# インパクト志向金融宣言

Japan Impact-driven Financing Initiative

# **Japan Impact-driven Financing Initiative**

Oct, 2024

### Overview of the Impact-driven Financing Initiative: Declaration

- "Japan Impact-driven Financing Initiative" started in Nov 2021 to promote impact investment through cooperation and collaboration between various financial institutions that believe the purpose of financial institutions is to actively address social and environmental issues, holistically understanding impact.
- Signatories of the declaration will take following actions into practice.

- 1. We understand the importance of being impact-driven in management in order for financial institutions to fulfill the role expected by society, and we will practice impact investment in each of our financial institutions.
- 2. We will integrate IMM as a decision driver in every investment process and financial product, since we believe that impact visualization as well as impact management, which requires efforts to continuously create impact by utilizing impact information, integrating into investment strategies and a decision driver, are necessary.
- 3. We will develop each action plan for the above-mentioned actions (1 and 2), appropriate to the situation of each organization, and then share and discuss the best practices and challenges experienced among the signatories, so that we can develop the signatories' community as a platform in a sustainable manner.

- 4. We will engage in collaborative activities at the working level of signatories, including exchange of information, and necessary research and studies, with a view to improving the quality of IMM and increasing the volume of impact investing.
- 5. We will work collaboratively to ensure that the impact-driven management of financial institutions and the implementation of the IMM will spread throughout the Japanese financial industry, including financial institutions not participating in this declaration.
- 6. We will actively participate in global initiatives that promote impact investing and IMM, contribute to the promotion of international impact investing, and actively disseminate information from Japan.
- 7.We will continue these activities until Japan's financial sector is able to develop impact investing in a sustainable and autonomous manner.

### Overview of the Impact-driven Financing Initiative: Key Characteristics

- The "Declaration on Impact-driven Financing" promotes initiatives from both the bottom-up approach of building up IMM practices in individual investments and loans, and the top-down approach of expanding impact-driven financing to the entire operations of financial institutions through the implementation of impact-driven financial management.
- By advancing this initiative across asset classes at multiple financial institutions, we aim to transform the flow of funds handled by financial institutions to be as impact driven as possible.

Promote impact-driven financing management

Practice

Advance IMM practices in individual investments and loans

[Approaches from both top-down and bottom-up]

### Strategy of Japan Impact-driven Financing Initiative • Theory of Change (ToC)

Vision

Transforming as much as possible the assets managed by financial institutions to be impact-driven, and creating a sustainable capital cycle that autonomously solve environmental and social issues

Mission

Promote initiatives across financial institutions to pursue impact-driven financing and IMM practices collectively

Strategy

Establish and expand impact-driven financial management in all aspects of a financial institution's operations through building up impact finance case studies with positive return and impact

Knoeledge Sharet:
Educate the industry
Collaborate globally



Raise Awareness :
Quantitative
expansion



Enhance • Deepen: Improve the quality



Network:

Engage the entire investment chain



**Actions** 

- Learn the best practices and the latest trends in the world
- Connect with the leading players abroad
- Raise awareness of impact finance and impact-driven financing
- Expand signatory institutions

(per asset class)

- Execute high-quality IMM
- Create best practices
- Visualize impact pathways
- Promote collaboration and engagement with asset owners
- Create mechanisms to motivate individual investors
- · Expand deal flow

<sup>\*</sup> Impact-oriented finance management means to include impact-orientation in the management of a financial institution. Impact finance refers to entire impact-oriented financial methods, including investment, loans, and other financial products.

### Management Structure and Activities

- A monthly Steering Committee meeting is held between the Steering Committee members and the chair and vice-chair of the subcommittee.
- All signatory and endorsing organizations participate in quarterly general meetings (company-wide and working level meetings)

(Chairman)

- Tsukasa KANAI, Executive Manager, Sustainability Management Department, Sumitomo Mitsui Trust Holdings
   (Vice Chairman)
- Minoru MATSUBARA, Resona Asset Management, Chief Sustainability Officer, Managing Executive Officer, Responsible Investment Division

(Board Members)

- Norio ISHII, Director of Social Good Promotion Div. Next Community Co-creation Dep., THE KYOTO SHINKIN BANK,
- Shinya IWAMOTO, General Manager, Corporate Business Support Dept., The Shizuoka Bank, Ltd.
- Kenjiro OKAZAKI, General Manager, Responsible Investment Dept., The Dai-ichi Life Insurance Company, Limited
- Masahiro KATO, Fellow, Sustainable Investment Division, Mitsubishi UFJ Trust and Banking Corporation
- Yuriko GIBO, Principal, Keio Innovation Initiative, Inc. (KII)
- Kotaro SUEYOSHI, Joint General Manager of Sustainable Business Promotion Department, Mizuho Financial Group, Inc. Mizuho Bank, Ltd.
- Sera TSUTSUMI , Manager, DG Incubation, Inc.
- Yuko NAGASAWA, Executive Officer & General Manager, Sustainable Impact Development Division, SBI SHINSEI BANK. LIMITED
- Akitaka Wilhelm FUJII, Executive Director, UntroD Capital Japan, Inc.
- Masato NAKAMURA, Co-Founding Partner, GLIN Impact Capital
- Hiroyuki NOMURA, Operating Officer, Senior General Manager, Investment Planning Department, JAPAN POST INSURANCE Co., Ltd.

#### Auditor

- Takeshi AOKI, President, Capital Medica Ventures
- Masanori HOSOKAWA, General Manager, Responsible Investment Development, Investment Planning & Research Department, Meiji Yasuda Life Insurance Company

- Steering Committee functions daily decision making & management under General Assembly meetings composed of all financial signatory members
- The "Working groups" are committees in which members gather vertically by asset class or theme to discuss and share information, while the "steering committee" and "planning/project teams" function horizontally to promote activities for the platform as a whole.

# **Steering Committee** Reporting Establishment **Working group (vertical)** Asset class/ Theme Regional Finance Working Group Social Metrics Working Group Venture Capital Working Group Asset Owner and Asset Management Working Group Loans and Bonds Working Group Impact Driven Corporate-Value Enhancement Alliance

#### Planning Team/Project Team (Horizontal)\*

- Impact Finance Definition and Criteria Development Team
- IMM Project Team
- Overseas Collaboration Planning Team
- Executive Leadership Project Team(ELT)
- Financial Base Developmet Project Team
- • (Newly established as needed)

## Management Structure and Activities: Special Advisors



Takeshi MIZUGUCHI

President
Takasaki City University of
Economics



Takeshi KIMURA

Board Director, PRI Special Adviser to the Board, Nippon Life Insurance

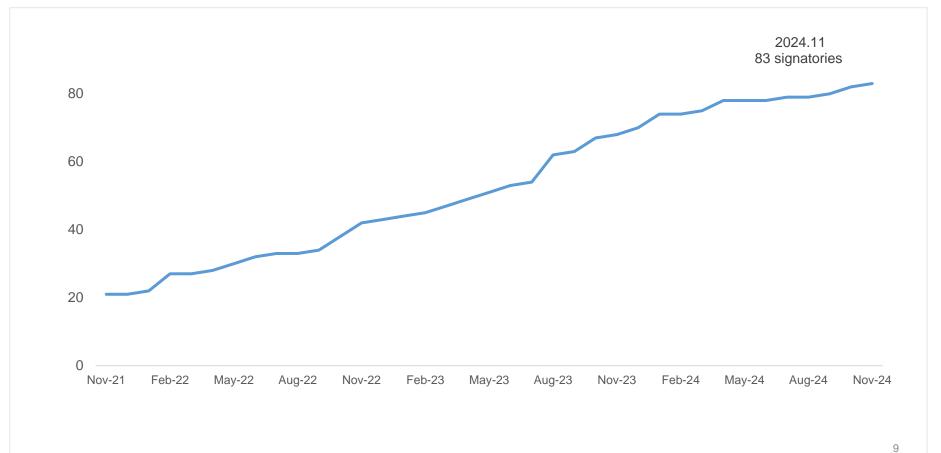


Masayuki MATSUYAMA

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Research Institute of Capital Formation
Development Bank of Japan Inc.



# Increase of signatories since Nov. 2021, since its establishment



# Going forward....key discussion topics and issues

- Engagement of the entire investment chain
  - Individuals
  - Pension funds etc.
- Specific "Dos and Don'ts" of IMM/ Impact engagement by asset classes
- Investing for managing Systemic Risk and System level impact