Commencement of Joint Studies on Business Initiatives Towards the Development of Sustainable Finance

Contributing to the Further Acceleration of ESG Investment with a Sustainable Finance Platform (tentative name)


The Sustainable Finance Platform (tentative name), a digital platform that enables a seamless connection between an investment institution and an investment destination (a listed company) and facilitates mutual understanding and disclosure of ESG-related information, etc., will be formulated and its usefulness will be verified. We will seek a wide range of user companies, provide a beta version services of the platform in the fall of 2023 and work to verify its usefulness and to strengthen various functions. In this manner, we will conduct studies jointly
towards formal launch of the services in the future.

Through the development of infrastructure that supports the smooth distribution of these ESG data, we will promote effective and efficient communication among institutional investors, issuers and other stakeholders in Japan and overseas, and will further expand ESG investment and the market, thereby contributing to the development of a sustainable society.

**Background**

ESG investment has been expanding rapidly in recent years against the backdrop of a growing interest in ESG (Environment, Social, and Governance). Global ESG investment amounted to as much as approximately 35.3 trillion dollars (approximately 3,900 trillion yen)* in 2020. Despite the fact that ESG activities are increasing among both Japanese and foreign companies, common public standards for global information disclosure and evaluation methods for ESG-related non-financial information that is important in making investment decisions have yet to be developed.

While listed companies are faced with extensive labor in dealing with various information disclosure methods and items, investment institutions find it challenging to collect information and conduct comparative evaluations of companies, given differences in the data disclosure of each listed company.

Providing services that helps deepen mutual understanding between investment institutions and listed companies will promote effective and efficient information disclosure and investment institutions’ investment decisions. This will support the expanding ESG investment and market and contribute to the development of a healthy market.

* Website of Global Sustainable Investment Alliance [https://www.gsi-alliance.org/](https://www.gsi-alliance.org/)

**Beta version services**
Towards the full-scale launch of services using a Sustainable Finance Platform (tentative name), a digital platform that connects an investment institution and a listed company and promotes ESG investment, beta version services will be used by a number of investment institutions and listed companies to verify the usefulness of the platform.

In the beta version services, listed companies will be able to directly and integrally confirm the items and background of ESG information disclosure that are important to each investment institution. This will enable listed companies to understand what is valued by investment institutions in advance so that the companies can determine internal disclosure policies for ESG-related information in an effective and efficient manner. Moreover, investment institutions will be offered services that further promote dialogue with listed companies and other stewardship activities with an eye on the expansion of medium- to long-term investment returns. We already consider using beta version services and participating in the verification of the usefulness of the platform with several investment institutions. The verification process is planned to commence in the fall of 2023, and further recruitment of investment institutions and listed companies will be conducted in the future.

**Future Prospects**

Going forward, we will establish a general incorporated association around the summer of 2023 for the provision of beta version services on a digital platform that promotes ESG investment. The association will verify the usefulness of the platform and promote joint examinations towards the formal launch of the services.

Using this opportunity to address problems related to ESG information disclosure faced by investment institutions and listed companies alike as leverage to connect stakeholders in loan, insurance and other sustainable finance fields, we will continue working to provide solutions that contribute to better engagement, helping to realize a sustainable society.

- End -
About Aioi Nissay Dowa Insurance Co., Ltd.

Head Office: 1-28-1, Ebisu, Shibuya-ku, Tokyo, 150-8488 Japan
Established: June, 1918
President: Keisuke Niiro
Business: Nonlife Insurance Business
Website: https://aioinissaydowa.co.jp/english/

About Sompo Japan Insurance Inc.

Head Office: 26-1, Nishi-Shinjuku 1-chome, Shinjuku-ku, Tokyo, 160-8338 Japan
Established: October, 1888
President: Giichi Shirakawa
Business: General Insurance
Website: https://www.sompo-japan.co.jp/english/

About Tokio Marine & Nichido Fire Insurance Co., Ltd.

Head Office: 2-6-4 Otemachi, Chiyoda-ku, Tokyo, 100-8050 Japan
Established: August, 1879
President: Shinichi Hirose
Business: Nonlife Insurance Business
Website: https://www.tokiomarine-nichido.co.jp/en/

About Nippon Life Insurance Company

Head Office: 3-5-12, Imabashi, Chuo-ku, Osaka, 541-8501 Japan
Established: July, 1889
President: Hiroshi Shimizu
Business: Life insurance business
Website: https://www.nissay.co.jp/english/

About Hitachi, Ltd.

Headquarter: 1-6-6, Marunouchi, Chiyoda-ku, Tokyo, 100-8280 Japan
Established: February, 1920
President: Keiji Kojima
Business: Development and provision of solutions related to Digital Systems & Services,
Green Energy & Mobility, Connective Industries
Website:  https://www.hitachi.com/

About Mizuho Bank, Ltd.
Head Office:  Otemachi Tower, 1-5-5 Otemachi, Chiyoda-ku, Tokyo, 100-8176 Japan
Established:  July, 2013
President:  Masahiko Kato
Business:  Bank
Website:  https://www.mizuhogroup.com/bank

About Mitsui Sumitomo Insurance Company, Ltd.
Head Office:  3-9, Kanda-Surugadai, Chiyoda-ku, Tokyo, 101-8011 Japan
Established:  October, 1918
President:  Shinichiro Funabiki
Business:  Nonlife Insurance Business
Website:  https://www.ms-ins.com/english/

About Sumitomo Mitsui Banking Corporation
Head Office:  1-1-2, Marunouchi, Chiyoda-ku, Tokyo, 100-0005 Japan
Established:  June, 1996
President:  Akihiro Fukutome
Business:  Bank
Website:  https://www.smbc.co.jp/global/

About MUFG Bank, Ltd.
Head Office:  2-7-1, Marunouchi, Chiyoda-ku, Tokyo, 100-8388 Japan
Established:  August, 1919
President:  Junichi Hanzawa
Business:  Bank
Website:  https://www.bk.mufg.jp/global/