

# 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.

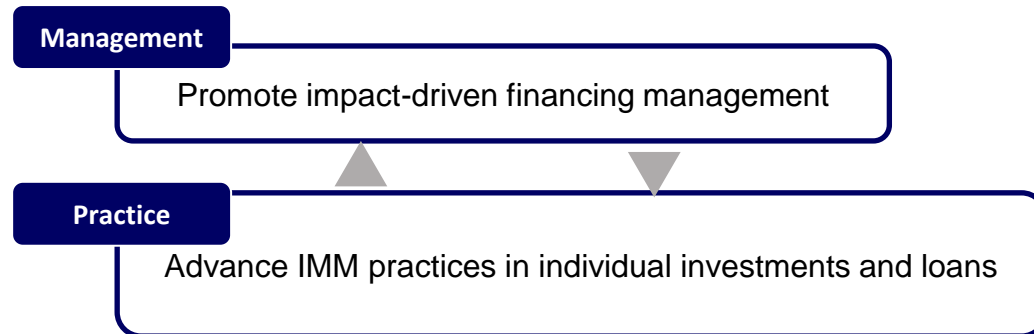
6. We will actively participate in global initiatives that promote impact investing and IMM, contribute to the promotion of international impact investing, and actively disseminate information from Japan.

7. We will continue these activities until Japan's financial sector is able to develop impact investing in a sustainable and autonomous manner.

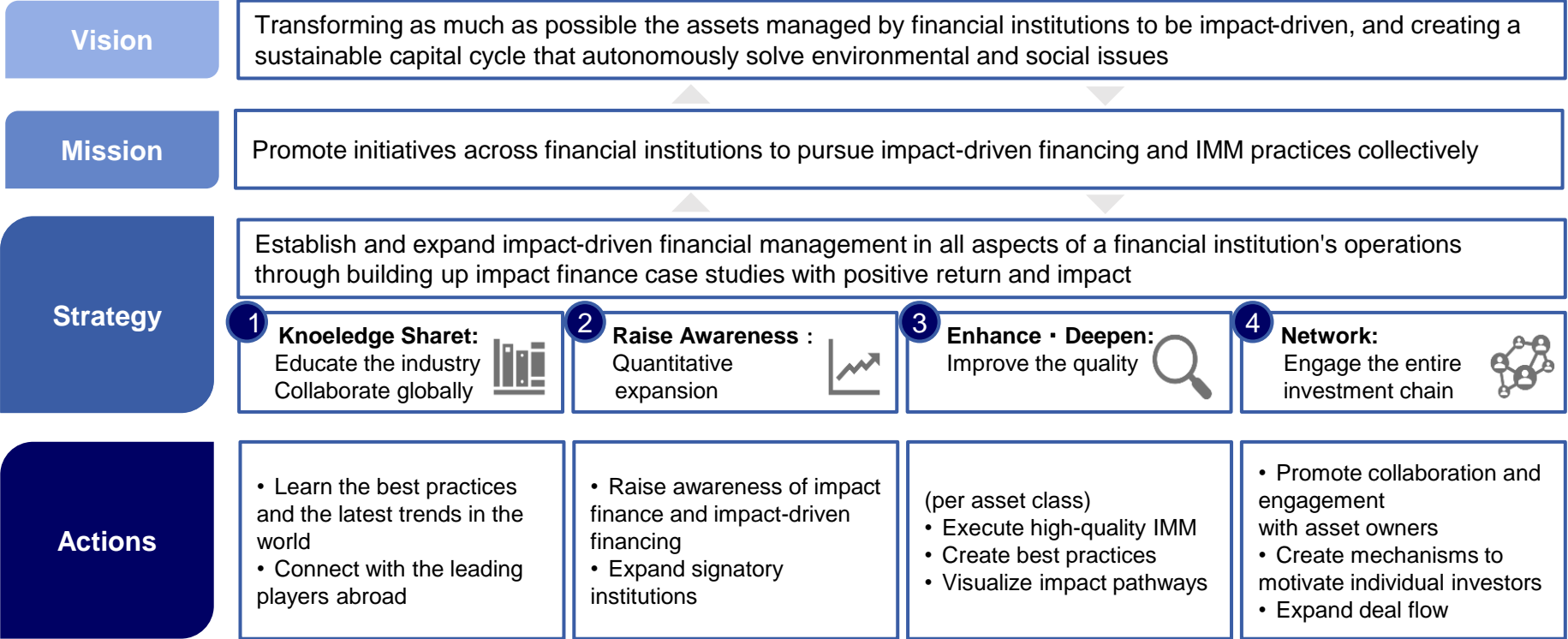
## Overview of the Impact-driven Financing Initiative : Key Characteristics

- 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.

【Approaches from both top-down and bottom-up】



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



※ 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

# Management Structure and Activities

- 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.



# 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

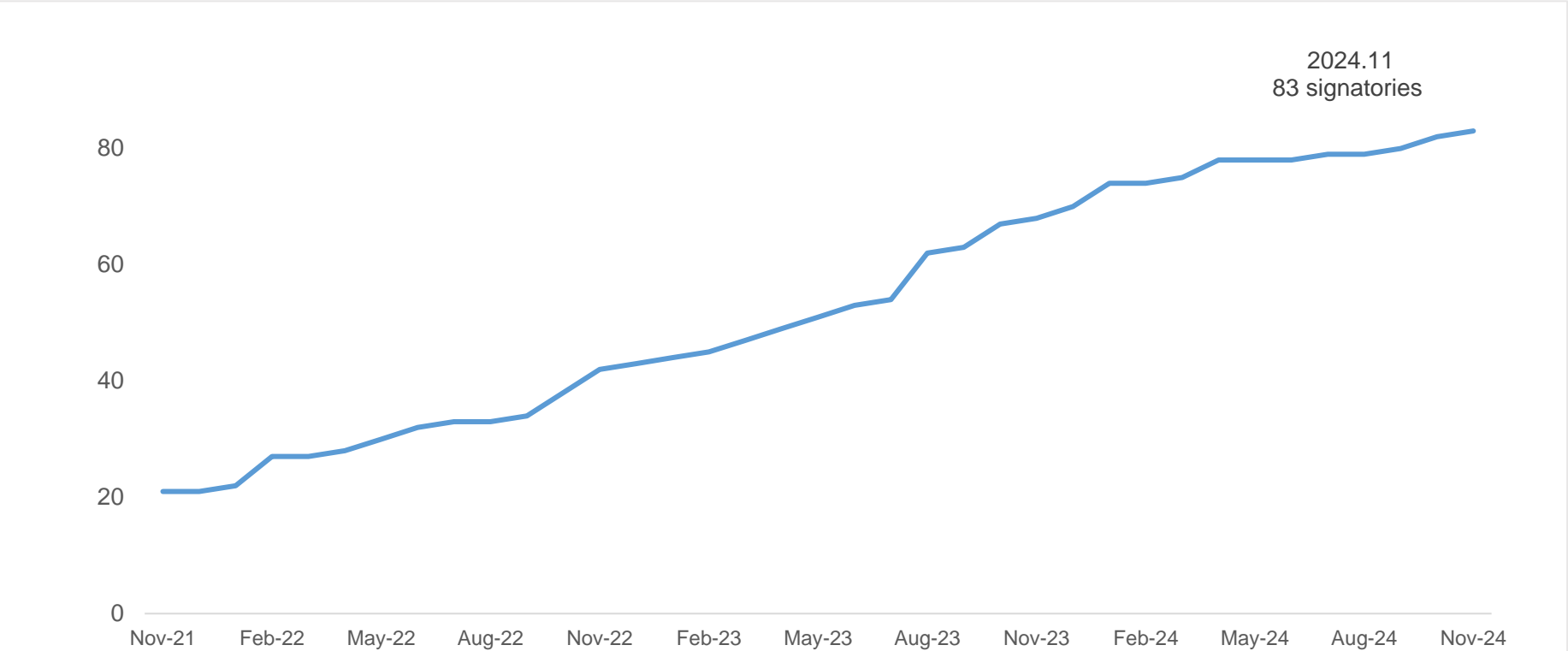
Senior Economist (D.B.A)  
Research Institute of Capital Formation  
Development Bank of Japan Inc.

# 83 Signatories (76 financial institutions, 7 service providers) as of November 2024





# 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