

## LIAJ initiatives in FY2022

- 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 FY2022.
- In addition, LIAJ implemented measures to refine and raise the sophistication of activities at each LIAJ member firm. Measures included holding joint working group (WG) seminars with Environment (E) and Society (S) themes, such as “Addressing climate change,” “Human capital” 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

2017~

#### Collaborative engagement

Improving shareholder returns

Improving ESG disclosure

Improving climate change disclosures

1974~

#### LIAJ recommendations

Based on surveys of companies/investors

#### Upgraded initiatives and approaches of WG participants

Stewardship Activities WG  
(11 life insurers)

Collaborating

The Life Insurance Association of Japan

ESG Investment and Finance WG  
(20 life insurers)

## FY2022 policy recommendations

- The number of companies and investors that now recognize the importance of the need to improve corporate governance and initiatives for human capital increased in the survey of companies and investors carried out in FY2022.
- Based on the survey results, recommendations on enhancing dialogue and promoting ESG initiatives in FY2022 were partially revised.

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	Companies	
Enhancing dialogue	④ Improve disclosure/dialogue on medium- and long-term investment strategy, including investments in human capital and intellectual property linked to management strategy <span style="border: 1px solid green; border-radius: 5px; padding: 2px;">Revised</span>				Investors	⑩ Formulate medium-term management plans to realize sustained growth, including ESG initiatives	Companies
	⑤ Encourage involvement of top management in dialogue					⑪ Enhance disclosure of corporate information related to climate change impacts and promote the use of information for investors to evaluate companies, etc., and consider formulating greenhouse gas reduction targets for both companies and investors <span style="border: 1px solid green; border-radius: 5px; padding: 2px;">Revised</span>	
	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			⑫ Take steps to promote ESG initiatives across government ministries/agencies	Government		
			⑬ Further enhance policy-based support to realize carbon neutrality				

\* As there has been a significant perception gap between companies and investors in previous years regarding the evaluation of the role expected of external directors, new questions were added to the questionnaire to evaluate each expected role.

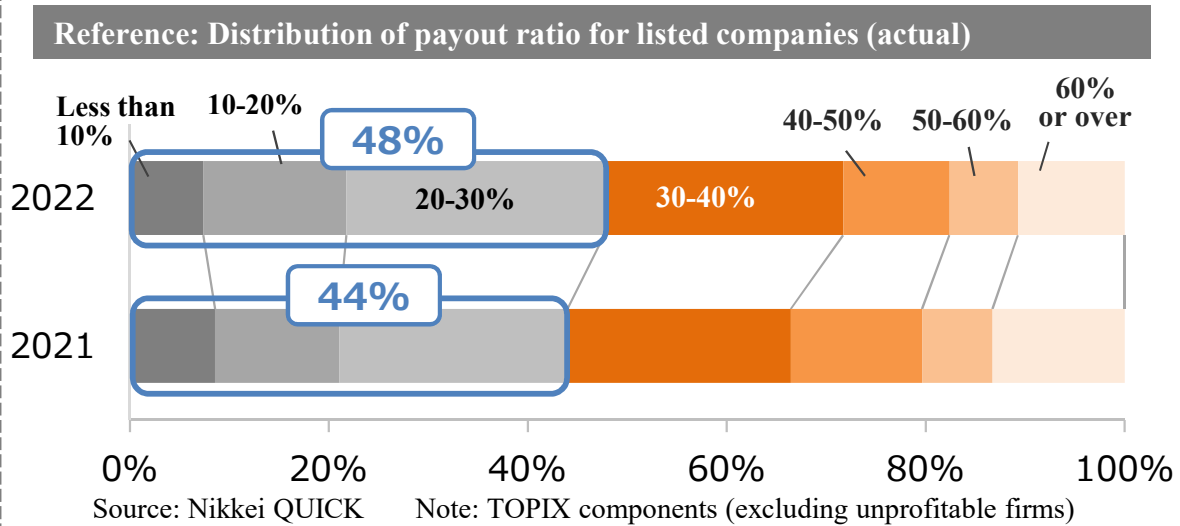
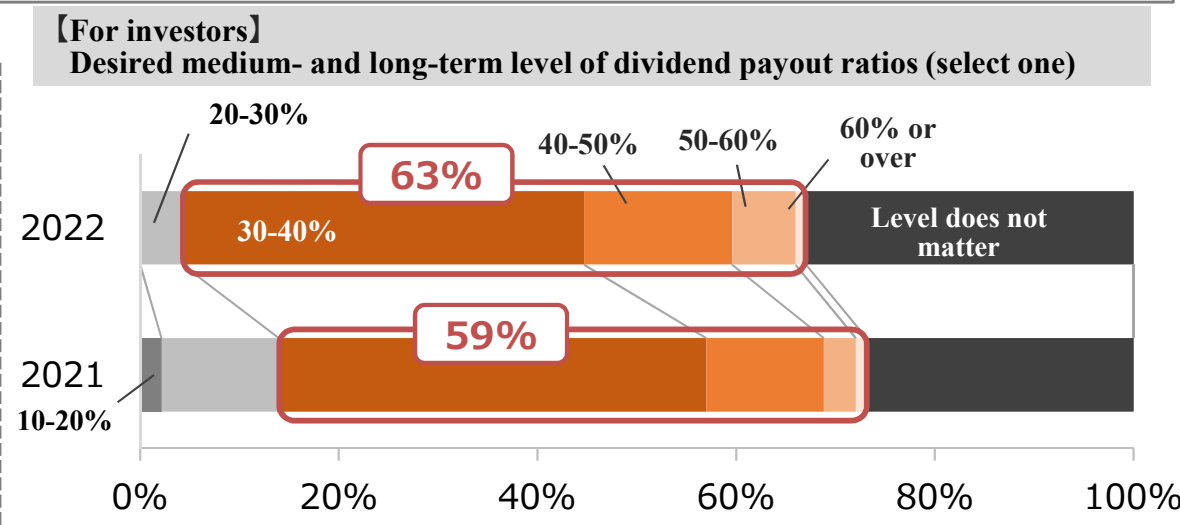
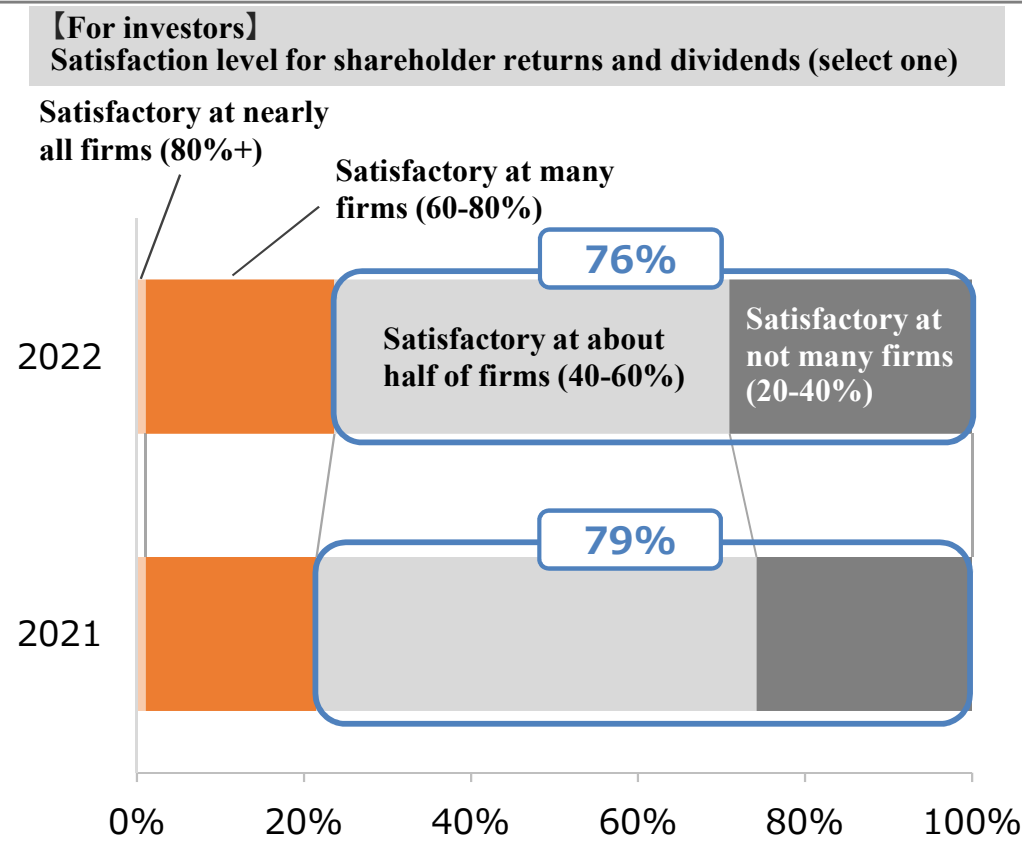
### Survey on initiatives to enhance corporate value

<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 39% (473/1,200 companies); investors 50% (105/208 companies)

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

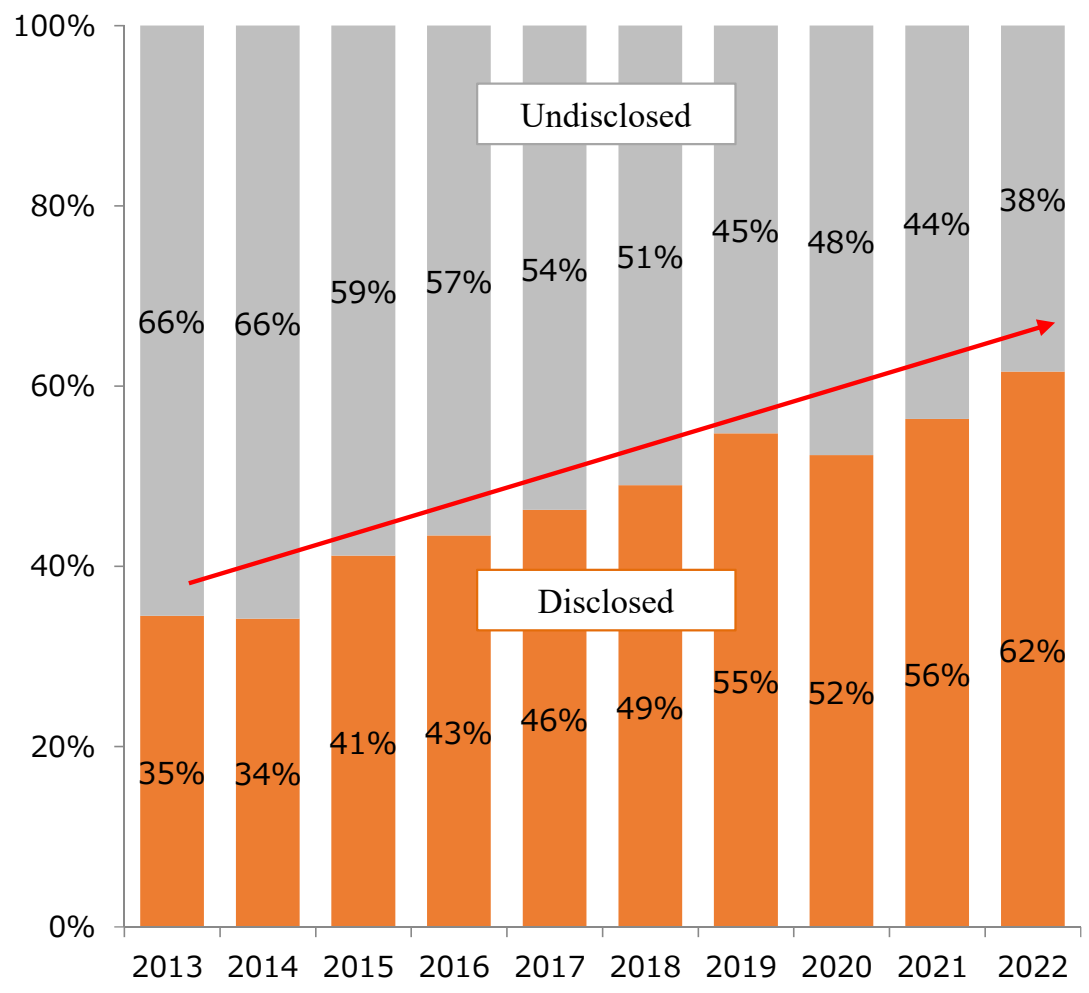
- 76% of investors are not fully satisfied with the level of shareholder returns and dividends. There has been no change in investors' position in this respect compared to the previous fiscal year.
  - 63% of investors, a greater percentage than in the previous fiscal year, expect firms to offer dividend payout ratios of at least 30% over the medium and long term. However, the actual dividend payout ratios remained under 30% for 48% of all firms.
- ⇒ Increase shareholder returns over the medium and long terms, with a payout ratio of at least 30% after gauging investor expectations through dialogue



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

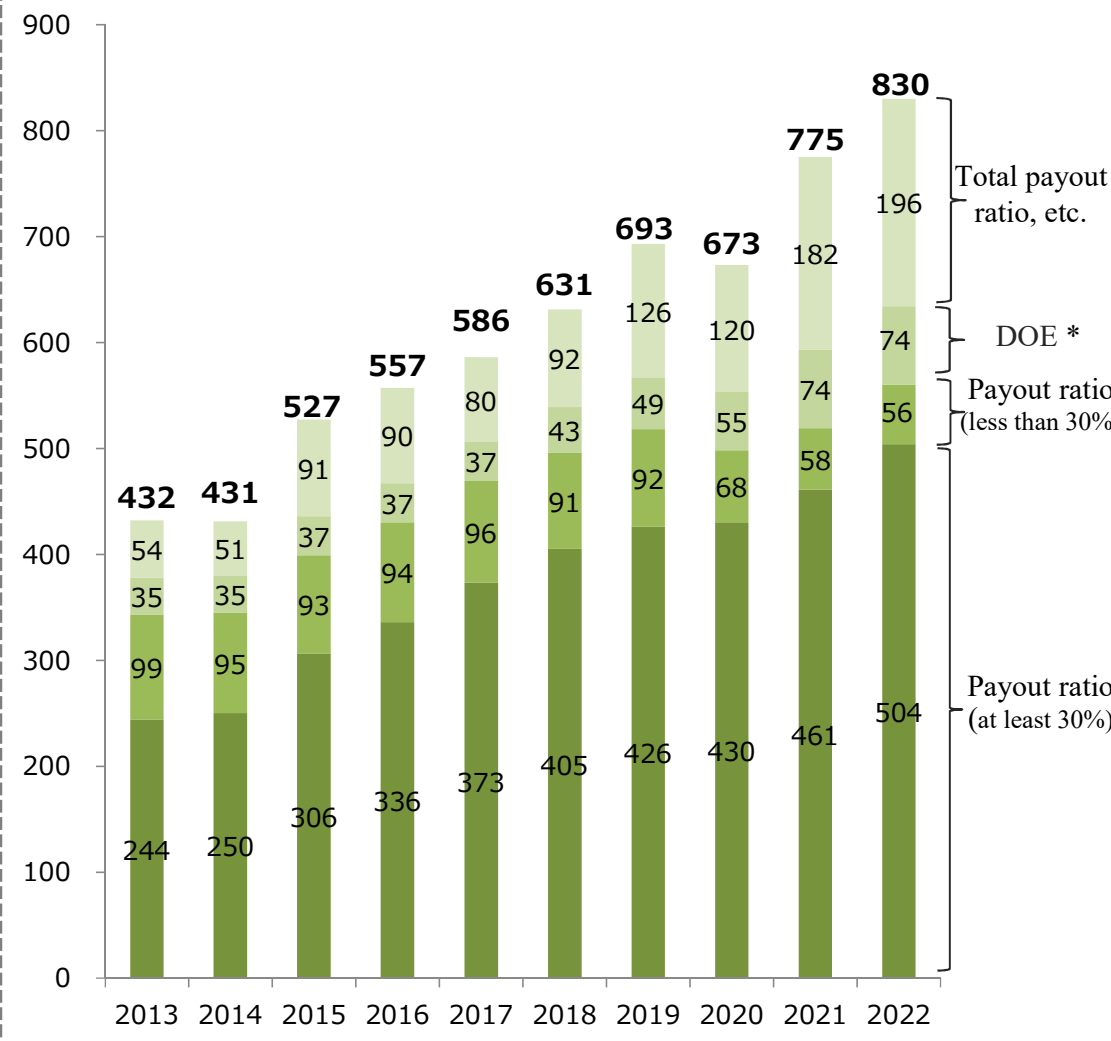
(Reference) Disclosure of numerical shareholder return (SR) targets

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



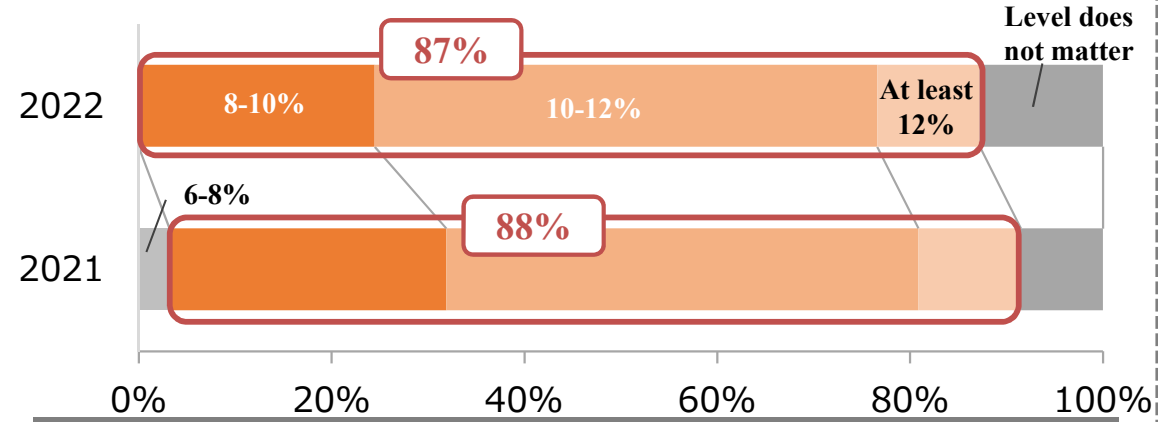
Source: LIAJ research  
Based on survey of top 1,200 listed stocks by market capitalization  
Note: Firms with multiple SR targets are counted for each target  
\*DOE: dividend-on-equity ratio

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

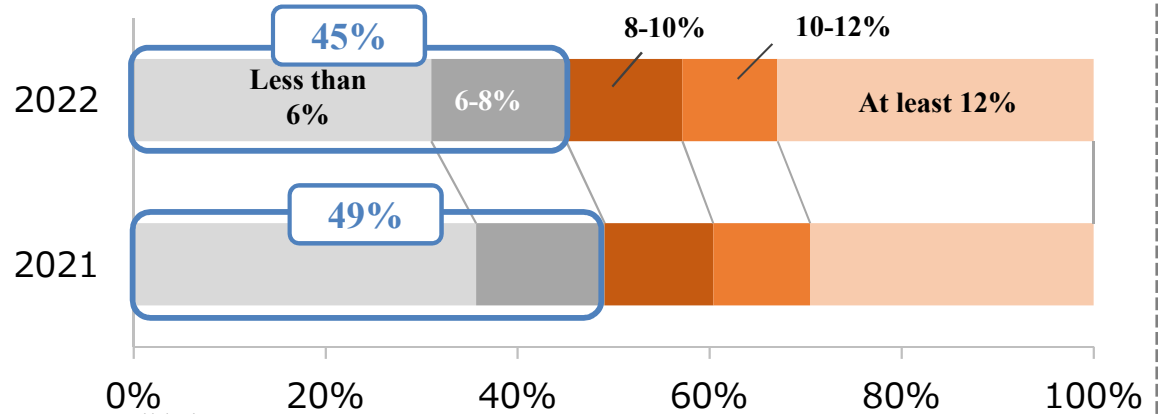
- 87% of investors expect ROE of at least 8% over the medium and long term. Meanwhile, ROE remains under 8% at 45% of listed firms.
- The ratio of firms that have not calculated their cost of capital (return expected by shareholders) was 34%, indicating no major change from the previous fiscal year. 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

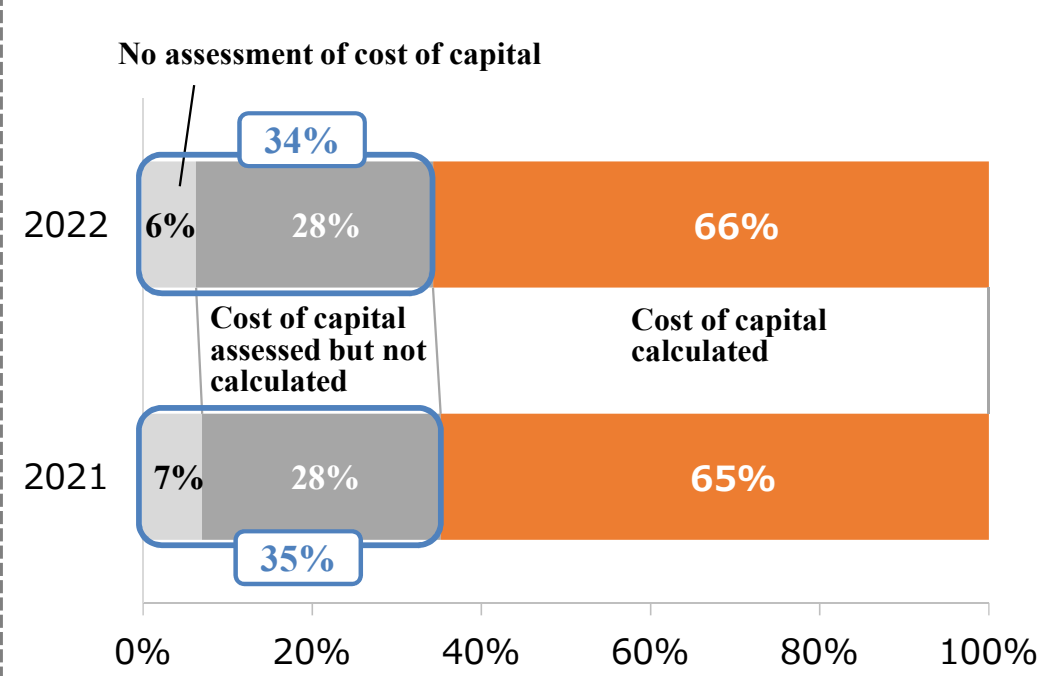
【For investors】Desired medium- and long-term level for ROE (select one)



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)?

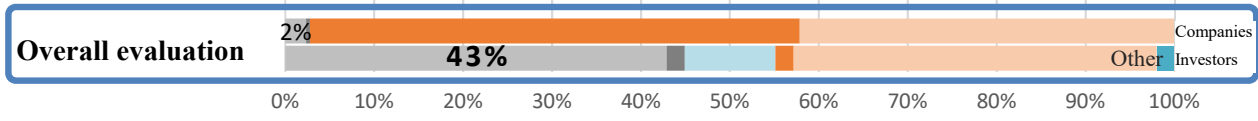
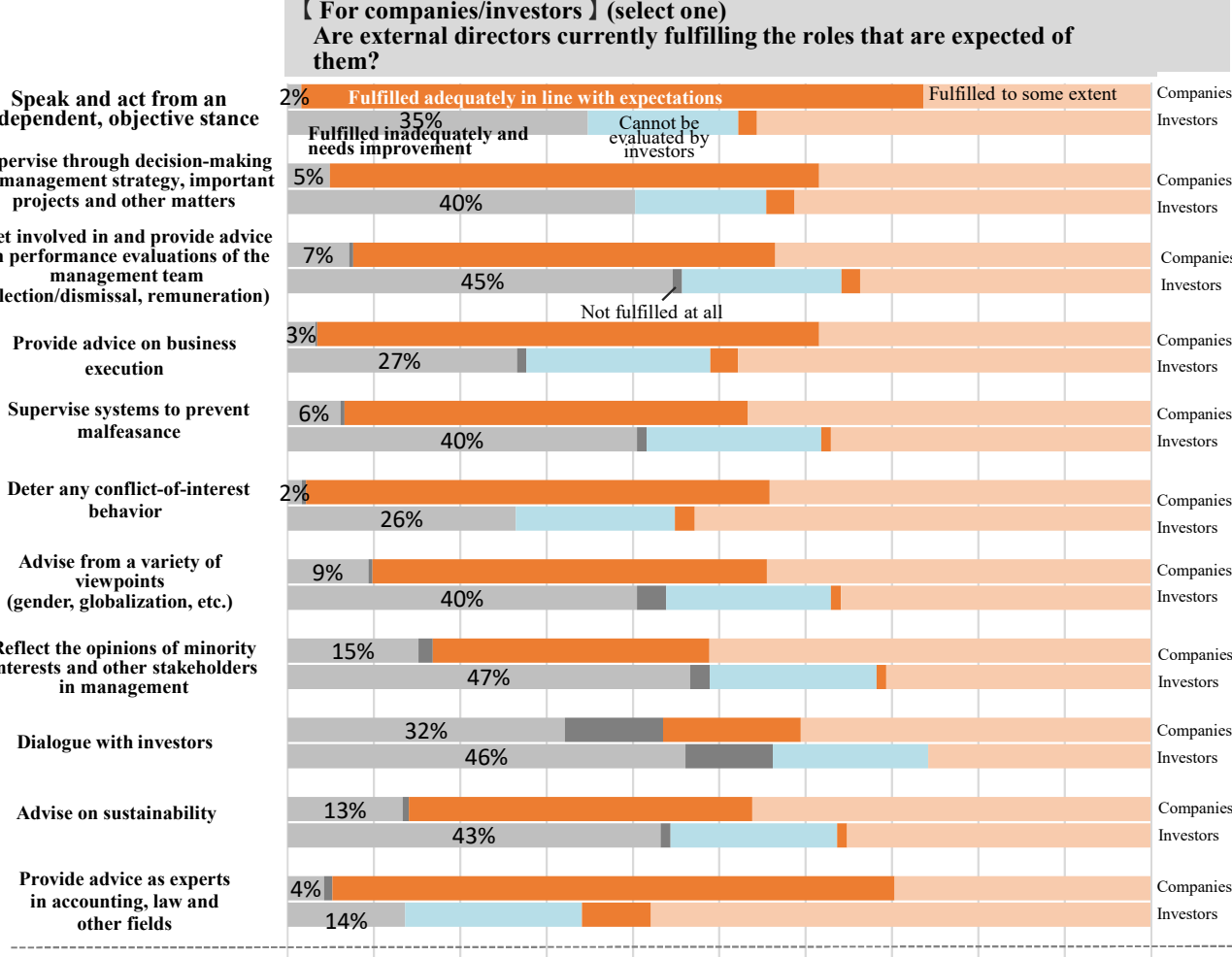
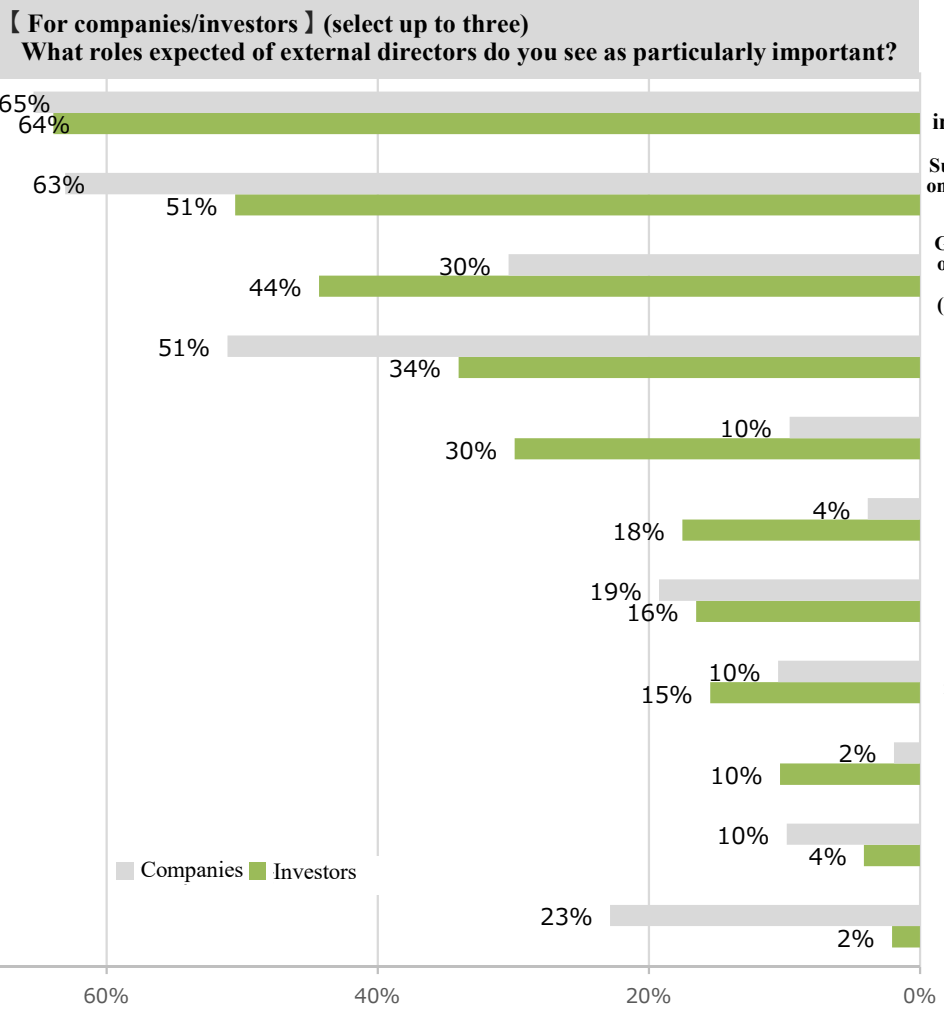


Source: Nikkei QUICK  
Note: All listed firms (excluding unprofitable firms and the financial sector)

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

- Regarding the fulfillment of roles by external directors, when it came to the overall role and individual items, a majority of companies responded that the “role is being fulfilled,” while roughly half of the investors responded with “fulfilled inadequately and needs improvement” or “cannot be determined,” showing a perception gap in recognition between companies and investors.
- There is a possibility that investors' evaluation of external directors is low because they have few opportunities to come into contact, and there needs to be communication between companies and investors, such as explaining to investors through enhanced company disclosures and respectful dialogue about the roles and performances of external directors.

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

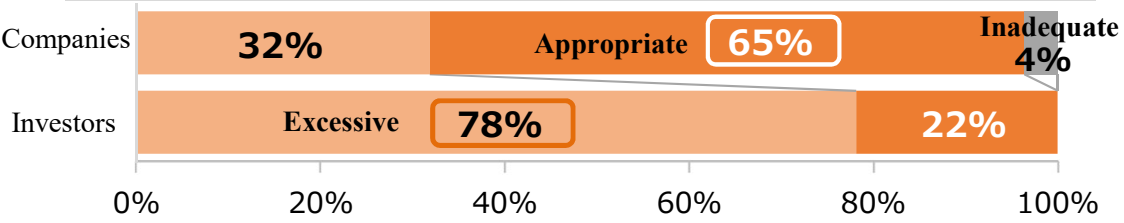


**Recommendation (4): Improve disclosure/dialogue on medium- and long-term investment strategy, including investments in human capital and intellectual property linked to management strategy**

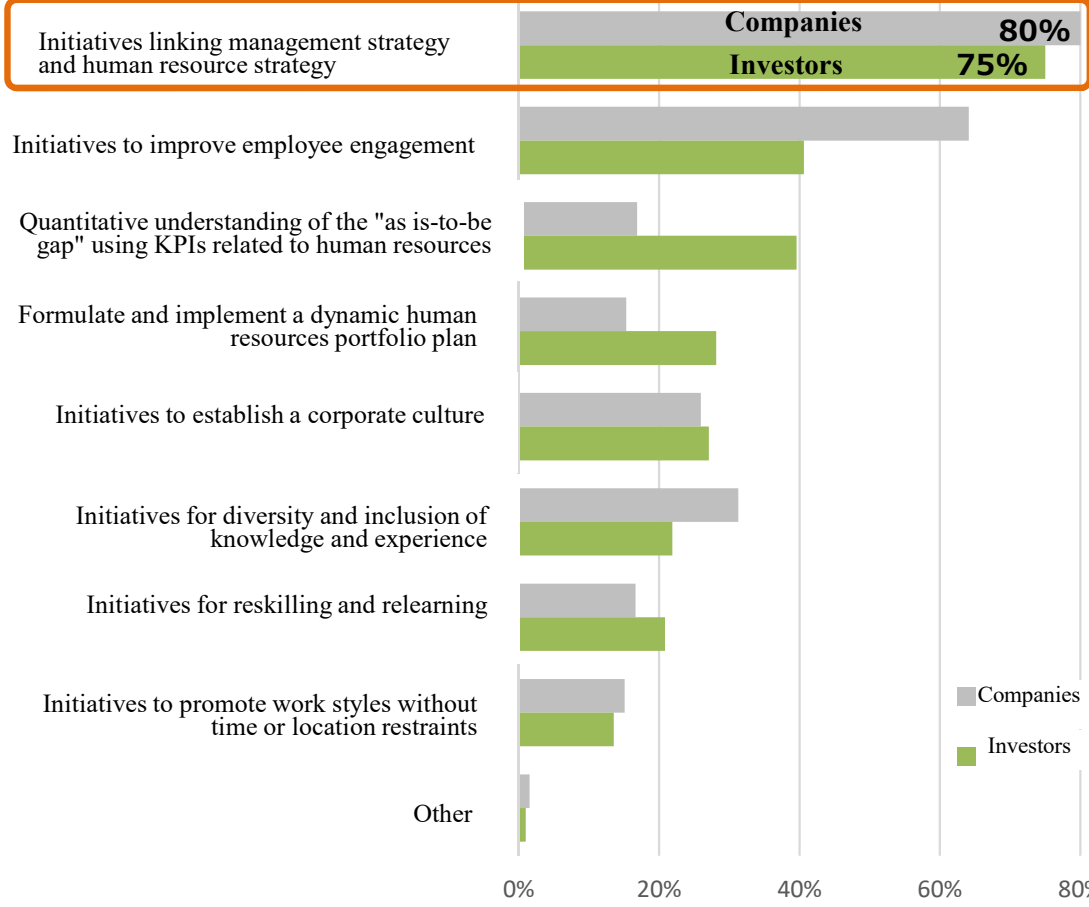
- 65% of companies believe the levels of cash balances are appropriate. Meanwhile, 78% of investors see current levels of cash balances as excessive, which continues the historical gap in perception between investors and companies.
- In their medium- and long-term investment/financial strategies, companies see capex as vital, while investors put most emphasis on investments in human capital, and emphasized intangibles such as IT (DX support, digitalization) and R&D.
- Companies and investors are both emphasizing “initiatives linking management strategies and human resource strategies” toward realizing the human capital management the Japanese government is promoting.

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

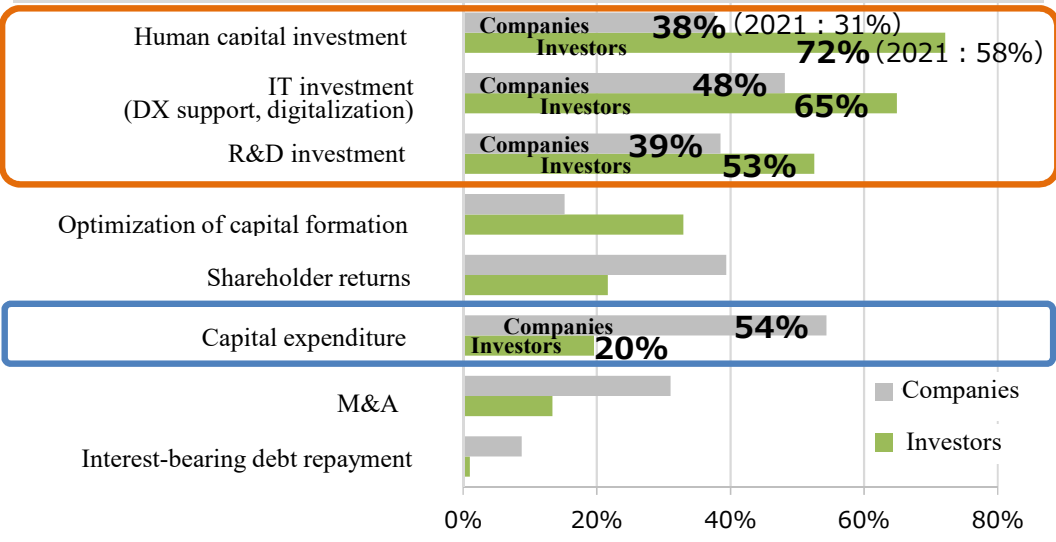
**【 For companies/investors 】 (select one)**  
**How do you see current levels of cash holdings?**



**【 For companies/investors 】 (select up to three)**  
**What do you think should be emphasized to achieve human capital management?**

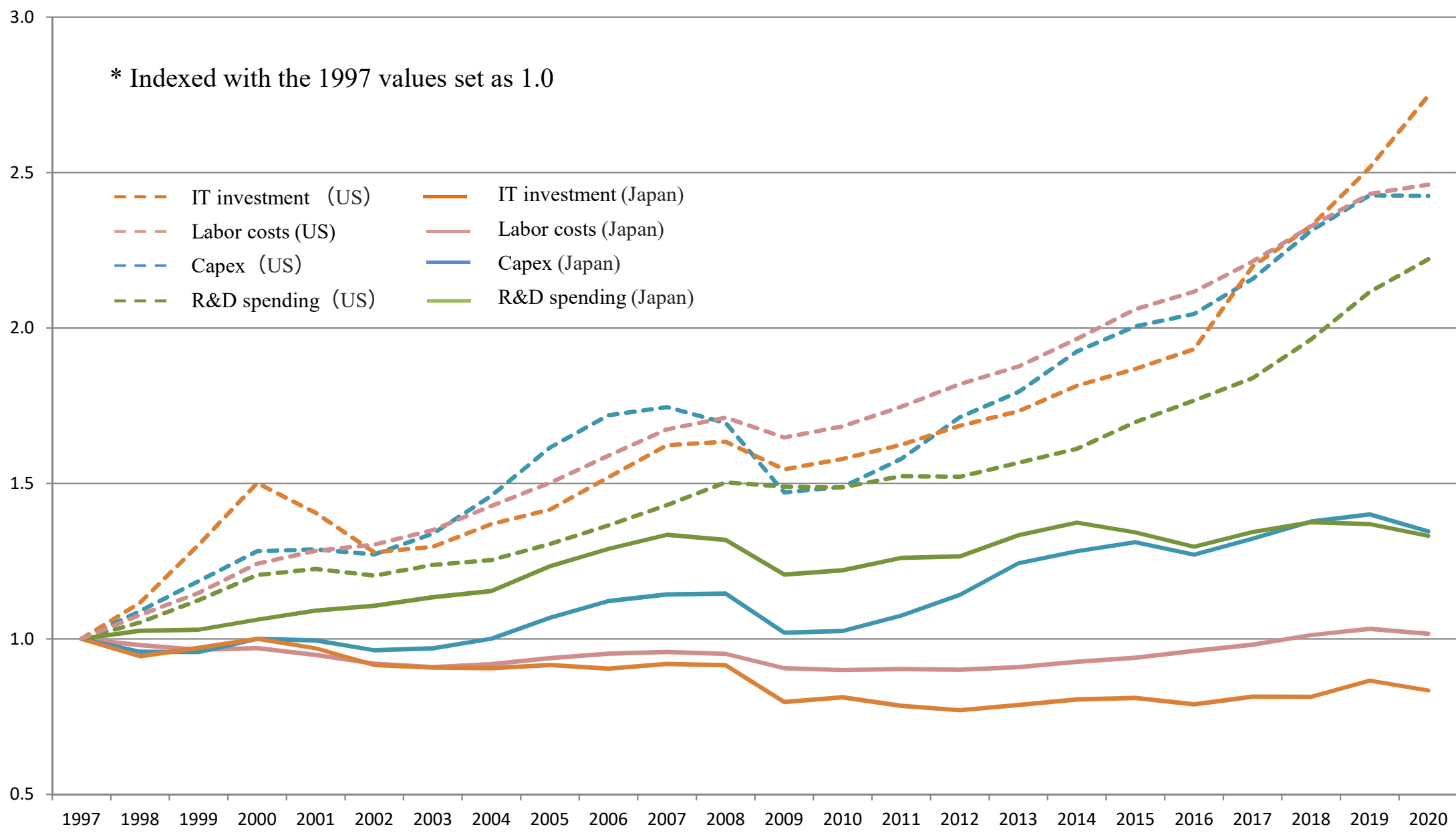


**【 For companies/investors 】 (select up to three)**  
**What do you think are important matters to consider, or should be considered, in your medium- and long-term investment/financial strategies?**





# 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.

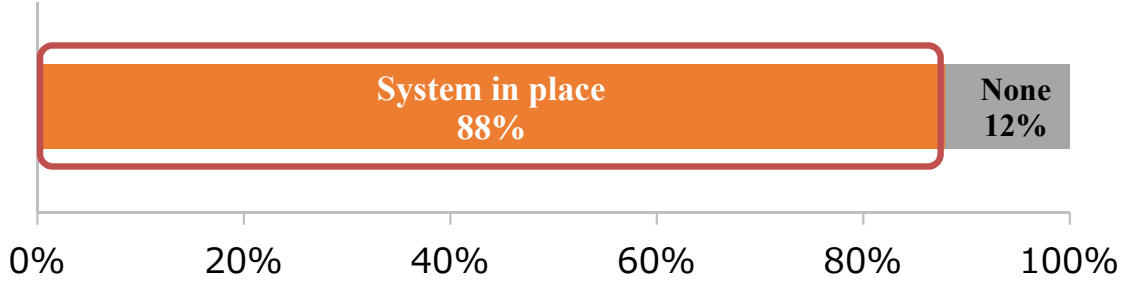


## Recommendation (5): Encourage involvement of top management in dialogue

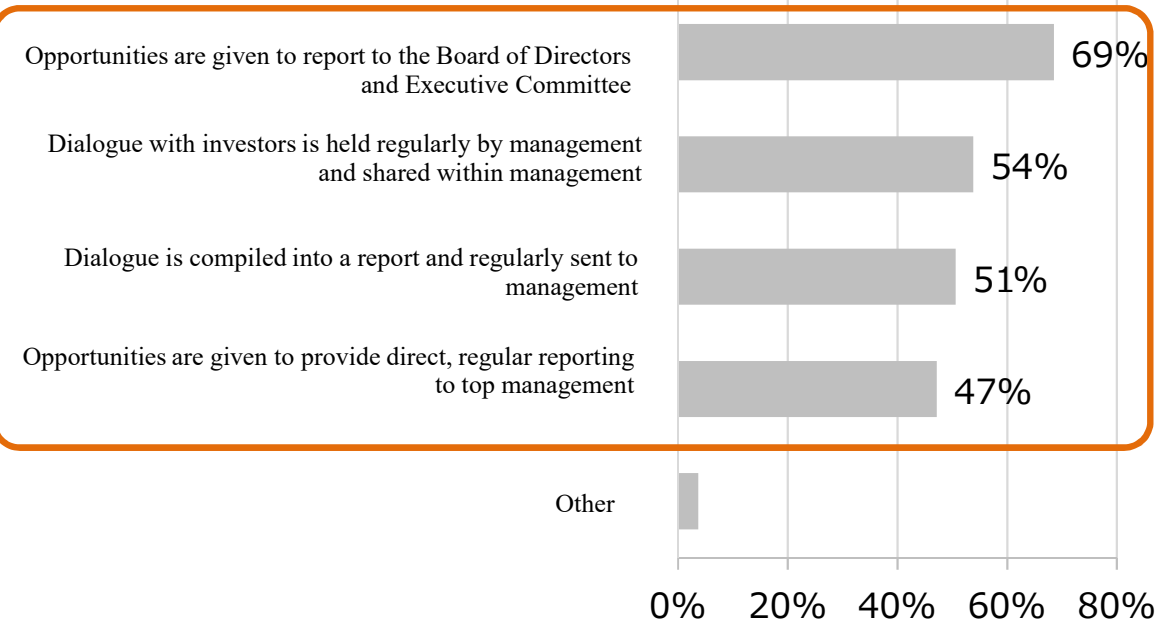
- 88% of companies have systems in place to share dialogue content with management, but investors feel that “dialogue content does not reach management” and there is “non-participation by senior managers.”

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

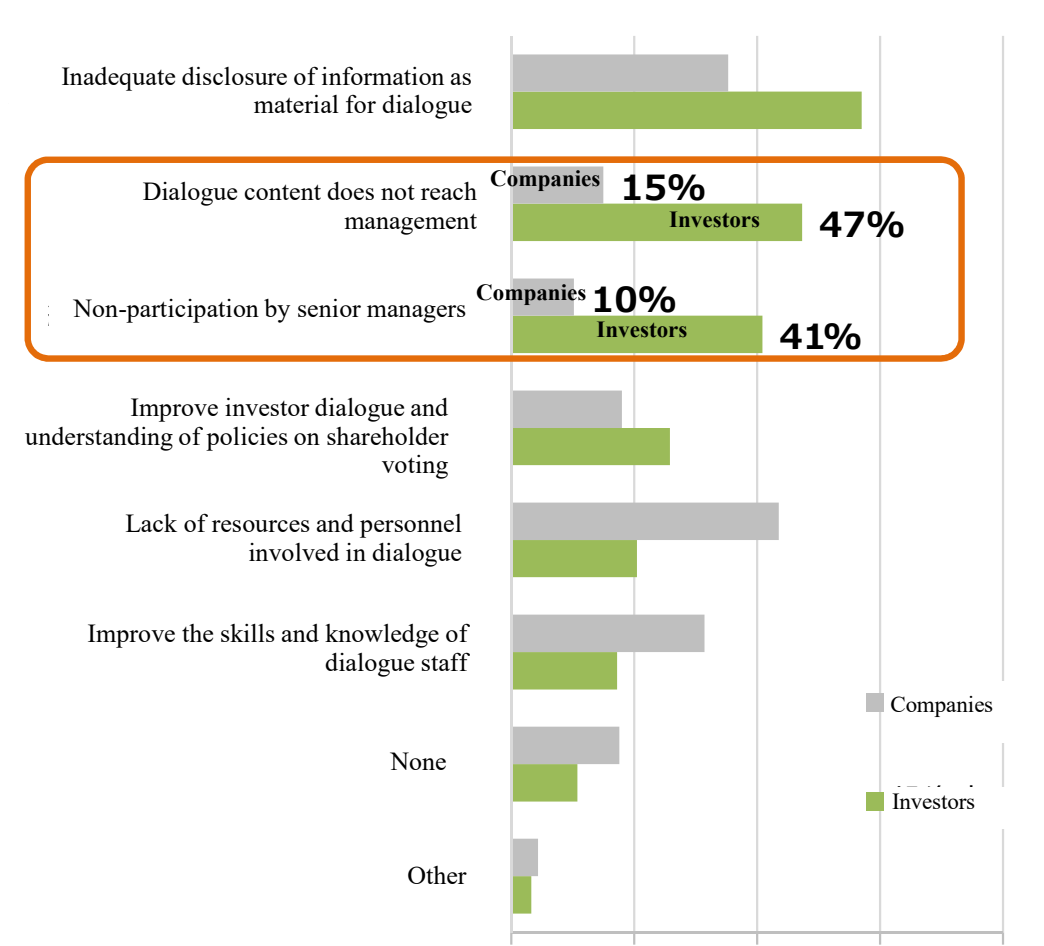
**【For companies】(select one)**  
Do you have a system in place to share dialogue content with management?



**【 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.

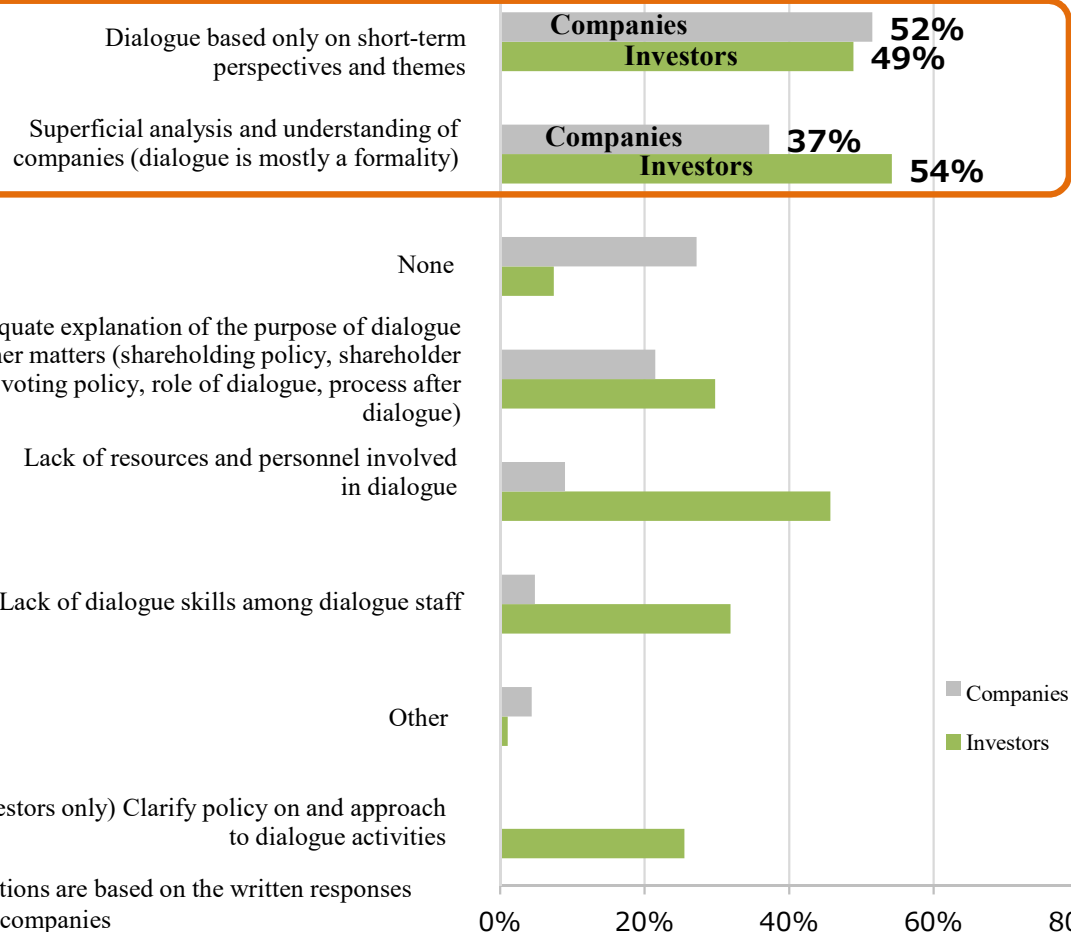
Recommendation (6): Promote dialogue based on in-depth understanding of companies and dialogue from a medium- and long-term perspective that contributes to the solution of issues facing companies

- 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 information disclosure, sustainability (initiatives for environmental and social issues), and shareholder returns 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

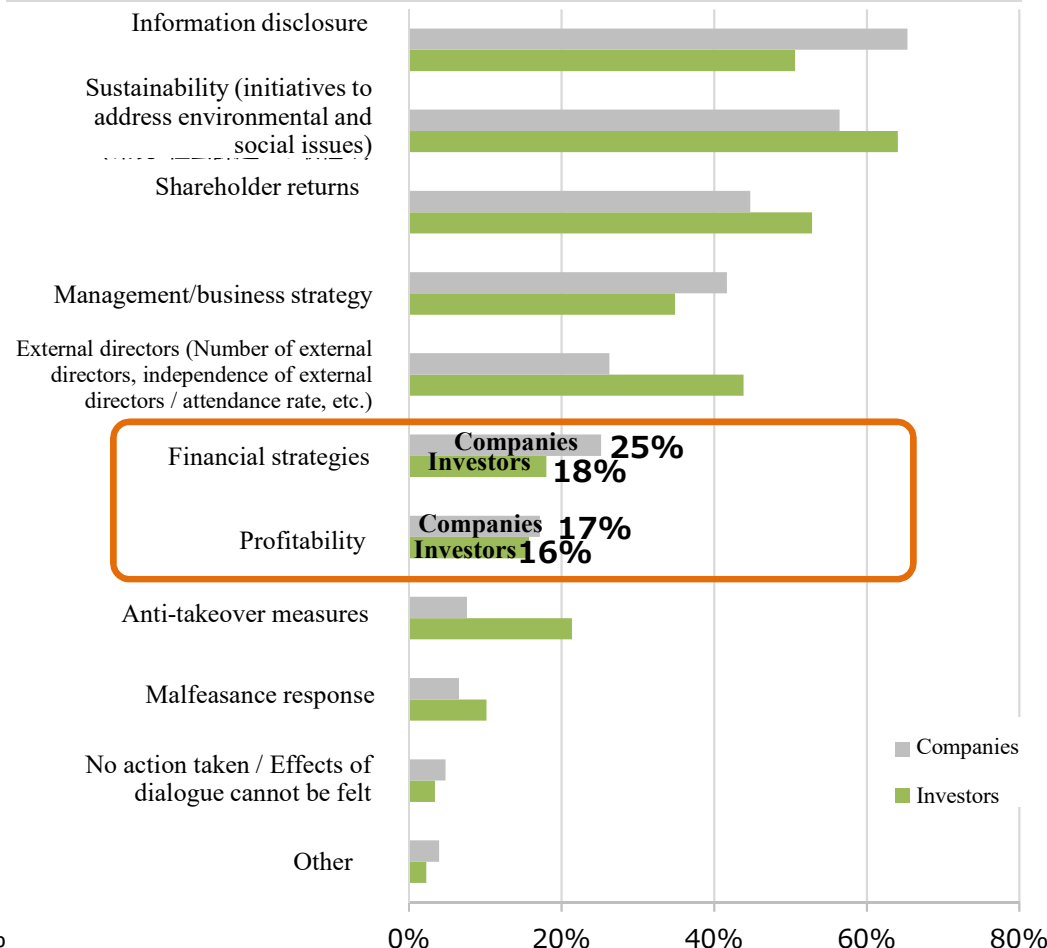
【 For companies/investors 】 (select up to three)

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

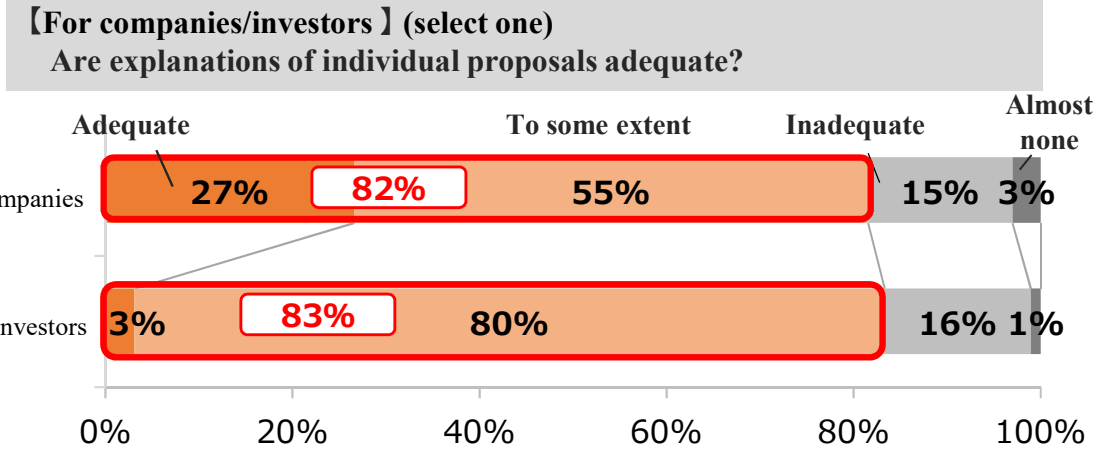
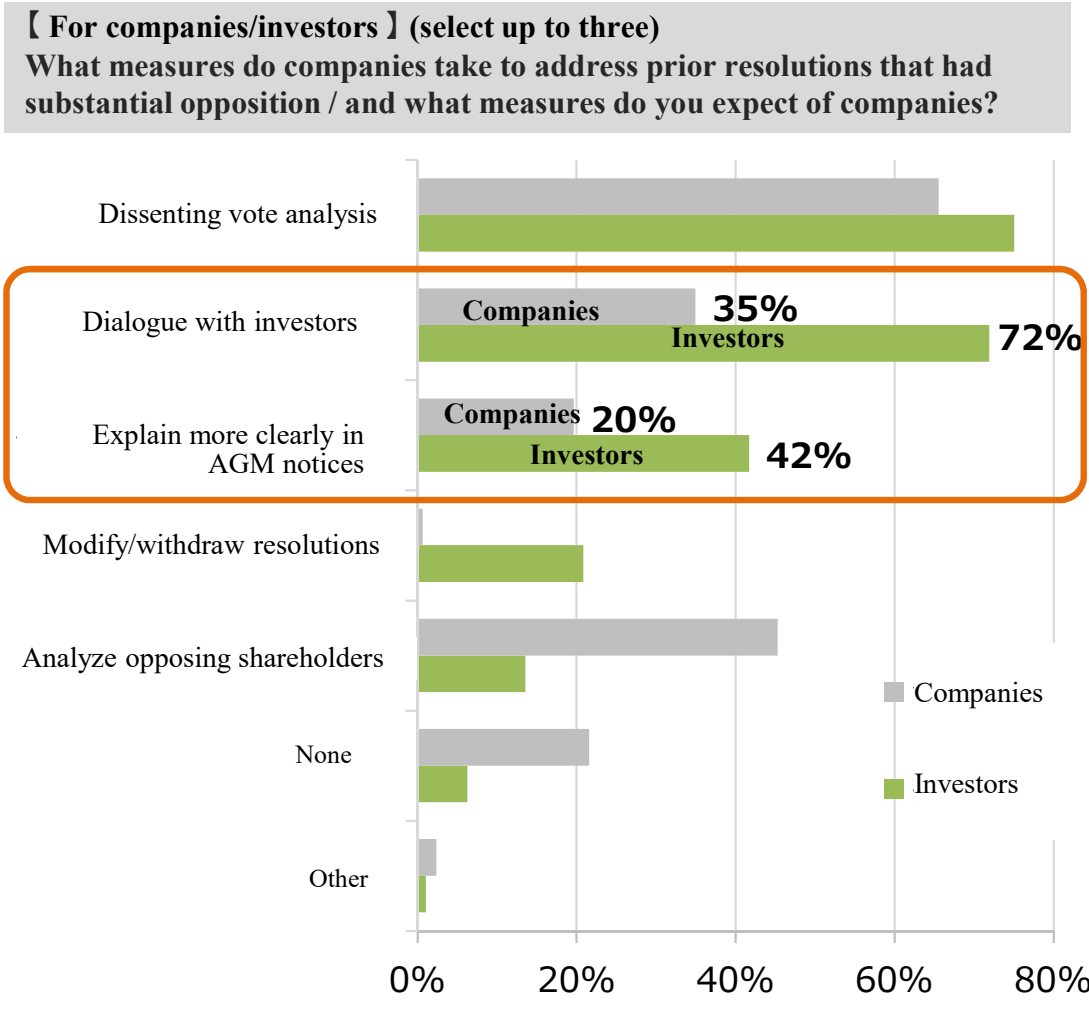
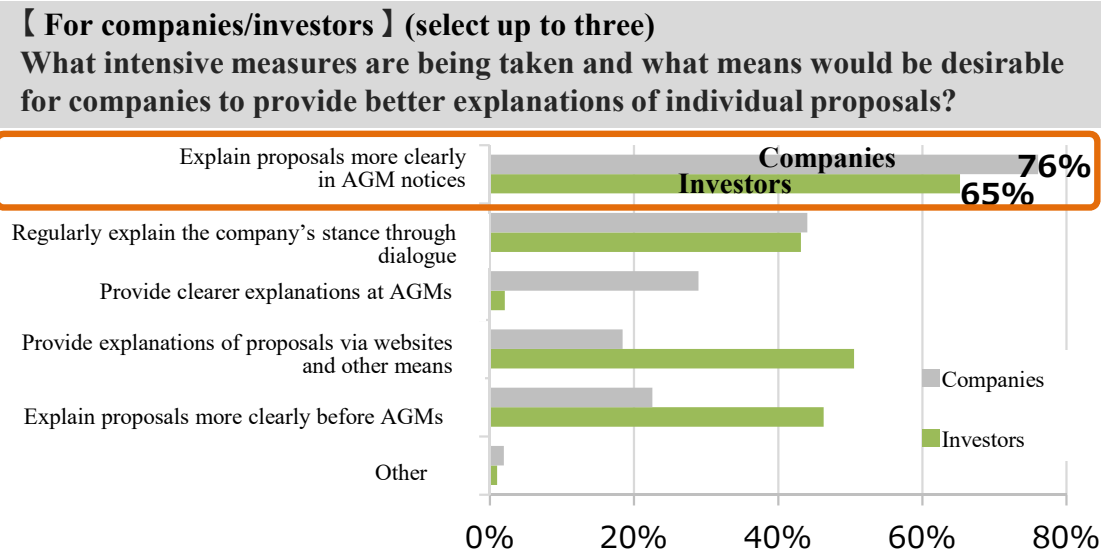


\* Options are based on the written responses by companies

### 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 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**



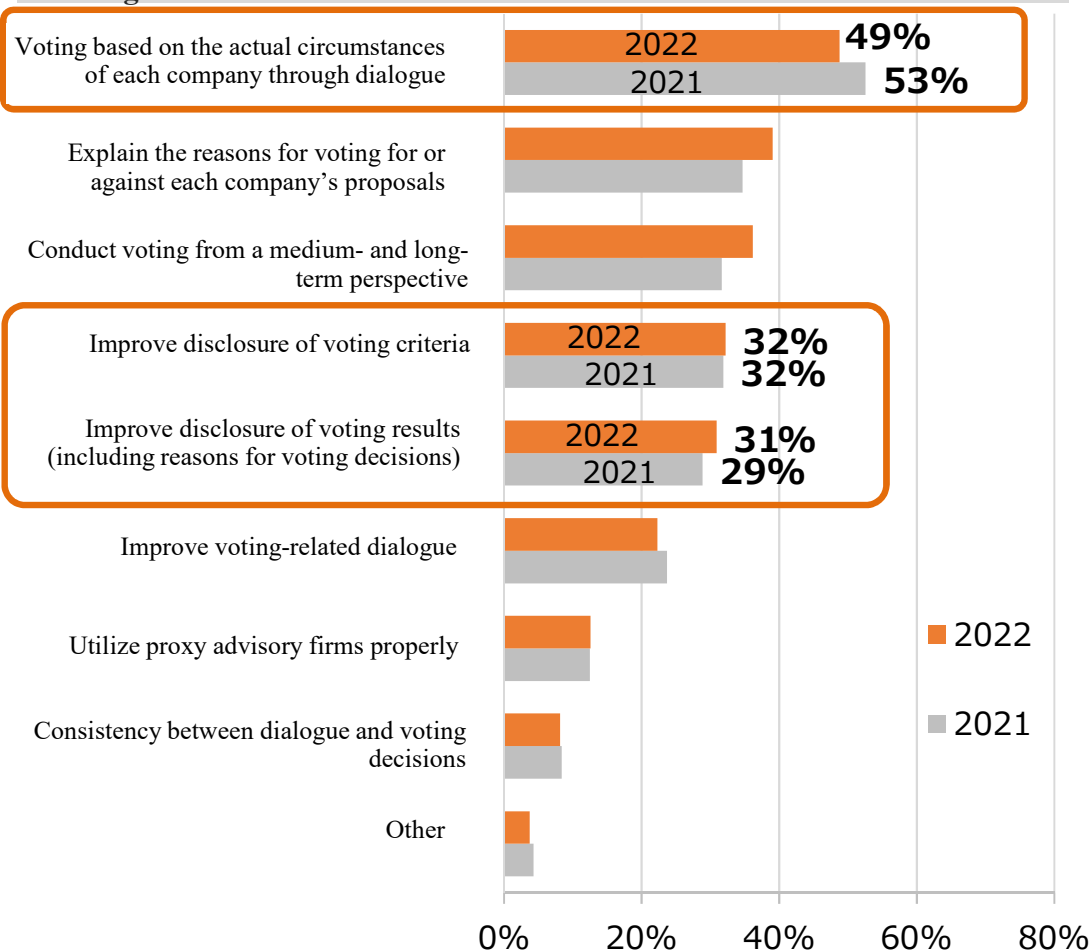
## Recommendation (8): Greater transparency for shareholder voting processes

- Around 50% of both companies and investors recognize the importance of voting based on the actual circumstances of each company through dialogue.
- 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

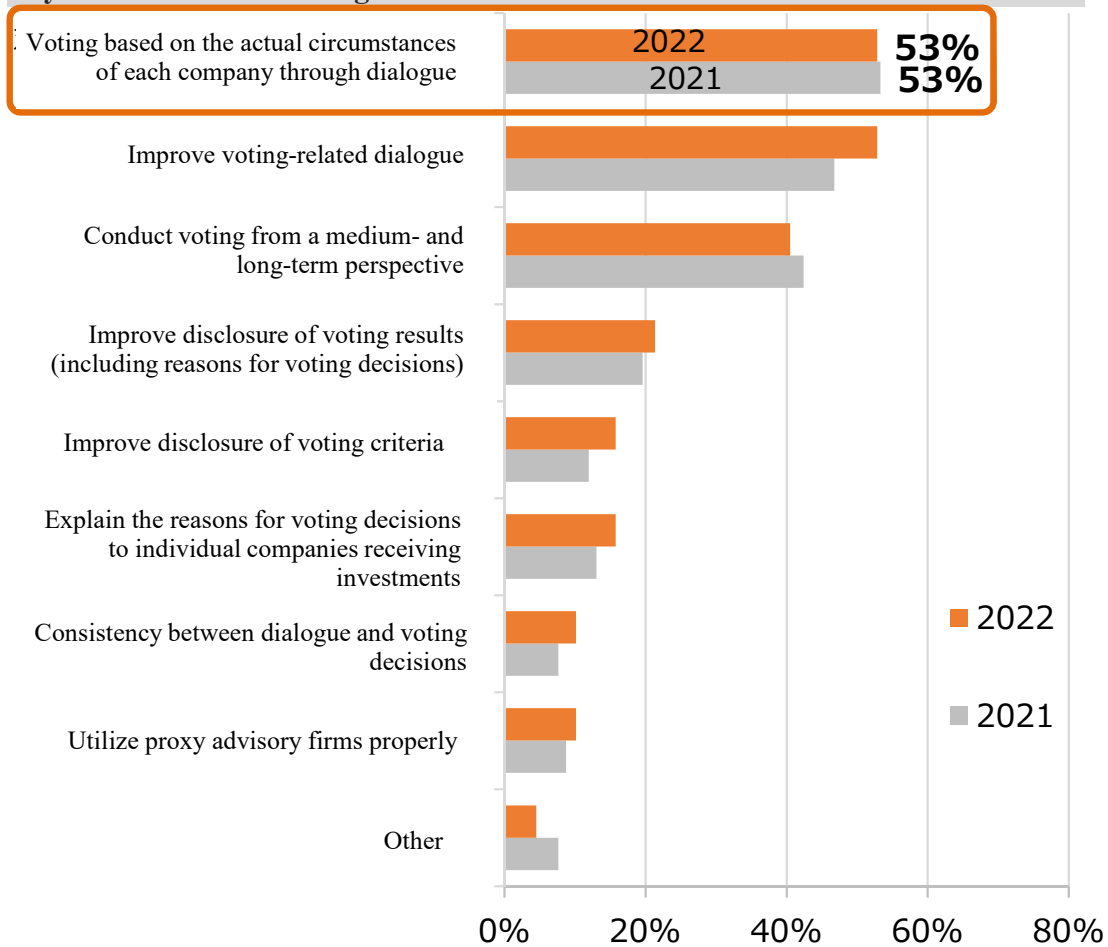
### 【 For companies】 (select up to three)

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



### 【 For investors】 (select up to three)

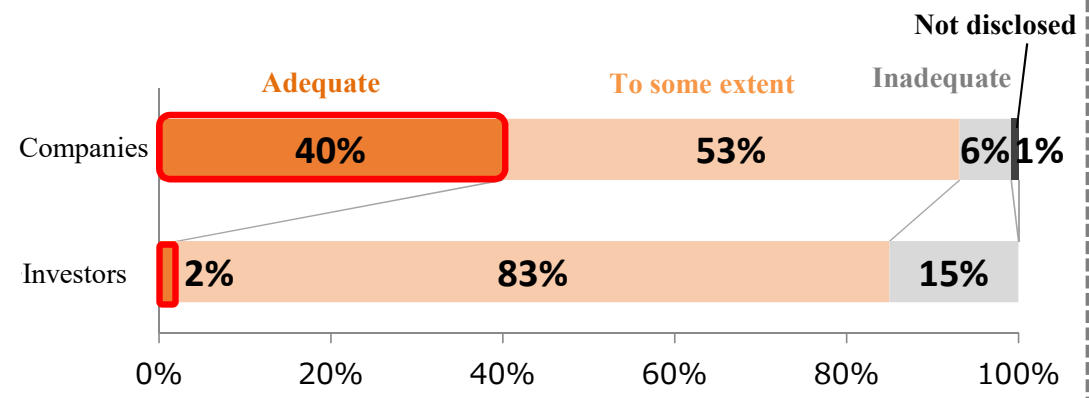
What kinds of improvements do you think will be necessary with respect to your shareholder voting?



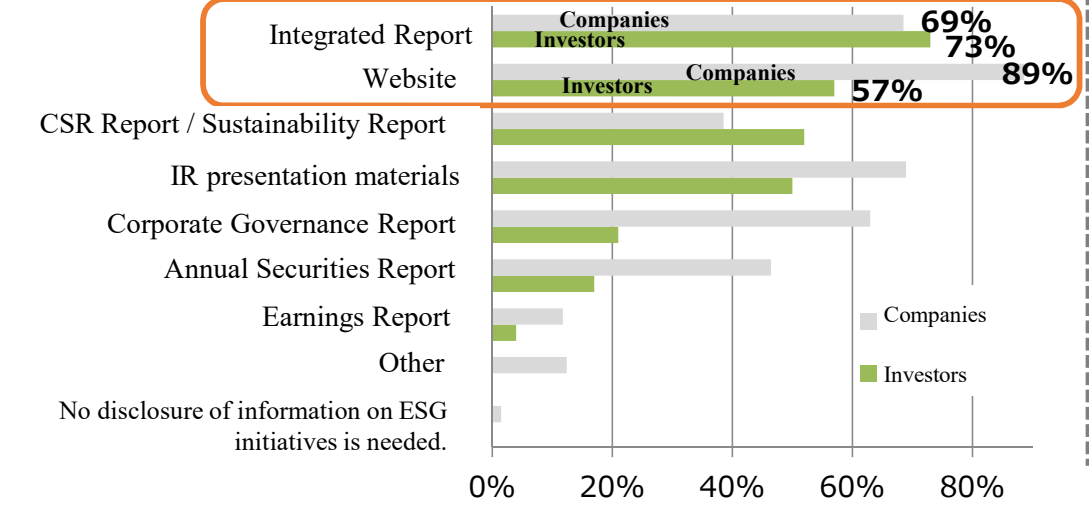
## Recommendation (9): Disclosing additional non-financial information including ESG primarily through integrated reports

- The survey indicates the gap in perception between companies and investors about disclosure of ESG initiatives. 40% of companies believe their disclosures are adequate, while only 2% of investors share the same view. Investors expect companies to enhance disclosure of “non-financial information such as Environmental (E), Social (S) and related issues.”
  - Although the companies often disclose ESG information on their website, investors are requesting for ESG disclosures to be released through integrated reports.
- ⇒ Encourage companies to disclose additional non-financial information including ESG primarily through integrated reports

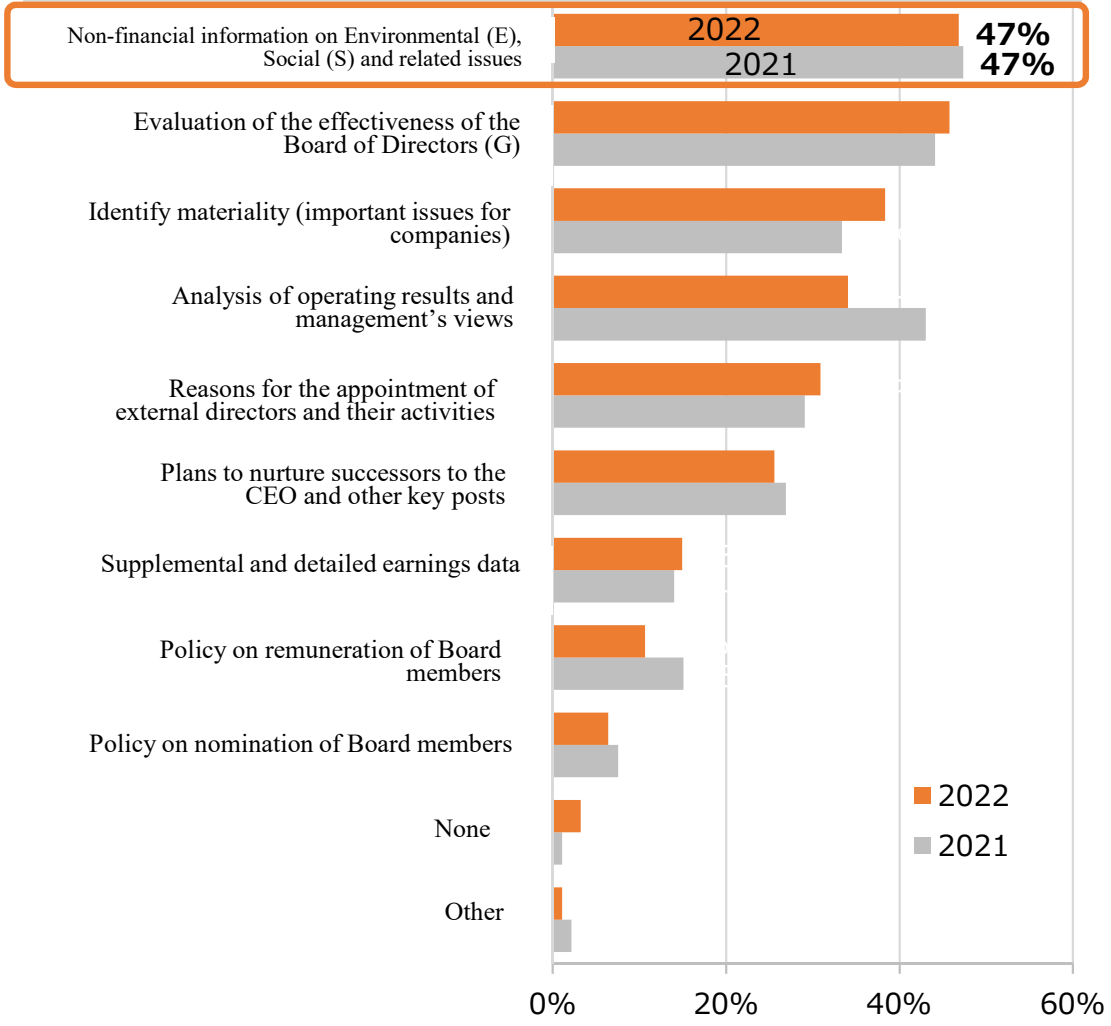
**【 For companies/investors 】**  
Is the current disclosure of ESG initiatives adequate? (select one)



**【 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?

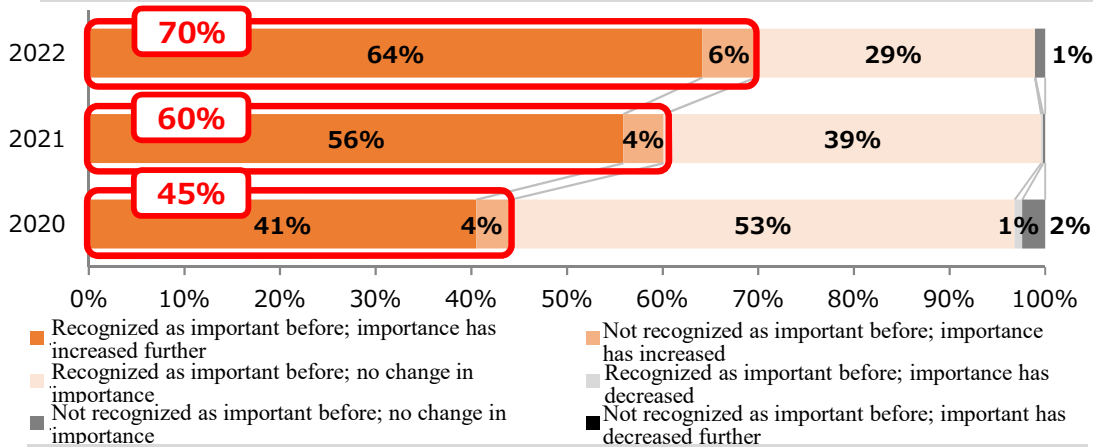


## Recommendation (10): Formulating medium-term management plan that contains ESG initiatives in order to achieve sustainable growth

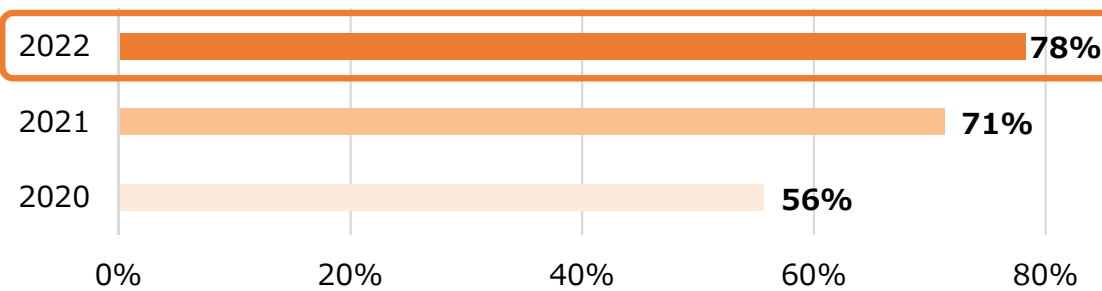
- Under the COVID-19 pandemic, companies that realize the growing importance of ESG activities has increased, and in FY2022, 70% companies realize that importance.
- 22% of companies have not yet incorporated ESG initiatives in their medium-term management plans, while companies incorporating them in their management plan has rose to 78%.
- There is a gap between investors and companies, as 42% investors answered they view business model transformation is important due to the COVID-19 impacts, while only 19% of companies had the same view.

⇒ With the view that ESG initiatives do affect corporate value, companies should formulate medium-term management plan that contains ESG initiatives in order to achieve sustainable growth

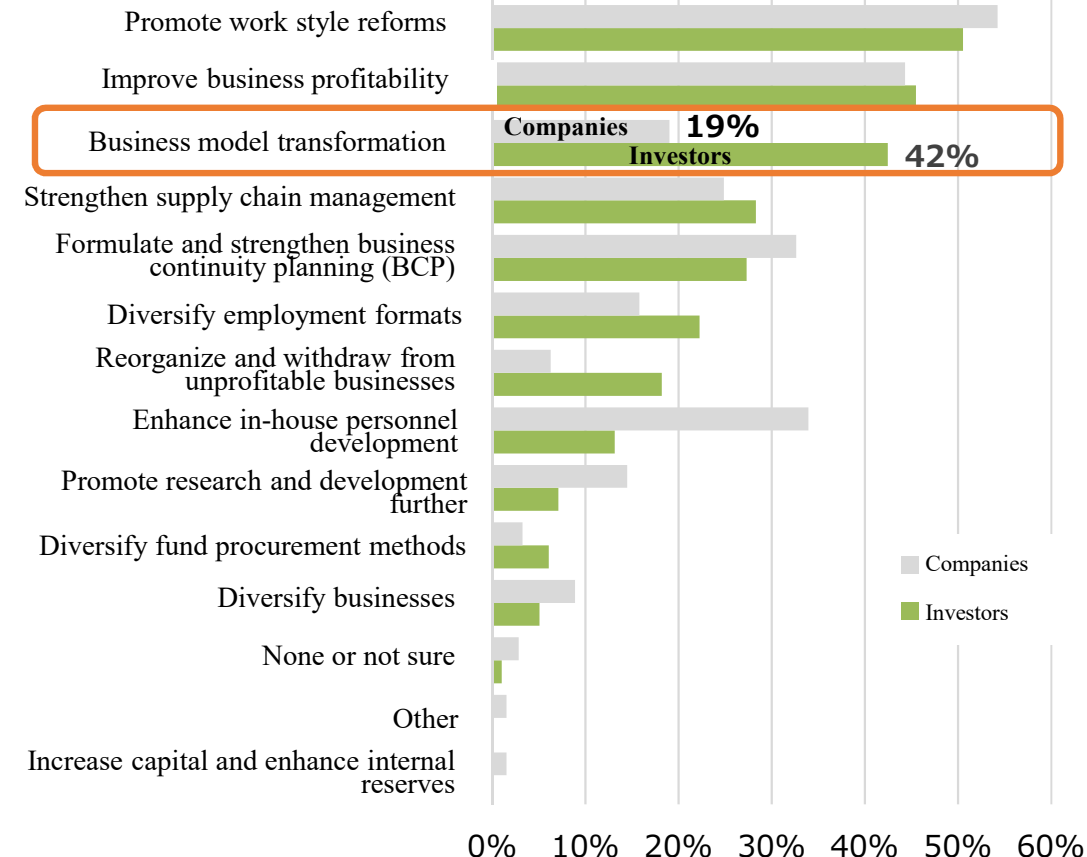
**【 For companies 】**  
How has your awareness of the importance of ESG initiatives changed in response to the spread of COVID-19? (select one)



**【 For companies 】 Trend in the percentage of companies that responded to the question “Which management policies incorporate ESG initiatives? (select multiple)” and replied that they incorporate ESG initiatives in their medium-term management plans**



**【 For companies/investors 】**  
Initiatives you will emphasize in response to the spread and long-term persistence of COVID-19 (select up to three)





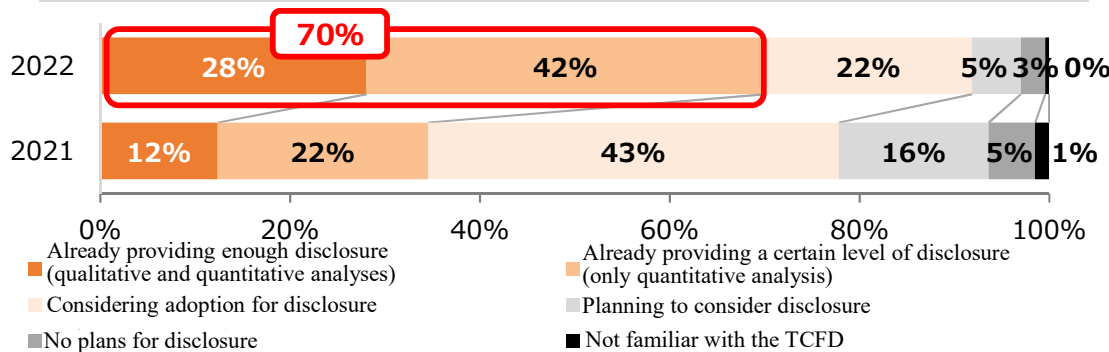
**Recommendation (11): Companies should enhance disclosure of corporate information on climate change impacts and investors should use these information to evaluate companies, and both companies and investors should set quantitative targets on GHG emission reduction**

- Around 70% of companies have already disclosed climate change-related information based on TCFD recommendations, which is an improvement from the previous fiscal year, but there is still room for reviews and upgrading of periodical analyses.
- Meanwhile, just 39% of investors are using disclosure of climate change-related information based on TCFD recommendations for company evaluations or dialogue activities.
- Certain companies and investors newly formulated carbon neutrality targets in FY2022 to reduce greenhouse gases, while around 30% of companies and around 60% of investors are still yet to formulate such targets.

**⇒ Companies should enhance disclosure of corporate information on climate change impacts and investors should use these information to evaluate companies, and both companies and investors should set quantitative targets on GHG emission reduction**

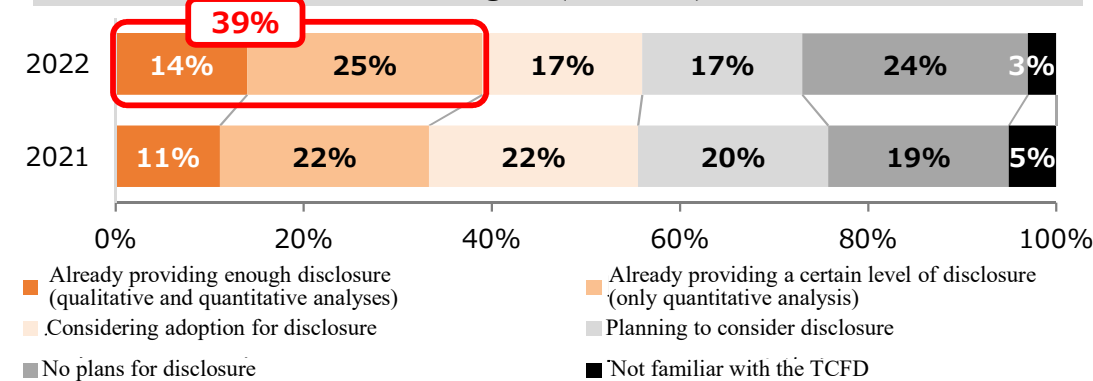
**【For companies】**

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



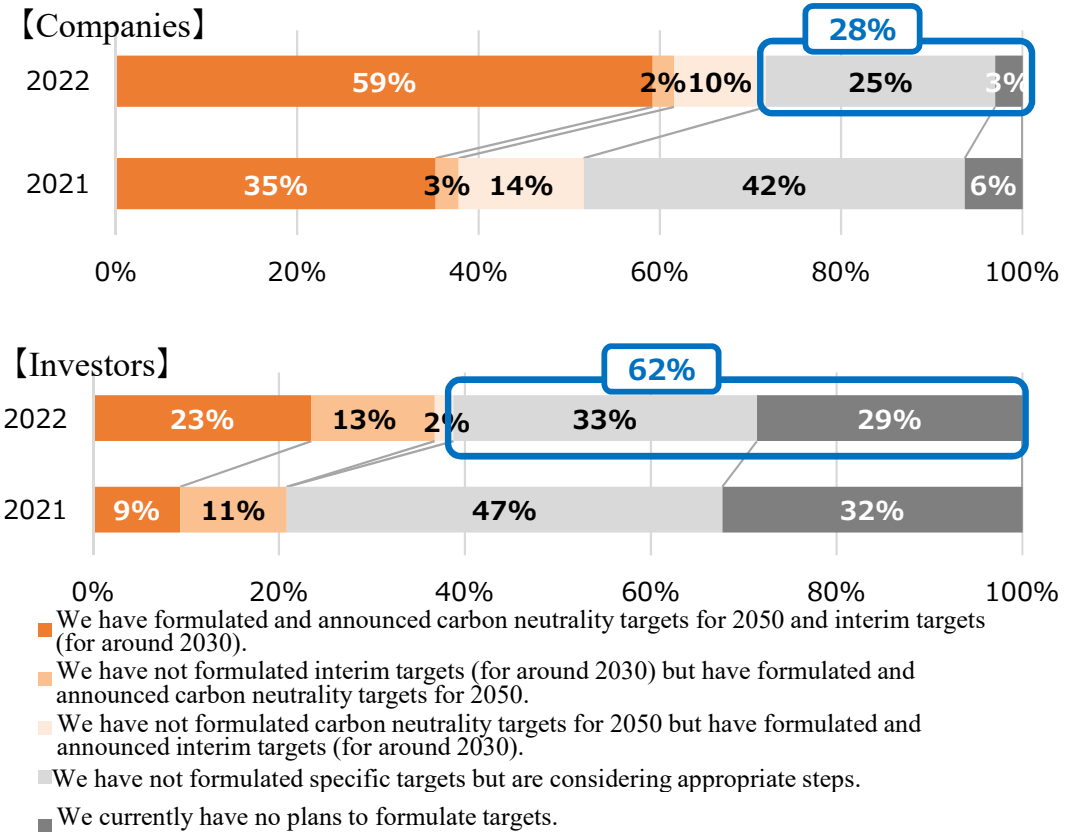
**【For Investors】**

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



**【 For companies/investors 】**

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



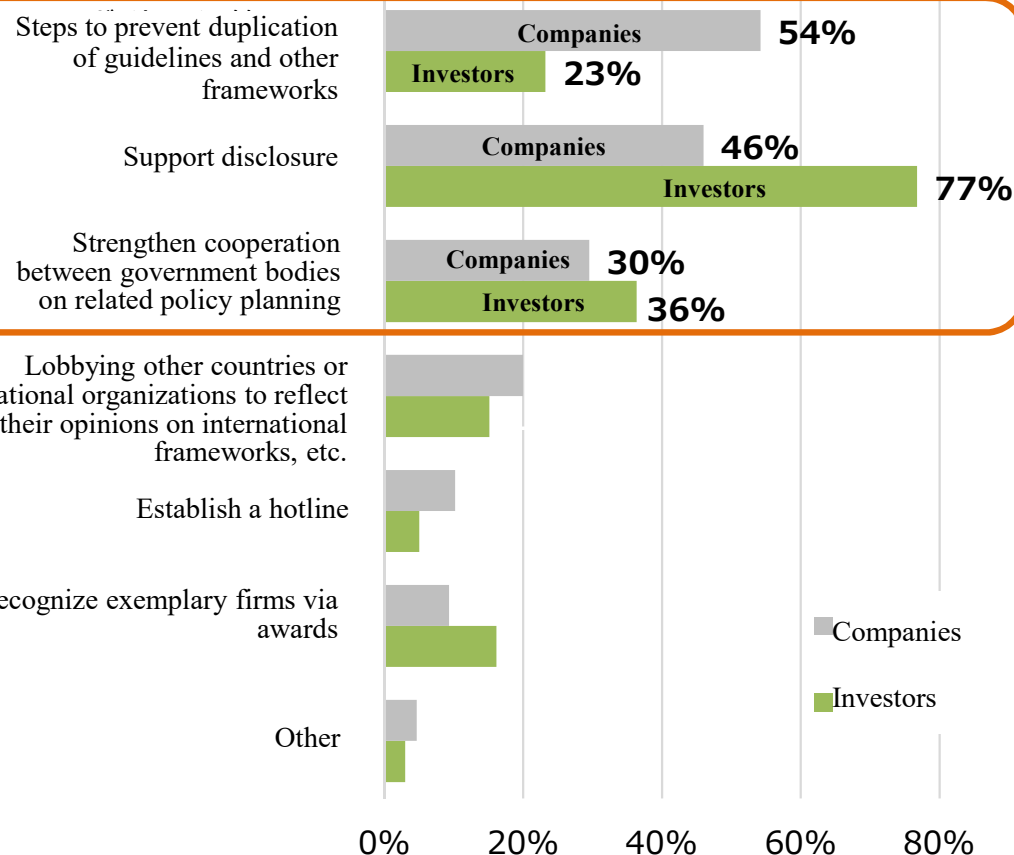


## Recommendation (12): Take steps to promote ESG initiatives across government ministries/agencies

- 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 announcement of the joint measures package, “Study Group on Financing for the GX (Green Transformation) of Industry” by three government bodies, specifically the Ministry of Economy, Trade and Industry (METI), the Financial Services Agency (FSA), and the Ministry of the Environment.

⇒ 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

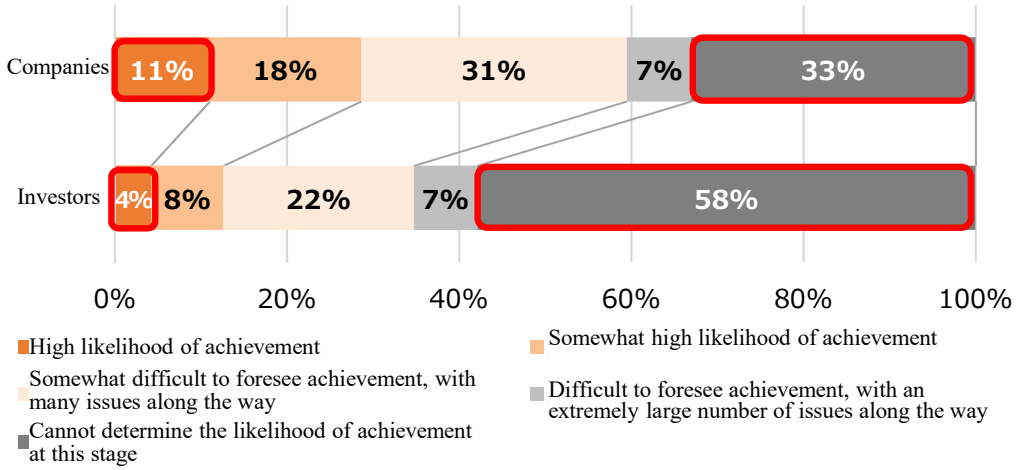
Ministries/Agencies	ESG Initiative Promotion Guidelines
Ministry of Economy, Trade and Industry, Financial Services Agency, and Ministry of the Environment	Study Group on Financing for the GX of Industry Measures Package
Financial Services Agency	Supervisory Guidance on Climate-related Risk Management and Client Engagement
	Code of Conduct for ESG Evaluation and Data Providers
Ministry of Economy, Trade and Industry	TCFD Guidance 3.0
	Guidance for Collaborative Value Creation 2.0/ITO Review 2.0
Ministry of the Environment	Green Bond Guidelines Green Loan and Sustainability Linked Loan Guidelines (2022) (Loan edition revised at the same time)
Cabinet Office	Intellectual Property/Intangible Assets Governance Guidelines
Cabinet Secretariat	Human Capital Visualization Guidelines

## 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 about 10%. 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,” “Develop infrastructure to expand renewable energy”, and “Formulate specific roadmaps”.

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

**【 For companies/investors 】 (select one)**  
 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?

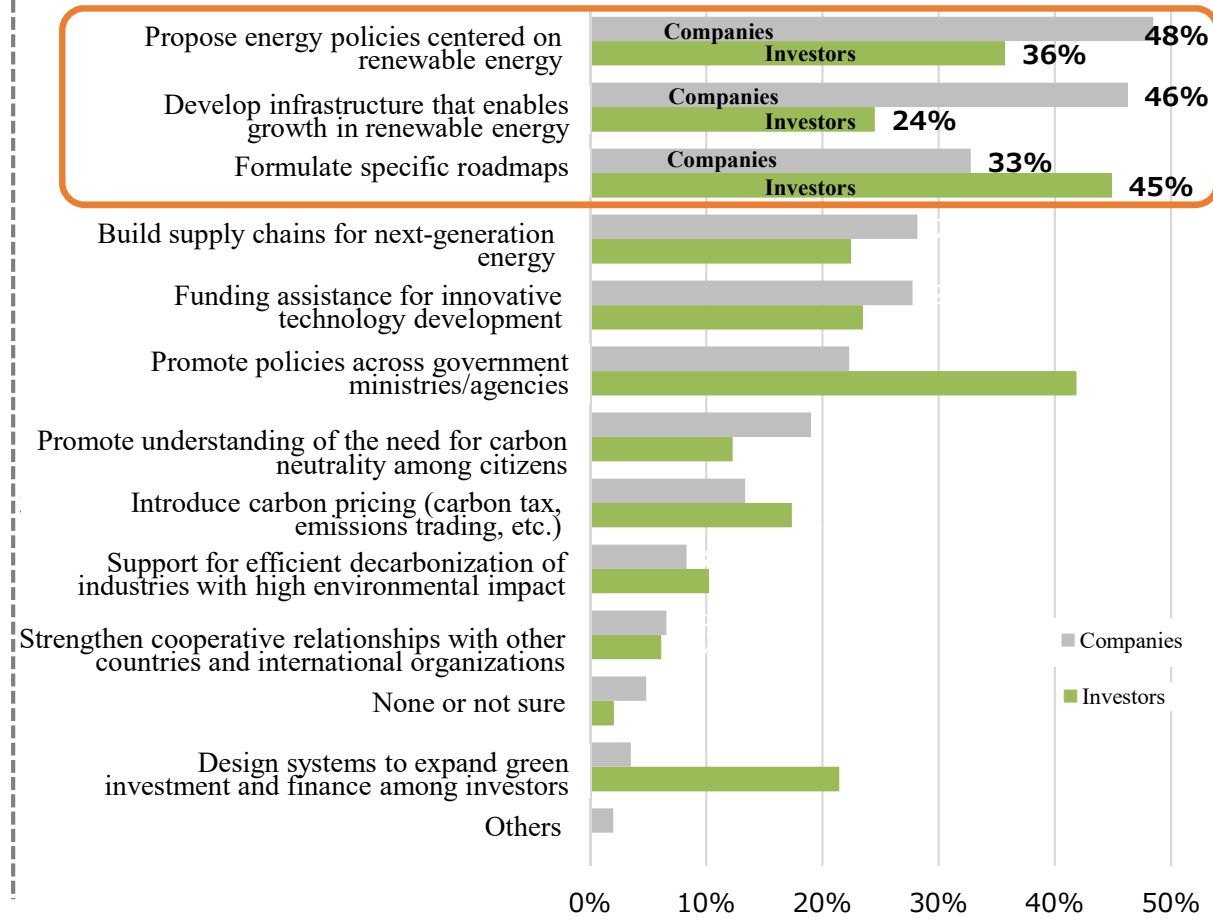


**(Reference) Major initiatives to address climate change by the government**

**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”

**Basic Policy for the Realization of GX (Announced February 2023)**  
 Summaries objectives for the upcoming 10 years for GX, which has the goals of decarbonization and energy supply-demand structure conversion

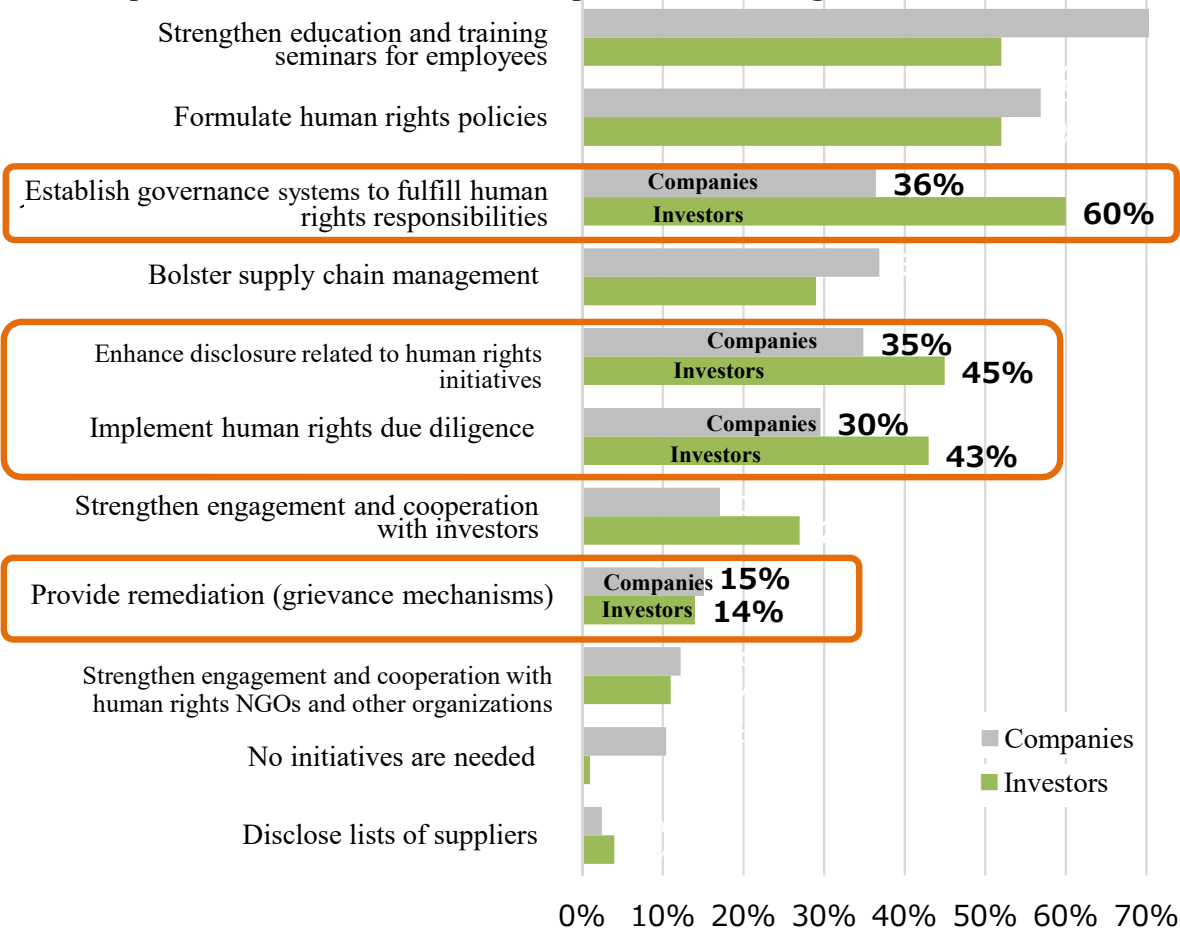
**【 For companies/investors 】 (select up to three)**  
 What do you expect the government to do to achieving carbon neutrality in 2050?



## 【Topics】 Current Status of Human Rights in Japan

- In Japan, the level of human rights initiatives expected by companies and investors has rapidly increased, following the formulation of the Guidelines on Respecting Human Rights in Responsible Supply Chains, 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 30% and 15%, 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 multiple)  
 What initiatives are you already taking, or what initiatives do you expect companies to undertake, to foster respect for human rights?



(Reference) Recent domestic trends concerning human rights

### Guidelines on Respecting Human Rights in Responsible Supply Chains (Announced September 2022)

METI formulated the guidelines to promote companies’ respect for human rights initiatives, taking into account international standards such as the UN’s Guiding Principles on Business and Human Rights, OECD’s Guidelines for Multinational Enterprises and the ILO’s Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration).

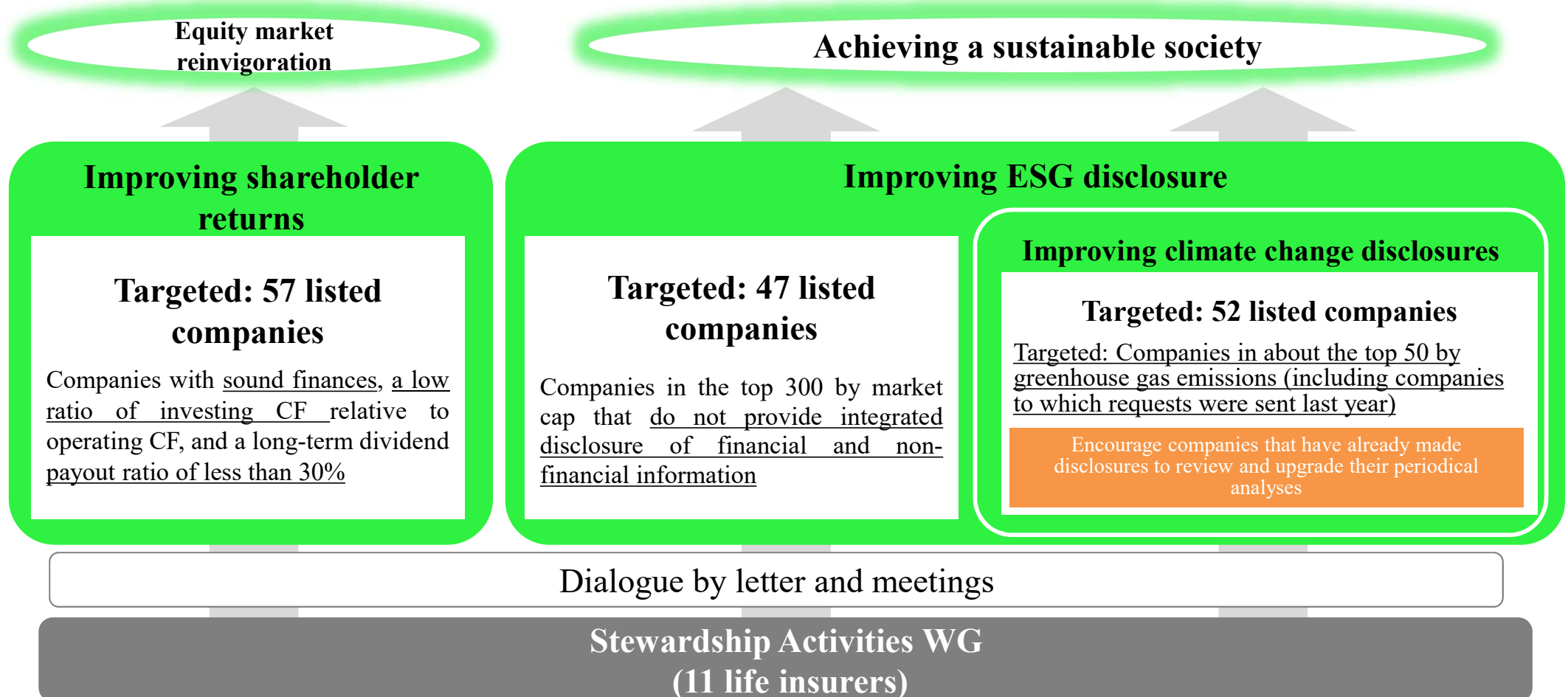
### Life Insurance Association of Japan Human Rights Response Handbook (Announced February 2023)

The LIAJ has published a broad range of content to raise the level of human rights response within the industry from the basic concept of corporate responsibility to respect human rights to specific examples of important human rights issues at life insurance companies



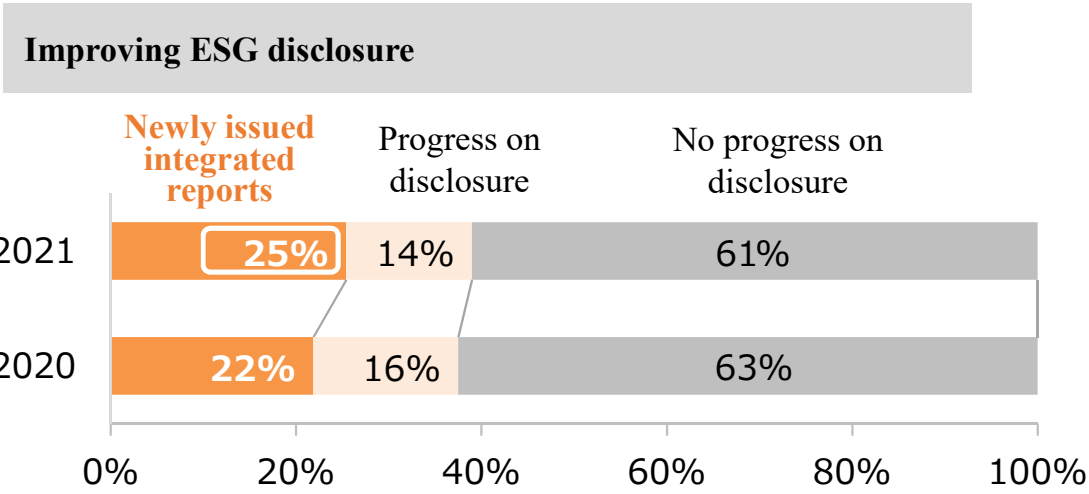
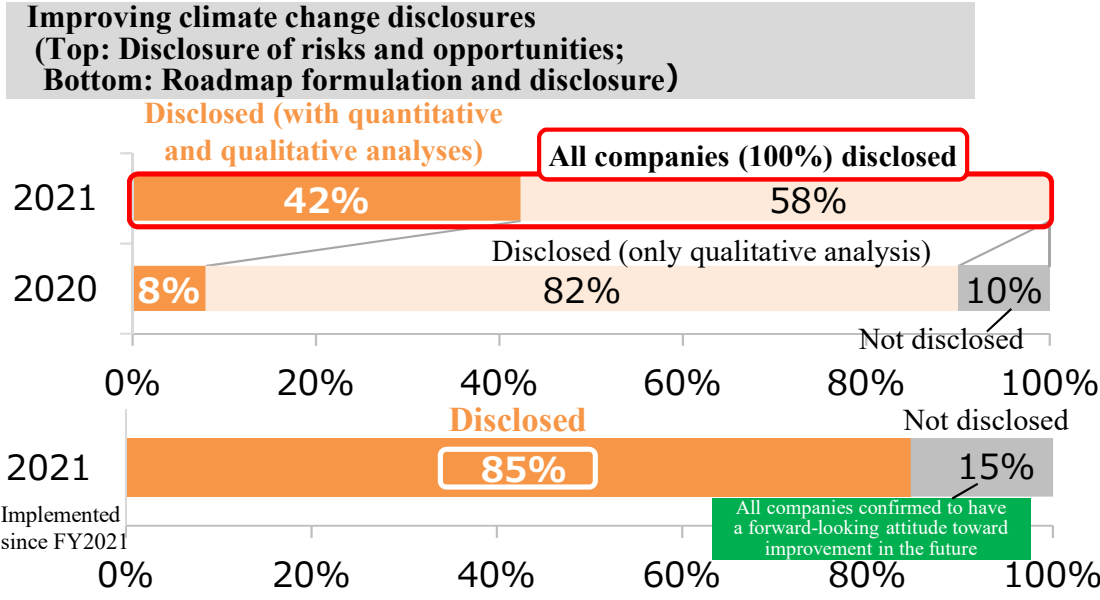
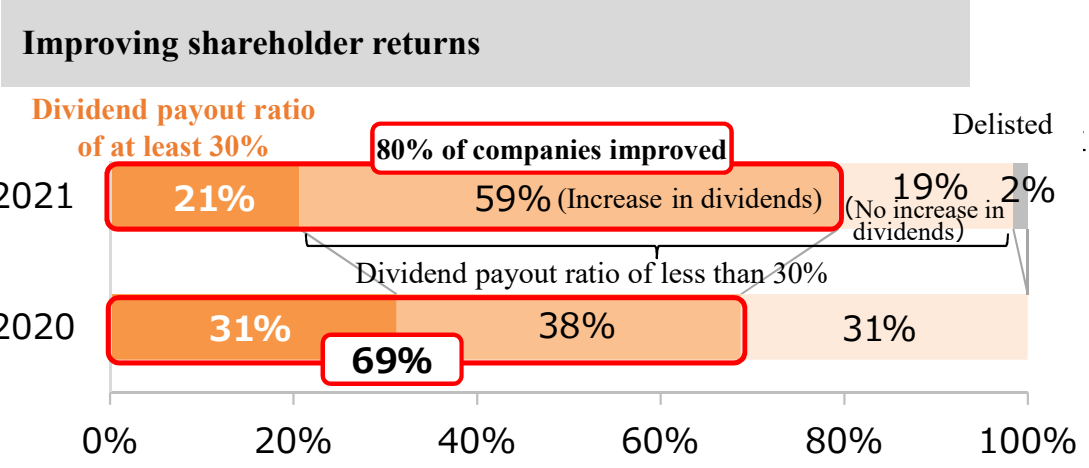
## Supported efforts by companies to address decarbonization through requests for improving climate change disclosures

- 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 FY2022, just as in FY2021, the campaign targeted 151 listed companies (156 companies in total), while keeping in place the three themes of improving shareholder returns, improving ESG disclosures and improving climate change disclosures.
- 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 about the top 50 by greenhouse gas emissions: (1) perform a quantitative and qualitative analysis of management risks and opportunities associated with climate change and disclose this information; and in addition, (2) formulate and disclose a roadmap for greenhouse gas emission reductions with a view to achieving net zero emissions in 2050. Companies that have already made disclosures are encouraged to periodically review and upgrade analyses (1) and improve disclosures as necessary for (2).



## Results of the collaborative engagement campaign in the previous fiscal year

- With regard to improving shareholder returns, of the 63 targeted companies, 21% met the standard of a dividend payout ratio of 30%, and 80% of companies improved, which exceeded FY2021, including those companies that increased dividends even if not achieving the standard.
- Looking at improving ESG disclosure, of the 59 targeted companies, 25% newly issued integrated disclosures, which was an increase over FY2021.
- In terms of improving climate change disclosures, of the 52 targeted companies, all companies have made disclosures about risks and opportunities and 85% have disclosed a roadmap, while those companies that have not made disclosures have all been confirmed to have a forward-looking attitude toward improvement in the future.



(Reference) Status of activities of collaborative engagement in FY2021

Theme	Targeted companies	
Improving shareholder returns	63 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%
Improving ESG disclosure	59 companies	Companies in the top 300 by market cap that do not provide integrated disclosure of financial and non-financial information
Improving climate change disclosures	52 companies	Companies in the top 50 by greenhouse gas emissions (Scope 1 and Scope 2) (Including companies to which requests were sent last year)
<b>Total</b>	170 companies	<b>(174 companies in total)</b>



## Initiatives and approaches taken 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 (E) and human capital and human rights (S).
- Additionally, WG participants took steps to expand stewardship activities beyond domestic listed shares, with initiatives centered on domestic corporate bonds.

Activity details  (Number of WG participants)		Comparison with the previous fiscal year	
		FY2021	FY2022
Dialogue theme	• E (climate change) dialogues	11	11
	• S (human rights, diversity) dialogues	10	11
	• 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	11
Expand the scope of stewardship activities	• Expanded stewardship activities to domestic corporate bonds	11	11
	• Expanded stewardship activities beyond domestic corporate bonds (to foreign shares and corporate bonds, etc.)	4	6 (7)
Enhance voting disclosures	• Disclose voting criteria	10	10
	• Disclose voting results and the reasons for voting decisions	11	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 taken 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 FY2022, each WG participant strengthened initiatives such as disclosing net zero emission targets in the investment portfolio and impact investment.

### Activity details

### Comparison with the previous fiscal year

		FY2021【18】	FY2022【20】
Approach	• Clearly include the term “ESG” in the basic investment policy	10	11
	• Become a signatory to PRI *1	14	15
Addressing climate change	• Endorse TCFD recommendations *1	17	17
	• Disclose information according to TCFD recommendations	16	16
	• Disclose net zero emission targets in the investment portfolio	10	15 (18)
	• Disclosed interim targets for investment portfolio and GHG emissions reduction		10 (15)
	• Conducted quantitative analysis related to investment portfolio and climate change		13 (18)
	• Integration *2	18	19
Main ESG investment and finance methods being used	• Engagement (Dialogue)	16	16
	• Positive screening *3	7	8
	• Negative screening *4	18	20
	• Impact investing	8	12 (14)
	• Measured outcome *5	3	9 (14)

\*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: Selected investment targets for specific stock, etc., from an ESG standpoint

\*4: Defining securities for portfolio exclusion from an ESG perspective

\*5: Completed measurements include companies that have not made disclosures

\* 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 FY2022, 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.

### < Joint seminars with the Stewardship Activities WG >

Instructor	Seminar
UN Principles for Responsible Investment (PRI)	<ul style="list-style-type: none"> <li>• Responsible investment trends</li> </ul>
Partnership for Carbon Accounting Financials (PCAF) Japan	<ul style="list-style-type: none"> <li>• Standards for measurement of CO2 emissions</li> </ul>
Bank of Japan	<ul style="list-style-type: none"> <li>• Network for Greening the Financial System (NGFS) scenario and practical analysis</li> </ul>
Financial Services Agency	<ul style="list-style-type: none"> <li>• Regulatory trends in sustainable finance</li> </ul>
Ministry of Economy, Trade and Industry	<ul style="list-style-type: none"> <li>• Transition and innovation finance</li> <li>• Human capital management</li> </ul>
Ministry of the Environment	<ul style="list-style-type: none"> <li>• Climate change and biodiversity</li> </ul>
PricewaterhouseCoopers Arata LLC	<ul style="list-style-type: none"> <li>• Business and human rights as an institutional investor</li> </ul>

**Upgrade the initiatives of WG participants**