offset and the times of ATM use. We are developing activities in which the bank and our customers work together to contribute to the local communities and the environment.
- The Niigata prefectural government is one of few local governments that are approved by the country to issue credits, and it has been promoting businesses with carbon offsetting. We believe that our effort in this project will lead to the further expansion and promotion of such businesses in Niigata Prefecture.

### Applied principles

- Principle 1
- Principle 2
- Principle 3
- Principle 4
- Principle 6

## Eco-Plus Time Deposit

The Shiga Bank, Ltd

### Outline

Eco-Plus Time Deposit: Supporting environmental education with biotopes at schools

Each time a customer makes a time deposit via a direct channel (such as ATM, telephone banking, and internet banking), rather than at our branches, Shiga Bank puts aside 7 JPY (the saved cost of paper for the application form) from its profits. The bank donates that same sum every year to support the creation of biotopes in elementary and junior high schools in Shiga Prefecture.

Furthermore, from fiscal year 2013, the bank has been donating the saved cost of paper resources for the creation of school biotopes each time a customer newly subscribes to the Electronic Delivery service for the Internet investment trust with the bank (100 JPY per subscription).

### Effects and achievements

- The Eco-Plus Time Deposit is a continuous project since 2003. So far, it has donated a total of JPY 13.79 million to 29 elementary and junior high schools, while the cumulative total of the Time Deposit is now JPY 2.15 trillion with 2.33 million accounts (as of the end of September 2014).
- The project has developed over time: it was initially subsidizing local NPO organizations, but the target of donation was changed to schools for creating biotopes in November 2005. Donating from internet investment trusts started in 2013.
- The effect of school biotopes
  - (1) Environmental education of children that provides the experience of how nature works and teaches the value of life
  - (2) Fostering partnerships with local communities by obtaining the understanding of and assistance from local residents.
- Product planning based on the Omi merchant philosophy of “good for all three”:  
Better interests for customers (good for the depositor); the reduction of paper cost for Shiga Bank (good for the depositor); and school biotopes at elementary and junior high schools for environmental education (good for society and environment)

### Applied principles

#### Principle 3



## Kosei Eco-Eco Campaign

( With more vigor for less CO<sub>2</sub> : everybody can work together for green and clean Osaka )

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Osaka Kosei Shinkin Bank

### Outline

Interest in environmental issues has been especially high since when the Kyoto Protocol required the reduction in greenhouse gas emissions in four years from 2008. The Osaka Kosei Shinkin Bank started our own campaign for environmental causes, setting the goal of *contributing to the alleviation of the heat-island effect in Osaka via actions against global-warming*. In this campaign, we have been working together with a wide variety of persons and groups, including our customers, our staff, communities and society, NPO organizations, and administration bodies. Our campaign has helped everybody involved in them truly experience that everybody can contribute to community and society through actions such as greening activities, using the products and resources of Osaka Kosei Shinkin. Our main activities are as follows:

- May 2008: the campaign started (the title, slogan, posters, and image-character of the campaign were prepared and announced)
- June 2008: started introducing green curtains at Osaka Kosei Shinkin branches, joined the ecocap movement as well
- August 2008: Started an eco time-deposit, Wakaba (literally, *young leaves*, which donates 0.02% of the balance at end of March to the Green Foundation of Osaka Prefecture every year, a collaborative product with Osaka Prefecture), and a support loan for global warming prevention, "Kosei Eco Plan"
- October 2008: Started the public relations homepage of the campaign activities and its eco blog
- November 2009: Held its first charity concert, donating ticket sales and the funds raised at the venue to the Green Foundation of Osaka Prefecture
- April 2010: joined the Adopt-a-Forest program of Osaka Prefecture and, collaborating with an NPO organization, started participating in the Ikoma Mountain Range "Folding Screen of Flowers" Project (the logging of bamboo forests and tree planting)
- August 2013 – August 2014: Supported the printing of the environmental education booklet that Osaka Prefecture made for the 5th grade elementary school students

### Effects and achievements

- The balance of eco time-deposit Wakaba: JPY 14.5 billion as of the end of 2013; and the cumulative total of yearly donation to the Green Foundation of Osaka Prefecture since 2009: JPY 8.95 million
  - The total number of visitors to the five charity concerts (clients, executives and other staff members): about 5,000; the cumulative total of donation to the Green Foundation of Osaka Prefecture: JPY 6.31 million
- Cleaned the nearby Nakanoshima Park by volunteer staff members on the days of the concerts. Supported Osaka Prefecture's publicity of greening, through activities such as handing over seedlings from the Prefecture to the visitors

- The Ikoma Mountain Range Folding Screen of Flowers Project: Engaged in the logging of bamboo forests and tree planting for 9 times as part of, with total 394 staff members participated
- Collected the total of 2.73 million of bottle caps as part of the ecocap movement. Also assisted local schools and organizations collecting them, and received 550,000 caps from them as donations.  
Presented a certificate of gratitude and a gift to Osaka Municipal Oyodo Elementary School for their contribution to the ecocap movement by donating 80,000 caps in total
- Participated in the Osaka Green Curtain and Carpet Photo-Record Competition, won a special award in 2011 and the first prize in 2012
- The eco blog of the campaign: 60,000 visitors (IP) and 110,000 page views (PV)

## Applied principles

- Principle 4
- Principle 5
- Principle 6
- Principle 7



## Environmentally friendly bank branch in collaboration with the local community

The Kyoto Shinkin Bank

### Outline

Our Katsuragawa branch opened in its new building in April 2014 as an environmentally friendly branch with a solar power generation system and an LED lighting system with timber from Kyoto Prefecture. Furthermore, this branch is the first in Kyoto Shinkin Bank that has a green roof system. The system at the branch was developed by Kyoto Municipal Katsura High School as light in weight from the use of Noshiha (wild grass), the unique nature of which was found and has been researched by the school. In this way, Kyoto Shinkin Bank is supporting research by the local high school as part of the creation of an eco-friendly branch.

### Effects and achievements

#### 1. Supporting the research by local high school

One of the challenges for adopting a green roof system is to make the system light enough for the roof with a weight limit. Kyoto Municipal Katsura High School developed a green roof system that is light in weight, well insulated, and low in cost by using Noshiha. Kyoto Shinkin Bank had worked with Kyoto Municipal Katsura High School before in helping the school collect Noshiha seeds, which turned out to be necessary for the green roof system, and in co-exhibiting at the Biwako Environmental Business Exhibition. Upon opening our Katsuragawa branch this time, we wished that Katsura High School would use part of the new building for its research, and hence invited this green roof system. The research team from the high school and our personnel worked together and built the system with their own hands.

#### 2. Working on the conservation of biodiversity

Katsura High School has discovered and proven that Noshiha has different characteristics according to the habitats. The green roof system at the Katsuragawa branch uses Taiko-Shiba, a unique Noshiha species found only in Kyoto, identified and studied by the school. Thus, the system not only has a positive effect on the prevention of global warming, but also contributes to the conservation of biodiversity by featuring a native species. In addition, we have planted Taiko-Shiba in the shrubbery in front of the branch together with Noshiha from Mount Kinka in Miyagi Prefecture that was hit by the tsunami in 2011, as part of our biodiversity conservation activities.

#### 3. Introducing the activities to our customers

We have been publicizing Katsura High School's research on the green roof system and our efforts to establish an environmentally friendly branch to our customers by placing presentation panels in the branch. Also, we have introduced our efforts in our house journal, deepening our staff members' knowledge of the environment. The personnel at Katsuragawa branch are looking after the growing Noshiha with care and attention.



Working on the rooftop



Taiko-Shiba, a Noshiro species  
unique to Kyoto



Research team of Katsura High  
School and Kyoto Shinkin staff

## Applied principles

- Principle 1
- Principle 3
- Principle 4
- Principle 5
- Principle 6
- Principle 7

## SMILE: A Social Contribution Project

Kinki Labour Bank

### Outline

Local communities need support or solutions for their social problems in a variety of fields. In response to this need, the spirit of mutual aid in people's minds with a will to contribute to society has been growing after the Great Hanshin-Awaji Earthquake, manifested in volunteer work for the recovery from the Great East Japan Earthquake and other disasters, such as typhoons or heavy rains, and in activities for environmental preservation, social welfare, child care support, and international contributions.

Kinki Labour Bank aims to establish a society of harmonious coexistence (which means a sustainable society) through our social financing that enhances the economy of mutual support (solidarity economy) and assists a variety of relevant activities, expanding the parameters of mutual aid. We will cooperate with labor unions and citizens in our areas to create the "flow of money with good and clear intentions," which will connect the spirits of mutual aid in everybody's heart together and will contribute to a better society. SMILE: A Social Contribution Project is the collective title of projects for the creation of the society in harmonious coexistence with SMILE: A Deposit with Social Contribution as its core product.

SMILE: A Deposit with Social Contribution enables the depositor to support NPOs and other organizations operating in one of the following four fields via depositing disaster recovery support, ecology promotion, support for the future of children, and international cooperation. The depositor is requested to choose one of these when making a deposit with the intention reflected on how the donation is made. Then, we set an interest rate lower than the over-the-counter interest rate (interest rate of SMILE in the fiscal year 2014 was 0.01%), making the depositor contribute toward part of the donation; we donate the same amount as 0.1% of the balance of the deposit at the end of March each year to the chosen field, while considering the balance of the field.

Cooperating with the recipient organizations of our donation, we organize a variety of activities of SMILE: A Social Contribution Project, such as seminars and symposiums, supervised visits and experience tours, and other kinds of events and efforts. Thus, we are working together with our depositors and users, and the members of labor unions for the creation of a better society not only by making donations, but also by enhancing participation to social contribution and activities

### Effects and achievements

The total balance of the *money with good and clear intentions* in SMILE: A Deposit with Social Contribution reached JPY 7.6 billion (as of the end of March 2014) with the total amount of donations to nine recipient organizations being JPY 7.62 million (JPY 10.58 million, combined with the amount last time)

We created a business system in which our customers can choose which one to support from the four fields and participate in the activities of the recipient organizations in any of the fields, which have offices in some of the six prefectures in the Kinki region. This system thus promotes social activities in different areas as part of our social financing function, while contributing to the development of a sustainable society that is a global ideal as well.



We are committed to cooperation with a variety of stakeholders, including the recipient organizations, labor unions, consumers' cooperative societies, NPOs and NGOs, and citizen groups. Our staff members are also involved in local contribution activities by supporting community activities while voluntarily participating in related projects (with about 900 personnel participated in 18 group studies and workshops, and more than 700 personnel in 20 other events and activities).

We have set *business for harmonious coexistence* as our basic strategy, considering businesses that promote coexistence as one of the pillars of our entire business plan, and are focusing on activities that enhance the sustainability of society. Also, we are disclosing relevant information, such as the amount of donations, details of upcoming events held by the recipient organizations, and detailed use of the donations on our homepage or leaflets.

## Applied principles

- Principle 1
- Principle 2
- Principle 3
- Principle 4
- Principle 6
- Principle 7