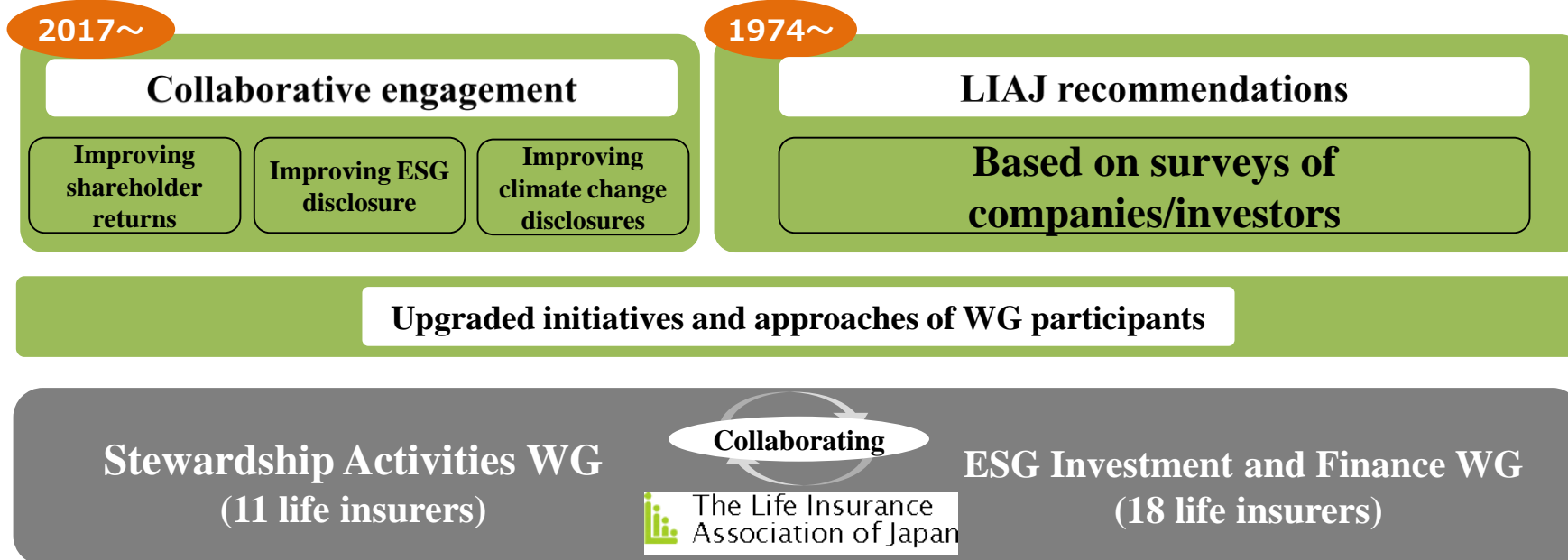


- Working groups on stewardship activities and ESG investment and finance were set up to contribute to equity market reinvigoration and achieving a sustainable society. Continued to publish the LIAJ recommendations (this report) and implement collaborative engagement through both working groups in FY2021.
- In addition, LIAJ implemented measures to refine and raise the sophistication of activities at each LIAJ member firm in FY2021. Measures included holding joint working group (WG) seminars with Environment (E) and Society (S) themes, such as “Addressing climate change” and “Human rights.”
- LIAJ believes that when companies and shareholders engage in a constructive dialogue and share a mutual awareness of issues, companies will be encouraged to take steps to increase shareholder value over the medium and long terms. Based on this belief, LIAJ hopes that this report will help to increase shareholder value over the medium and long terms, leading to reinvigoration of the stock market as a whole.

Equity market reinvigoration /Achieving a sustainable society



FY2021 policy recommendations

- The number of companies and investors that now have a higher awareness of the need to improve corporate governance and address climate change increased in the survey of companies and investors carried out in FY2021.
- Based on the survey results, recommendations on enhancing dialogue and promoting ESG initiatives in FY2021 were partially revised or combined.

Recommendations		Target	Recommendations		Target		
Management goals / financial strategies	① Raise shareholder returns over the medium and long terms (dividend payout ratios of at least 30%)	Companies	Shareholder voting	⑦ Provide clearer explanations of proposals with a high dissent ratio	Companies		
	② Set ROE targets adjusted for cost of capital and target higher ROE levels			⑧ Greater transparency for shareholder voting processes	Investors		
Improving corporate governance	③ Improve disclosures about expectations of external directors' roles and their performance		Companies	Promoting ESG initiatives	⑨ Provide further disclosure of non-financial information, including ESG, through integrated reports and other means <i>Combined</i>	Companies	
Enhancing dialogue	④ Improve disclosure/dialogue on medium- and long-term investment strategy, including investments in human capital and intellectual property <i>Revised</i>				⑩ Formulate medium-term management plans to realize sustained growth, including ESG initiatives <i>Revised</i>	⑪ Enhance disclosure of information related to climate change impacts, and consider formulating greenhouse gas reduction target <i>Revised</i>	Companies Investors
	⑤ Encourage involvement of top management in dialogue				Investors	⑫ Take steps to promote ESG initiatives across government ministries/agencies	Government
	⑥ Promote dialogue based on in-depth understanding of companies and dialogue from a medium- and long-term perspective that contributes to the solution of issues facing companies <i>Combined</i>		⑬ Further enhance policy-based support to realize carbon neutrality <i>New</i>				

Survey on initiatives to enhance corporate value

<Purpose> To implement recommendations for equity market reinvigoration and achieving a sustainable society based on results of surveys on initiatives and awareness of companies/investors

<Survey targets and response rate> Listed companies 42% (508/1,200 companies); investors 54% (108/199 companies)

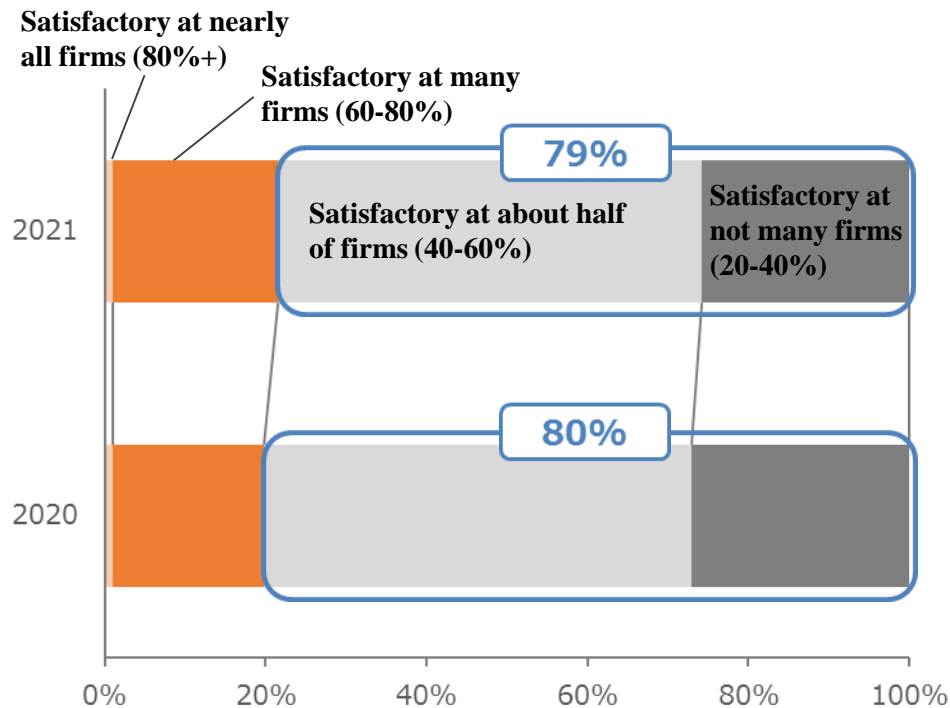
Recommendation (1): Raise shareholder returns over the medium and long terms (dividend payout ratios of at least 30%)

- 79% of investors are not fully satisfied with the level of shareholder returns and dividends. There has been no change in investors' position in this respect before and after the COVID-19 crisis.
- 59% of investors, a greater percentage than in the previous fiscal year, expect firms to offer dividend payout ratios of at least 30% over the medium and long terms. However, the actual dividend payout ratios remained under 30% for 44% of all firms, despite some signs of improvement in the dividend payout ratio performance of listed firms.

⇒ Increase shareholder returns over the medium and long terms, with a payout ratio of at least 30% after gauging investor expectations through dialogue

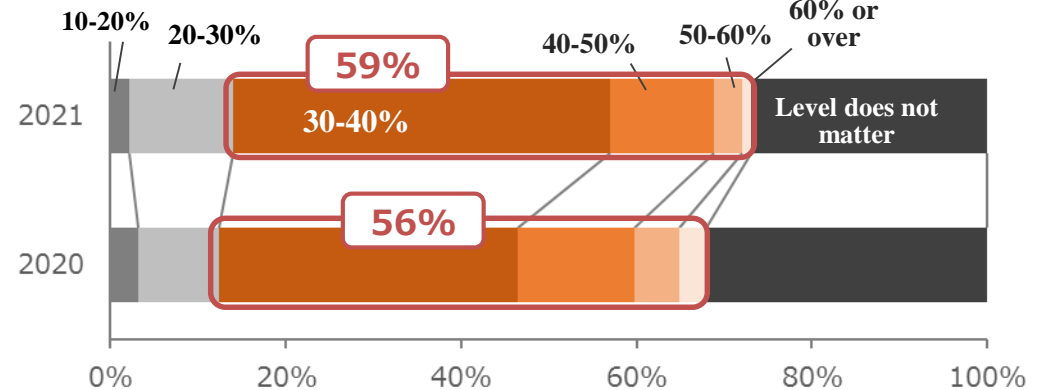
【For investors】

Satisfaction level for shareholder returns and dividends (select one)

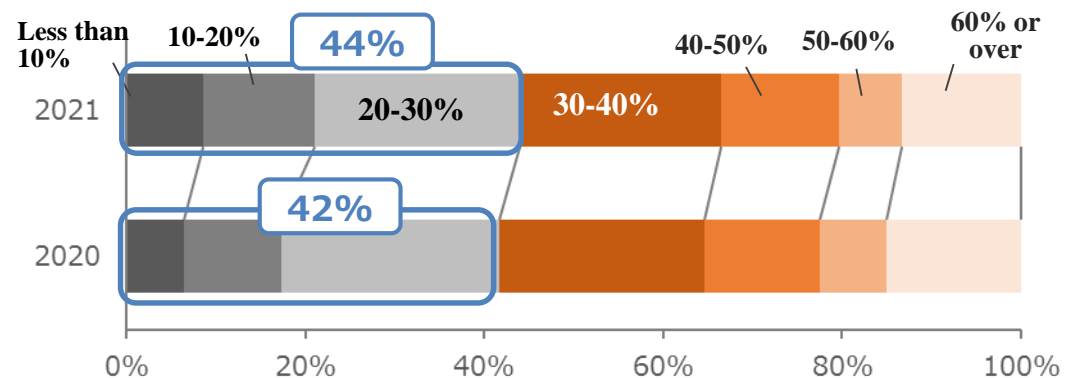


【For investors】

Desired medium- and long-term level of dividend payout ratios (select one)



Reference: Distribution of payout ratio for listed companies (actual)



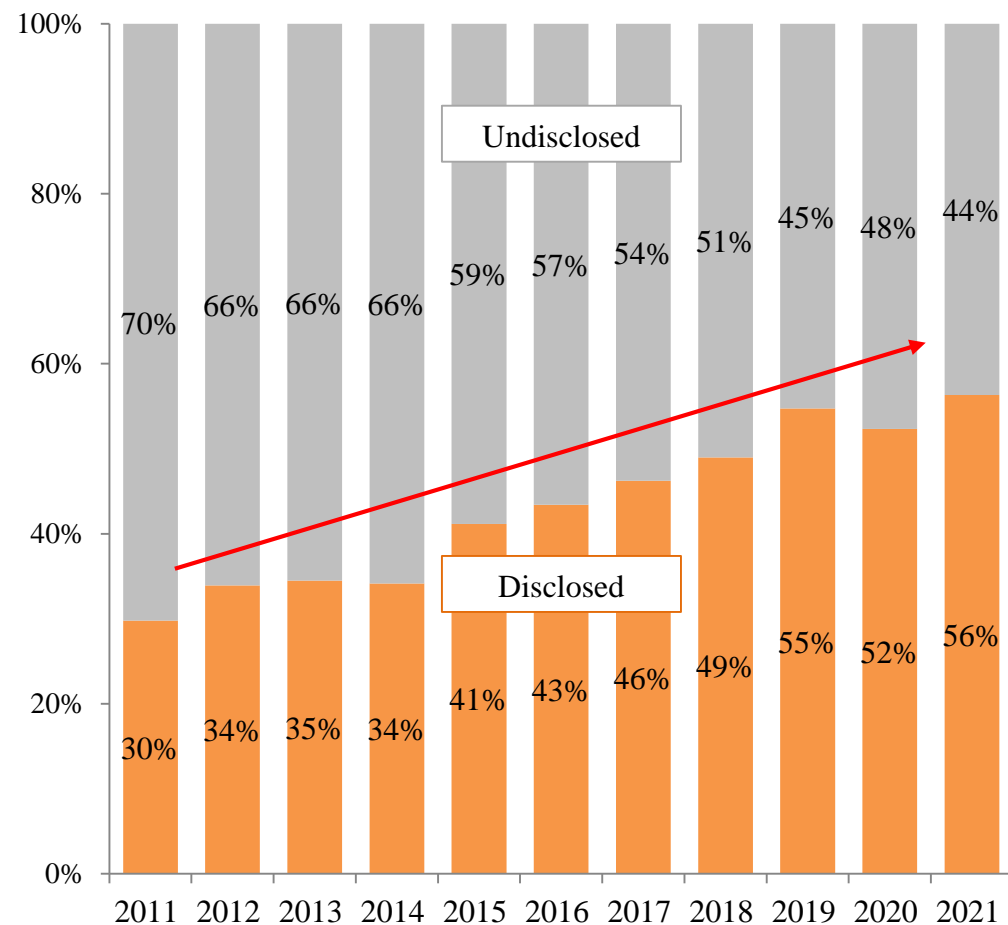
Note: Percentage figures are rounded to the nearest percent, so they will not necessarily sum to 100. The same applies hereafter

Source: Nikkei QUICK

Note: TOPIX components (excluding unprofitable firms)

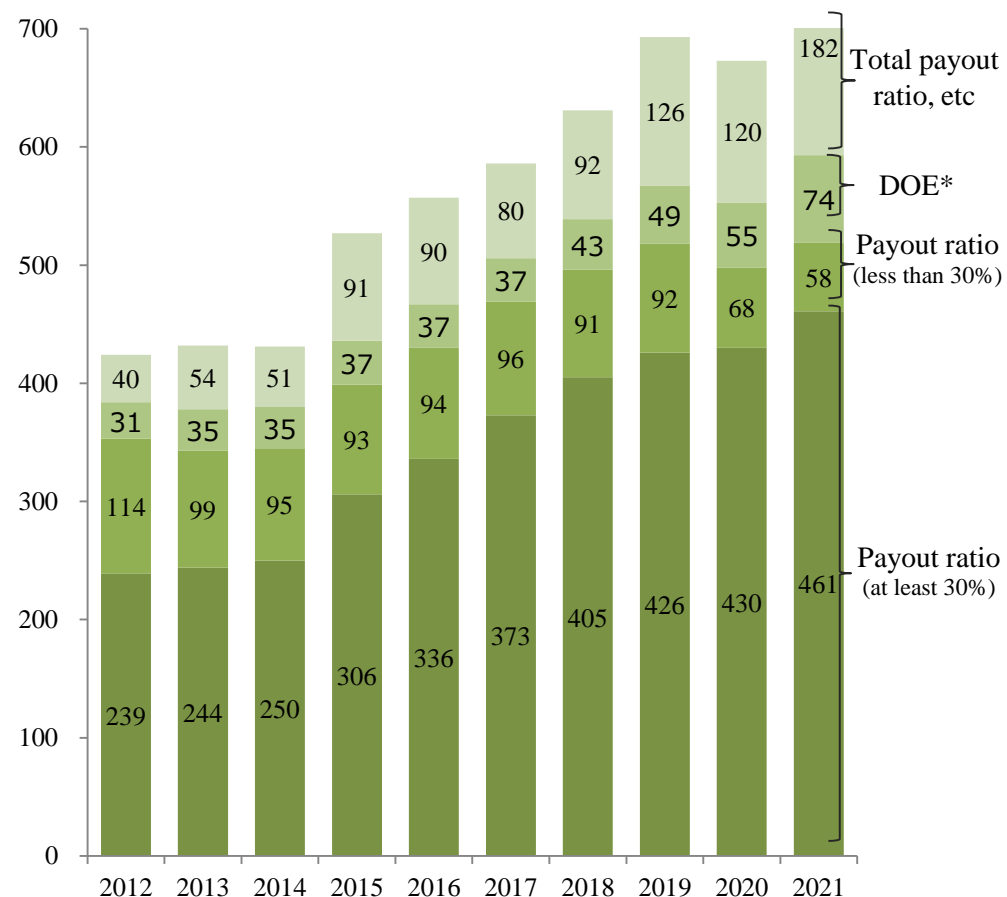
(Reference) Disclosure of numerical shareholder return (SR) targets

Proportion of firms with official SR targets



Source: LIAJ research
Based on survey of top 1,200 listed stocks by market capitalization

Number of firms disclosing numerical SR targets by target type



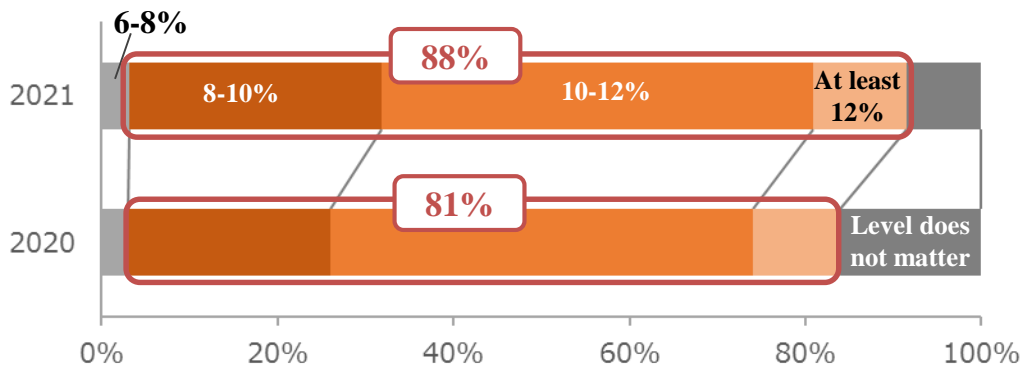
Source: LIAJ research
Based on survey of top 1,200 listed stocks by market capitalization
Note: Firms with multiple SR targets are counted for each target
*DOE: dividend-on-equity ratio

Recommendation (2): Set ROE targets adjusted for cost of capital and target higher ROE levels

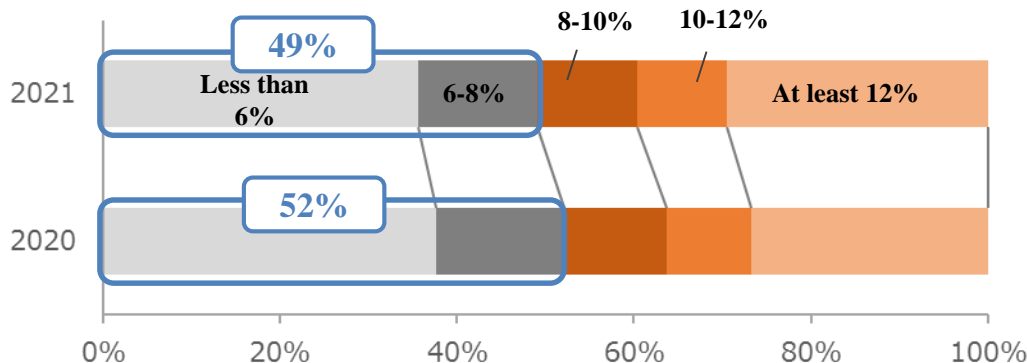
- 88% of investors, a greater percentage than in the previous fiscal year, expect ROE of at least 8% over the medium and long terms. Meanwhile, ROE remains under 8% at 49% of listed firms.
- The ratio of firms that have not calculated their cost of capital (return expected by shareholders) was 35%, indicating no major change from the previous fiscal year. The fact that some firms do not assess their cost of capital remains a reason for the gap between investor expectations and the status quo.

⇒ Set ROE targets adjusted for cost of capital, eyeing medium- and long-term improvement in ROE

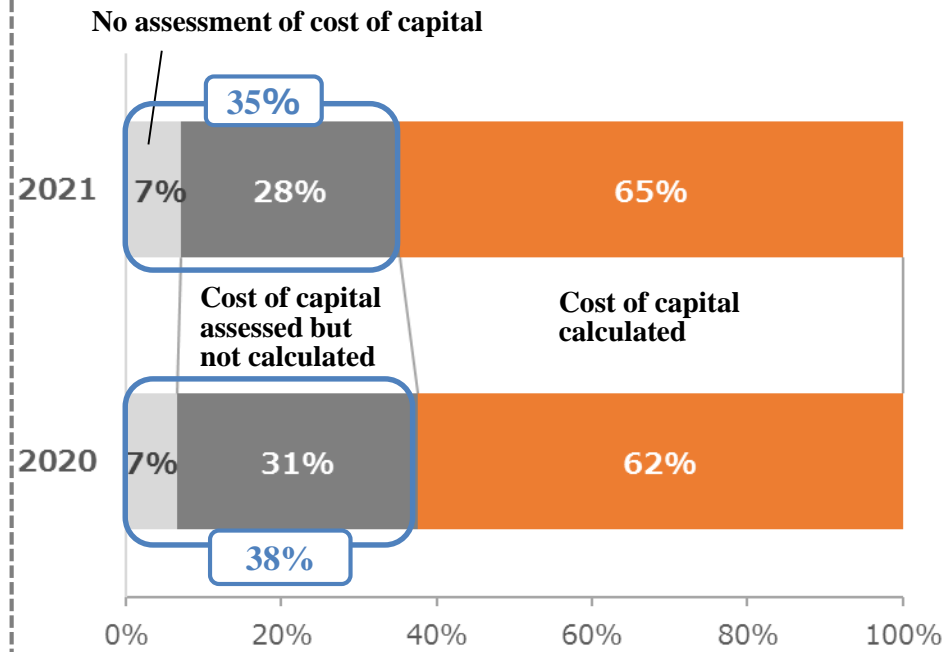
【For investors】Desired medium- and long-term level for ROE (select one)



Reference: Distribution of payout ratio for listed companies (actual)



【For companies】(select one)
Do you calculate a precise cost of capital (return expected by shareholders)?



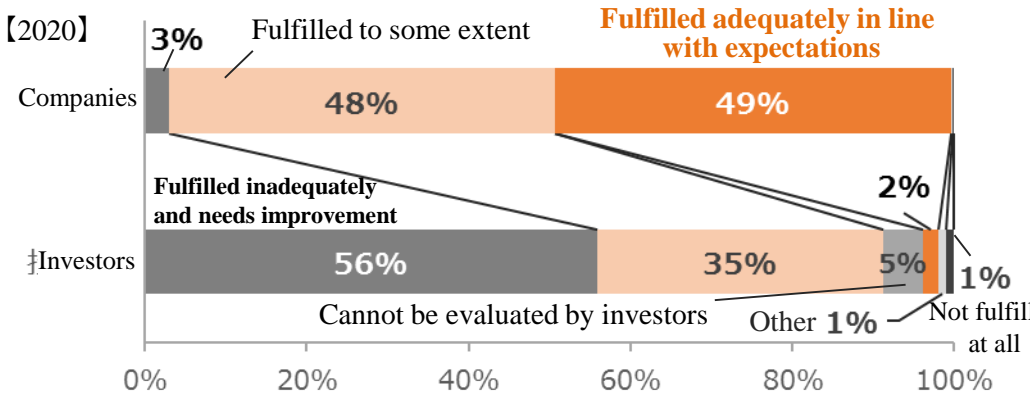
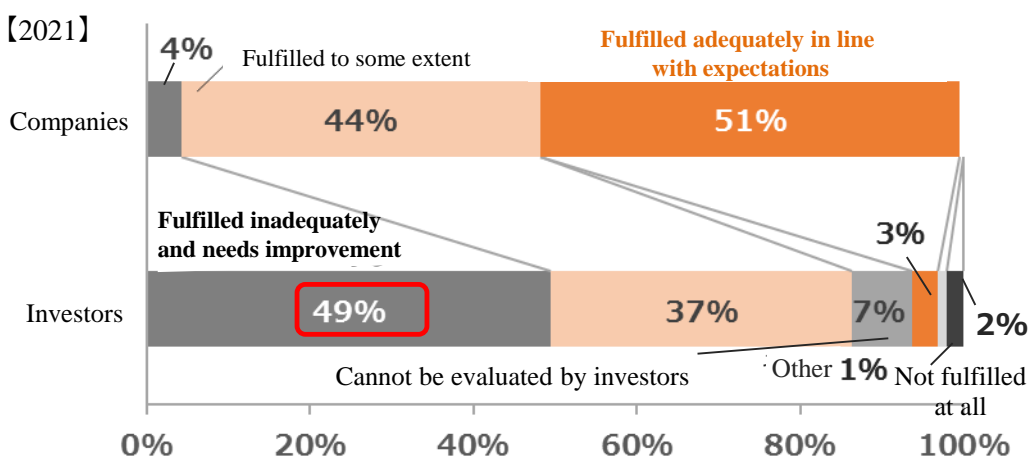
Source: Nikkei QUICK
Note: All listed firms (excluding unprofitable firms and the financial sector)

Recommendation (3): Improve disclosures about expectations of external directors' roles and their performance

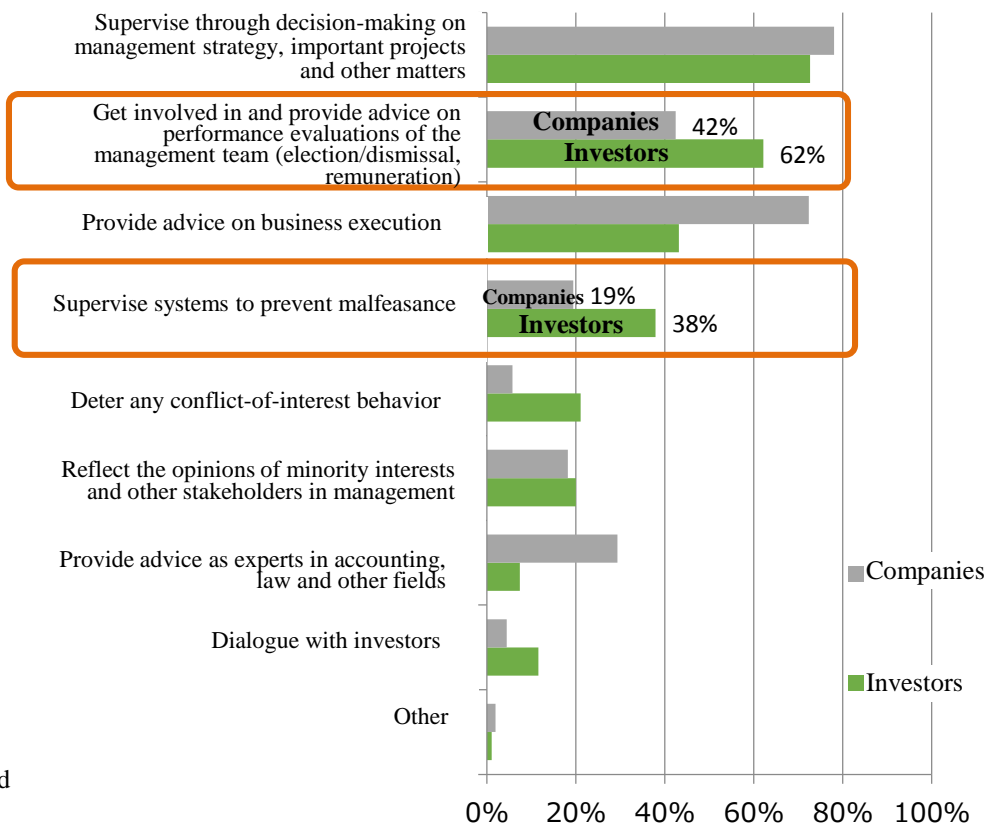
- 49% of investors see room for improvement in the roles of external directors, indicating a perception gap between investors and companies on this issue.
- Notably, investors attach even greater importance than companies to certain roles of external directors, such as “involvement in and advisement on the evaluation of management” and “supervision of systems to prevent malfeasance.”

⇒ Improve disclosures about expectations of the roles and performance of external directors, and explain these matters to investors via respectful dialogue

【 For companies/investors 】 (select one)
Are external directors currently fulfilling the roles that are expected of them?



【 For companies/investors 】 (select up to three)
What roles expected of external directors do you see as particularly important?



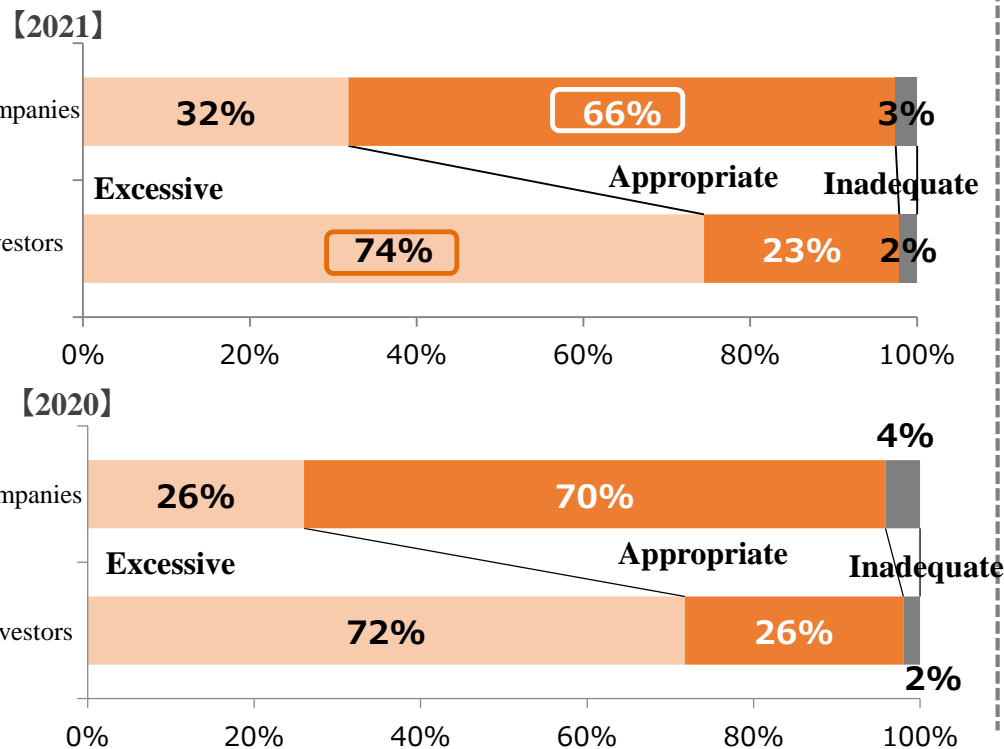
Recommendation (4): Improve disclosure/dialogue on medium- and long-term investment strategy, including investments in human capital and intellectual property

- 66% of companies believe the levels of cash balances are appropriate. Meanwhile, 74% of investors see current levels of cash balances as excessive, which indicates a gap in perception between investors and companies.
- In their medium- and long-term investment/financial strategies, companies see capex as vital, while investors put more emphasis on investments including those in intangibles such as investments in human capital, IT (digitalization), and R&D.
- In the revised Japan's Corporate Governance Code, new disclosures of investments in human capital and intellectual property are required.

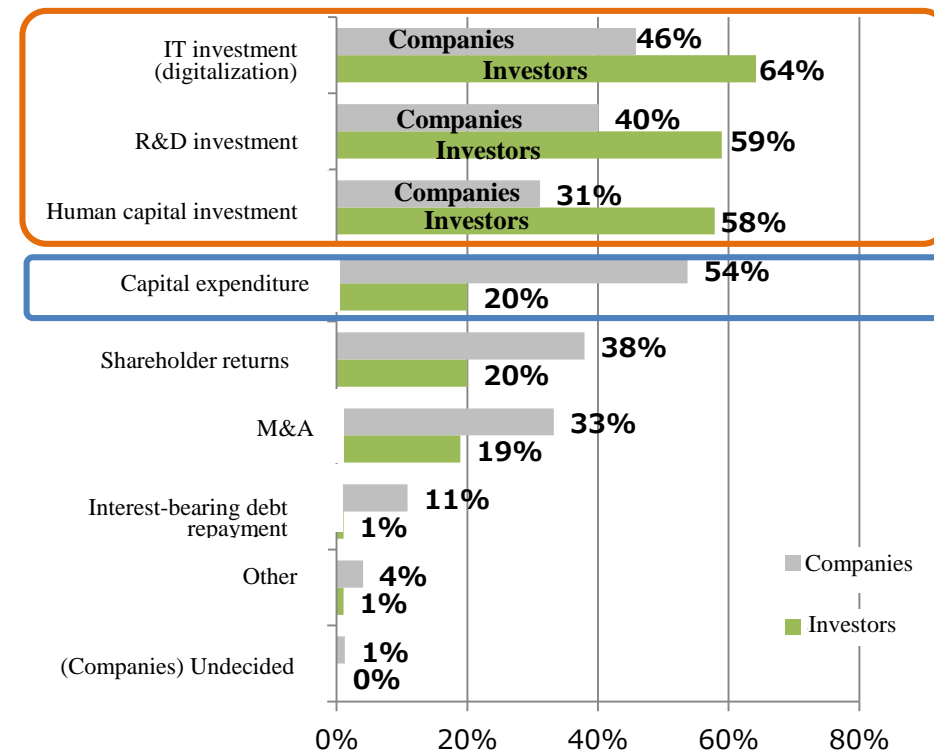
⇒Target appropriate cash levels, and improve disclosure/dialogue related to medium- and long-term investment strategy, including human capital and intellectual property

【 For companies/investors 】 (select one)

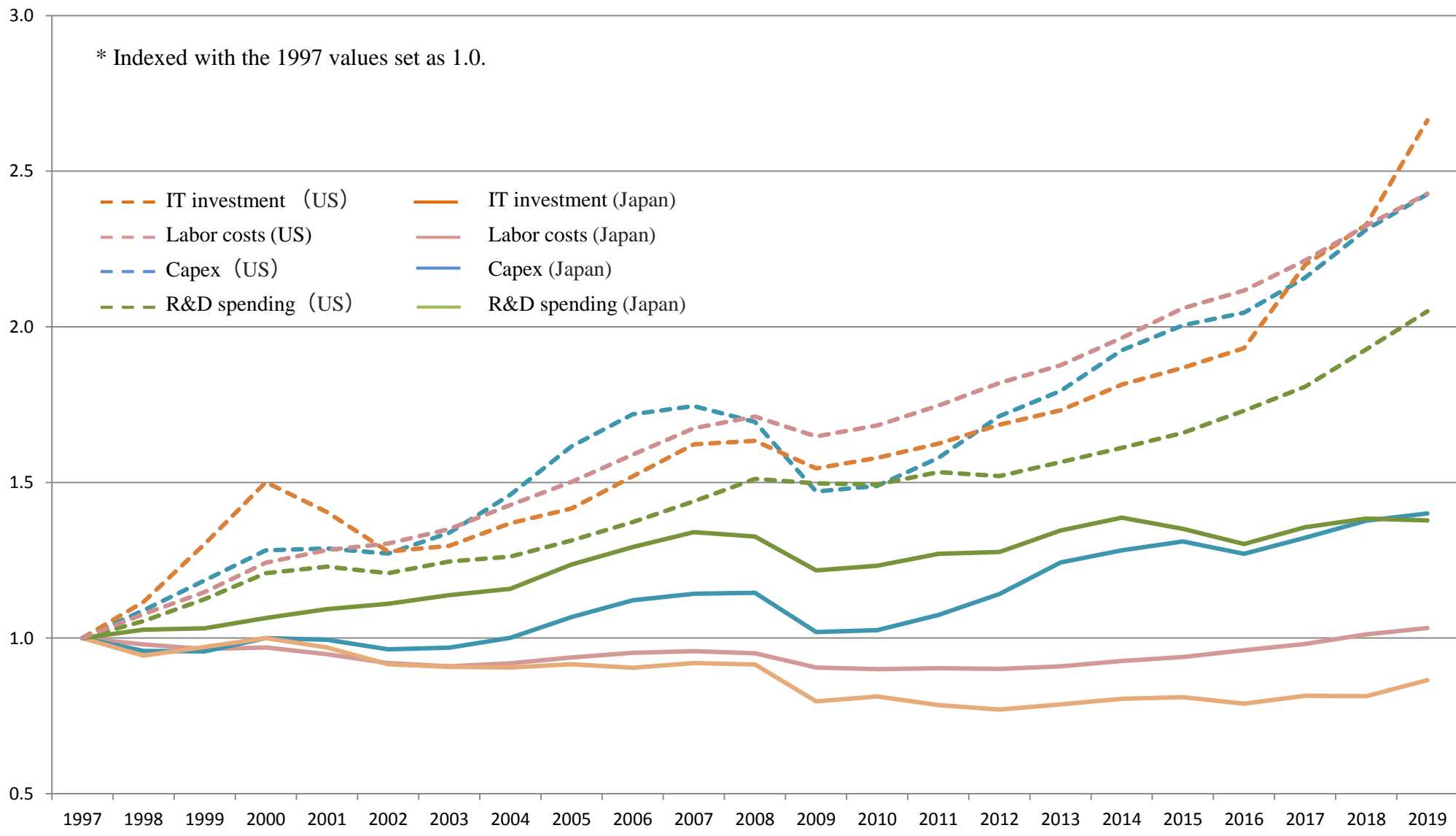
How do you see current levels of cash holdings?



【 For companies/investors 】 (select up to three)
 What do you think are important matters to consider, or should be considered, in your medium- and long-term investment/financial strategies?



Reference: Trends in labor costs, IT investment, capex, and R&D spending in Japan/US



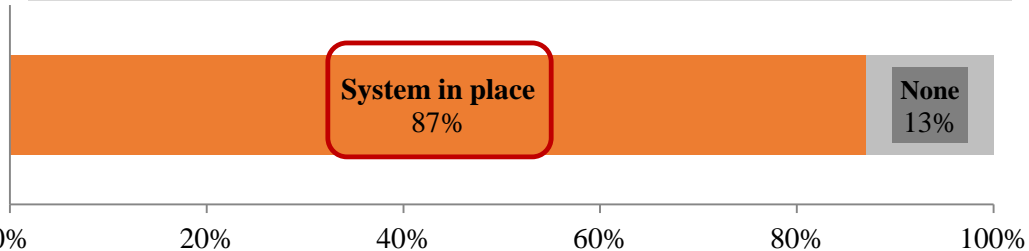
Sources: OECD statistics, data from the Cabinet Office, and Ministry of Internal Affairs and Communications of Japan, and the U.S. Department of Commerce.

Recommendation (5): Encourage involvement of top management in dialogue

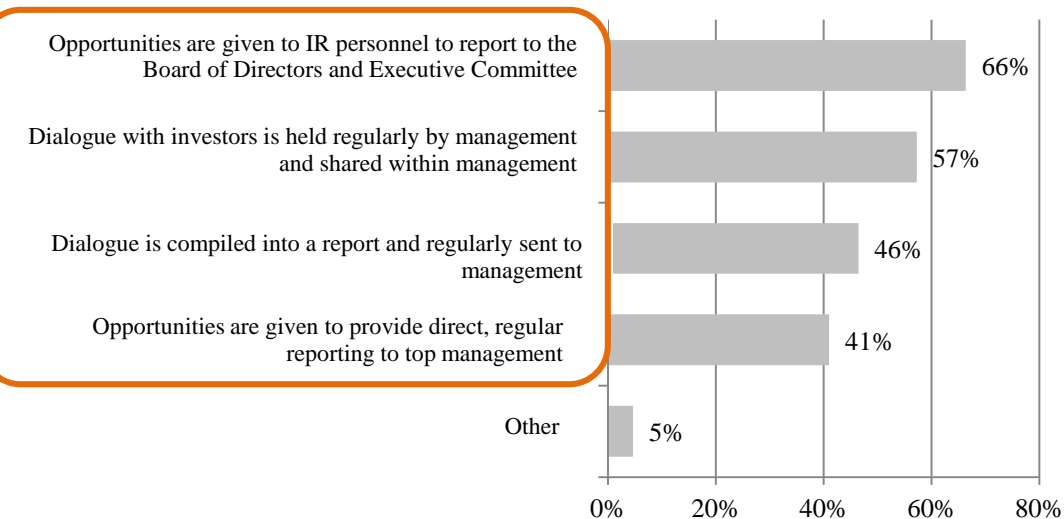
- 87% of companies have systems in place to share dialogue content with management, but investors feel that “dialogue content does not reach management” and there is “non-participation by senior managers.”

⇒ Actively involve management in dialogue and provide feedback on the results of sharing dialogue to investors

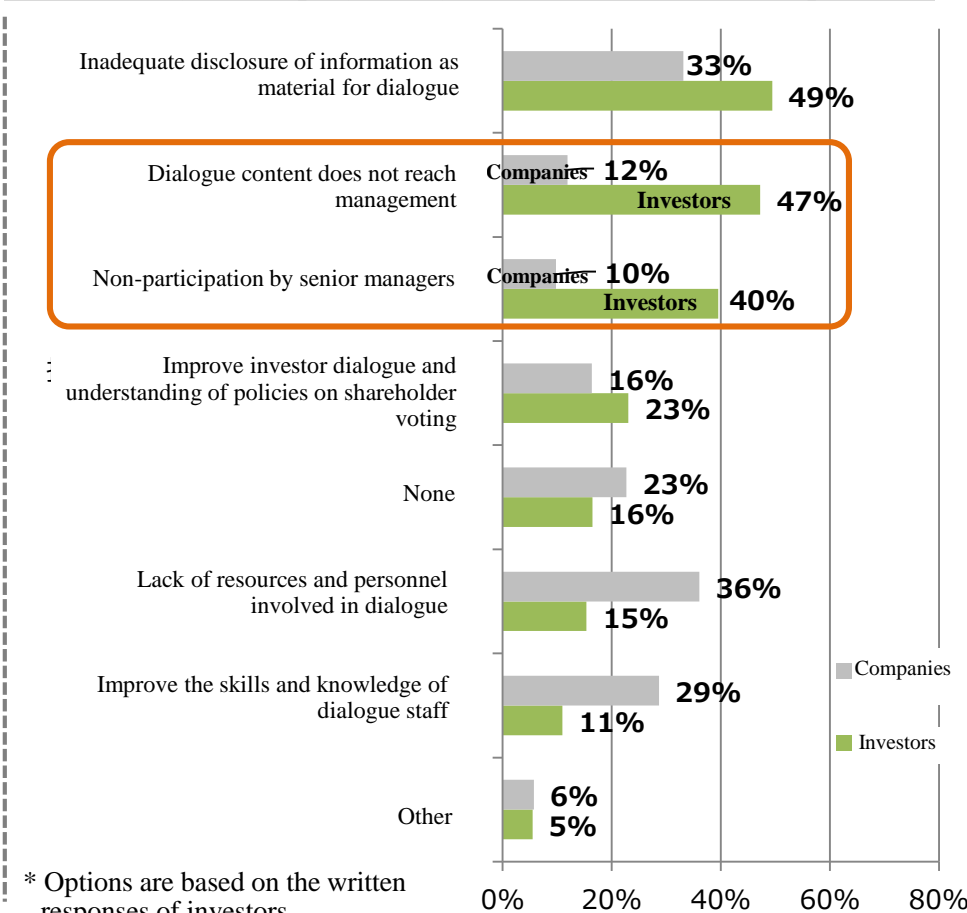
【For companies】 (select one)
Do you have a system in place to share dialogue content with management?



【 For companies】(Select multiple)
System for sharing dialogue content with management, if such a system is in place



【 For companies/investors 】 (select up to three)
What are the main dialogue-related issues regarding the systems and measures of your company / the systems and measures for companies?



* Options are based on the written responses of investors.

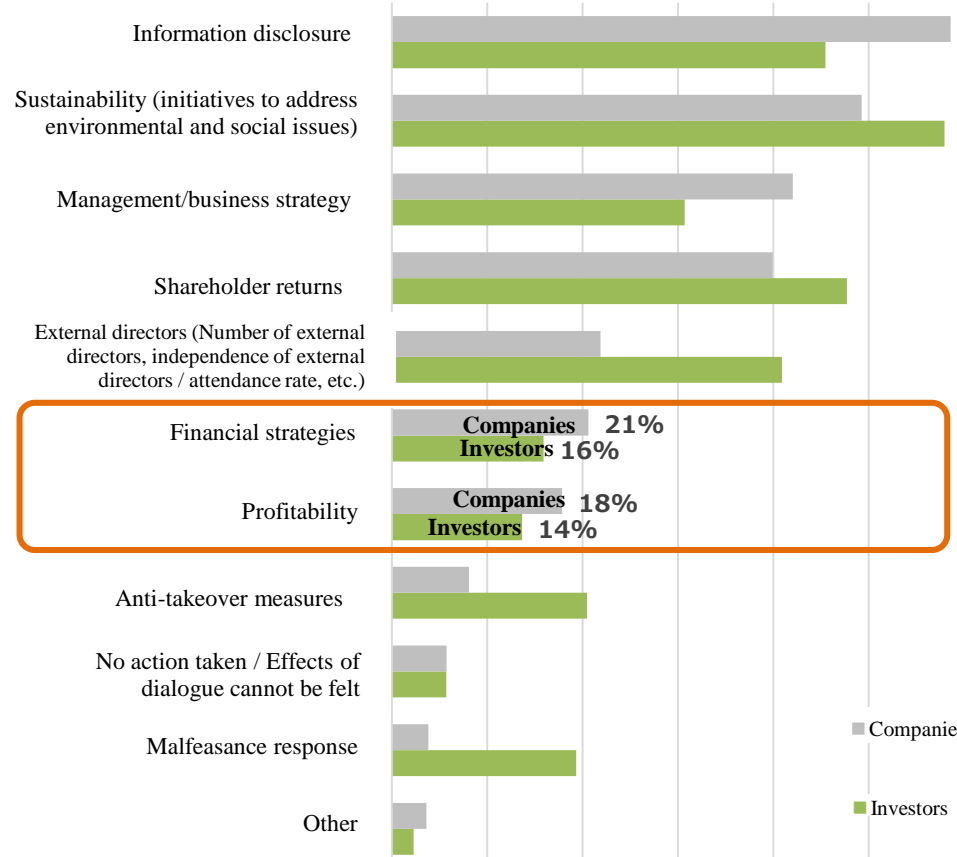
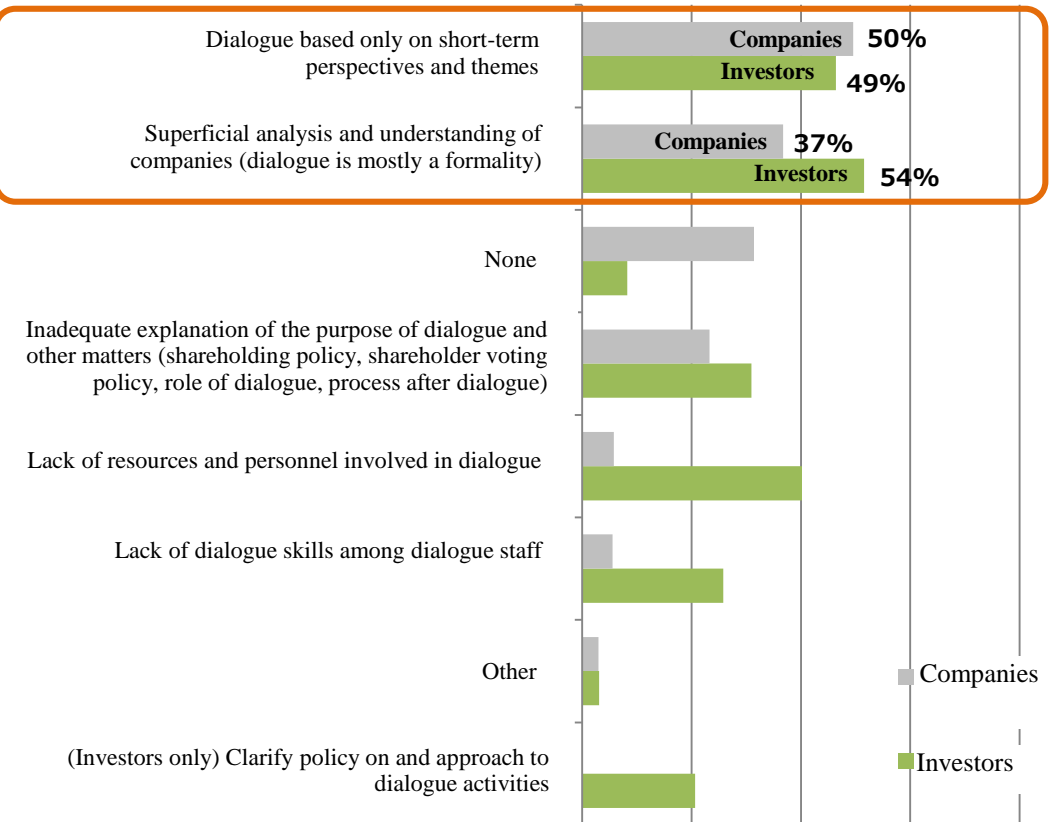
Recommendation (6): Promote dialogue based on in-depth understanding of companies and dialogue from a medium- and long-term perspective that contributes to the solution of issues facing companies

- Both companies and investors feel that the key dialogue-related issues are that dialogue is based on a short-term perspective and there is only a superficial analysis and understanding of companies.
- Looking at discussion themes for which companies took action based on dialogue, themes such as sustainability, information disclosure, and management and business strategies accounted for large shares of the responses. However, financial strategy and profitability represented only around 20% of the responses, indicating that some items have not yet led to specific actions.

⇒ Promote dialogue from medium and long-term perspectives that will benefit companies, based on in-depth understanding of companies.

【 For companies/investors 】 (select up to three)
What are the main dialogue-related issues for investors/what do investors themselves see as the main issues?

【 For companies/investors 】 (select up to three)
Themes for which action was taken or visible changes at investee companies were made, following dialogue



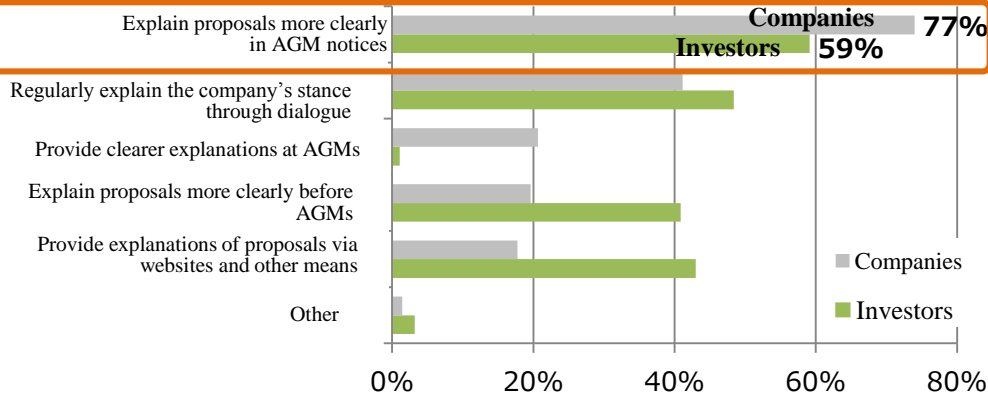
* Options are based on the written responses by companies.

Recommendation (7): Provide clearer explanations of proposals with a high dissent ratio

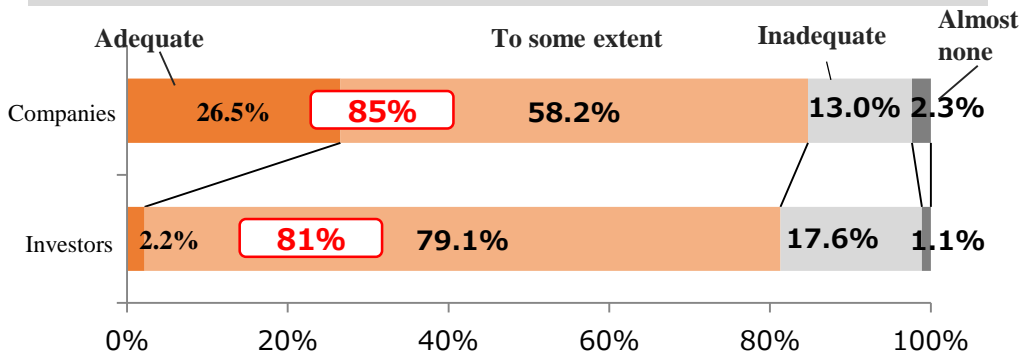
- Companies have been working intensively to provide clearer explanations of proposed agendas in convocation notices. Accordingly, around 80% of both companies and around 60% of investors feel that explanations on individual agenda proposals have improved to a certain extent.
- That said, investors have stronger expectations than assumed by companies, for companies “to enhance explanations through dialogue and AGM notices” for prior resolutions that had substantial opposition.

⇒ Provide better explanations of prior resolutions with high dissent ratios through dialogue and AGM notices

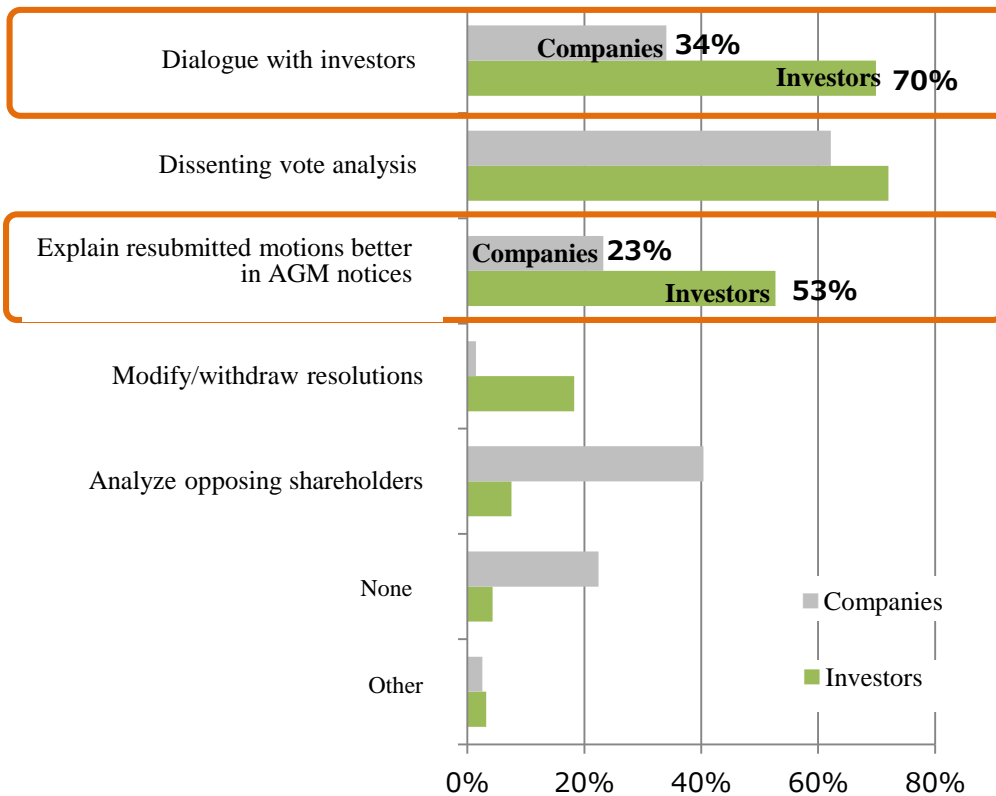
【 For companies/investors 】 (select up to three)
What intensive measures are being taken and what means would be desirable for companies to provide better explanations of individual proposals?



【 For companies/investors 】 (select one)
Are explanations of individual proposals adequate?



【 For companies/investors 】 (select up to three)
What measures do companies take to address prior resolutions that had substantial opposition / and what measures do you expect of companies?



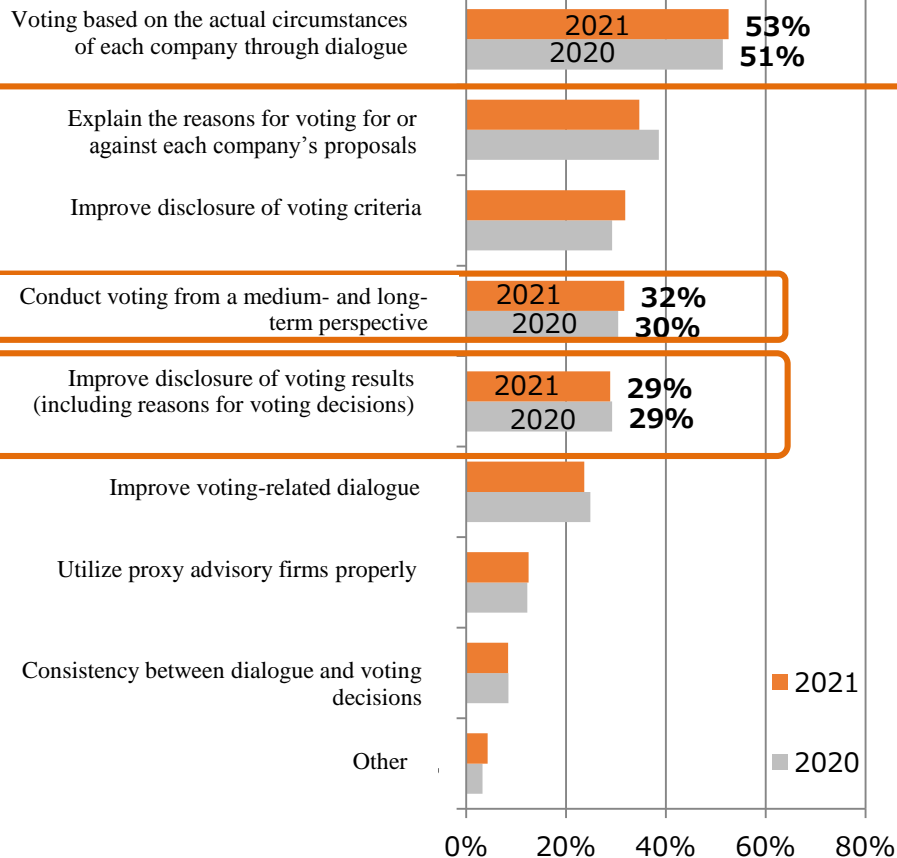
Recommendation (8): Greater transparency for shareholder voting processes

- Around 50% of both companies and investors recognize the importance of voting based on the actual circumstances of each company through dialogue. There are also more investors who believe it is important to conduct voting from a medium- to long-term perspective.
- In addition, around 30% of companies believe it is important to “improve disclosure of voting criteria” and “improve disclosure of voting results (including disclosure of the reasons for voting decisions).”

⇒ Greater transparency for shareholder voting processes through voting rationale and explaining voting decisions.

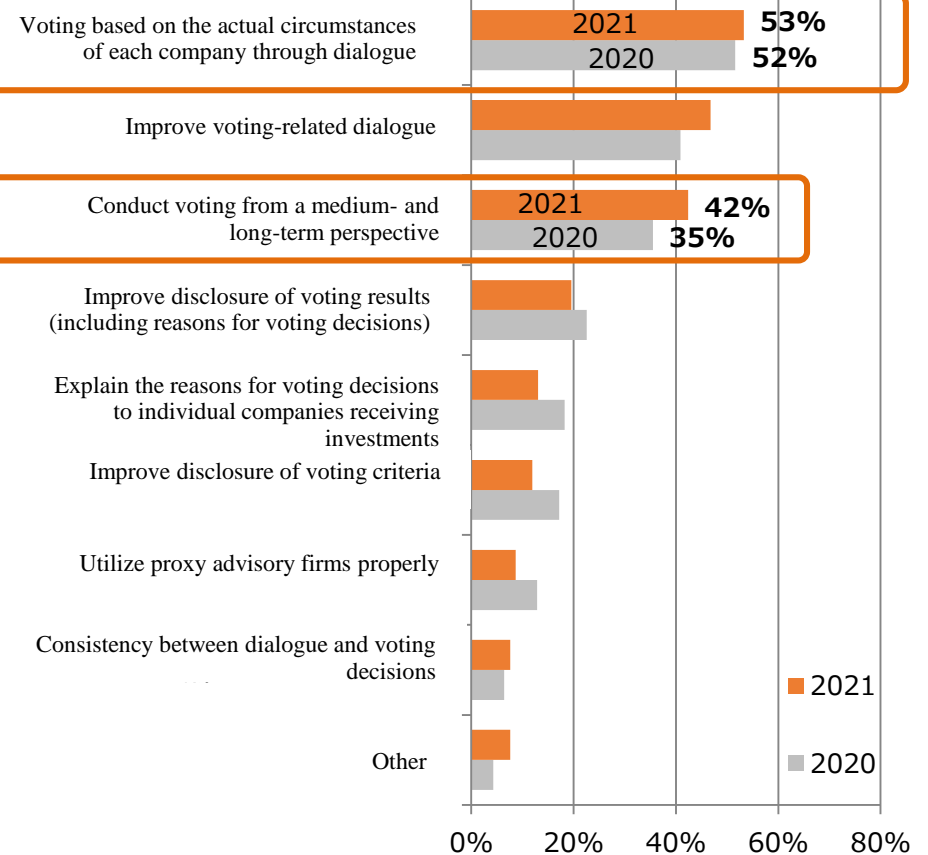
【 For companies】 (select up to three)

What kinds of improvements do you expect from investors on shareholder voting?



【 For investors】 (select up to three)

What kinds of improvements do you think will be necessary with respect to your shareholder voting?



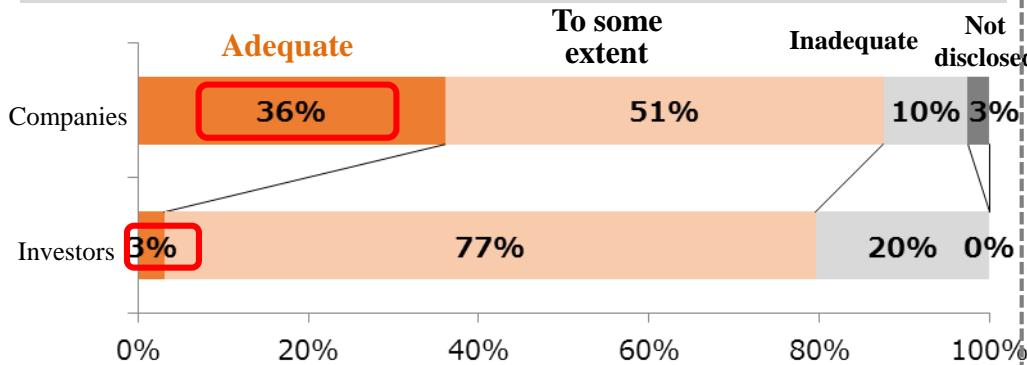
Recommendation (9): Provide further disclosure of non-financial information, including ESG, through integrated reports and other means

- There remains a perception gap between companies and investors on disclosure of ESG initiatives. 36% of companies believe disclosure is adequate, while only 3% of investors hold this view. Investors expect companies to enhance disclosure of “non-financial information such as Environmental (E), Social (S) and related issues.”
- Firms often use their website to provide ESG disclosures. However, investors continue to seek ESG disclosures through integrated reports and other means.

⇒ Encourage communication with investors by enhancing disclosure of non-financial information, including ESG, through integrated reports and other means

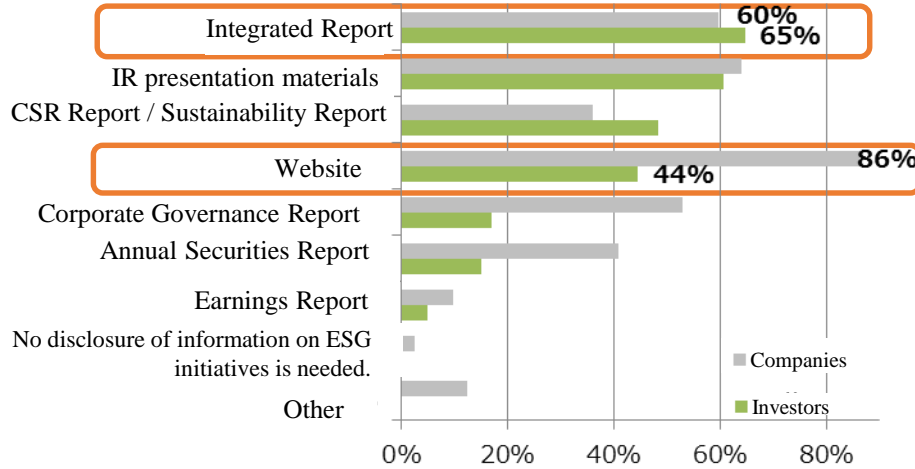
【 For companies/investors 】

Is the current disclosure of ESG initiatives adequate? (select one)



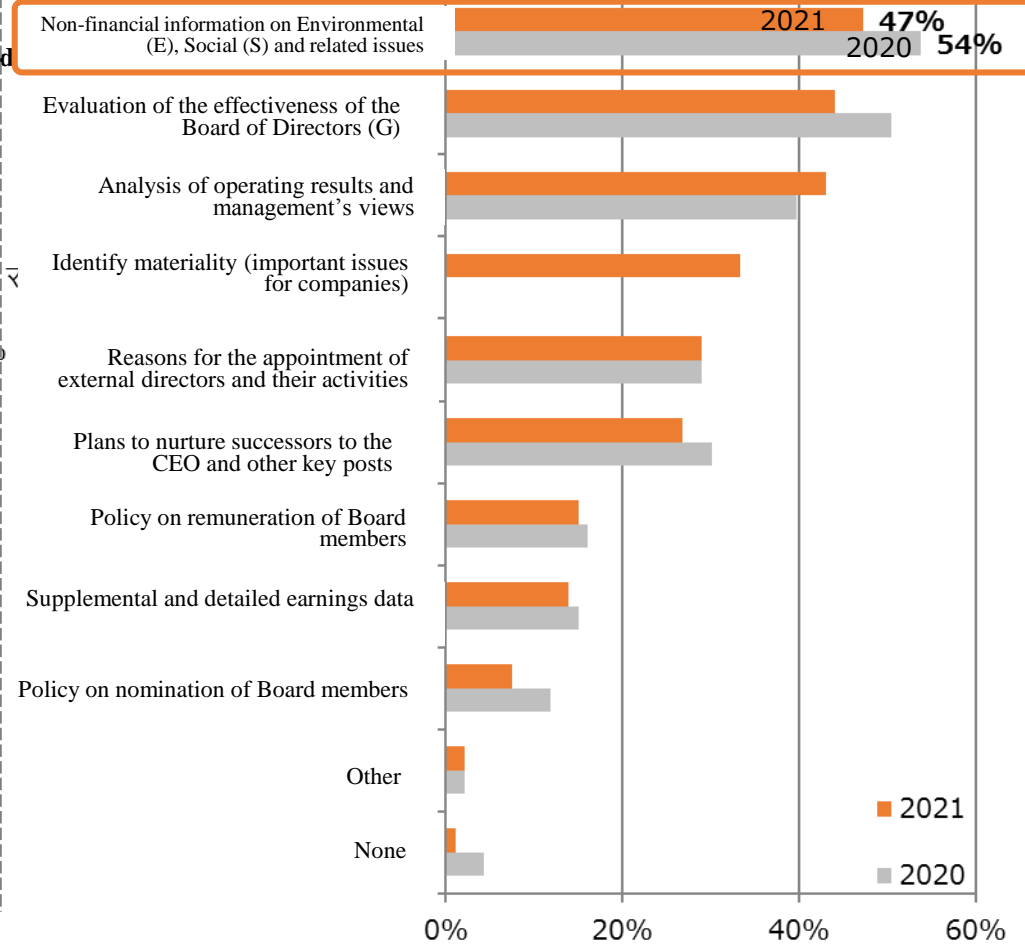
【 For companies/investors 】

What kinds of media do you use to disclose ESG initiatives? (select multiple) / Which would you like companies to use? (select up to three)



【 For investors 】 (select up to three)

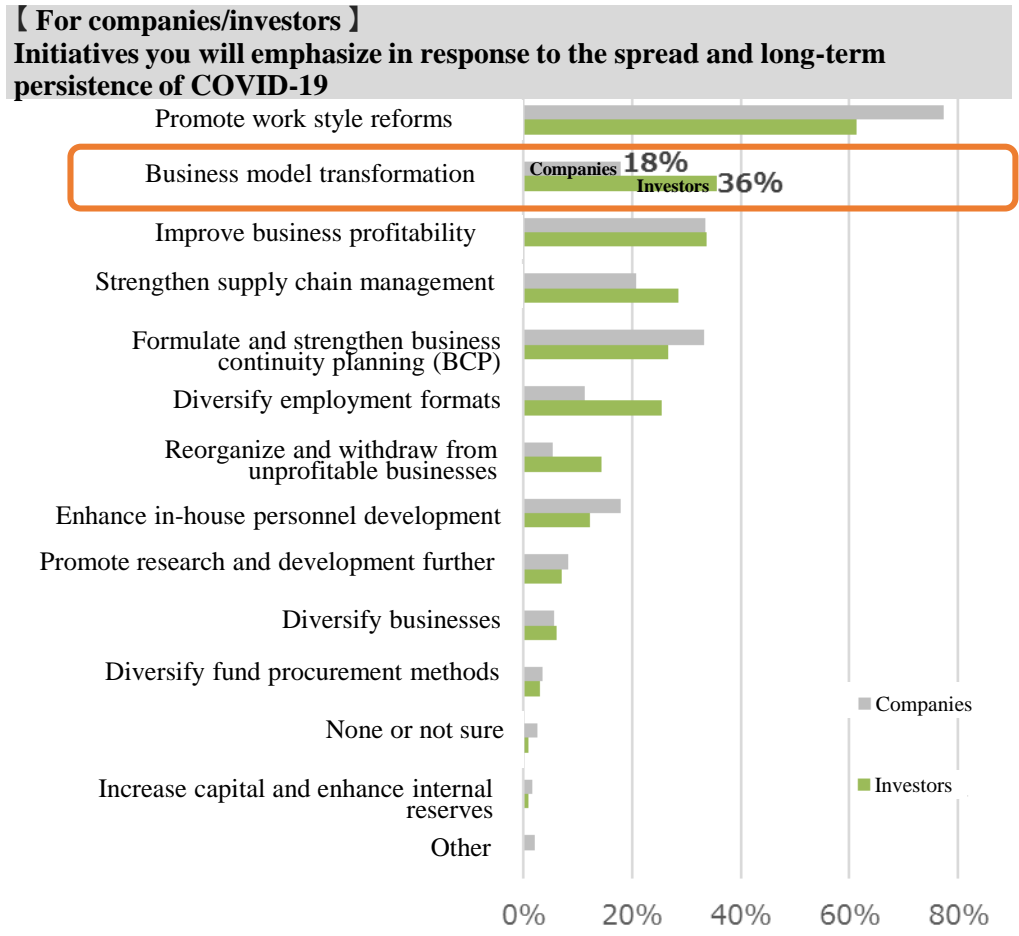
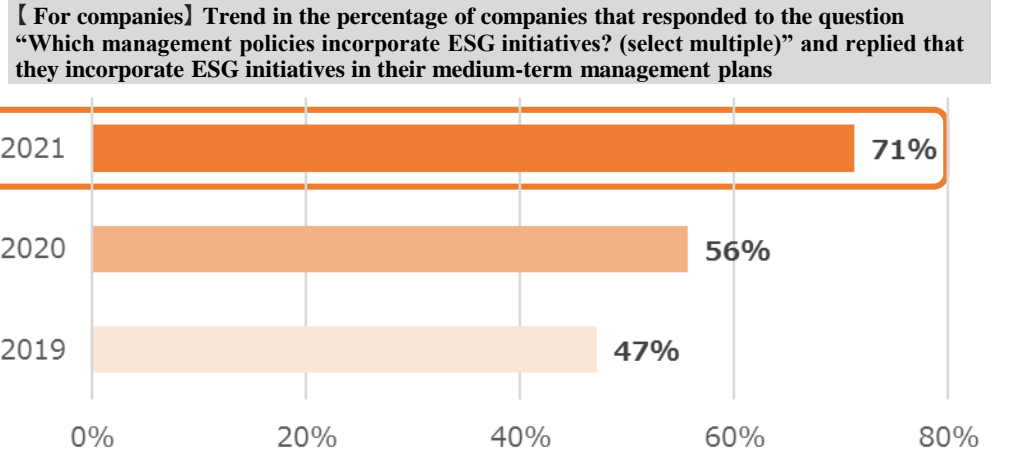
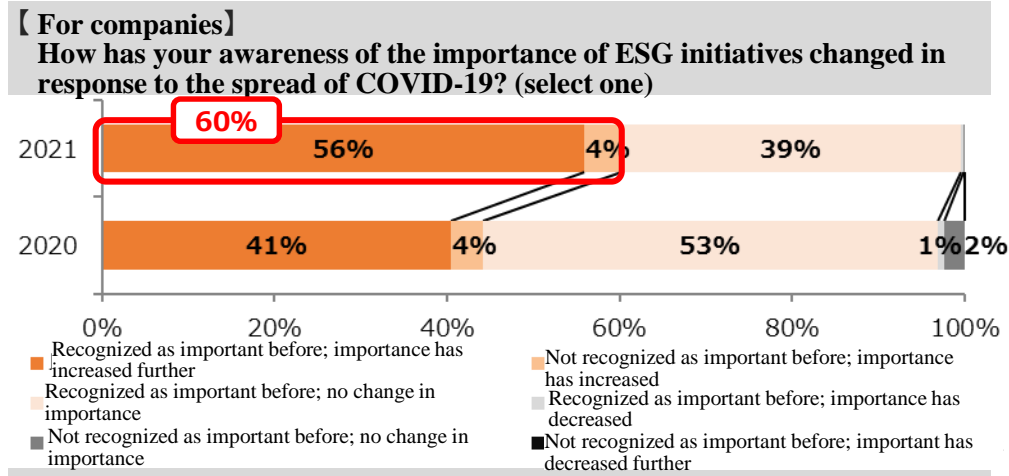
What do you expect companies to do to provide opportunities for dialogue and improve disclosures as material for dialogue?



Recommendation (10): Formulate medium-term management plans to realize sustained growth, including ESG initiatives

- 60% of companies replied that the importance of ESG initiatives has increased due to the impact of the spread of COVID-19.
- Around 30% of companies have not yet incorporated ESG initiatives in their medium-term management plans, although the ratio of companies that have done so is steadily increasing.
- Around 40% of investors selected business model transformation as an initiative that they would emphasize in response to the spread of COVID-19, whereas around 20% of companies selected this option. This indicates a gap in perception between investors and

⇒ Encourage the formulation of medium-term management plans to realize sustained growth, including business model transformation, considering a social and economic environment where ESG responses can have a bearing on corporate value.



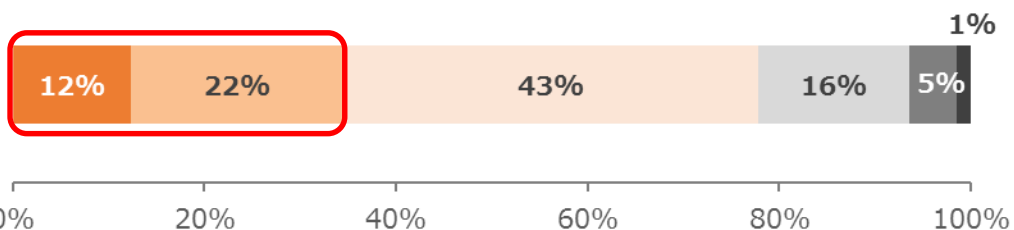
Recommendation (11): Enhance disclosure of information related to climate change impacts, and consider formulating greenhouse gas reduction targets

- Around 30% of both companies and investors have already undertaken the disclosure and use of climate change-related information based on TCFD recommendations. Meanwhile, many companies' activities have been limited to qualitative analyses, while many others have still not undertaken these activities.
- Certain companies and investors have already formulated carbon neutrality targets to reduce greenhouse gases, while around 50% of companies and around 80% of investors have not yet formulated such targets at this time.

⇒ Encourage companies and investors to further enhance disclosure of climate change-related information and consider formulating carbon neutrality targets for 2050 to reduce greenhouse gases.

【For companies】

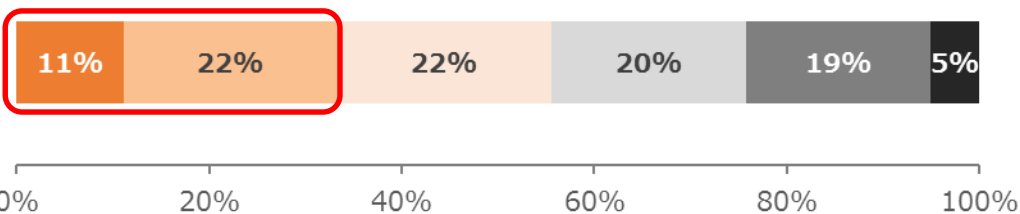
Are you considering TCFD-style climate-related disclosures? (select one)



- Already providing enough disclosure (qualitative and quantitative analyses)
- Already providing a certain level of disclosure (only quantitative analysis)
- Considering adoption for disclosure
- Planning to consider disclosure
- No plans for disclosure
- Not familiar with the TCFD

【For Investors】

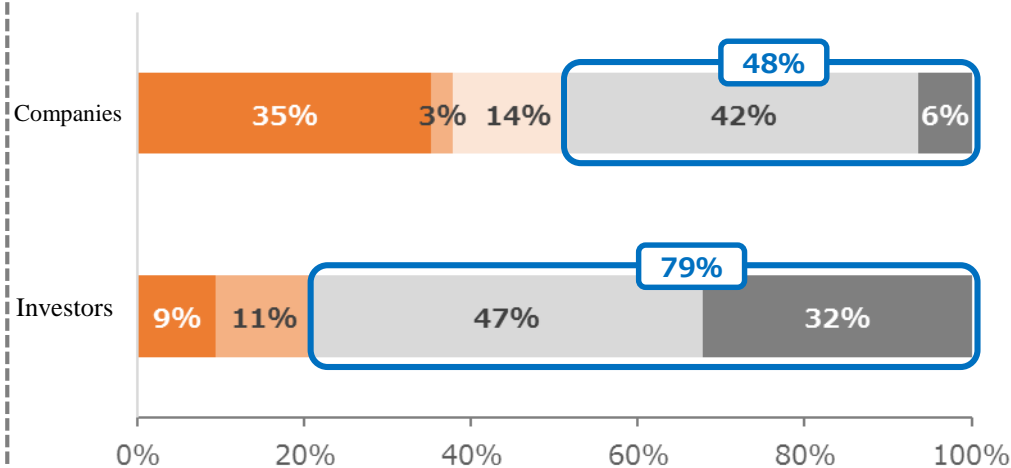
Are you considering using TCFD-style climate-related disclosure information in the evaluation of firms or for dialogue? (select one)



- Already using enough disclosure information (qualitative and quantitative analyses)
- Already using a certain level of disclosure information (only quantitative analysis)
- Considering adopting the use of disclosure information
- Planning to consider the use of disclosure information
- No plans for the use of disclosure information
- Not familiar with the TCFD

【 For companies/investors 】

Greenhouse gas reduction targets for achieving carbon neutrality in 2050 at your company or in your investment portfolio



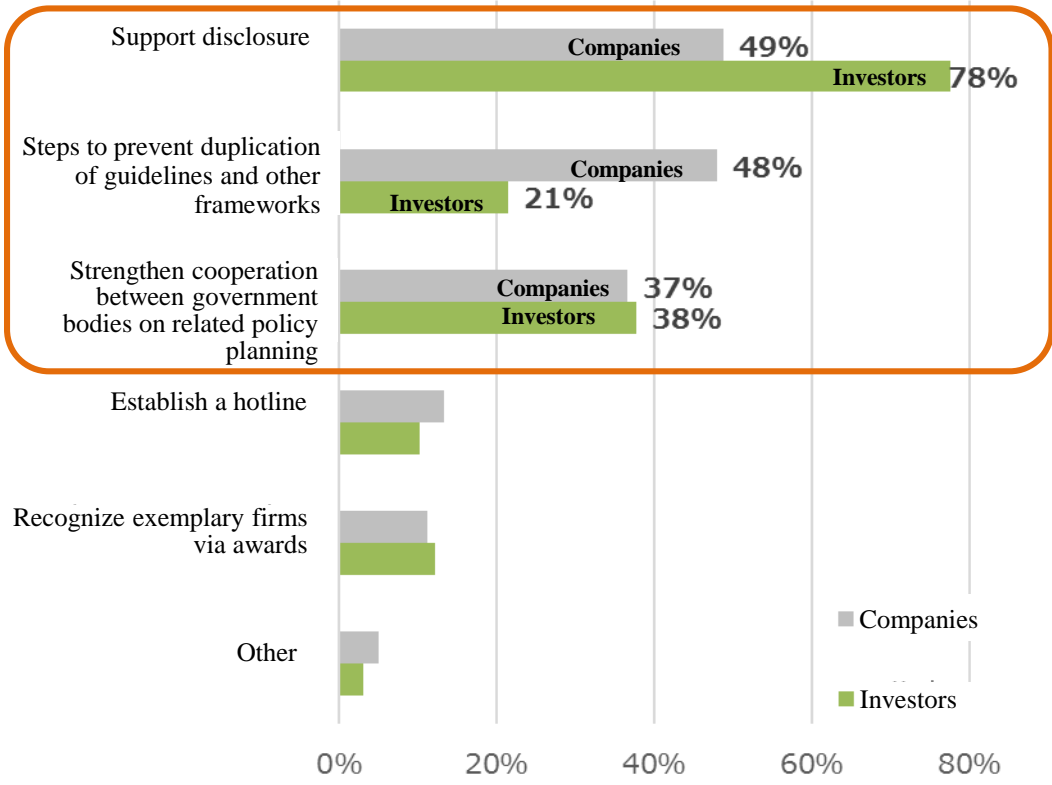
- We have formulated and announced carbon neutrality targets for 2050 and interim targets (for around 2030).
- We have not formulated interim targets (for around 2030) but have formulated and announced carbon neutrality targets for 2050.
- We have not formulated carbon neutrality targets for 2050 but have formulated and announced interim targets (for around 2030).
- We have not formulated specific targets but are considering appropriate steps.
- We currently have no plans to formulate targets.

Recommendation (12): Take steps to promote ESG initiatives across government ministries/agencies

- Following on from the previous fiscal year, investors and companies both continue to expect the government to support corporate disclosure, take steps to prevent duplication of guidelines and other frameworks, and strengthen cooperation between government bodies on related policy planning, in the course of promoting corporate ESG initiatives and ESG investment and finance by investors.
- Meanwhile, the government has bolstered various initiatives to promote ESG initiatives. It has enhanced cooperation between various government bodies through steps such as the joint formulation of the “Basic Guidelines on Climate Transition Finance” by three government bodies, specifically the Ministry of Economy, Trade and Industry (METI), the Financial Services Agency (FSA), and the Ministry

⇒ Step up the creation of policies on the promotion of ESG initiatives across government ministries and agencies, in order to encourage the disclosure of ESG information and ESG investment and finance

【 For companies/investors 】
What do you expect government authorities to do to promote ESG initiatives (companies) and ESG investment and finance (investors)? (select up to two)



Reference: Government meeting structures and guidelines on ESG promotion initiatives

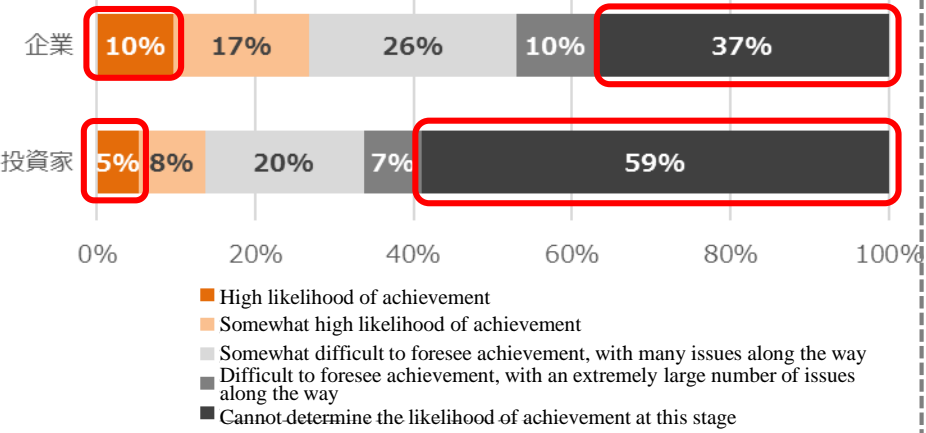
Ministries/Agencies	ESG Initiative Promotion Guidelines
Ministry of Economy, Trade and Industry, Financial Services Agency, and Ministry of the Environment	Basic Guidelines on Climate Transition Finance
Ministry of Economy, Trade and Industry, Ministry of the Environment	Disclosure and Engagement Guidance to Accelerate Sustainable Finance for a Circular Economy
Ministry of the Environment	Sustainable Development Goals (SDGs) Application Guide
	Practical Guide to ESG Regional Finance
	Practical guide for Scenario Analysis in line with the TCFD recommendations
Financial Services Agency	Guidelines for Dialogue Between Investors and Companies
	Social Bond Guidelines
Ministry of Economy, Trade and Industry	Guidance for Collaborative Value Creation
	Green Investment Guidance
	TCFD Guidance 2.0
	SDGs Management Guide

Recommendation (13): Further enhance policy-based support to realize carbon neutrality

- The share of both companies and investors who said there was a “high likelihood” of achieving carbon neutrality in 2050 was only 10% or lower. Meanwhile, the roadmap to achieving this goal is uncertain, with many respondents stating that they “cannot determine the likelihood of achievement at this stage.”
- As for expectations for government actions, responses included “Propose energy policies centered on renewable energy,” “Formulate specific roadmaps,” and “Develop infrastructure to expand renewable energy.”

⇒ Formulate specific policies and further enhance policy-based support to increase the feasibility of realizing carbon neutrality

【 For companies/investors 】
Which of the following statements most closely describes your current position on the likelihood of achieving carbon neutrality in 2050 at your firm or in your firm’s investment portfolio?

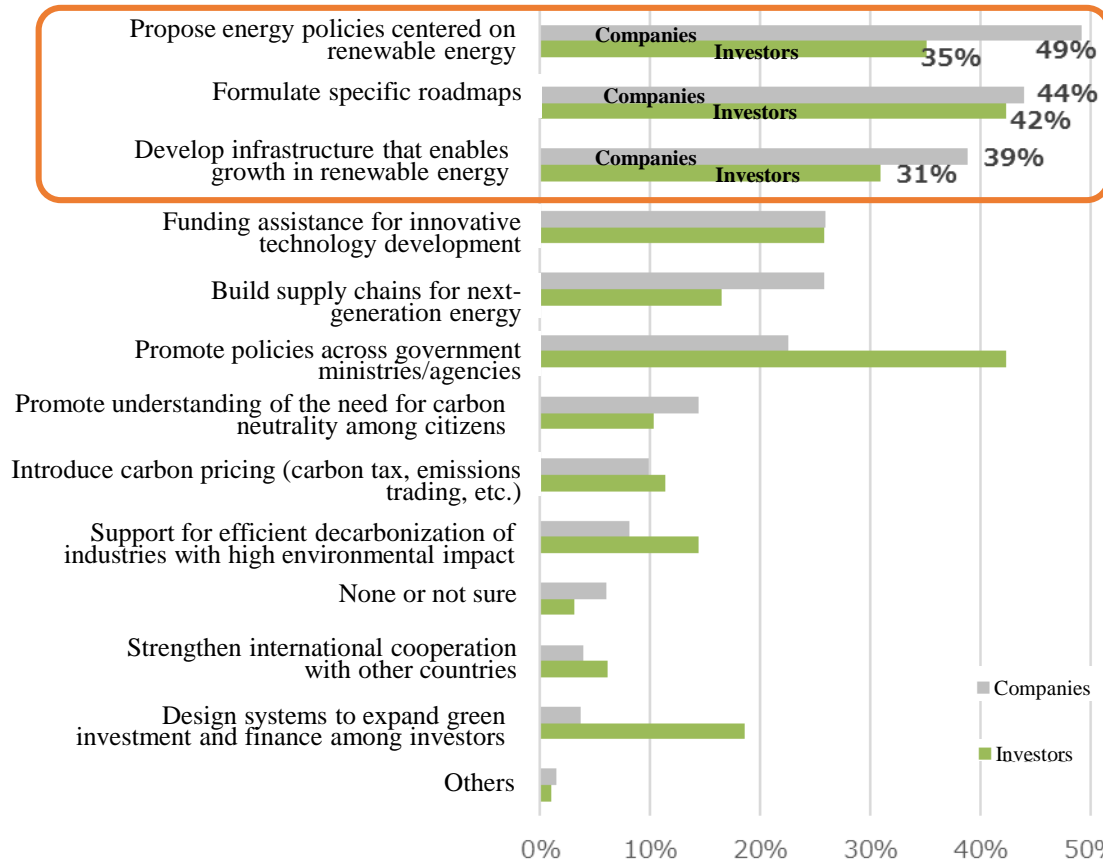


(Reference) Major initiatives to address climate change by the government

Green Growth Strategy (announced December 2020)
Industrial policy to lead the challenging goal of carbon neutrality to a “Positive cycle of economic growth and environmental protection”

Project for the Green Innovation Fund
A ¥2 trillion fund to continuously support companies and other organizations committed to reaching ambitious goals, in efforts ranging from research and development (R&D) to demonstrations to social implementation of the outcomes

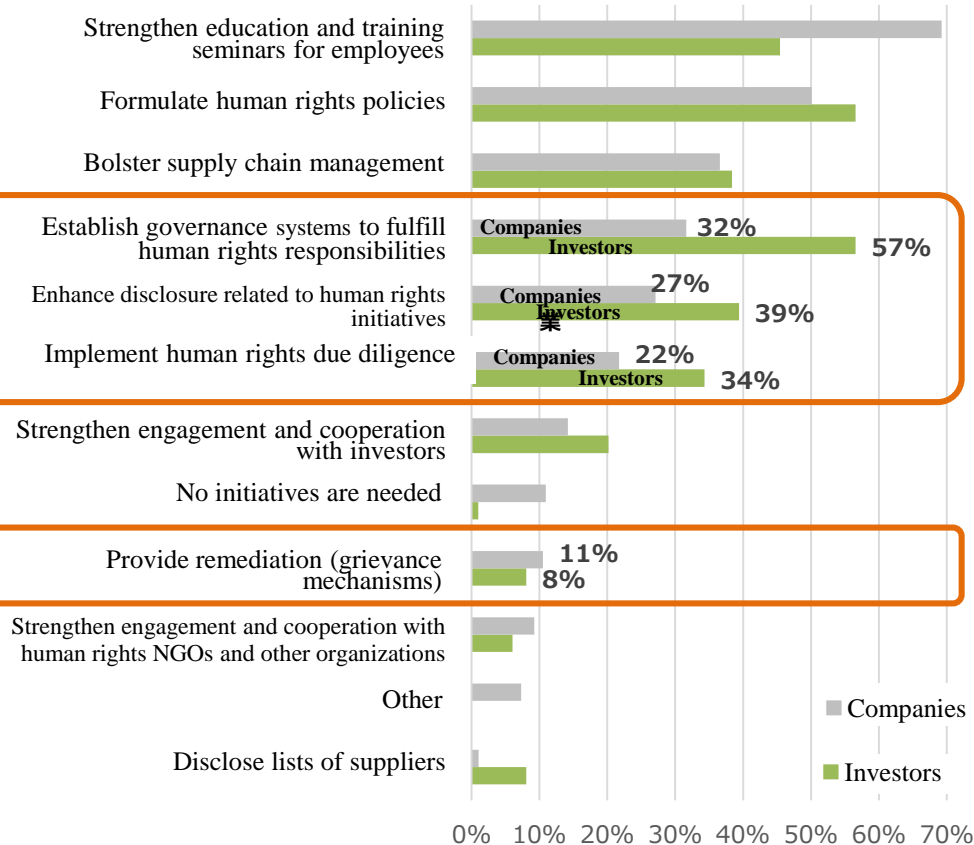
【 For companies/investors 】 (select up to three)
What do you expect the government to do to achieving carbon neutrality in 2050?



【Topics】Domestic Conditions Concerning Human Rights

- In Japan, the level of human rights initiatives expected by companies and investors has rapidly increased, following the formulation of the National Action Plan on Business and Human Rights, among other developments.
- Human rights due diligence and provision of remediation are expected by the United Nations and other organizations. The shares of companies that replied that they have “already implemented” these initiatives were low, at 22% and 11%, respectively.
- Investors expect companies to take steps such as establishing governance systems, enhancing disclosure and implementing human rights due diligence. There is a gap between investors’ expectations and the measures currently implemented by companies.

【 For companies/investors 】 (select up to three)
 What initiatives are you already taking, or what initiatives do you expect companies to undertake, to foster respect for human rights?



(Reference) Domestic trends concerning human rights

National Action Plan on Business and Human Rights
 (announced in October 2020)

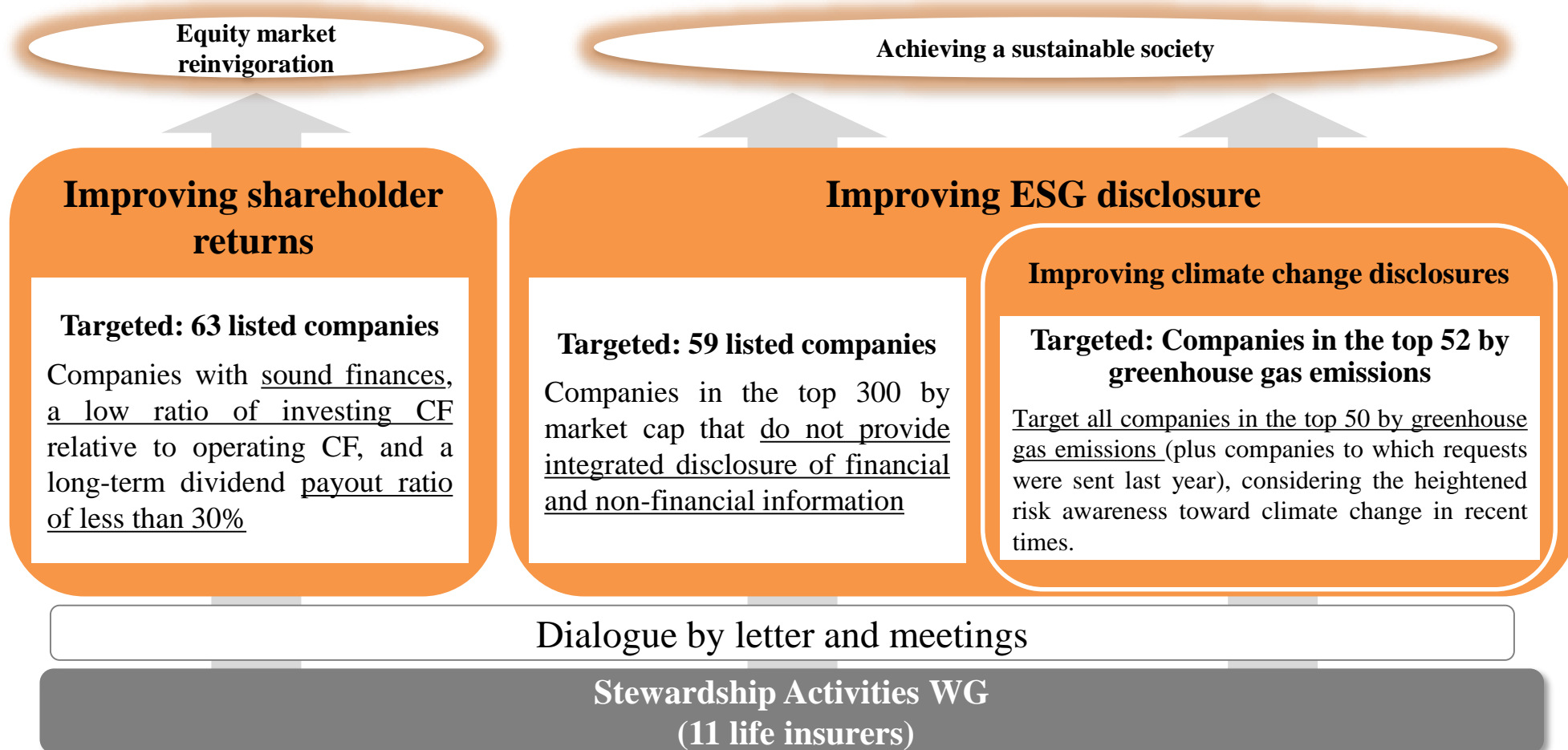
This plan presents various initiatives concerning “business and human rights” that the government will implement going forward. In addition, it articulates the government’s expectations for companies to introduce and promote human rights due diligence.



Source: Ministry of Foreign Affairs

Supported efforts by companies to address decarbonization through requests for improving climate change disclosures

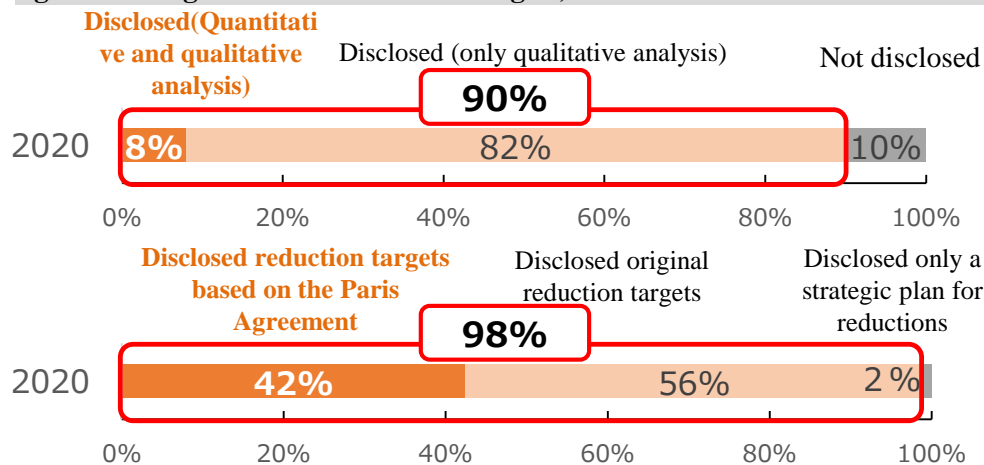
- From FY2017, the life insurers in the Stewardship Activities Working Group (WG) jointly initiated a collaborative engagement campaign to convey their awareness of issues to companies. In FY2021, the campaign targeted 170 listed companies (174 companies in total), while keeping in place the three themes of improving climate change disclosures, improving ESG disclosures and improving shareholder returns.
- Notably, on the theme of improving climate change disclosures, the campaign continued its efforts from the previous fiscal year to make the following two requests to all companies in the top 50 by greenhouse gas emissions: (1) perform quantitative and qualitative analysis of management risks and opportunities associated with climate change and disclose this information; and (2) formulate and disclose a roadmap for greenhouse gas emission reductions with a view to achieving net zero emissions in 2050.



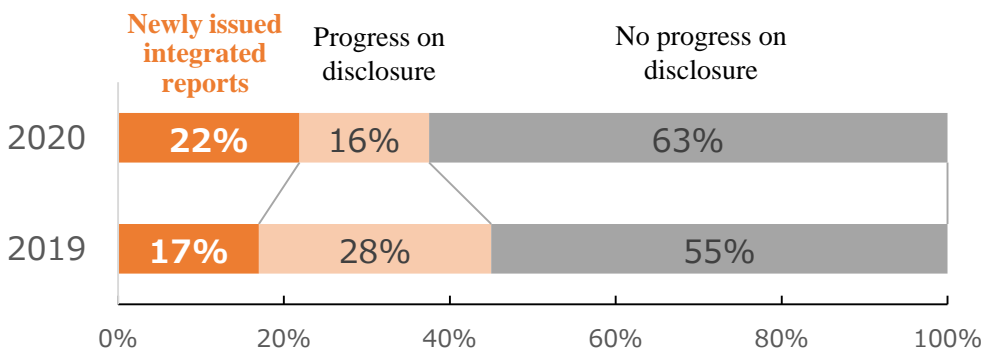
Results of the collaborative engagement campaign in the previous fiscal year

- In terms of improving climate change disclosures, the campaign found that 90% of the targeted companies disclosed risks and opportunities associated with climate change, and 98% of the targeted companies disclosed greenhouse gas reduction targets, indicating progress on the disclosure of climate change information.
- Looking at improving ESG disclosure, companies that newly issued integrated reports rose from 17% in FY2019 to 22%.
- With regard to improving shareholder returns, companies that have met the standard of a dividend payout ratio of 30% increased from 24% in FY2019 to 31%.

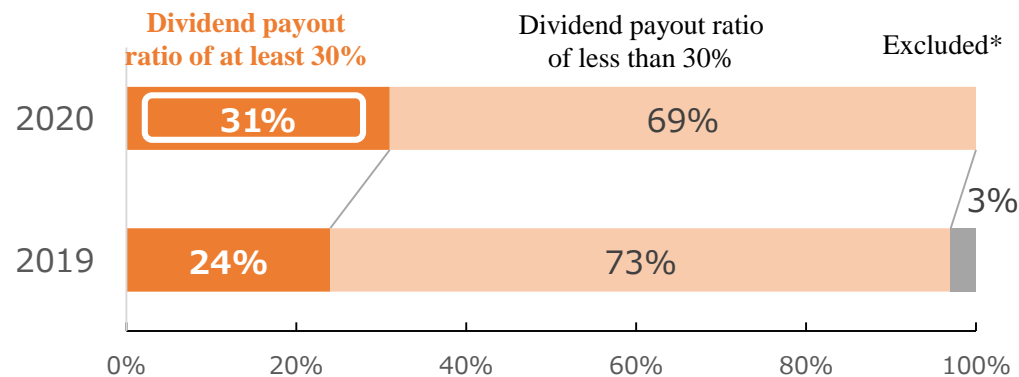
Improving climate change disclosures (Top: Disclosure of risks and opportunities; Bottom: Formulation of greenhouse gas emission reduction targets)



Improving ESG disclosure



Improving shareholder returns



* Companies excluded due to delisting, etc.

(Reference) Status of activities of collaborative engagement in FY2020

Theme	Targeted companies	
Improving climate change disclosures	50 companies	Companies in the top 50 by greenhouse gas emissions (Scope 1 and Scope 2)
Improving ESG disclosure	64 companies	Companies in the top 300 by market cap that do not provide integrated disclosure of financial and non-financial information
Improving shareholder returns	64 companies	Companies with sound finances, a low ratio of investing CF relative to operating CF, and a long-term dividend payout ratio of less than 30%
Total	171 companies	(178 companies in total)

Initiatives and approaches conducted or considered by WG participants to improve stewardship activities

- Based on the sharing of activity details among WG participants and interviews with external investors and other experts, each WG participant continuously strengthened its initiatives and other activities.
- WG participants are also actively engaged in dialogue on ESG issues such as climate change, human rights, diversity and governance.
- Additionally, WG participants took steps to expand stewardship activities beyond domestic listed shares, with initiatives centered on domestic corporate bonds.

	Activity details	Comparison with the previous fiscal year	
		FY2020	FY2021
	(Number of WG participants)	11	11
Dialogue theme	• E (climate change) dialogues		11
	• S (human rights, diversity) dialogues		10
	• Governance (G) dialogue	11	11
Manage, use and disclose the results of dialogue	• Dialogue findings used in investment decisions	11	11
	• Externally disclosed the outcomes and results of dialogue		11
Expand the scope of stewardship activities	• Expanded stewardship activities to domestic corporate bonds		11
	• Expanded stewardship activities beyond domestic corporate bonds (to foreign shares and corporate bonds, etc.)		4(6)
Enhance voting disclosures	• Disclose voting criteria		10
	• Disclose voting results and the reasons for voting decisions		11
Conduct dialogue to address the spread of COVID-19	• Conducted dialogue on themes based on the spread of COVID-19, such as work style reforms and digitalization	11	11

* Figures in parentheses include the number of companies considering implementation in the next fiscal year.

Efforts to strengthen initiatives and approaches conducted or considered by WG participants

- Each WG participant is conducting interviews with external investors and other experts, as well as sharing information and exchanging views on participants' initiatives and approaches.
- Each WG participant is establishing systems and pursuing initiatives aimed at promoting ESG investment and finance, based on factors such as their respective investment strategies.
- Notably, in FY2021, each WG participant strengthened initiatives to address the climate change problem, such as disclosing information according to TCFD recommendations and disclosing net zero emission targets in the investment portfolio.

		Activity details	Comparison with the previous fiscal year	
			FY2020【16】	FY2021【18】
Approach	Policy	• Become a signatory to PRI	12	14 (15)
		• Clearly include the term “ESG” in the basic investment policy	4	10 (11)
	Organization	• Create cross-divisional meeting structures	12	16
Addressing climate change		• Endorse TCFD recommendations *1	15	17
		• Disclose information according to TCFD recommendations	11	16 (17)
		• Disclose net zero emission targets in the investment portfolio		10 (15)
Main ESG investment and finance methods being used		• Engagement (Dialogue)	14	16
		• Integration *2	15	18
		• Negative screening *3	16	18
		• Impact investing	4	8(11)

*1: Including cases where TCFD recommendations are signed and endorsed at the holding company level and the commitment also covers group companies.

*2 Meaning that ESG factors are reflected in the investment process.

*3 Defining securities for portfolio exclusion from an ESG perspective

* Figures in parentheses include the number of companies considering implementation in the next fiscal year.

Interviews on progressive actions to enhance initiatives/approaches

- Participants in the ESG investment and finance WG continued to invite external experts to host seminars to foster their understanding of ESG investing and finance and enhance their initiatives/approaches.
- In FY2021, LIAJ held joint seminars for the ESG Investment and Finance WG and the Stewardship Activities WG on Environment (E) and Social (S) themes such as addressing climate change and human rights.

Instructor	Seminar
Social Innovation and Investment Foundation (SIIF)	• Trends in impact investing
Ministry of Economy, Trade and Industry	• Trends related to green finance
Ministry of the Environment	• Promotion of ESG finance
Financial Services Agency	• Briefing on the Report by the Expert Panel on Sustainable Finance



< Joint seminars with the Stewardship Activities WG >

Instructor	Seminar
Resona Asset Management Co., Ltd.	• Action on human rights issues and related matters
Government Pension Investment Fund (GPIF)	• Case examples of ESG investment and stewardship activities
Neuberger Berman East Asia Limited	• Cutting-edge examples of ESG investment systems
Green Pacific Co., Ltd.	• Climate change scenario analysis

Upgrade the initiatives of WG participants