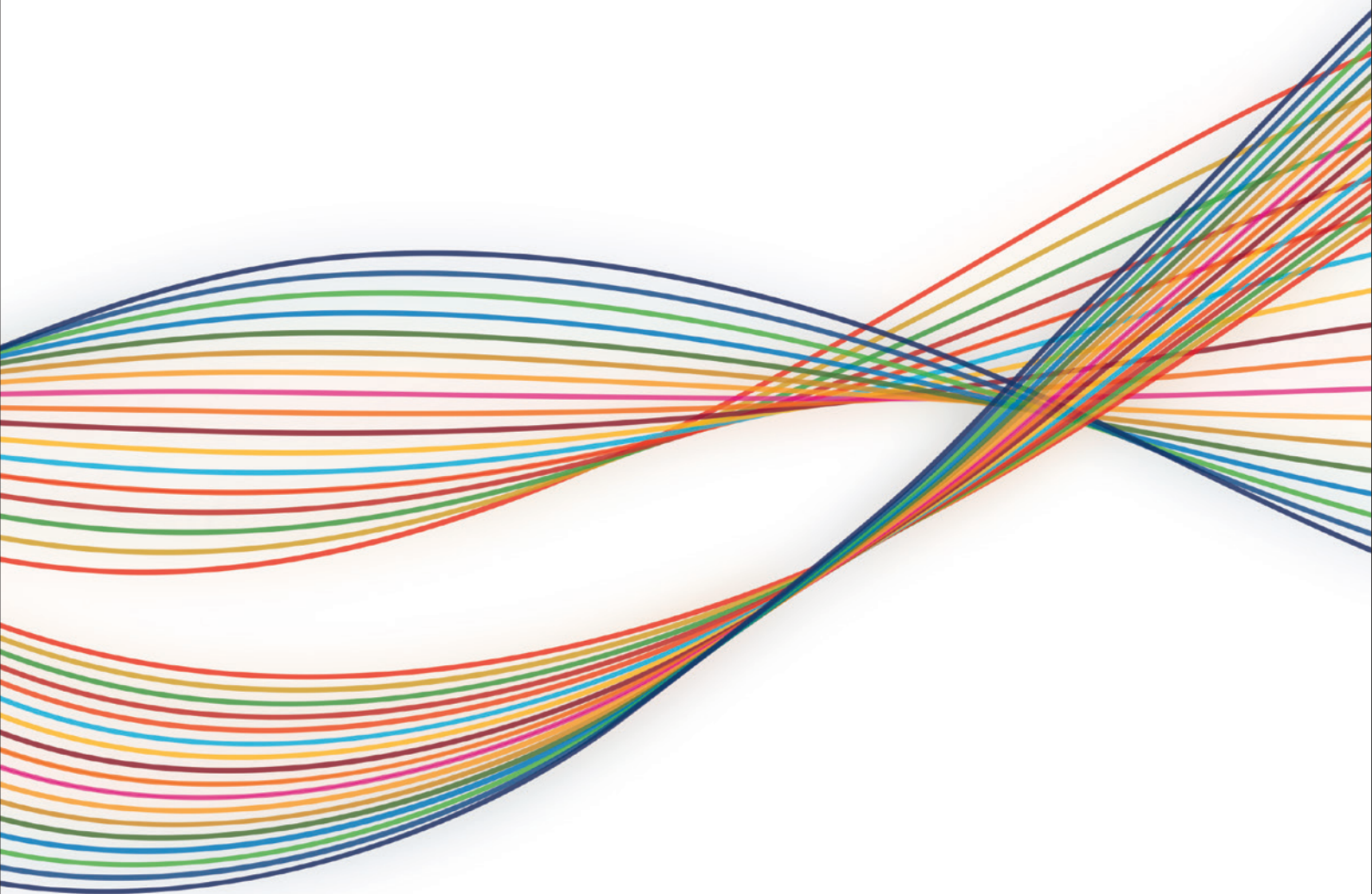


JBA SDGs REPORT 2022-2023



SUSTAINABLE DEVELOPMENT GOALS

Contents

Introduction		4
The JBA's SDGs Promotion Framework and Key Initiatives		6
Status of Activities of the JBA in FY2022		10
1	Further Promoting the SDGs/ESG initiatives Implemented by Member Banks	10
2	Fulfilling the Role Expected of the Banking Industry in Achieving a "Just Transition" to Carbon Neutrality/Net Zero Emissions by 2050	12
3	Implementing Activities for Regional Economic Revitalization and Local Invigoration	17
4	Improving the Financial Literacy of Japanese Nationals by Promoting Financial Literacy Education Activities	18
5	Promoting Wider Access to Finance and Financial Services for the Elderly and Other Users	24
6	Promoting Digitization and Providing Safe, Secure, and Highly-Convenient Financial Services	26
7	Implementing Measures to Prevent Financial Crimes and Money Laundering, and Actions to Meet FATF Recommendations	30
8	Expanding Initiatives in Light of Trends Regarding Human Rights and Diversity	32



Efforts of Member Banks 35

1 Financial and Economic Education Initiatives 36

5 Initiatives to Reduce Poverty 46

2 Environmental Initiatives 38

6 ESG Loans and Regional Revitalization Initiatives 47

3 Diversity Promotion Initiatives 43

7 DX Promotion Initiatives 49

4 Initiatives Regarding People with Disabilities and the Elderly 45

Expert Column 51

JBA's 2022 SDG-related Publications 56



Introduction

In 2022, the gradual move toward normalization on the basis of “living with COVID-19” was a positive development. On the other hand, inflationary pressures increased worldwide due to supply constraints stemming from the prolonged pandemic and Russia’s invasion of Ukraine in February, soaring prices of energy, food, and other commodities, and tight labor supply and demand, among other factors. Against this backdrop, the year was marked by very significant changes, including the implementation of significant monetary tightening in many countries and the resulting historic depreciation of the yen against the backdrop of a widening interest rate differential between Japan and the United States.

In this environment, the JBA has positioned FY2022 as one of “supporting the creation of new value, and challenges for growth to build a sustainable environment and society,” and has continued to promote SDG initiatives.

In Japan, the public and private sectors are currently working together to achieve carbon neutrality. Against this backdrop, the JBA has developed measures to improve smooth engagement between customers and banks. As part of this effort, we released explanatory materials for customers in June 2022 summarizing the banking industry’s initiatives and required responses, and in December of the same year we published a special website on the response to climate change. In addition, we developed a support tool in January 2023 to assist engagement between customers and bank staff.

In addition, the public and private sectors have been working together to accelerate the “shift from savings to investment,” and have been studying ways to improve financial literacy and other measures. For example, we have registered instructors as part of a shared framework between the Japan Securities Dealers Association and the JBA, and we have developed an investment learning app to provide output and practical knowledge related to the management of household budgets and the formation of assets.

Furthermore, with the aim of achieving a stable and convenient financial infrastructure in light of digitization, we have developed measures to promote a cashless society, such as efforts to digitize bills and checks, as well as expanding to fund transfer service providers’ eligibility for participation in the Zengin System.

These activities and results have been compiled as the “JBA SDGs Report 2022-2023.”

In order to build a sustainable environment and society, it is essential to create a social environment that meets the challenge of creating new value and achieving growth. The JBA intends to accurately grasp the needs of the economy and society, and to continue doing its utmost to support the efforts of its member banks. We hope that the publication of this report will help to foster greater understanding of the SDG initiatives of the banking industry.

June 2023

Japanese Bankers Association

SUSTAINABLE DEVELOPMENT GOALS



The JBA's SDGs Promotion Framework and Key Initiatives

① Background

The SDGs were adopted in September 2015 at the United Nations Sustainable Development Summit, together with a declaration for all United Nations member states to act towards achieving in the interim from 2016 to 2030 their goals for sustainable development. The Japanese government followed suit with measures that included in May 2016 the establishment of the "SDGs Promotion Headquarters" headed by the Prime Minister, followed in December 2021 by the decision to adopt the "SDGs Action Plan 2022," among other initiatives.

The financial industry has been seeing progress in discussions surrounding ESG (Environment, Social, and Governance) finance, i.e., finance with consideration of ESG, and the disclosure of non-financial information (sustainability disclosure) based on sustainable finance and TCFD^{*} recommendations. At the same time, expectations continue to be high regarding the role that financial institutions should play in responding to climate change issues.

Japan's banking industry, as a provider of customer services and as a cornerstone of social infrastructure, has traditionally been engaged in various kinds of efforts, including the development of financial infrastructure and social contribution activities. Additionally, in order to strengthen medium- and long-term efforts surrounding the issues set out in the SDGs, in March 2018 the JBA decided to establish an SDGs promotion framework and determine key initiatives related to the 17 SDGs, and has been promoting specific measures attended by reviews as the need arises.

^{*}TCFD: Task Force on Climate-related Financial Disclosures

In response to a request from the G20 finance ministers and central bank governors, in December 2015, the Financial Stability Board (FSB) established the private sector-led Task Force on Climate-related Financial Disclosures (TCFD) and initiated deliberations on the approach that the financial sector should take with regard to the problem of climate change. The TCFD published in June 2017 its final report aimed at assessing and disclosing the financial consequences of the risks and opportunities that climate change might cause, and recommends that companies and others disclose climate-related risks and opportunities.

② The SDGs Promotion Framework

The challenges posed by the SDGs are very diverse, and it is vital to address them over the medium- and long-terms. In order to allow the lateral participation of all JBA working committees and to enable a well-grounded approach, the JBA has set up a "Working Committee on the SDGs/ESG" under the auspices of its Planning Committee and established a framework for comprehensive measures regarding SDGs in ongoing coordination with relevant individual working committees. In light of the continuously shifting parameters in society and in the environment of the banking industry, the JBA determined that SDGs are to be addressed over the medium- and long-term. Specifically, with reference to the PDCA (Plan/Do/Check/Action) cycle application, centered on the Working Committee on the SDGs/ESG, the framework provides for the drafting (P) of measures, the handling of general matters while enabling the delegation (D) of tasks to the project-relevant working committees, with periodic progress checks and necessary revisions (C/A).

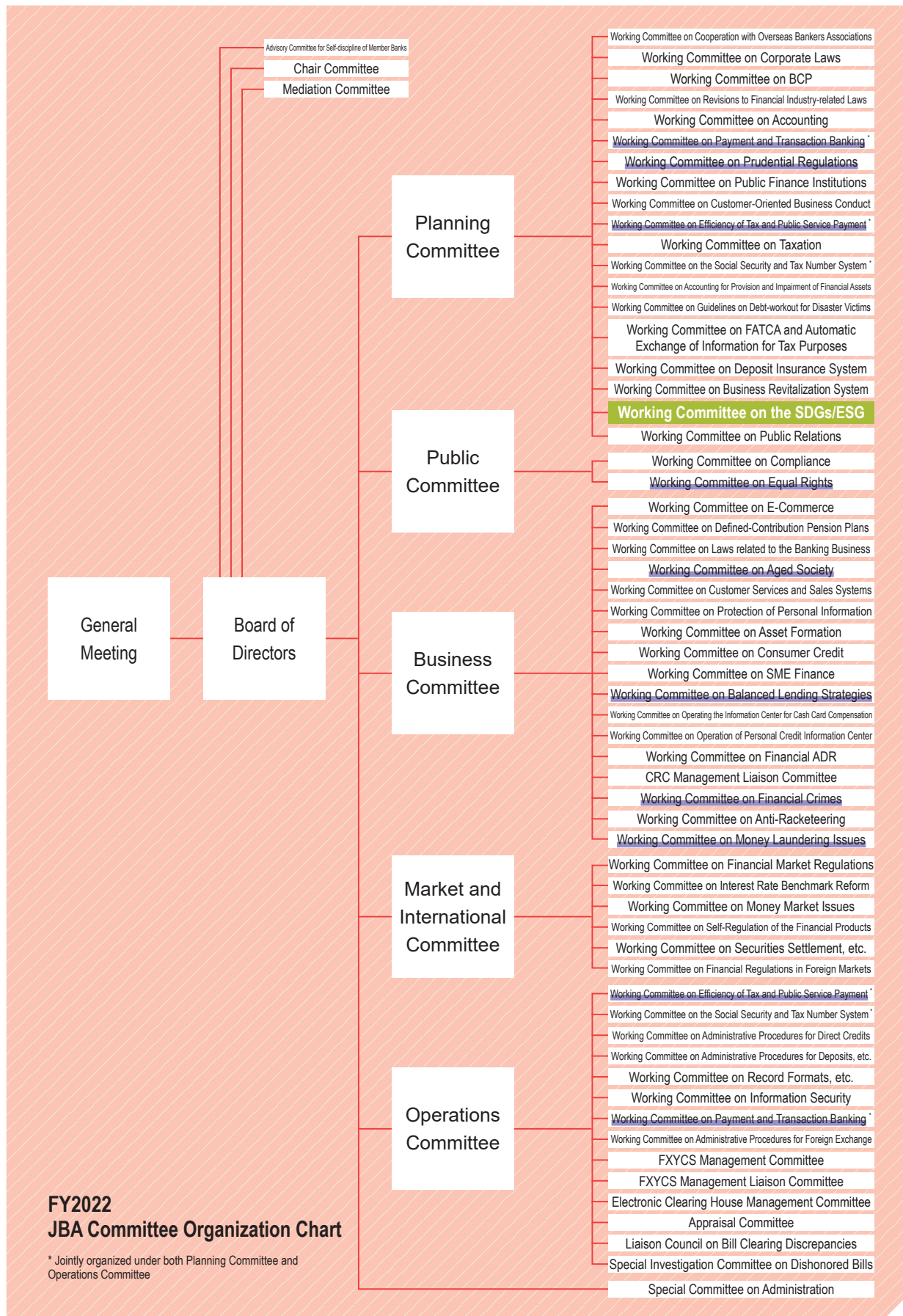
The FY2022 promotion framework is shown on page 7.

③ Key Initiatives of the JBA

After deciding on key initiatives at its Board of Directors meeting in March 2018, the JBA carried out specific efforts while conducting reviews as necessary. The key initiatives for FY2022 are shown on pages 8 and 9.

JBA FY2022 SDGs Promotion Framework




* Underlining indicates the relevant working committees



Key Initiatives for FY2022

Issues (main items)	Issues (sub-items)	FY2022 specific initiatives
<p>1. Further promoting the SDGs/ESG initiatives implemented by member banks (Common to all Goals) Responsible body: Working Committee on the SDGs/ESG</p>	<p>Further promote the SDGs/ESG initiatives implemented by member banks</p>	<ul style="list-style-type: none"> Follow up on key initiatives for SDGs and review the requirements in light of the environment surrounding the banking industry. Continue to conduct surveys for assessing the progress of SDG initiatives implemented by member banks as well as provide information through means such as publishing the JBA SDG Report in order to disseminate and promote initiatives by member banks.
<p> 7. Fulfilling the role expected of the banking industry in achieving a "just transition" to carbon neutrality/net zero emissions by 2050 (Goals 7, 12, 13, 14) Responsible body: Working Committee on the SDGs/ESG, Working Committee on Prudential Regulations</p>	<p>(1) Fulfill the role expected of the banking industry in achieving a "just transition" to carbon neutrality/net zero emissions by 2050</p> <p>(2) Conduct research on the progress of initiatives implemented by member banks for carbon neutrality by 2050</p>	<ul style="list-style-type: none"> In order to facilitate clients' understanding on the banks' intentions of engagement, publish briefing materials and Q&As regarding the banking industry's efforts and background on climate change as well as hold study sessions inviting stakeholders such as relevant industrial organizations and ministries. Sort our global, regional and domestic assessment guidance/criteria, share examples of leading initiatives, participate in relevant government councils and share the banking industry's views for improved transparency and reliability regarding sustainable finance. Publish briefing materials for promoting sustainable finance and cooperate with SME organizations and engage in public advocacy for support programs. For enhancing climate-related disclosure at companies and our member banks, monitor the progress of TCFD disclosure by our member banks as well as follow up on and share views about the domestic and global development on disclosure of sustainability and non-financial information, such as the International Sustainability Standards Board of the IFRS Foundation and the Financial System Council of JFSA. Participate in international discussions on climate-related financial risks as well as follow up on and share views about the progress of consideration at the relevant ministries and agencies. Continue to conduct follow-up surveys on the banking industry's environmental initiatives in order to evaluate the progress of member banks' achievements towards the goals thereof, such as the "Carbon Neutrality Action Plan" and the "Voluntary Action Plan for Establishing a Sound Material-Cycle Society" published by Keidanren. Survey items include electricity consumption units, recycled paper and eco-friendly paper purchase rate, paper recycling rate, the ratio of member banks launching "passbook-less products," long-term global warming countermeasures, goals for plastic waste reduction and conservation of biodiversity.
<p> 3. Implementing activities for regional economic revitalization and local invigoration (Goal 8) Responsible body: Working Committee on Balanced Lending Strategies</p>	<p>Implement activities for regional economic revitalization and local invigoration</p>	<ul style="list-style-type: none"> Follow up on measures for local invigoration by the Headquarters for Overcoming Population Decline and Vitalizing Local Economy in Japan and the relevant ministries and agencies, municipalities, etc., as well as implement measures such as responding as necessary to requests for survey cooperation or dissemination. Conduct surveys on example initiatives for local invigoration implemented by member banks and release information externally. Collect information related to local invigoration through the "SDGs for Regional Revitalization Public-Private Partnership Platform" etc., as well as support initiatives by individual banks for local invigoration, such as by sharing information with member banks as necessary.
<p> 4. Improving the financial literacy of Japanese residents by promoting financial literacy education activities (Goal 4) Responsible body: Working Committee on the SDGs/ESG</p>	<p>Expand activities for financial literacy education by JBA and member banks as well as improve cooperation with related financial organizations such as the Japan Securities Dealers Association in order to promote said activities to be more for the public good</p>	<p>(Measures common to all levels)</p> <ul style="list-style-type: none"> Implement lecturer dispatching as well as reviews and provision of learning materials in light of the environment surrounding financial literacy education, including the ongoing COVID-19 pandemic, the development of ICT and the promotion of stable asset formation for households. <p>(Measures for students)</p> <ul style="list-style-type: none"> Implement and expand cooperation with boards of education in order to expand financial literacy education in school education in light of the lowered age of majority and new government curriculum guidelines through the "Designating Financial Literacy Education Schools" framework, as well as support for activities to increase awareness for preventing emerging types of fraud conducted by high school students. <p>(Measures for universities, young working individuals)</p> <ul style="list-style-type: none"> Implement public relations activities for financial literacy education geared at young working individuals with the aim of promoting planned household management and stable asset formation. <p>(Cooperation measures with member banks, other financial organizations and the like)</p> <ul style="list-style-type: none"> Conduct surveys in order to assess and promote initiatives implemented by member banks for financial literacy education activities as well as share the results thereof, including positive examples. Investigate and implement collaboration and cooperative measures with the Japan Securities Dealers Association aimed at helping improve the financial literacy of Japanese residents and solve the problem of poverty for children and youth (measures include joint use of lecturer human resources, promoting use of bank retirees/securities dealer retirees as lecturers, co-hosting events and seminars, etc.), as well as investigate and implement initiatives for discovering needs for financial literacy education. Implement collaborative measures with the Central Council for Financial Services Information, the Financial Services Agency and other relevant financial organizations.

Promotion Framework and Key Initiatives

Issues (main items)	Issues (sub-items)	FY2022 specific initiatives
 <p>5. Promoting wider access to finance and financial services for the elderly and other users (Goal 8) Responsible body: Working Committee on Aged Society, Working Committee on the SDGs/ESG, Working Committee on Equal Rights</p>	<p>Promote efforts for wider access to finance and financial access services for the elderly and other users</p>	<ul style="list-style-type: none"> Follow up on the trends at the government and related organizations as well as the progress of initiatives implemented by member banks regarding financial transactions with elderly customers, and provide relevant information to member banks as necessary. Also, investigate and implement measures for updating the concept and creating new concepts regarding carrying out financial transactions by substitutes and improved collaboration between banks and regional public organizations, social welfare agencies, etc. Continue to conduct surveys for assessing the progress of barrier-free initiatives implemented by member banks, express opinions during follow-up hearings for discussions with relevant ministries and agencies, and provide and share information with member banks.
 <p>6. Promoting digitization and providing safe, secure, and highly-convenient financial services (Goal 9) Responsible body: Working Committee on Payment and Transaction Banking, Working Committee on Efficiency of Tax and Public Service Payment</p>	<p>(1) Promote the usage of the Zengin EDI System (ZEDI) through encouragement at relevant ministries and agencies and relevant industrial organizations as well as seamless linkage with electronic invoices</p>	<ul style="list-style-type: none"> Link with Zengin-Net to investigate linkage measures between electronic invoices and ZEDI. Make appeals to accounting software vendors (for ZEDI implementation with electronic invoice support) and conduct dissemination for ZEDI among businesses, in coordination with Zengin-Net, and based on investigation results and progress of the verification project in the "Contracting and Payment Architecture Working Group" at the Information-technology Promotion Agency's Digital Architecture Design Center as well as the Zengin-Net "ZEDI Usage Promotion Working Group." Continue to encourage the relevant ministries and agencies as well as relevant industrial organizations to promote the usage of ZEDI.
	<p>(2) Promote initiatives for the full digitization of bills and checks</p>	<ul style="list-style-type: none"> Follow up on the progress of initiatives in the banking industry to achieve the final target (completely eliminating exchanges by the end of FY2026) based on the "Voluntary Action Plan for the Full Digitization of Bills and Checks" that was formulated in the financial industry. Collaborate with the relevant ministries and agencies such as the Financial Services Agency and the Small and Medium Enterprise Agency and then encourage the industrial sector towards the full digitization of bills and checks. Conduct dissemination and public relations activities related to the digitization of bills and checks in collaboration with densai.net. Collaborate with the relevant institutions as well as relevant ministries and agencies to implement initiatives to minimize the number of exchanged securities excluding bills and checks (other types of products).
	<p>(3) Promote efficiency improvements in the collection of taxes and public dues (begin using a unified QR code system to facilitate local tax payments from FY2023)</p>	<ul style="list-style-type: none"> Implement the support necessary for using a QR code system in local tax payments (scheduled to begin use in April 2023) as well as implement the support necessary for expanding the usage scope of QR code systems beyond local tax payments. Assess issues regarding the electronic payment of taxes and public dues through hearings and the like with member banks as well as implement activities for requesting that related parties promote electronic payment of taxes and public dues. Investigate and implement effective measures for promoting the spread of electronic payment of taxes and public dues.
 <p>7. Implementing measures to prevent financial crimes and money laundering, and actions to meet FATF recommendations (Goal 16) Responsible body: Working Committee on Financial Crimes, Working Committee on Money Laundering Issues</p>	<p>(1) Prevent damages from financial crimes</p>	<ul style="list-style-type: none"> Expand initiatives in light of crime trends such as emerging types of fraud (implement awareness activities for preventing financial crime, etc.). Investigate and implement measures such as providing information or warnings to member banks about the current criminal tactics such as unauthorized internet banking withdrawals, as well as carrying out public relations activities for customers on said activities.
	<p>(2) Create a more sophisticated AML/CFT response</p>	<ul style="list-style-type: none"> Investigate information supply and response for FATF follow-ups. Collect information on AML/CFT trends and provide information such as leading initiatives and translations of important documents. Investigate and implement dissemination and public relations activities for customers related to the implementation of continued customer administration and the like. Improve collaboration with the relevant authorities and other industries (including cooperative financial institutions) through the Public and Private Sectors Liaison Meeting on Advanced Measures against Money Laundering.
  <p>8. Expanding initiatives in light of trends regarding human rights and diversity (Goals 5, 10) Responsible body: Working Committee on Equal Rights, Working Committee on the SDGs/ESG</p>	<p>Expand initiatives in light of trends regarding human rights and diversity</p>	<ul style="list-style-type: none"> Provide relevant information (hold lectures on human rights, issue a human rights newsletter, etc.). Implement support for human rights awareness activities (create human rights texts, hold applications/awards for human rights awareness mottos, etc.).

Status of Activities of the JBA in FY2022

In FY2022, the JBA promoted efforts based on eight key initiatives relevant to the 17 SDGs. This report summarizes individual efforts and presents the results achieved in FY2022.

1 Further Promoting the SDGs/ESG initiatives Implemented by Member Banks

As a common approach of the banking industry in order to achieve the 17 SDGs, and for the purpose of monitoring and supporting the efforts of member banks, the JBA conducts surveys on SDGs/ESG and introduces reports on case examples of initiatives by the JBA and member banks.

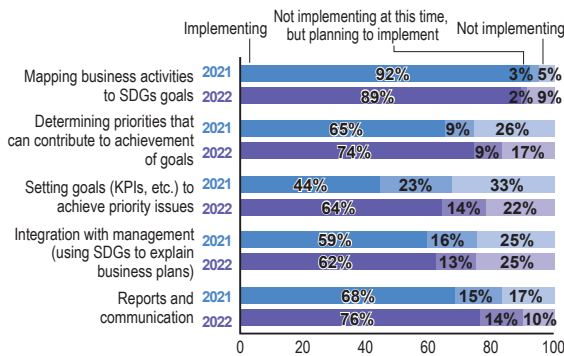
① Surveys on SDGs and ESG

In order to understand the status of member banks' efforts and further promote their efforts, the JBA conducts surveys on the efforts of each individual member bank regarding SDGs/ESG and provides feedback on the aggregated results. 114 banks responded to the FY2022 survey (as of the end of July 2022), indicating that initiatives related to SDGs/ESG are accelerating. The JBA will continue to conduct surveys, while making the necessary updates to the survey content, to further support the efforts of member banks.

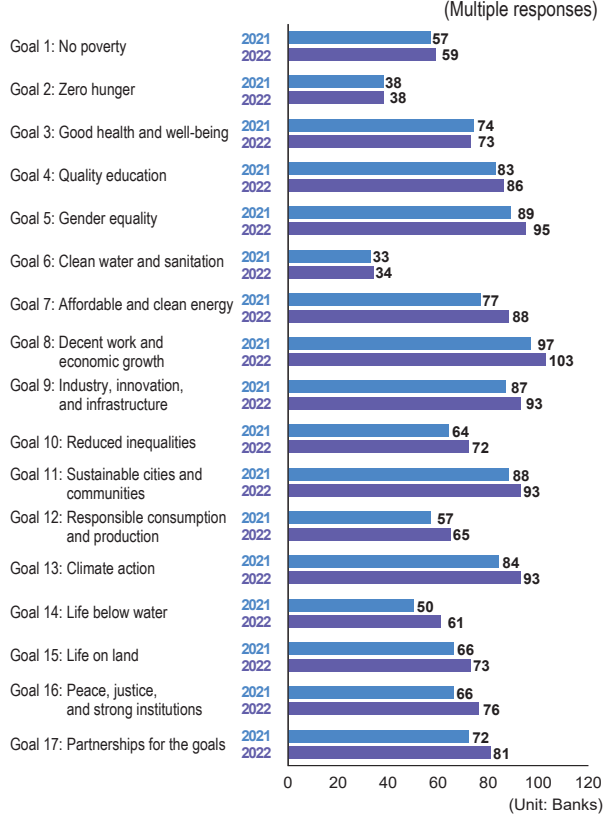
FY2022 Questionnaire Survey Results (Summary) *As of the end of July 2022

- 69 of the 114 banks (61%) that responded have established specialized departments or divisions to address initiatives related to SDGs/ESG (FY2021: 27 banks (25%).)
- 109 of the 114 banks (96%) that responded have disclosed information on initiatives related to SDGs/ESG. (Not surveyed in FY2021)

Status of member banks' SDGs and ESG related efforts



Goals that member banks are working on among the 17 SDGs



② Issuance of the JBA SDGs Report

The "JBA SDGs Report" has been published since FY2018 in order to strengthen the external presentation of the banking industry's efforts surrounding SDGs/ESG, enhance member banks' understanding of issues from the perspective of SDGs/ESG, and further support member banks' voluntary efforts. Moreover, in order to widely publicize the efforts of the Japanese banking industry among global audiences, the JBA publishes an English version of the JBA SDGs Report.

In this report, in addition to the status of the main activities of the JBA in FY2022, examples of member banks' activities related to SDGs and commentary from experts on SDGs are also included.

2

Fulfilling the Role Expected of the Banking Industry in Achieving a “Just Transition” to Carbon Neutrality/Net Zero Emissions by 2050



To date, the JBA has promoted and supported the environment-related efforts of member banks, by (i) participating in and setting targets under the “Carbon Neutrality Action Plan” and the “Voluntary Action Plan for Establishing a Sound Material-Cycle Society” of the Keidanren, (ii) stating the importance of contributing through banks’ main business operations to the resolution of environmental issues in its “Code of Conduct” for corporate officers and employees of member banks, (iii) releasing policy proposal reports concerning member banks’ environment project activities and expected role of banks, as well as holding seminars for member banks, and (iv) preparing the “JBA eco map,” which aggregates and publicizes member banks’ environment-related efforts.

In recent years, expectations for banks and other financial institutions to fulfill their roles toward the achievement of a sustainable society have been increasing, including Japan’s 2050 Carbon Neutrality Declaration, due to the effectuation of the 2016 Paris Agreement.

In addition, the “Sharm el-Sheikh Implementation Plan,” which calls for a strengthening of initiatives in various areas of climate change, was adopted at the 27th Conference of the Parties to the United Nations Framework Convention on Climate Change (COP27) held in November 2022. In Japan, the “Basic Policy for the Realization of GX” (approved by the Cabinet in February 2023) was released in December 2022, outlining a policy for initiatives over the next 10 years to achieve a society in which all people, including future generations, can live with hope. The “Technology Roadmap Formulated for Transition Finance toward Decarbonization,” which lays out the process toward decarbonization in sectors where it is difficult to immediately reduce greenhouse gas emissions for technical and economic reasons (7 sectors), was published in stages from October 2021 to March 2022.

In July 2022, the Ministry of the Environment published the “Green Bond and Sustainability-Linked Bond Guidelines 2022” and “Green Loan and Sustainability-Linked Loan Guidelines 2022” for the sound and appropriate expansion of the sustainable finance market.

With regard to biodiversity, the Kunming-Montreal Global Biodiversity Framework, a set of goals for biodiversity protection by 2030 that includes the “30 by 30” goal to conserve at least 30% of the world’s oceans and land by 2030, was adopted during the second part of the 15th Conference of the Parties to the Convention on Biological Diversity (COP15) held in December 2022.

In light of these developments, in addition to the continuation of ongoing efforts, the JBA will promote and support member banks’ new measures to address changes in order to contribute to the achievement of SDGs Goal No. 7 “Affordable and Clean Energy”, Goal No. 12 “Responsible Consumption and Production,” Goal No. 13 “Climate Action,” and Goal No. 14 “Life Below Water.”

① Activities based on JBA Initiatives

It is an urgent and important issue, even in the banking industry, to provide the firm support that is required for the realization of carbon neutrality/net zero for the entire socio-economic environment in order to achieve the 1.5°C target, while also supporting corporate cash management as financial and social infrastructure.

In December 2021, the JBA formulated the “JBA Carbon Neutrality Initiative,” which sets forth basic policies and priority areas to be addressed in order to further strengthen efforts in the banking industry to achieve carbon neutrality from a medium- to long-term perspective.

Based on this initiative, the JBA has been working on various measures to contribute to the realization of carbon neutrality/net zero in Japan by 2050. In February 2023, the JBA compiled and published the “JBA Carbon Neutrality Initiative 2023,” to review its past activities and make necessary revisions.

In FY2022, the JBA implemented initiatives to create an environment conducive to smooth dialogue (engagement) between client companies and banks, including the compilation of explanatory documents for client companies entitled “The Banking Industry’s Efforts for Climate Change: Working with Industry to Achieve Decarbonization”^{*1}, publishing a special website on the banking industry’s initiatives for climate change based on the contents of the documents^{*2}, and preparing reference materials for engagement between client companies and member banks on decarbonization and climate change responses^{*3}. The JBA has also been working with industry and relevant government ministries and agencies to promote measures to address climate change issues in the industrial and banking sectors. This includes holding seminars for member banks and establishing an information platform that consolidates reference information for member banks.

*1 Publication of “The Banking Industry’s Efforts for Climate Change” <https://www.zenginkyo.or.jp/news/2022/n062701/> (Japanese only)

*2 Special website on the banking industry’s efforts for climate change <https://www.zenginkyo.or.jp/climate-change/> (Japanese only)

*3 Publication of “First Steps Toward Decarbonization” <https://www.zenginkyo.or.jp/news/2023/n013001/> (Japanese only)



② Follow-up on Discussions and Advocacy Activities on Sustainable Finance Overseas

In order to achieve a sustainable society, including carbon neutrality, the evaluation and disclosure of risks and opportunities through the disclosure of non-financial information by financial institutions and other private companies, as well as the analysis and management of climate-related risks, are becoming increasingly important, and discussions are progressing at the global level.

The International Sustainability Standards Board (ISSB), established within the International Financial Reporting Standards (IFRS) Foundation in November 2021, is considering the development of an internationally-recognized baseline for non-financial disclosure. Studies are underway to develop disclosure standards for general sustainability-related information and specific climate-related information. These standards are expected to be finalized during the first half of 2023.

Various entities (such as the Financial Stability Board (FSB) and the Network for Greening the Financial System (NGFS)) have been studying the analysis and management of climate-related risks. In particular, overseas authorities and central banks are experimenting with stress tests on climate-related risk management for financial institutions, and issues such as the lack of specific methods and necessary data for scenario analysis have been pointed out. In light of these circumstances, the NGFS has published common scenarios for enhancing scenario analysis, and the third edition was released in September 2022.

Regarding the management of climate-related risks, in June 2022, the Basel Committee on Banking Supervision (BCBS) formulated “Principles for the Effective Management and Supervision of Climate-Related Financial Risks,” which requires financial institutions to integrate climate-related risks into their risk management framework.

The JBA is actively submitting its opinions to authorities both in Japan and overseas regarding these various efforts to ensure sustainable finance on a global scale.

③ Follow-up on Discussions and Advocacy Activities on Sustainable Finance in Japan

Various discussions and initiatives regarding sustainable finance are underway in Japan as well, based on the discussions that are being held globally.

The JBA follows up on the actions of government ministries and agencies by participating as a member or observer on the Financial Services Agency’s “Expert Panel on Sustainable Finance” and other councils and study groups of government ministries/agencies, and actively disseminates its opinions.

With regard to financial institutions’ response to climate change in particular, the JBA submitted its opinion on the “Supervisory Guidance on Climate-related Risk Management and Client Engagement (Draft)” released by the Financial Services Agency in April 2022. In July 2022, following the official formulation of this guidance, the JBA held a briefing for its member banks.

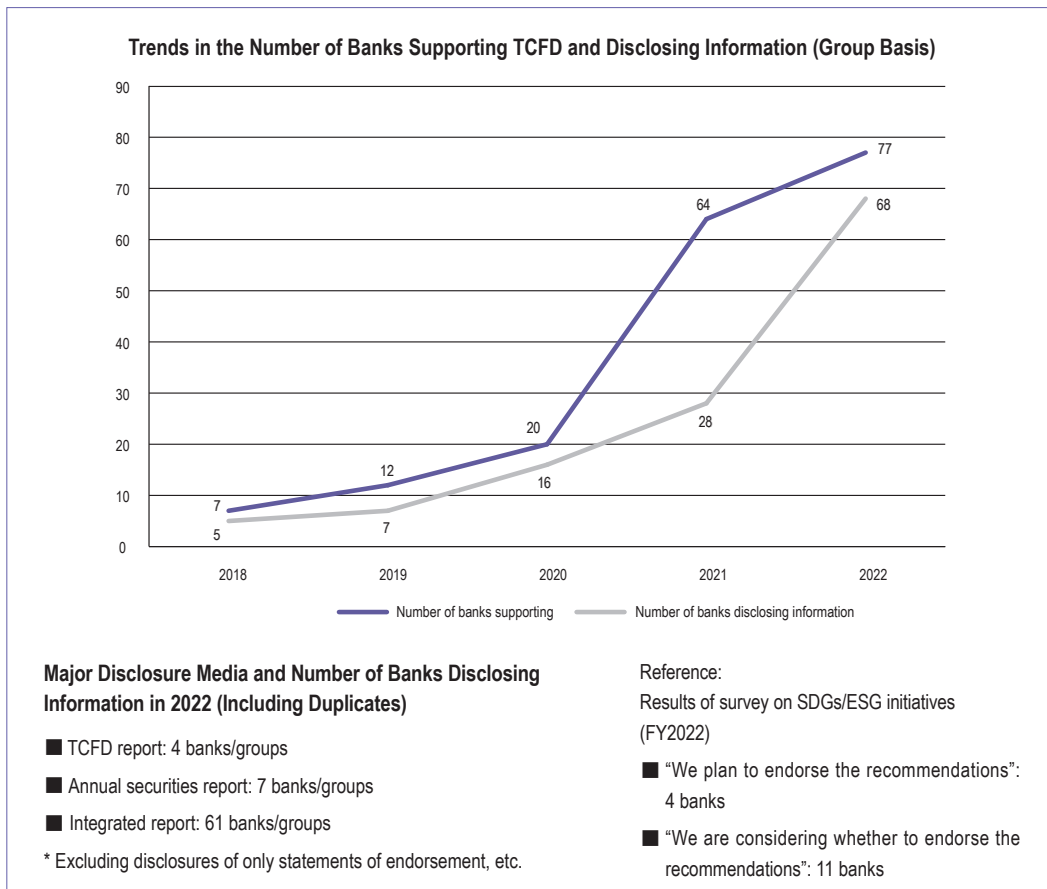
Regarding the disclosure of non-financial information, the JBA has actively participated in discussions and disseminated its opinions, including participating as a member of the “Sustainability Standards Board of Japan (SSBJ)” in the Financial Accounting Standards Foundation (FASF) in July 2022, to disseminate its opinions to the IFRS Foundation’s ISSB and to consider measures in Japan.

In addition, the enhancement of scenario analysis has become an important issue for financial institutions in managing climate-related risks. In August 2022, the Financial Services Agency and the Bank of Japan released a report on a pilot exercise conducted with three megabanks and three major non-life insurance groups, which identified challenges with scenario analysis methodology and data. The JBA is also following up on the status of studies by related ministries and agencies to enhance scenario analysis.

④ TCFD/Lending and Investment Policy Survey

In recent years, the banking industry has been increasingly required to make lending and investment decisions that contribute to responding to opportunities/risks related to climate change and solving environmental and social problems. Against this background, since FY2018 the JBA has conducted an annual survey on domestic and international trends surrounding the TCFD's final report (TCFD Recommendations) and domestic and international examples of lending and investment policies, compiled them into the "Survey on Efforts and Lending and Investment Policy Formulation in Response to TCFD Recommendations" and provided the report to our member banks.

While there was significant progress in the number of banks that endorsed the TCFD in FY2021, growth in the number of banks that actually disclosed information was relatively limited, and therefore further development of disclosure efforts was expected. In FY2022, the number of banks that disclosed information in integrated reports and other documents increased significantly, confirming that disclosure efforts are widespread and not merely limited to a few advanced banks.



On the other hand, it is also true that there is room for further development in enhancing the content of disclosures by member banks, including responding to the TCFD's revised guidance for 2021. In addition, beginning with securities reports for fiscal years ending on or after March 31, 2023, a new section will be added regarding the sustainability approach and initiatives. It will require descriptions of "Governance" and "Risk Management," and "Strategy" and "Metrics and Targets" will be described depending on their materiality, requiring additional effort from many banks. In light of these changes in the TCFD disclosure environment and the efforts of member banks, the FY2022 report includes examples of disclosures for each of the recommended disclosure items in the TCFD Recommendations, which will provide material for consideration of future TCFD disclosures by domestic and foreign banks.

With regard to trends in the development of lending and investment policies, in FY2022 the JBA continues to follow up on the progress and disclosures made by financial institutions in Japan as a reference for member banks in formulating their policies for responsible lending and investment.

⑤ Determination of Targets Under the “Keidanren Carbon Neutrality Action Plan,” and Implementation of Follow-up Surveys

Since FY2001, the JBA has participated in setting goals for the Keidanren’s “Carbon Neutrality Action Plan” for reducing carbon dioxide emissions and “Voluntary Action Plan for Establishing a Sound Material-Cycle Society” for recycling, and conducted follow-up research on full members in order to understand the status of their efforts at environmental problems.

[Transition of JBA Goals for the Carbon Neutrality Action Plan and the Voluntary Action Plan for Establishing a Sound Material-Cycle Society]

Plan	Goal	FY2022 Survey Results (on FY2021 results*) * Survey period from April 2021 to March 2022, targeting 114 full member banks	
Carbon Neutrality Action Plan	Phase II goal *The Phase I goal ended in FY2020.	<p>Reduce power consumption units in FY2030 by 19% compared to FY2009 (power consumption / total floor area)</p> <ul style="list-style-type: none"> The power consumption of full members totaled 1,907,599,502 kWh. With a total building floor area of 15,782,516 m², power consumption units resulted in 120.9. The result amounted to a 32.7% reduction compared to the target base year of FY2009, and a 2.5 point reduction in comparison with the previous year’s results. 	
	(Goal after review)	*The goal was revised in January 2023. Surveys will be conducted starting in FY2023 based on the goal shown on the left.	
	Reduce CO ₂ emissions in FY2030 by 51% compared to FY2013		
	FY2050 goal	<p>Promote initiatives for mitigation of global warming consistent with national goals throughout the banking community, in order to contribute to the realization of a sustainable society.</p> <ul style="list-style-type: none"> 44 banks (including those with a goal of net zero by 2030), 39% of the total, answered that they have set a goal to mitigate global warming for 2050. 	
(Goal after review)	*The goal was revised in January 2023. Surveys will be conducted starting in FY2023 based on the goal shown on the left.		
Promote a just transition to carbon neutrality/ net zero for society as a whole, with the entire banking community working together to achieve virtually zero CO ₂ emissions			
Voluntary Action Plan for Establishing a Sound Material-Cycle Society	Goals related to paper recycling rate, recycled paper purchase rate, etc.	<ul style="list-style-type: none"> Paper recycling rate of 90% or more by FY2025 Paper recycling rate of 91.2% <p>Note: Based on the continuation of Keidanren’s plan, the existing goal for FY2020 has been extended to FY2025.</p>	
	Purchase rate of recycled paper and eco-friendly paper in FY2025 of 75% or more	<ul style="list-style-type: none"> Purchase rate of recycled paper and eco-friendly paper of 71.8% (falling short of numerical goal for FY2025) <p>Note: Based on the continuation of Keidanren’s plan, the existing goal for FY2020 has been extended to FY2025.</p>	
	80% or more of member banks handling deposit products without the issuance of passbooks in FY2025	<ul style="list-style-type: none"> 102 banks, 89.5% of the total, handle deposit products without the issuance of passbooks. <p>Note: The goal was set in January 2021, based on the continuation of Keidanren’s plan.</p>	
	Plastic-related goals	Attain a 100% ratio of member banks practicing garbage separation of used PET bottles. (Target year: FY2030)	<ul style="list-style-type: none"> 113 banks, 99.1% of the total, say they are “Implementing” the separation of used PET bottles.
		Attain a 100% ratio of member banks implementing measures to reduce marine plastic waste, such as cleaning activities. (Target year: FY2030)	<ul style="list-style-type: none"> 91 banks, 79.8% of the total, say they are “Implementing” measures to reduce marine plastic waste.
Practice efficient use of resources and to reduce waste throughout the banking community.	<p>[Case examples]</p> <ul style="list-style-type: none"> Conduct cleanup activities at beaches, etc. Reduce the amount of plastic used by stopping the use of plastic products, etc. Switch from plastic products to paper products, etc. 		
Actively support, throughout the banking community, companies that engage in activities to reduce plastic wastes that are in line with the government policy.	<ul style="list-style-type: none"> 21 banks, 18.4% of the total, actively support companies that engage in activities to reduce plastic wastes that are in line with the government policy. 		

The results of the follow up survey in FY2022 (actual results for FY2021) are shown in the table.

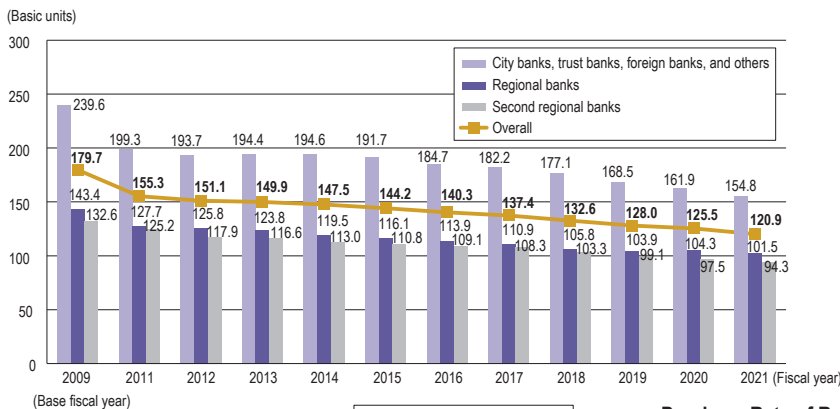
Of these results, the goals for Phase II and 2050 in the “Carbon Neutrality Action Plan” were revised in January 2023, based on the government’s carbon neutrality declaration and the Cabinet’s decision on the global warming countermeasures plan. Starting in FY2023, follow-up surveys will be conducted based on the revised goals.

In addition, we can see that the introduction of deposit products without the issuance of passbooks, which is one of the goals for FY2025, is making great progress in light of COVID-19, and other factors.

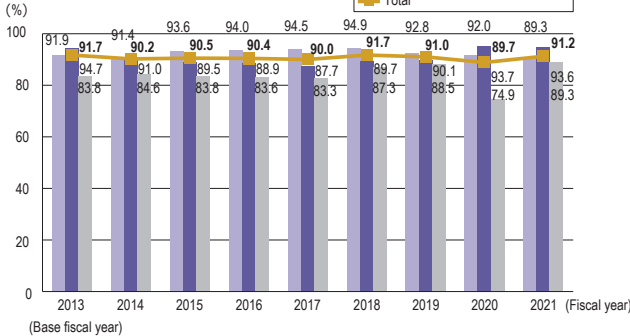
As in the previous survey, member banks continued to report on their efforts to reduce electricity consumption at their branches, including examples such as updating office centers with highly efficient air-cooled refrigeration units and switching to LED lighting at sales offices, promoting working from home/standing by at home and closing offices during the COVID-19 pandemic, and actively using energy-saving electrical products and reducing the number of hours that air-conditioning equipment is used. Additionally, the survey found that many banks were using renewable energy sources, that is, solar and wind power. With respect to financing and non-financing products related to global environmental issues, more than 80% of banks responded that they are “Considering” or “Offering” such products.

The JBA will continue to conduct follow-up surveys to ensure that member banks are making progress toward the above goals.

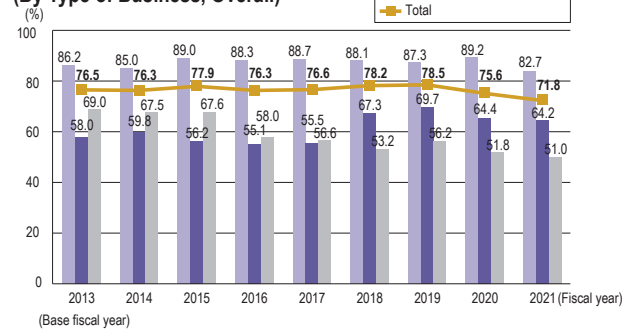
Power Consumption Units (By Type of Business, Overall)



Paper Recycling Rate (By Type of Business, Overall)



Purchase Rate of Recycled Paper and Eco-Friendly Paper (By Type of Business, Overall)



⑥ Taskforce on Nature-related Financial Disclosures (TNFD)

The TNFD is an international initiative conceived at the 2019 World Economic Forum Annual Meeting (Davos) and established in June 2021 as a follow-on framework to TCFD. The TNFD aims to help shift the flow of global finance toward halting the loss of nature and biodiversity and putting them on a track to recovery. It does this by creating a framework that allows private companies and financial institutions to properly assess and disclose risks and opportunities related to natural capital and biodiversity. The final recommendation is scheduled to be compiled in September 2023. Like the TCFD, it is expected to be widely used as a framework for disclosures about corporate activities.

The JBA has been involved in efforts such as submitting comments during inter-municipal consultations regarding the development of the framework held by the TNFD in March and June 2022. Additionally, in December 2022, the JBA participated in the TNFD Forum, a stakeholder organization that supports TNFD considerations. The JBA will continue to follow developments in discussions regarding the TNFD.

3

Implementing Activities for Regional Economic Revitalization and Local Invigoration



Efforts at local invigoration are considered to contribute to the achievement of Goal No. 8 of the SDGs “Decent Work and Economic Growth.” The JBA has designated local invigoration as one of its key initiatives with regard to the SDGs and will over the medium- and long-terms engage in measures to promote member banks’ proactive efforts at regional revitalization.

Since FY2018, as part of these endeavors, the JBA conducted an annual questionnaire survey on case examples of member banks’ efforts at local invigoration. The results were communicated to member banks and published on the JBA website.

Case examples of local invigoration by member banks are also presented in this report so that member banks can further promote these efforts.

JBA website

“Efforts at local invigoration” <https://www.zenginkyo.or.jp/abstract/efforts/contribution/sousei/> (Japanese only)

Case examples by member banks* (Results of the FY2022 questionnaire survey)

- Creating attractive communities where people can gather and live with peace of mind
 - Mizuho Bank: Promotion of Hachijojima Smart Island
 - Saitama Resona Bank: Creating matching opportunities between local governments and companies. “Challenge Pitch” partnership between public and private sectors
 - Sumitomo Mitsui Trust Bank: Collaboration with Kobe toward an Industry-Academia-Government Co-Creation Model
- Building connections with the region and creating a new flow of people into the region
 - MUFG Bank: Support for Regional Revitalization Projects through “MUIC Kansai,” a Members-only Innovation Hub for the Tourism Industry, and the “ALL JAPAN Tourist Area Regeneration/Revitalization Fund”
 - Sumitomo Mitsui Banking Corporation: Regional Revitalization Project Using Historical Buildings in Chichibu City and Revitalization of Railway Lines Using “Tamamusubi,” an Application for Exploring Myths and Traditions
- Creating a community where people can earn money and work with peace of mind
 - Resona Bank: Creation Project for the Future of Local Communities: Solving Social Issues
- Empowering the new era
 - Sumitomo Mitsui Trust Bank: Support for Establishment of a Sustainable Finance Framework in Kyoto Prefecture

* Case examples from regional banks and second regional banks are available on the following websites of the Regional Banks Association of Japan and The Second Association of Regional Banks.

Regional Banks Association of Japan website

“Regional revitalization cases” https://www.chiginkyo.or.jp/regional_banks/initiative/creation/ (Japanese only)

Second Association of Regional Banks website

“Regional revitalization” https://www.dainichiginkyo.or.jp/membership/region_activate.html (Japanese only)

Additionally, the JBA participates in the “SDGs Public and Private Sectors Partnership Platform for Local Invigoration” established in August 2018 by the Cabinet Office, Office for the Promotion of Overcoming Population Decline and Vitalizing Local Economy in Japan, and provides information to member banks received through this platform.

4

Improving the Financial Literacy of Japanese Nationals by Promoting Financial Literacy Education Activities



The JBA has been a longstanding proactive supporter of educational activities in the area of personal finance with the objective of promoting financial literacy, such as by furthering the appreciation of the roles and functions of banks and by improving the awareness and knowledge of financial transactions, how to manage household budgets, and how to plan one's life.

The meaning and purpose of this financial literacy education relate to "enabling each Japanese national to achieve financial independency and lead a better life; and contributing to the realization of a fair and sustainable society by encouraging financial institutions to offer financial products with good quality, and by the effective use of household financial assets, through the improvement of financial literacy" (Study Group advocated by Financial Services Agency on Financial Education Report, April 2013). Meeting these objectives will help attain Goal No. 4 of the SDGs "Quality Education," which targets to "ensure that all learners acquire the knowledge and skills needed to promote sustainable development."

To this end, improving the financial literacy of the public by promoting financial and economic education activities has been included in the list of key initiatives related to SDGs, which will be promoted and widened over the medium- and long-term.

① Member Bank Survey Concerning Initiatives for Financial Literacy Education

The JBA conducted a questionnaire survey directed at all members in order to understand the status of member banks' efforts at financial literacy education activities and to support member banks' efforts by communicating to them the aggregated survey results and case examples from the 189 respondents. The results of the questionnaire survey (statistics during FY2021) are shown in the table below.

FY2022 Questionnaire Survey Results (Summary)* FY2021 results

- 128 banks out of 189 responding (68%) (among full members, 112 banks out of 114 respondents (98%)) provided financial literacy education. (In addition, 120 out of the 128 banks (94%) that are providing financial literacy education answered that such activities were affected by the spread of COVID-19, such as the suspension of activities, self-imposed quarantine, and changing the content of activities (switching to non-face-to-face communication, such as online).)
- The breakdown of educational activities implemented in FY2021 is shown below (number of implementing banks, total number of sessions, total number of participants), resulting in activities held for around 180,000 participants (excluding duplicates).

Implementation status of various activities related to financial literacy education in FY2021

	Lecturer dispatch	Guided tours of banking premises	Donation-funded lectures	Seminars	Events	Internships	Total
Number of implementing banks	79	67	39	59	49	79	—
Total number of activities	1,269	336	187	2,494	179	1,391	5,856
Total number of participants	56,698	4,967	10,073	57,621	13,256	33,754	176,369

Not implementing: 61 banks
Implementing: 128 banks

Initiatives Concerning Financial Literacy Education

- The following responses (excerpts) were received as examples of financial literacy education activities of the member banks.
 - Online "Money Classes" for parents and children
 - Online seminars on regional financial business for high school students
 - Seminars on asset formation for employees of client companies, etc.
 - Employment assistance, including money training, for women with low income, etc.
- The following responses were received as new activities and future issues due to the spread of COVID-19.

[New activities]

 - Review and modify curriculum to accommodate participatory work and hands-on events in online programs, online support, etc.

[Future issues]

 - How to provide non-face-to-face financial literacy education, expansion of web content, strengthening of channels such as online lectures, consideration of embodiment and prerequisites for implementation, etc.

② Public Relations Activities Related to Household Budget Management and Asset Formation

Associated with the growing importance of personal asset management to fund ever-longer life spans in light of Japan's demographic aging to very high age brackets, schemes such as the iDeCo (the individual-type defined contribution pension plan) and asset-formation type NISA (individual savings account) have been established to promote widespread steady asset formation by individual citizens. The JBA has identified efforts to encourage the transition from saving to asset formation as an important issue and has been emphasizing activities themed on the necessity of asset formation.

These activities are specifically targeted at university students and the young working-age population. Also considering the rapid development around digitization, a variety of media including websites and smartphones are being utilized, along with advertising strategies involving celebrities with broad public appeal.

In FY2022, the "Doubling Asset-based Income Plan" was decided in November at the Council of New Form of Capitalism Realization. In light of the growing importance of this activity, the JBA has collaborated with Real Escape Game (SCRAP Co., Ltd.) since February 2023 to provide online content where participants can learn about the importance of asset formation based on household budget management by solving riddles in an "escape room game" and putting what they have learned into practice (output).

In addition, in view of the lowering of the age of majority in April 2022, since March 2022 the JBA has been conducting public relations activities through the "Important Story about Money and Lowering the Age of Majority" website. This website uses videos featuring young actors to explain the changes and precautions associated with the lowering of the age of majority.



*"Real Escape Game" is a registered trademark of SCRAP Co., Ltd.

③ Lecturer Dispatch on a Nationwide Basis

Since 2003, the JBA has been operating lecturer dispatch services where lecturers including staff of the JBA travel nationwide in response to requests for classroom lectures, consumer seminars, or instructor training sessions.

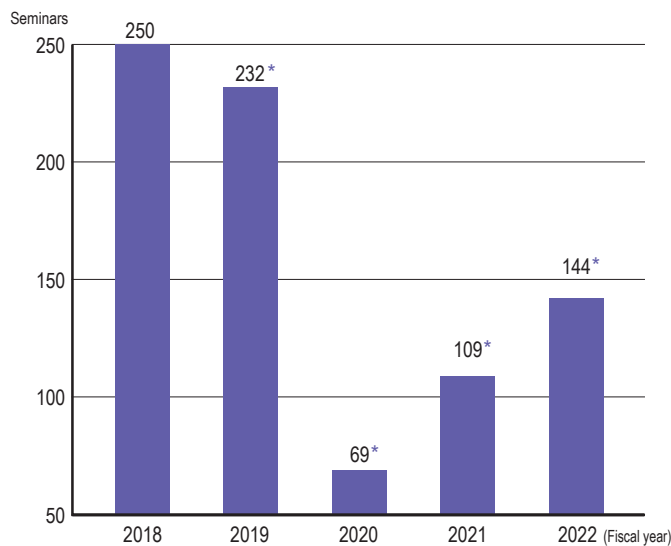
In principle, lectures were given through non-face-to-face methods (online, etc.) in FY2022, due to the COVID-19 situation. However, instructors were dispatched in situations where it was difficult to give a lecture through non-face-to-face methods, but only after confirming that appropriate measures for preventing the spread of infection were in place. (144 lectures, including both face-to-face and non-face-to-face, were implemented in FY2022.)

Seminar topics are determined in accordance with requests, including the following main topics.

Type of Audience and Main Topics

Target Audience	Main Topic
Junior high school and high school students	Banks' functions
	Mechanism of finance and its relation to society
High school students and university students	Loans, credit, and the use of money
	Money considerations for young adults
University students	Trends in the banking industry
General consumers, etc.	Points to consider when choosing financial products for the first time
	Schemes of financial crimes and self-protection
Instructors, etc.	Implementation of financial literacy education

Number of Lectures in the Last Five Years



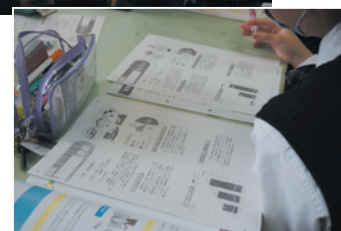
* In FY2019 to 2022 some lectures were postponed due to the spread of COVID-19.

④ Designated Schools for Financial Literacy Education Research and Educational Activities by High School Students to Prevent Special Types of Fraud

“Designated schools for financial literacy education research” are selected from junior high schools and high schools that take a proactive approach to financial literacy education. This scheme started in FY2010, and constitutes an effort to support the implementation of financial literacy education at those schools through the provision of tools such as teaching materials and the dispatch of lecturers, etc. In order to induce more active involvement of local boards of education, the JBA has worked together with local boards of education to select schools to designate for financial literacy education since FY2012.

Lectures are open to nearby schools with the aim to geographically spread financial literacy education by regional units. Lecture examples are posted on the JBA website with the expectation to disseminate teaching materials for wider classroom usage.

In FY2022, in cooperation with the Tochigi Prefectural Board of Education, the JBA designated Tochigi Shonan High School as a research school and conducted classes on themes such as “Economic Independence,” “Household Financial Structure and Society,” and “Economic Planning and Risk Management.”



At a class of a designated school

Schools Designated for Financial Literacy Education Research - Implementation Data

Fiscal year	Board of Education	Designated schools
2018	Hyogo Prefecture	Hyogo Prefectural Hojo Senior High School, Hyogo Prefectural Himeji Commercial High School
2019	Ibaraki Prefecture Saitama City Hiroshima City	Ibaraki Prefectural Ryugasaki Daiichi High School Saitama Municipal Urawa Junior and High Schools Hiroshima City Kabe Junior High School
2020	Gumma Prefecture Osaka City	Gumma Prefectural Isesaki High School, Ota Girls' High School Osaka Prefectural Higashi Senior High School (previously Osaka City Higashi Senior High School)
2021	Yamanashi Prefecture	Yamanashi Prefectural Kofu Higashi High School
2022	Tochigi Prefecture	Tochigi Prefectural Tochigi Shonan High School

Distributing goods and conducting educational activities



“Educational Activities by High School Students to Prevent Special Types of Fraud” is an effort to support students’ social contribution activities, with an expectation that such activities becomes self-sustaining at the regional level through high school students. It is expected that students become aware that special types of fraud are a societal issue in their everyday environment, better understand preventive measures, and implement activities to prevent special types of fraud planned by students themselves. This initiative was launched in FY2016, and it makes practical use of frameworks such as schools’ home economics clubs, which are included in the high school home economics curriculum guidelines. The JBA provides actual support such as advice and information materials for activities, in addition to support for funding.

In FY2022, the JBA commissioned Toyama Prefectural Shikino High School to conduct activities. In cooperation with the local police station, the students distributed educational goods to raise awareness among local residents, and also conducted educational activities at the Tanabata Festival and a children’s cafeteria. This activity was reported in a local newspaper article and the students were presented with a letter of appreciation from the local police.

School Activities to Raise Awareness for the Prevention of Special Types of Fraud

Fiscal year	Board of Education	Designated schools
2018	Saitama Prefecture	Saitama Prefectural Shinsyukan High School
2019	Ibaraki Prefecture	Ibaraki Prefectural Tsuchiura Kohoku High School
2020	Gumma Prefecture	Gumma Prefectural Tatebayashi Girls High School
2021	Yamanashi Prefecture	Yamanashi Prefectural Yamanashi High School
2022	Toyama Prefecture	Toyama Prefectural Shikino High School

⑤ Educational Materials

As part of its PR activities, the JBA has been creating brochures and videos as introductions to banking operations for distribution to users such as consumer centers, schools, and individuals. Societal requirements for improved financial literacy education are growing, such as issues raised by the publication of the “Financial Literacy Map,” concerns over the lowered age of majority, the implementation of new educational curriculum guidelines, and the necessity for asset formation and management aligned with hundred years of life expectancy, etc. The JBA organizes contents suitable for each target audience (junior high school students, high school students, university students, working age population, the elderly, etc.) for educational and information activities and creates teaching materials such as booklets and videos according to their needs.

* The Financial Literacy Map presents by age bracket the specific minimum requirements of financial literacy described in the “Study Group on Financial Education Report” (Released by the Financial Services Agency, April 2013). The Financial Literacy Map was compiled by the Committee for the Promotion of Financial Education and released in June 2014 (and partly revised in June 2015).

In FY2022, the JBA distributed the following teaching materials (main target audiences are shown in parentheses).

Main teaching materials distributed in FY2022

- Talking about Money for the First Time (Junior high school students)
- From the Perspective of Your Favorite Artist - Banks and You (Junior high school students and older)
- Life Plan and Money Plan Game (Junior high school students and older)
- Teaching Materials Series - Money Basics (High school students and older)
- Introduction to Sustainable Finance: Using Financial Power to Save the Earth! (High school students and older)
- Introduction to Financial Knowledge Series (University students and older)
- Learning with Animals - About Bills and Checks (Working age population)
- Banks' Financial Products and Services (Working age population)
- Financial Crime Safety Checklist (Working age population and the elderly)
- Financial Preparedness for a 100-Year Lifespan (Elderly)
- For Your Peace of Mind - Information on Financial Products (Elderly)



In response to the “Shift from Savings to Investment” and “Doubling Asset-based Income Plan” decisions, in FY2022 the JBA developed “Maneran,” an investment learning app to provide output and practical knowledge related to the management of household budgets and the formation of assets for the young working-age population.



⑥ Memorandum of Understanding with the Japan Securities Dealers Association

In December 2021, the JBA and the Japan Securities Dealers Association (JSDA) concluded a Memorandum of Understanding (MOU) to collaborate and cooperate in the promotion of financial literacy education and initiatives on child/youth poverty issues. Based on the MOU, the following efforts were made in FY2022, including the shared use of instructors in financial literacy education, and collaboration and cooperation in events and seminars.

[Major Initiatives for Collaboration and Cooperation]

Shared use of instructors and personnel in financial literacy education	<ul style="list-style-type: none"> Introduced a new "Financial Instructor System" in the JBA, modeled after the JSDA's "Financial and Securities Instructor System". System in place to make lecturers registered with both associations available for joint use.
Collaboration and cooperation in measures to address child and youth poverty	<ul style="list-style-type: none"> In February 2023, held hybrid seminars on the issue of child and youth poverty in Osaka and Fukuoka for members of both associations, with the main purpose of further boosting the momentum of initiatives by the banking and securities communities. (See ⑦ on Page 23.)
Collaboration and cooperation in events and seminars	<ul style="list-style-type: none"> Collaborated and cooperated with the JSDA to create joint content (outlines for lectures) on household budget management and asset formation for use at events and seminars. In August 2022, held with the JSDA a joint "Household Budget Management and Asset Formation Seminar" for teachers in an online format. From mid-October to mid-December of the same year, videos of the "Household Budget Management and Asset Formation Seminar" (co-sponsored by the JBA and the JSDA) made available on demand by the Tokyo Chamber of Commerce and Industry (including to non-members of the TCCI).

Holding a seminar



⑦ Initiatives Regarding the Issue of Child and Youth Poverty

As part of our collaborative project (see ⑥ on Page 23), in February 2023 the JBA and the JSDA jointly held hybrid seminars in Osaka and Fukuoka on the issue of child and youth poverty for members of both associations, with the main purpose of further boosting the momentum of initiatives by the banking and securities communities to address the issue of child and youth poverty.

The seminars included lectures by the local governments of the host cities on measures for addressing the current conditions of child and youth poverty, as well as lectures by NPOs on their activities to address the current conditions of children and young people faced with difficulties. In addition, member banks and securities companies introduced their initiatives.

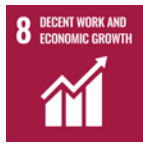
Seminar Speakers

	Osaka (Feb. 7)	Fukuoka (Feb. 20)
Local government	Osaka Prefecture	Fukuoka Prefecture
NPOs	National Federation of UNESCO Associations in Japan	National Federation of UNESCO Associations in Japan
	Nukku Children's Center	Children's NPO Center Fukuoka
Banks	Resona Holdings, Inc.	The Nishi-Nippon City Bank
Securities companies	Kosei Securities	Daiwa Securities

In addition, the JBA supported the "2022 Fukui UNESCO Forum" organized by the Fukui UNESCO Association in December 2022, and introduced initiatives by member banks on the issue of poverty among children and youth to other member banks with a view to further expanding their efforts in the banking industry.

5

Promoting Wider Access to Finance and Financial Services for the Elderly and Other Users



In light of the fact that more people live to a very high age, promoting wider access to finance and financial services for the elderly and other users is seen to contribute to the attainment of Goal No. 8 of the SDGs “Decent Work and Economic Growth,” which targets the expansion of financial services, etc.

The JBA identified “Wider access to finance and financial services for the elderly and other users” as one of its key initiatives in relation to the SDGs. The JBA will continue to promote and expand these activities as the importance of this goal will keep growing in the future.

① Establishing a System at Member Banks

In order to assist member banks in conducting financial transactions with elderly customers (especially those with impaired cognitive judgement) and their representatives, and in cooperating with social welfare organizations, in FY2020 the JBA compiled “Views on Financial Transaction Representation” and “Strengthening Cooperation Between Banks and Local Governments and Social Welfare Organizations.”

Many banks are just beginning to offer products and services for people with impaired cognitive decision-making abilities or who are preparing for cognitive decline in the future.

② Implementation of Training Classes for Support Staff for Customers Suffering Dementia

With the aim of increasing the number of dementia supporters in the banking industry, the JBA has been sponsoring dementia supporter training classes for member banks, etc., each year since FY2007 with the cooperation of the National Caravan-Mate Coordinating Committee. “Dementia supporters” refers to persons with a correct understanding of dementia and with empathy for dementia sufferers and their families.



Training course

At the “6th Liaison Conference of Ministries Engaged in Community Development to Accommodate the Needs of Dementia Sufferers and High-Age Seniors” held in July 2017 under the overall strategy for the promotion of relief measures for dementia sufferers (so-called “New Orange Plan”), the target for the number of dementia supporters was revised from 8 million at the end of FY2017 up to 12 million by the end of FY2020. In June 2019, this New Orange Plan was expanded further, to include the “Charter to Promote Relief Measures for Dementia Sufferers,” which aims to promote measures against dementia from two perspectives: coexistence and prevention.

Based on this background, the JBA held a dementia supporter training course on December 19, 2022. On the day of the event, participants learned about the symptoms of dementia and deepened their understanding through concrete examples of how to assist people suffering from dementia at ATMs and banks.

③ Production and Distribution of Financial Literacy Teaching Materials for Seniors

The JBA has been implementing financial literacy measures for the elderly, with the aim of preventing damage from financial crime and grievances arising in connection with financial product sales, and in order to inform the elderly on appropriate asset management and investment.

Continuing from FY2021, the JBA distributed educational materials on the topics of a 100-year lifespan targeting the elderly, as well as on the topics of financial crime prevention and an explanation of the types, characteristics and risks of financial products and services.

- Financial Preparedness for a 100-Year Lifespan
- Introduction to Financial Knowledge Series (An Introduction to Inheritance - A Guidebook)
- Financial Crime Safety Checklist
- For Your Peace of Mind - Information on Financial Products



④ Questionnaire Surveys on Efforts to Accommodate Persons with Disabilities

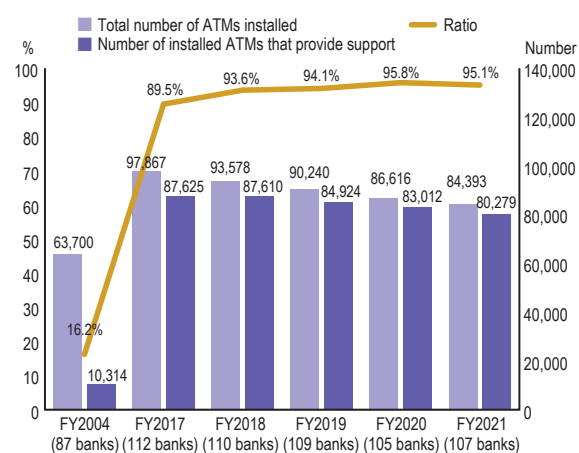
In order to understand the status of member banks' universal services, the JBA has been conducting questionnaire surveys on full members every year since FY2004 regarding their efforts to accommodate persons with disabilities.

In FY2022, the JBA conducted a questionnaire survey on full members (114 banks) about the status of their efforts as of the end of March 2022.

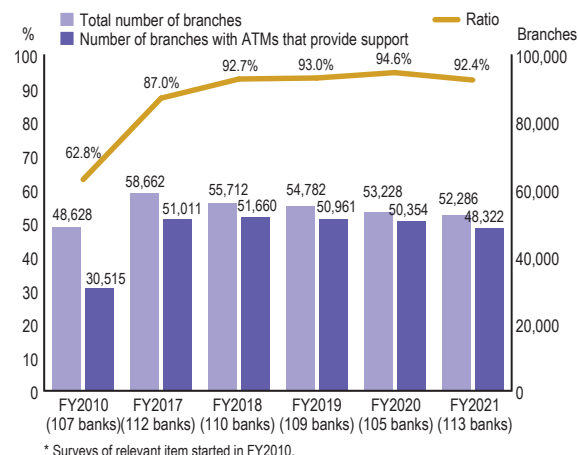
Since the survey started in FY2004, member banks' efforts have steadily progressed. For example, the number of installed ATMs equipped for customers with visual impairment has reached 95.1% of the total, reflecting an increase of 78.9 points compared with FY2004. In addition, the number of banking premises with ATMs equipped for customers with visual impairment has risen to 92.4% of the total, marking a gain of 29.6 points from FY2010, the year when this item was first added to the survey.

The JBA will continue to conduct questionnaire surveys, and update the content as necessary, to support further efforts of member banks.

Number of ATM Equipped for Customers with Visual Impairment (Totals by Fiscal Year)



Number of Banking Premises with ATM Equipped for Customers with Visual Impairment (Including Unmanned Premises)



⑤ Follow-Up Discussions Regarding Barrier-Free Initiatives by Relevant Ministries and Agencies

The JBA participates in exchanges of opinion at meetings with organizations for persons with disabilities that are sponsored by the relevant authorities. The JBA implements initiatives such as providing special services for persons with disabilities, and shares opinions and requests received from related organizations with member banks.

In FY2022, the JBA (1) participated in the "Forum between Organizations for Disabled Persons and Financial Institutions" held by the FSA, (2) participated in the "Follow-up Meeting on Building Design Standards to Facilitate the Mobility of the Elderly and Persons with Disabilities" held by the Ministry of Land, Infrastructure, Transport and Tourism, and (3) submitted a written opinion on the "Basic Policy on the Promotion of Eliminating Discrimination against Persons with Disabilities (Revised Draft)" from the Cabinet Office. In addition, the JBA cultivated awareness by sharing requests from organizations for persons with disabilities with member banks.

6

Promoting Digitization and Providing Safe, Secure, and Highly-Convenient Financial Services



Banks provide financial settlement services such as remittances, bills, and checks in order to settle claims and obligations between companies, individuals, and government agencies, etc. The infrastructure underpinning these financial settlement services consists of inter-bank settlement systems. In the settlement systems of Japan, while the final settlement is conducted at the platform of the current account of the Bank of Japan (“BOJ-NET”), the JBA plays an important role by managing the Foreign Exchange Yen Clearing System (FXYCS) for yen settlements and the system of clearing houses for the settlement of bills and checks (electronic exchanges). In addition, the Japanese Banks’ Payment Clearing Network (“Zengin-Net”) plays an important role by managing the Domestic Funds Transfer System (Zengin System) for transfers and remittances. These systems form the foundation for efficient fund settlement services provided by banks, as public infrastructure for economic activities.

Pursuing the convenience of financial services for all users and promoting the advancement of settlement systems and cashless payment systems will contribute to the attainment of Goal No. 9 of the SDGs, which concerns “Industry, Innovation and Infrastructure.” Given the importance of this objective, the JBA will continue to strengthen its efforts in this regard.

① Expanding the Use of ZEDI

The Zengin EDI System (ZEDI)*, launched in December 2018, is a platform that uses the XML message format, which enables setting information items more flexibly than with conventional formats (and is also used for ISO20022), and allows the supplementation of data with attachments of commercial transaction information, such as the invoice number and the payment notification issue date. This enables better matching up of transactions with payments and better understanding of the content of payment amounts. On the part of the recipient, this allows streamlining the collection of accounts receivables (clearing process) and on the payer side, a reduction in the workload in answering inquiries.

In FY2022, the JBA followed up on the status of linking Peppol and ZEDI at the “E-Invoice Promotion Association”, which the JBA joined as a special member in January 2021. In addition, November 2022 was designated as the “Month for Strengthening Digital Settlement and Accounting Operations,” and in conjunction with the “Month for Promotion of densai” for densai.net, information dissemination to companies was enhanced by intensively promoting ZEDI and other banking services.



Banner for the introduction of ZEDI case studies

In addition, the JBA also participated in various meetings to promote the utilization of ZEDI, and held discussions with related ministries, agencies, and industrial groups. Specifically, in addition to participating in the “ZEDI Usage Promotion Working Group” established under Zengin-Net’s “Task Force for the Next-Generation Payment Systems,” the JBA also participated as an observer in the “Future Vision of Business-to-Business Transactions Study Group” (renamed from the “Contracting and Payment Architecture Working Group” in November 2022) established by the Digital Architecture Design Centre (DADC) of the Information-technology Promotion Agency (IPA).

In particular, the JBA supports Zengin-Net’s “Digital Invoice and Payment Linkage Service Development Grant Project,” which aims to encourage the development of products and services that support linkage to standardized digital invoices and payments. This will promote the digitization of billing and payment transactions among businesses, and ultimately contribute to increased business efficiency and productivity.

The JBA continues its efforts to expand the use of ZEDI.

* Background to the start of ZEDI services

In December 2015, the Financial System Council of the FSA recommended “that the current fixed-length message method (used for domestic remittance orders) should be abolished by 2020 and transitioned to the XML message method, which is superior in terms of information volume and information compatibility” in its “Report by the Working Group on Payments and Transaction Banking.” Based on this recommendation, the “Review Committee on XML Messaging Transition” comprised of members from finance, industry, IT vendors, and the FSA was set up and started discussions on detailed specifications in February 2016. As a result, the JBA and the Zengin-Net decided in December 2016 to build the “Zengin EDI System (ZEDI)” as a new payment infrastructure to be provided by the banking industry.

② Implementation of Activities to Advance the Zengin System and to Enhance Convenience of Financial Settlements

The Zengin System operated by Zengin-Net is an online system for transmitting messages of inter-bank domestic fund transfer among member financial institutions (1,148 member financial institutions as of the end of March 2023). It also calculates settlement amounts of members that arise from such transactions daily. In this way, the system fulfils a critically important role as one of the core settlement systems in Japan.

One of the strengths of the Zengin System is safety and reliability. The system has never had downtime ever since its start of operation in 1973. Another is the convenience of a nation-wide network that covers almost all financial institutions located in Japan. In addition, it is a global pioneer in that it has achieved instant payment since its inception.

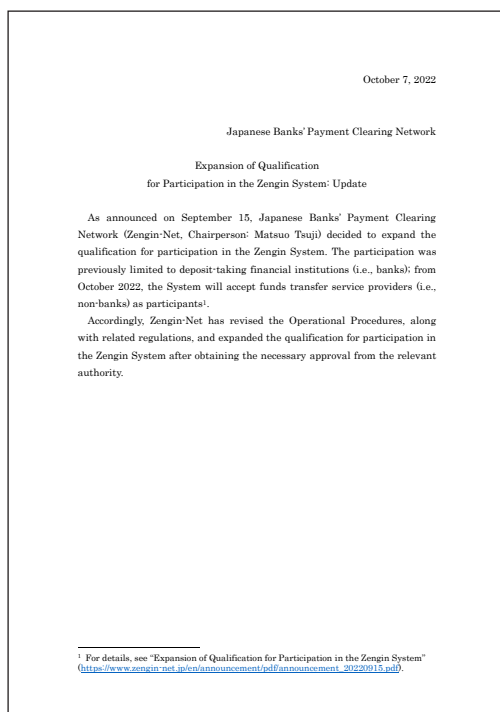
In recent years, expectations are rising more and more for ensuring interoperability of payment services and realizing highly convenient remittance services, against the backdrop of the increasing number of cashless payments due to the progress of digitization.

Zengin-Net held discussions with banks, authorities, academics, payment-related business operators, system-related businesses, and other stakeholders in the "Task Force for the Next-Generation Payment Systems" and the subordinate "Working Group for the Next-Generation Payment Systems," to expand eligibility for the Zengin System, which was previously limited to banks and other deposit-taking financial institutions, to include funds transfer service providers (non-banks) beginning in October 2022.

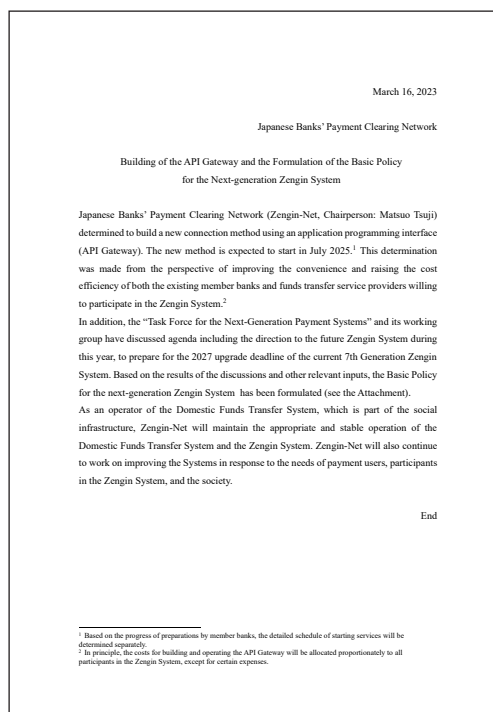
In March 2023, the Zengin-Net formulated a basic policy for a next-generation Zengin System, which is scheduled for renewal in 2027, in order to build a payment system suitable for supporting sustainable economic growth in the next generation.

In addition, as part of these upgrades to the Zengin System, the Zengin-Net has decided to use APIs to establish a new connection method (API Gateway) in July 2025.

Zengin-Net, in consideration of customers' and society's needs for domestic fund transfers, will continue to work to further advance the features of the Zengin System and to enhance the convenience of payments and settlements, in collaboration with the JBA.



Released on October 7, 2022
"Expansion of Qualification for Participation in the Zengin System"



Released on March 16, 2023
"Building of the API Gateway and the Formulation of the Basic Policy for the Next-Generation Zengin System"

③ Promotion of the Full Digitization of Bills and Checks Functions

The digitization of bill and check functions was studied from December 2017 to December 2018 by the “Study Group on the Promotion of the Digitization of Bills and Checks” (for which the JBA serves as the secretariat), based on the government’s “Growth Strategy 2017.” The Study Group published a report proposing to set up a medium-term target for the transition to the digitization of about 60% of the total number of bills cleared in Japan (the aggregate total of bills, checks and other securities) within five years (i.e. from 2019 to 2023), so as to further advance toward full digitization of domestic transaction of bills and checks. In addition, in order to improve the efficiency of interbank exchange operations related to bills and checks, which will decrease in the future based on the above efforts, it was decided in June 2019 to establish an electronic exchange as a transitional measure until the start of full digitization. Exchange settlements started in November 2022.

The Japanese government’s “Action Plan of the Growth Strategy” of June 2021 specified that the government would promote efforts to abolish the use of promissory notes within five years (2026) and fully digitize checks. As a result, the JBA, serving as the secretariat for the Study Group on the Promotion of the Digitization of Bills and Checks established in April 2021, studied the full digitization of bills and checks within the Study Group, and thereafter formulated the “Voluntary Action Plan for the Full Digitization of Bills and Checks” in July 2021. The ultimate goal of this action plan is to reduce the number of bills and checks exchanged at bill exchanges throughout Japan to zero by the end of 2026. The financial community is working closely with industry and related ministries and agencies to achieve this goal.

Furthermore, in FY2022, based on a request from the government, this action plan was revised and the descriptions regarding the electronic exchange were made more specific. In addition, the following actions were also taken.

- Development of new awareness and publicity tools (flyers and videos) to introduce full digitization (October)
- Establishing a “Month for Strengthening Digital Settlement and Accounting Operations” and publicizing it through social media and web advertisements (November)
- Held “Seminars Regarding the Full Digitization of Bills and Checks,” a series of online seminars for companies co-sponsored by densai.net, an affiliate of the JBA, with support provided by the Financial Services Agency, Ministry of Economy, Trade and Industry, the Small and Medium Enterprise Agency, the Japan Chamber of Commerce and Industry, and the Keidanren (12 times from November to January)

In addition, densai.net, together with participating financial institutions, works to promote the transition from bills to electronically recorded monetary claims (“densai”) and engages in public relations activities for corporations. Specifically, in addition to holding a total of 12 “Easy-to-Understand ♪ Densai Online Seminars!” from May to July 2022, November 2022 was designated as the “Month for Promotion of densai” in conjunction with the JBA’s “Month for Strengthening Digital Settlement and Accounting Operations.” Through the participating financial institutions, densai.net distributed leaflets for the “Full Digitization of Bill Functions” to companies that use bills and conducted activities such as holding web briefings for companies.

In addition, in September 2022, it was decided to announce a policy to establish a new usage channel that will enable user companies to use densai from smartphones and tablets in addition to PCs. In January 2023, improvements were made to the functions of densai services (shortening the limitation period for recording claims in the debtor billing method and lowering the minimum amount of claims) from the perspective of ensuring that the products are as good or better than promissory notes. In addition, promotional activities were conducted through the distribution of flyers and other means.



“Full Digitization of Bills and Checks” Leaflet

④ Efficiency Improvements in the Collection of Taxes and Public Dues

Currently, when paying national or local taxes, etc., it is widespread practice to take printed forms to a bank counter and make payments in cash. However, this over-the-counter payment method requires the payer to visit a bank, and there is a deadline on when payment can be accepted. It is also costly for administrative agencies and financial institutions to process payment forms and cash. The streamlining of the collection and payment of taxes and public dues refers to initiatives, by way of improvements in the efficiency of this string of procedures, to eliminate the time and labor weighing on everyone involved.

From FY2017 to FY2019, the public and private sectors exchanged opinions and conducted studies at the “Study Group on Efficiency Improvements in the Collection and Payment of Taxes and Public Dues” (hereinafter referred to as the “Study Group”), for which the JBA serves as the secretariat, and in working groups established under the Study Group. Each year, the Study Group compiled and published a survey report.

In FY2020, in light of the COVID-19 outbreak, the JBA worked with government agencies and provided information to the general public, in addition to holding discussions with relevant parties regarding items in the Study Group’s Research Report that required continued consideration, in order to encourage the use of electronic payment methods other than over-the-counter payments.

In FY2021, it was decided to enable QR code payments using smartphones and other devices for four local taxes, including automobile tax and fixed asset tax. (Payments are scheduled to begin in April 2023.) In light of this, the JBA, together with the Ministry of Internal Affairs and Communications, has established a unified standard for QR codes. In addition, as part of the National Police Agency’s efforts, some prefectures have made it possible to pay fines for traffic violations by wire transfer. (Previously, payment could only be made over the counter at a financial institution; now it is possible to pay by bank transfer. Payments started in June 2021.)

In FY2022, the details of a smooth launch of the QR code payment system for local taxes was discussed with the relevant parties. In addition, QR code payments for local taxes other than the four tax categories (final tax amount notification), such as automobile tax and fixed asset tax, were encouraged. It has been decided that, in principle, QR code payments will be made possible (to be available in April 2024). Further, the National Tax Agency has allowed smartphone app payments for national tax (starting in December 2022), and the Ministry of Health, Labor and Welfare and the Japan Pension Service have allowed smartphone app payments for national pension premiums (starting in February 2023).

To prevent the spread of COVID-19, it has become even more important to review current payment methods, which involves face-to-face exchange of paper and cash, and to digitize these methods. The JBA will continue its efforts to improve the efficiency and digitization of the collection of taxes and public dues.

7

Implementing Measures to Prevent Financial Crimes and Money Laundering, and Actions to Meet FATF Recommendations



In order to enable all users of banks to conduct their banking business in confidence, the JBA has been proactively engaged in efforts to curb criminal activities, such as financial crime prevention information activities concerning special types of fraud including phone scams involving calls from individuals posing as relatives in distress and measures against money laundering as the principal source of funds of organized crime.

These activities are considered to contribute to the promotion of a peaceful and inclusive society, Goal No. 16 of the SDGs “Peace, Justice and Strong Institutions.” In view of its importance, the JBA has identified this goal as one of its key initiatives in relation to the SDGs and promotes relevant activities over the medium-and long-terms.

① Promoting Security Measures on Internet Banking

The JBA is aware that the risk of fraudulent deposit withdrawals through internet banking poses a serious threat to bank deposit security and may undermine customers’ trust in the banking industry. The JBA has therefore since FY2011 conducted questionnaire surveys among full members, a number of associate members, and special members. The aim of the survey is to understand the status of internet banking security measures at member banks to encourage member banks’ efforts by communicating the survey results. The main survey topics were as follows.

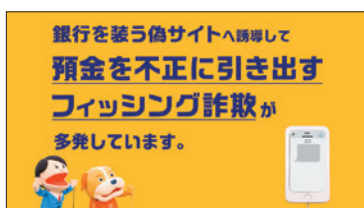
- Usage of internet banking
- Losses due to fraudulent money transfers using internet banking
- Status of monitoring for the prevention of losses due to fraud

Given its importance, the JBA intends to continue this survey in the future.

② Financial Crime Prevention Activities Concerning Special Types of Fraud

The JBA has been actively involved in the activities to promote the eradication of special types of fraud since FY2008. However, losses from special types of fraud continue to stay at a high level according to the statistics issued by police authorities. In light of this situation, there are expectations for the JBA to engage in further information activities to raise awareness and to prevent loss before it happens.

In FY2022, the JBA created awareness-raising leaflets, a video, and a banner ad with the JBA’s dog character “Banken-kun” as the key visual feature. The video was broadcast on YouTube, on commercial catch-up distribution services (distribution services on the websites of various broadcasters, TVer, etc.), on informational displays at medical facilities throughout Japan, and as an advertisement on Google partner sites, to raise awareness of refund fraud, “it’s me” fraud and phishing, which have been occurring frequently.



Video



Banner Advertisement

③ Measures to Accommodate the FATF Follow-up of Mutual Evaluations of Japan

Measures to prevent money laundering and terrorist financing at financial institutions (“Anti-Money Laundering/Countering the Financing of Terrorism” or, for short, “AML/CFT”) are urgent issues of growing importance which the international community must address in the face of threats predominantly from terrorism.

The Financial Action Task Force (FATF)* is the originator of the FATF recommendations, established as international standards against money laundering and terrorist financing, whose implementation status is subject to mutual examinations by the FATF participant countries. Japan underwent the 4th round of mutual evaluations in October and November 2019. The examination results were announced in August 2021, and Japan was evaluated as a “Country Requiring Enhanced Follow-Up.” A follow-up survey will be conducted by FATF on matters that require improvement as indicated in the examination results, and Japan is required to further enhance its AML/CFT system. (The Report on the First Follow-up Survey for Japan was published by the FATF on September 13, 2022.)

In order to promote cooperation between the public and private sectors, the JBA held the “Public and Private Sectors Liaison Meeting on Advanced Measures against Money Laundering” in April 2018, and exchanged information with relevant authorities on AML/CFT. In addition, in order to further support and promote the efforts of member banks throughout the banking industry, the “AML/CFT Measure Support Division,” which was established within the JBA, provides member banks with translations of important overseas documents on money laundering.

Moreover, based on the FSA’s “Guidelines for Anti-Money Laundering and Combating the Financing of Terrorism” (published in February 2018), banks are required to take extra verification steps in addition to those required by the “Act on Prevention of Transfer of Criminal Proceeds (Act No. 22 of 2007)” and other laws, depending on the content and status of transactions with customers. With the purpose of making such additional verification requirements known to customers, the JBA has been implementing awareness activities since FY2018.

In FY2022, the JBA continued its public relations activities from November to March using a variety of media, including web advertisements and posters.

In January 2023, a new company, Cooperation agency for Anti-Money Laundering (CAML), was established for the purpose of the enhancement and joint development of AML/CFT operations. Preparations are underway to provide services in phases from FY2024 onward.

* FATF: Financial Action Task Force

A multilateral framework for promoting the international coordination of money laundering countermeasures established based on the 1989 Grande Arche G7 Summit Economic Declaration. Measures against terrorism financing were added in the wake of the 2001 terrorist attacks on the United States. Members of the FATF comprise 37 countries and regions, including the G7, and two international organizations.



Website Advertisement



Poster

8

Expanding Initiatives in Light of Trends Regarding Human Rights and Diversity



With a view to member banks' human rights education activities, the JBA has long been engaged in sponsoring seminars and formulating human rights maxims (awareness mottos).

These activities are seen to contribute to the attainment of Goal No. 5 of the SDGs "Gender Equality" and Goal No. 10 "Reduced Inequalities."

In light of the importance of these goals, the JBA treats these human rights and diversity-related efforts as one of its key initiatives, which will be promoted over the medium and long terms.

① Seminars on Human Rights and the Issues of Discrimination against Social Minorities Based on Descent

For the purposes of member banks' human rights education activities, since 1981 the JBA has sponsored seminars held twice annually by specialists on human rights and the issues of discrimination against social minorities based on descent, establishing opportunities for a keener awareness of human rights issues and for the provision of information on questions surrounding human rights. To date, various lectures have been held on topics such as the issues of discrimination against social minorities based on descent and human rights issues in industry and banking, as well as newly emerging issues including harassment, LGBT, and discrimination against persons with disabilities and from overseas.

In anticipation of the influx of foreign human resources due to the establishment of a new status of residence (specified skill) established in 2019 and the rapid increase in the number of visitors from other countries to Japan for the Tokyo Olympics and Paralympics, the JBA has taken a variety of measures, such as providing language support at the counters at financial institutions. In addition, in light of the changing environment surrounding people from other countries due to the spread of COVID-19, refugees from Ukraine, and other social changes, a lecture was held in November 2022 in the form of an online seminar under the theme "Multicultural Society and the State of Corporations."

[Lecturer]

Keizo Yamawaki, Professor, School of Global Japanese Studies, Meiji University

In February 2023, a lecture was held in the form of an online seminar under the theme "Sexual Minorities and Corporate Human Rights Issues" to discuss how companies can specifically respond to growing efforts by local governments to address the human rights issues of sexual minorities, such as the "Tokyo Partnership Oath System" launched on November 1, 2022.

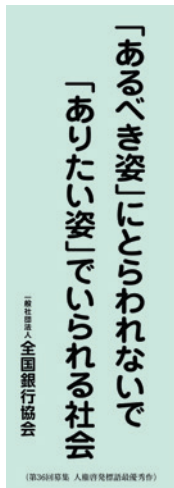
[Lecturer]

Yasuharu Hidaka, Professor, School of Nursing, Takarazuka University

② Human Rights Maxims Contest

In order to raise the human rights awareness of member banks' employees, since 1987 the JBA has been inviting member banks' employees to submit maxims (awareness mottos) relating to human rights.

In FY2022, the 36th round of solicitation for human rights maxims (awareness mottos) brought 72,904 proposals. Out of this number, 40 entries were selected for awards (two grand prizes, eight awards of excellence, and 30 high-quality awards).



Aozora Bank
Asami Inaki



Awa Bank
Chie Katayama

③ Issuance of the “Human Rights Newsletter”

The “Human Rights Newsletter” has been published periodically since FY2018 to provide information on human rights on a regular basis and to support member banks' human rights education activities.

In FY2022, the 8th issue was published in September and the 9th issue in March. Their content is summarized below.

	Contents
Issue No. 8 (published in September)	<ul style="list-style-type: none"> • Winning entries of the 35th round of solicitation for human rights maxims • Introduction of member banks' efforts (Aozora Bank, Respect for Human Rights is Fundamental to Management: A Commitment to Corporate and Social Responsibility) • Seminar on Human Rights and the Issues of Discrimination against Social Minorities Based on Descent (How to Deal with Buraku Discrimination in Modern Society, with a Focus on the Directory of Buraku Communities in Japan) • Is this harassment? • Human rights-related laws and regulations
Issue No. 9 (published in March)	<ul style="list-style-type: none"> • Introduction of member banks' efforts (SBI Sumishin Net Bank, Embodying Our Management Philosophy: Formulating Human Rights Policy as an Internet Bank) • Seminar on Human Rights and the Issues of Discrimination against Social Minorities Based on Descent (Multicultural Society and the State of Corporations) • Human rights topics (Importance of Being Aware of “Unconscious Bias”) • Is this harassment? Q&A • Human rights-related laws and regulations



Human Rights Newsletter

④ Production of Human Rights Awareness Video (for Training)

In response to requests from member banks for a human rights awareness video, the JBA produced a video for in-house training.

The video focuses on the theme of how to prevent power harassment, an important human rights measure that requires continuous implementation. It aims to help each employee change their behavior in order to prevent harassment. The video lasts for approximately 8 minutes, making it easy to use during bank training. It was recorded on DVD and sent to member banks in March 2023.



Human rights awareness video for in-house training

⑤ Publication of Human Rights Education Booklet

For the proactive advancement of human rights education and information activities for new hires of member banks, the JBA has since 2003 each year revised and issued a publication entitled “For the Protection of Everyone’s Human Rights” with an editorial supervision by Centre for Human Rights Education and Training (hereinafter referred to as the “Booklet”), as material to be used for training. The Booklet takes up a wide range of newly emerging topics and issues related to corporate activity and human rights.

The editorial content comprises articles such as “Relationship between Companies and Human Rights: Corporate Responsibility,” “Human Rights Issues Surrounding Companies: Banking and Human Rights” (concerning human rights of foreign nationals, persons with disabilities, and the elderly, etc.), and “Human Rights and Respect for Individuality at the Workplace” (concerning harassment, discrimination against women, and LGBT issues, etc.).

In FY2022, the following information was added or revised, and the revised edition was published in February 2023.

- The new column “Child Labor, Forced Labor, and Human Rights” was added to “II. Relationship between Companies and Human Rights: Corporate Responsibility” and content regarding “Guidelines on Respecting Human Rights in Responsible Supply Chains” was added.
- A description of “Refugees, Displaced Persons, and Migrants” was added to “III. Human Rights Issues Surrounding Companies: Banking and Human Rights.”
- Made other revisions based on revisions to laws and regulations and changes in the social environment, revised existing columns, and updated figures and tables.

In addition, based on the results of a needs survey regarding human rights educational materials conducted in FY2021 among member banks, a new PowerPoint for training version of the “For the Protection of Everyone’s Human Rights” (FY2021 Edition) Human Rights Education Booklet was prepared in July 2022. In February 2023, revisions that were made to the 2022 Booklet have been also applied to the PowerPoint version.



Human Rights Education Booklet

⑥ Revision of the Code of Conduct

The JBA Code of Conduct, established in September 1997 (then known as the Code of Ethics), is a code of conduct and ethics for banks and their officers and employees. It consists of articles and commentary describing specific scenarios. The JBA has revised the content in light of the changing environment surrounding the banking industry.

In September 2022, regulations and commentary regarding “Diversity and Work Styles,” “Human Resource Development,” “Financial Services,” “Human Rights,” and “Environmental Issues” were revised with a focus on regulations related to people, to ensure common understanding throughout the banking industry of the need to strengthen efforts to address human resource issues.

Efforts of Member Banks

1 Financial and Economic Education Initiatives



The Bank of Yokohama, Ltd. Bank of Yokohama |

Original Financial Education Program “Hamagin Money Classroom”

Summary of the Initiative

The Bank of Yokohama offers a unique financial education program called the “Hamagin Money Classroom”. The Hamagin Money Classroom Website, which is the core of this program, provides a basic education about money in the form of 4- to 8-minute videos that are easy to use in classrooms. With the participation of public school teachers who have been sent to the Bank by the Kanagawa Prefecture Board of Education for training, the first priority of this program is to prepare teaching materials that include various worksheets and teaching plans and to provide teaching materials that can be used immediately at schools and in the community, such as by posting subject marks that correspond to the National Curriculum Standard. In addition, the Bank’s official mascot “Hamapen” is used as a creative asset that captures the interest of people of all ages.

Furthermore, in May 2022, the Bank launched an online site for work experience, developed in collaboration with textbook production company Tokyo Shoseki Co., Ltd. In addition to videos on the “three major operations of a bank” and “what happens at a bank branch,” the site also provides instructional plans and worksheets, as well as a section where work experience can be completed online.

The Bank has collaborated with the Kamakura City Board of Education to develop and implement classes at a junior high school in Kamakura using the Money Classroom website. The Bank has also collaborated with Hakone-guchi Garage in Odawara City to develop the “Kinjiro Economics Class & Hamagin Money Classroom” workshop. This workshop, which is held regularly for local elementary school students, uses basic educational videos. In addition, workshops that feature basic educational videos are held at the “Toin Interesting Hands-on Classroom” (sponsored by Toin Gakuen and

others), an event for local parents and children, to promote the use of this program in the local community and revitalize the local area.

Background of the Initiative

The Bank has positioned financial education as an important initiative for sustainability management in order to nurture the zest for life in the local community, and has been engaged in its own financial education program, the “Hamagin Money Classroom.”

In light of the COVID-19 pandemic that began in 2020, the Bank launched the “Hamagin Money Classroom” in recognition of its responsibility of a regional financial institution to provide online educational opportunities.

Results of the Initiative

The “Hamagin Money Classroom Website,” which is used widely throughout Japan, received the “Consumer Education Material Award of Excellence 2022” from the National Institute on Consumer Education.

According to “100,000 Financial Education Course Participants by FY2030” (FY2019 - FY2030), sustainability long-term KPIs of the Concordia Financial Group, participants from December 2020 to September 2022 numbered 35,547 for the website and 52,618 for the Bank as a whole, exceeding expectations.

Issues and Objectives for the Future

While expanding the content of the website, the Bank will work to spread financial education in the region, with a focus on school education and the local community.

Hamagin Money Classroom Website
<https://www.boy.co.jp/boy/brand/okane/index.html> (Japanese only)



Hamagin Money Classroom Website



Kinjiro Economics Class & Hamagin Money Classroom

The JBA's SDGs Promotion Framework and Key Initiatives

Efforts of Member Banks

Expert Column

JBA's 2022 SDG-related Publications



Beyond the Bank
あなたの明日へ

The Okinawa Kaiho Bank, Ltd.



Financial Education App (Quiz The Legend of Kaiho SDGs Version)

Summary of the Initiative

As part of the financial education program of the Okinawa Kaiho Bank, the Bank provides a “Quiz The Legend of Kaiho” app for smartphones. The app was released in March 2016 as the first full-fledged financial education app in Japan, and revamped in January 2022 by adding an SDG question genre.

The quiz consists of more than 3,300 questions in 10 genres, including elementary questions on finance, as well as inheritance, tax, real estate, SDGs, and more. It also allows you to set your level and look back at a list of your results. Depending on how you use it, the app can be useful for developing the basic skills needed to obtain a financial planner certification. In addition to a quiz, the app also has a variety of other ways for you to learn while having fun. The RPG-style game story takes place in Okinawa and features a series of unique characters related to Okinawa, such as “Agu Senpai” and “Chief Habu.” In addition, the main character “Kaiho-kun” can be dressed up with items that you acquire by clearing stages.

Background of the Initiative

With the sharp increase in malicious business practices and Internet problems brought about by the rapid aging of the population and the proliferation of advanced information, the comprehensive and integrated promotion of consumer education was seen as important when the development of this app started. With this background, the Bank developed the app with the hope of contributing to the improvement of financial literacy in the region. The importance of financial education for young people has become even more important with the lowering of the age of majority and the full-fledged

start of financial education classes in high schools in accordance with the new curriculum guidelines. As a bank with a community-based management policy, the Bank believes that fostering financial literacy among young people, who could become their future customers, will contribute to the establishment of sound financial markets and the sustainable development of the local economy.

Results of the Initiative

The app has been downloaded more than 6,300 times. (between March 2016 - November 2022)

It is used mainly by people in their 20s and 30s, and has a good reputation among students who are job hunting.

Issues and Objectives for the Future

The Bank wants people to use this app as a fun tool to learn about both SDGs and financial education. The Bank will strengthen their activities to promote awareness among young people in particular, so that they can acquire financial literacy through the quiz and use it to build their future assets. The app features the vibrant Okinawan culture and the Bank will develop it to help promote tourism in Okinawa, including prior learning for students on school excursions from outside of the prefecture.

For further information
<https://www.kaiho-bank.co.jp/app/> (Japanese only)



Quiz The Legend of Kaiho

2 Environmental Initiatives



Mitsubishi UFJ Financial Group, Inc. (MUFG)



Implementation of Carbon Neutrality (CN) Initiatives

Summary of the Initiative

In May 2021, MUFG announced the “MUFG Carbon Neutrality Declaration” and became the first bank in Japan to announce its commitment to achieving net zero GHG emissions from the financed portfolio by 2050 and net zero GHG emissions from our own operations by 2030.

MUFG is also actively involved in discussions and the dissemination of opinions on the creation of frameworks for the realization of CN on a global basis.

Background of the Initiative

MUFG has defined 10 priority environmental and social issues to address in order to contribute to the realization of a sustainable environment and society. Among them, climate change measures and environmental protection have been actively addressed through the formulation of the “MUFG Environmental and Social Policy Framework.” This framework is used to appropriately identify and manage risks associated with business activities, and set sustainable finance targets. Under the CN Declaration, MUFG is accelerating its group and global initiatives.

Results of the Initiative

In the MUFG Progress Report released in April 2022, MUFG announced the setting of interim 2030 targets for the power and oil & gas sector, to achieve net zero GHG emissions for the financed portfolio. In April 2023, MUFG also reported new interim targets for the real estate, steel, and shipping sectors.

Customer needs for decarbonization are diverse. Through engagement, MUFG accurately assesses the needs and current stage of its customers. It then works with other companies to provide optimal services, expanding solutions such as support for visualizing

GHG emissions and TCFD consulting services.

As a leading financial institution in Asia, MUFG also participates in various international initiatives to show a standardized and transparent approach in discussions on setting GHG emission targets for its global financed portfolio.

MUFG is the only Japanese financial institution to have been selected to join the Steering Group in the NZBA^{*1}, and has been responsible for its operation. The Financing & Engagement Subcommittee, which was chaired by MUFG, led the discussions regarding the “NZBA Transition Finance Guide,” which were published in October 2022.

In addition, in order to steadily promote CN, it is important to consider each country and region’s stage of development and industrial structure. Led by MUFG, the ATFSG^{*2} is discussing the common principles and standards, etc. necessary to have a realistic and gradual energy transition in Asia. The Group’s “Activity Report” and “Guidelines” were published in September 2022. In addition, the MUFG Transition Whitepaper was published to communicate to financial authorities and government officials in the U.S. and Europe the pathways for decarbonizing the materials and power industries in Japan.

^{*1} Net-Zero Banking Alliance
^{*2} Asia Transition Finance Study Group

Issues and Objectives for the Future

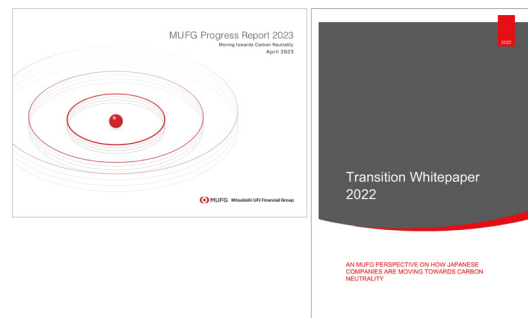
Even as social and economic conditions become increasingly uncertain, the trend toward the realization of a sustainable society, including decarbonization, is irreversible. MUFG aims to realize a decarbonized society together with its customers through dialogue and engagement activities, as well as the provision of products, services, and information.

For further information
<https://www.muftg.jp/english/csr/environment/>
<https://www.muftg.jp/english/csr/report/>

	Base (base year)	2021 results	Interim Targets for 2030
Power (CO ₂ e/kWh)	328 (2019)	299	156-192
Oil & Gas (MtCO ₂ e)	84 (2019)	76	▲15%-▲28%
Real Estate	Commercial (kgCO ₂ e/m ²)	65 (2020)	44-47 NEW
	Residential (kgCO ₂ e/m ²)	27 (2020)	23 NEW
Steel (MtCO ₂ e)	22 (2019)	-	▲22% NEW
Shipping (PCA Score*)	PCA+0.6% (2021)	-	PCA≤0% NEW

*A measure of consistency that indicates the difference from the required level across the portfolio. Calculates the Vessel Climate Alignment (VCA) of individual vessels providing financing as a weighted average of the percentages in the loan portfolio

Interim 2030 Targets



“MUFG Progress Report 2023” and “MUFG Transition Whitepaper”



Sumitomo Mitsui Banking Corporation



Providing the Climonomics Platform, a Support Tool for TCFD

Summary of the Initiative

SMBC actively supports its customers' efforts to comply with the TCFD recommendations, an international framework for climate change-related information disclosure. One example is the Climonomics Platform ("Climonomics"), a service that supports analysis of the financial impact of the risks and opportunities related to climate change based on scenario analysis related to "strategy," one of the four core elements of the TCFD recommendations.

With this online cloud service, companies can enter data on their offices, factories, and other facilities, as well as raw material production sites in their supply chain. This allows them to conduct comprehensive analysis on a global scale of the various financial impacts of climate change-related disasters, such as flooding, that could occur at each site in the future, and the growing demand for low-carbon products. SMBC has heard from its customers that it is difficult for them to conduct such analysis on their own because it requires specialized knowledge and the research and processing of a vast and diverse range of data. The analytical approach and logic of Climonomics is handled by a team of experts, including Nobel Prize-winning scientists, who provide sophisticated quantitative financial impact analysis of risks and opportunities to help clients make decisions about climate change preparedness and strategy.

Background of the Initiative

As customer needs and issues related to sustainability, including TCFD compliance, become increasingly diverse and sophisticated, the SMBC Group is providing and developing solutions to meet these needs and issues. It has named these efforts "SMBC Group GREEN Innovator." Based on this concept, SMBC provides solutions such as "Sustana," which supports GHG emissions calculation, and "Persefoni," a more advanced emissions calculation tool, as well as "Climonomics" in partnership with TCS (The Climate Service Inc., currently a subsidiary of S&P Global) and IBM Japan.

Results of the Initiative

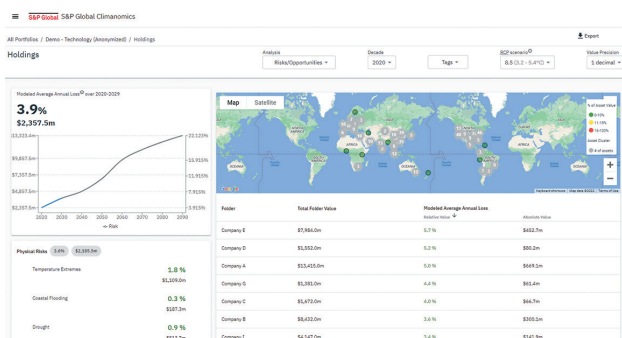
SMBC has proposed "Climonomics" to more than 100 customers to date, which has led to dialogue and extensive support for TCFD compliance.

Issues and Objectives for the Future

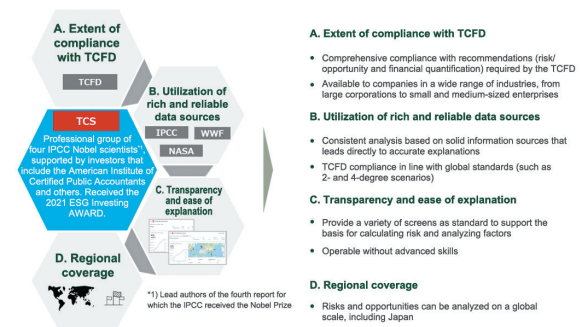
The next step in the analytical support provided by Climonomics is to develop and implement specific measures and strategies to address risks and opportunities with significant financial impact. The SMBC Group, in collaboration with its group companies and partners, will support its customers in their efforts to address climate change and sustainability issues as a solution provider in this field.

For further information

https://www.smbc.co.jp/news_e/pdf/e20211209_01.pdf



"Climonomics Platform"





The Shizuoka Bank, Ltd. SHIZUOKA BANK

Initiatives on Positive Impact Finance for SMEs

Summary of the Initiative

Shizuoka Bank is committed to contributing to the creation of a sustainable community through its core business of finance based on its basic philosophy of “expanding dreams and affluence with our community.” In January 2021, the Bank launched Japan’s first Positive Impact Finance (PIF) for small and medium-sized enterprises (SMEs). PIF is a loan that is based on a comprehensive analysis of the environmental, social, and economic impacts of corporate activities. It supports efforts to enhance positive impacts and mitigate/reduce negative impacts. The Bank is committed to enhancing their clients’ corporate value by positioning PIF as a new form of relationship banking, as it supports its clients’ initiatives through regular engagement (dialogue).

Background of the Initiative

With the rapidly changing environment surrounding companies, such as digital transformation (DX) and carbon neutrality, the Bank believes it is especially important for SMEs with limited management strength and resources to identify these changes in the external environment as early as possible and take appropriate measures to deal with them. In this regard, the PIF provides a comprehensive analysis of the environmental, social, and economic impact of corporate activities, allowing the Bank to share its awareness of how its customers are impacting the external environment and how the external environment is impacting its customers.

Results of the Initiative

Some of the Bank’s customers involved in the PIF have begun to implement a wide variety of initiatives to improve their corporate value. This includes cases in which customers have started to

calculate GHG emissions due to an increased awareness of the need for decarbonization, as well as cases in which customers have implemented DE&I initiatives such as training qualified female workers and improving the employment environment for foreign workers due to concerns about a mid- to long-term shortage of human resources. As a result of the Bank’s proactive efforts to communicate its initiatives to other financial institutions, there are now approximately 170 PIFs in place at about 18 financial institutions in the region. Momentum is growing nationwide for regional financial institutions to help their customers increase their corporate value.

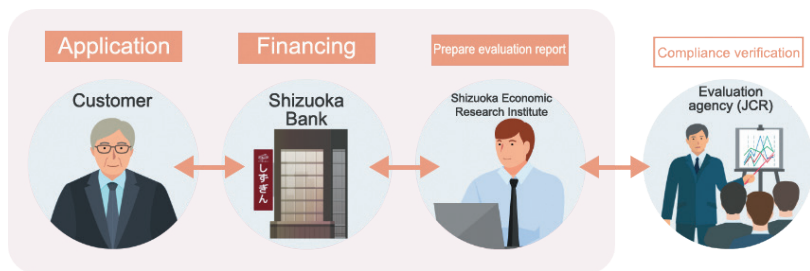
Issues and Objectives for the Future

In recognition of its efforts to support corporations through PIF, the Bank received the Silver Award (Minister of the Environment Award) at the 3rd ESG Finance Awards Japan. Currently, the Bank is working to strengthen its Impact Measurement and Management (IMM) system by utilizing the Ministry of the Environment’s “FY2022 ESG Regional Finance Promotion Program” to subsequently measure and manage impacts that were identified and assessed at the time of PIF implementation. Rather than simply stopping with the implementation of the PIF, the Bank will accompany and support its customers in achieving the KPIs they have set. This will contribute to the enhancement of their corporate value and, by extension, the sustainability of the region.

List of Positive Impact Financing achievements
<https://www.shizuoka-fg.co.jp/sustainability/positive-finance.html> (Japanese only)



Silver Award at the ESG Finance Awards Japan



PIF Scheme



The San-in Godo Bank, Ltd. SAN-IN GODO BANK

Entry into Renewable Energy Generation Business through an Advanced Banking Service Company

Summary of the Initiative

In July 2022, San-in Godo Bank became the first financial institution in Japan to establish an advanced banking service company for renewable energy generation and supply business, known as Gogin Energy Co., Ltd. The Company's purpose is to develop renewable energy sources and supply electricity by maximizing the potential of local renewable energy and to create a regional cycle that consists of green power and the economy, thereby improving corporate value through local self-reliance and decarbonization management, and realizing a prosperous and industrially competitive regional society.

Background of the Initiative

In 2021, the Japanese government presented a "Regional Decarbonization Roadmap" to solve regional issues and improve the attractiveness and quality of the region. In the San-in region, momentum toward regional decarbonization and carbon neutrality is growing as more and more local governments are setting targets to realize "zero-carbon cities." On the other hand, the Bank recognizes that there are many challenges in the region, such as an insufficient supply of renewable energy and the slow transition to decarbonization management.

With the recognition of these issues, the Bank has come to the conclusion that it is essential to have "community-based entities" that take their own risks and drive regional decarbonization. This led to the establishment of an advanced banking service company for renewable energy generation and supply business.

[Details of Primary Businesses]

- ① Projects for the acquisition (new and existing), operation, and maintenance of renewable energy sources
- ② Electricity sales business (sales through self-consumption, wholesale, etc.)
- ③ Environment-related consulting business, including renewable energy and energy conservation

Results of the Initiative

Following the establishment of the Company in July 2022, the Bank has received many inquiries from clients and municipalities. Specifically, the Bank has received requests for consultation regarding the installation of solar panels (Corporate PPA¹) in factories and offices owned by business partners and in public facilities owned by local governments, as well as proposals and inquiries regarding business collaboration in construction, maintenance, and other areas.

The Company joined the "1st Advanced Decarbonization Region" initiative, in which the Bank was selected as a joint proposer together with Yonago City, Sakaiminato City, and others in Tottori Prefecture.

This initiative is working in cooperation with local companies to develop solar power generation facilities (approx. 14,000 kW) in public facilities and abandoned farmland to supply approximately 600 public facilities with renewable energy through a new regional electric company.

¹PPA: Power Purchase Agreement. A scheme in which a third party installs power generation equipment on land or in buildings owned by electricity consumers and sells the power generated by the equipment to the consumers for their own consumption.

Issues and Objectives for the Future

The Bank plans to invest 5 to 10 billion yen in solar power, hydroelectric power, and other renewable energy sources.

Specialized know-how and expertise are required in order to proceed with the project, and it is essential to strengthen cooperation with local renewable energy businesses. In addition to strengthening partnerships with other businesses, the Bank is also working to recruit and train project managers and other specialists to play a role in supplying renewable energy to the region.

News release

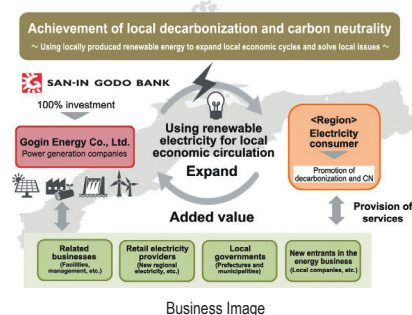
<https://www.gogin.co.jp/newsrelease/common/attachmentfile/attachmentfile-file-2683.pdf> (Japanese only)

Sustainability Report 2022

https://www.gogin.co.jp/ir/common/susrepo2022_09.pdf (Japanese only)



Selected as 1st Advanced Decarbonization Region





SBI Shinsei Bank, Limited

Insourcing of Sustainable Finance Evaluation, Provision of Value to Customers, Cooperation with Regional Financial Institutions

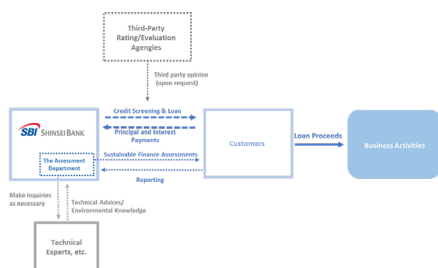
Summary of the Initiative

SBI Shinsei Bank has built an insourcing system by establishing a Sustainable Impact Assessment Department as an independent office within the Sustainable Impact Development Division, which is responsible for planning and promoting sustainable finance. Specifically, the Bank formulated the Shinsei Green/Social/Sustainability Finance Framework (established in May 2020 as the first financial framework for lenders by a Japanese bank) and the Shinsei Sustainability Linked Loan Framework, which both conform to international sustainable finance principles. The Sustainable Impact Assessment Department is in charge of ensuring compliance with these frameworks.

In order to evaluate the Bank's own financing, it is important to avoid "washing" (providing a false impression of considering sustainability) and to ensure the credibility of evaluations. The Bank strives to ensure objectivity and transparency by, for example, obtaining opinions from third-party evaluation organizations regarding conformity with financial frameworks, related principles, and the Bank's internal evaluation system, and publishing evaluation reports prepared by the Sustainable Impact Assessment Department on its website.

Background of the Initiative

The Bank has established a system in which the Bank can conduct insourcing evaluations. Since the Bank is engaging in regular contact with its customers, this established system of insourcing evaluations makes it possible to reduce the customers' burden in outsourcing to a rating agency to conduct an evaluation and to expand the scope of sustainable finance. In addition, insourcing evaluations allow knowledge to be accumulated and disseminated within the Bank, and the results of the evaluation can be used to support customers.



Insourcing of Sustainable Finance Assessment

Results of the Initiative

To date, the Bank has arranged 46 instances of financing totaling ¥211.8 billion, of which ¥125.2 billion has been distributed to regional financial institutions and other institutional investors (all from May 2020 to November 30, 2022).

The Bank has evaluated a wide range of projects, including renewable energy (solar, wind, geothermal, domestic biomass, and hydroelectric), green buildings, hospitals, nursing homes, facilities for the disabled, temporary staffing, and leasing businesses. The Bank uses sustainable finance evaluations to visualize the impact created by projects and companies.

Customers who have undergone evaluations have said that the evaluation reports and other deliverables have allowed them to reaffirm and organize the social significance of their business and to improve employee self-esteem and motivation, while provided an opportunity to review business strategies and systems for the future.

Issues and Objectives for the Future

The Bank Group aims to play an active role in regional revitalization by working with customers of regional financial institutions to create a greater flow of funds. The Bank intends to utilize its framework and the knowledge it has accumulated through past evaluations to co-finance sustainable finance with regional financial institutions and to support the promotion of sustainable finance at regional financial institutions.

Sustainable Finance/Impact Finance

https://www.sbishinseibank.co.jp/institutional/en/sustainable_finance/

Impact on the Environment and Society as a Whole through the "Assessment" of Finance [Vol. 1]

<https://note-sustainability.shinseibank.com/n/n733a58616f36> (Japanese only)



Sustainable Impact Logos

3 Diversity Promotion Initiatives



The Chiba Kogyo Bank, Ltd.  Chiba Kogyo Bank

No. 1 Organization in Engagement and ES

Summary of the Initiative

Chiba Kogyo Bank is implementing a variety of initiatives to become an organization where diverse human resources can work with enthusiasm to achieve their full potential while balancing their work and private lives.

Background of the Initiative

As the environment surrounding the financial industry undergoes major changes and customers' needs change on a daily basis, the Bank believes that increasing engagement and employee satisfaction (ES) will motivate its employees and improve their performance, allowing the Bank to provide higher quality services to its customers. Since the Bank's previous mid-term management plan, it has been striving to become the No. 1 organization in terms of engagement and ES.

Results of the Initiative

① Work-style reform

The Bank has worked to transform its personnel system in order to recognize the diversity and individual discretion of each employee and staff member, and to achieve work style reform that leads to improved engagement and ES. The Bank introduced teleworking in 2020 and a flextime system in 2021, allowing employees to flexibly set their working place and working hours. These initiatives have been used to balance work with childcare, nursing care, hospital visits, and other personal activities.

② Support for improving skills

The Bank supports its employees in their use of free time gained through changes in work style to achieve personal growth. One such example is the introduction of side jobs and the expansion of content

for self-development in 2022. A new special leave system for skill development was established in April 2022, allowing employees to take up to five days a year for self-development.

③ Balancing fertility treatment and work

The Bank has established a leave system and provides training programs so that employees can balance work and medical treatment without having to give up their jobs. A total of 14 employees have taken advantage of the leave program for fertility treatment introduced in 2017. In recognition of these efforts, the Bank became the first financial institution in Japan to receive "Platinum Kurumin Plus" certification^{*1} in 2022. New employees have commented that they were relieved to learn that the bank they joined had such a system. This has helped to foster a sense of security not only among employees who actually use the system, but also in other employees' ability to balance work and life.

*1 "Platinum Kurumin Plus" certification was established as part of April 2022 revisions to the Ministry of Health, Labour and Welfare's Kurumin system in order to recognize companies that support employees balancing work and infertility treatment.

Issues and Objectives for the Future

Although the Bank has made a variety of efforts and the system is permeating throughout the Bank, some employees are still hesitant to use the system. Therefore, the Bank will create an environment in which each employee can use the system with peace of mind according to their own lifestyle and work style. The Bank believes that creating such an environment will improve engagement and ES, which in turn will be reflected in the services it provides to its customers.

Integrated report
https://www.chibakogyo-bank.co.jp/ir/english/annual_report/pdf/2022_finance.pdf



Platinum Kurumin Plus Certification Ceremony



不妊治療と仕事との両立もサポートしています
 プラス
 子育てサポートしています



The Juroku Bank, Ltd. JUROKU Financial Group

Initiatives by Product Development Project Team of Female Employees

Summary of the Initiative

In February 2020, Juroku Bank established “Jewelía,” a project team of female employees to develop products and services.

In August 2020, the Bank released its first service, the “Skill Matching by Glass Shoes Project” matching service. This service aims to contribute to regional revitalization by creating opportunities for local women to utilize their areas of expertise. By matching local women who have special skills and qualifications with local companies that want to solve problems from a woman’s perspective, this service aims to expand opportunities for women to play an active role and support diverse work styles.

Background of the Initiative

While visiting a female client, a project member from the Bank heard about how she was doing her best to balance childcare while starting her own business. This project member decided that she wanted to support women in such situations, and developed Jewelía based on the concept of giving women who are married and gave birth, and are now busy with housework and childcare an opportunity to use their special skills. During the planning process, the Bank recognized that many women who want to start a business are reluctant to do so because they are not sure if they can make a living from their special skills. The Bank also recognized that companies want to resolve internal issues from the perspective of women during daily business activities. These needs match each other, and that awareness led to the development of this service.

Results of the Initiative

The Bank has held more than 20 business negotiations to date, including the design and production of company flyers, the development of prototypes for e-commerce sites, and website

renewals. In response to the growing demand for initiatives related to diversity, this program is designed to help resolve the concerns of women who want to work and provide them with opportunities to play an active role, and assist companies in resolving their issues.

In addition, this service was selected as a “Characteristic Example of Efforts by Financial Institutions that Contribute to Regional Revitalization” published by the Cabinet Office in FY2021, and was commended by the Minister of State for the Promotion of Overcoming Population Decline and Vitalizing Local Economy in Japan as a proactive and highly effective initiative for the region.

Issues and Objectives for the Future

Through Jewelía, female employees are able to gain valuable experience that they would not otherwise have in their normal duties, and this has helped to increase their motivation. The Bank is currently planning a new service as the second phase of this project, and is working to develop products and services that take advantage of women’s unique perspectives and ideas.

In addition, more than 100 women who want to make use of their special skills and qualifications have registered for this service. The Bank will continue to further enhance this service to contribute to the social advancement of women in the region and to provide diverse work styles.

Jewelía overview page

<https://www.juroku.co.jp/jewelía/index.html> (Japanese only)

Skill Matching by Glass Shoes Project overview page

<https://www.juroku.co.jp/news/service/glassshoes.html> (Japanese only)

“Characteristic Example of Efforts by Financial Institutions that Contribute to Regional Revitalization” in FY2021 Award

<https://www.juroku.co.jp/news/files/20220317.pdf> (Japanese only)



Jewelía Activity



“Characteristic Example of Efforts by Financial Institutions that Contribute to Regional Revitalization” Award

4 Initiatives Regarding People with Disabilities and the Elderly



Aozora Bank, Ltd.



Initiatives to Create a Working Environment in which Employees with Disabilities can Work with Peace of Mind

Summary of the Initiative

The management philosophy of Aozora Bank, referred to as "Aozora Action" (Aozora's Key Priorities), calls for "Respecting one's colleagues and supporting professional growth of all team members." In order to actively incorporate the opinions of employees with disabilities, the Bank holds "small meetings" where the President and other executive officers engage with employees with disabilities in direct dialogue to exchange opinions and promote interaction toward the creation of a comfortable working environment.

In order to create a working environment in which employees with a variety of disabilities can work with peace of mind, industrial physicians, nurses, public health nurses, mental health social workers, and in-house working adjustment assistants (job coaches) work together as needed.

Based on feedback from employees with hearing impairments, the Bank has incorporated communication support tools such as UD Talk[®], an app that uses voice recognition to convert conversations into text, and electronic memo pads. In addition, employees with hearing impairments have played a central role in addressing a variety of issues, such as devising the "Aozora Ear Mark," which is used to indicate that an employee has a hearing impairment, and the "Communication Support Board," which is used to convey messages by pointing.

Furthermore, employees with disabilities participated in designing the "Creating a Comfortable Working Environment for Employees with Disabilities" page of the Bank's FY2022 Annual Report (Integrated Report).

Background of the Initiative

As the wearing of masks has become routine to prevent the spread of COVID-19, the Bank has held an increasing number of consultations with employees with hearing impairments who have trouble communicating because they cannot see other people's mouths due to the masks and cannot read what they are saying with their voices muffled. The President considered this an issue that should be addressed by the entire bank, and set up opportunities, as a facilitator, to listen directly to the opinions of employees with hearing impairments.

Results of the Initiative

In FY2021, the Bank became the first in the banking industry to receive the Tokyo Metropolitan Government's "Excellent Company Award for the Employment of People with Disabilities (Tokyo Governor's Award)." It was awarded in recognition of the Bank's respect for the opinions of employees with disabilities and a working environment that allows employees with disabilities to work in the same manner as other employees.

Issues and Objectives for the Future

The Bank will continue to listen to the voices of employees with various disabilities and learn from their unique perspectives, and will continue its effort to create a comfortable working environment for everyone.

For further information

<https://www.aozorabank.co.jp/english/company/governance/hr/>
<https://ssl4.eir-parts.net/doc/8304/announcement/872444/00.pdf> (News release)
https://ssl4.eir-parts.net/doc/8304/ir_material_for_fiscal_ym19/123724/00.pdf
 (2022 Integrated Report, P80, 81)



Aozora Ear Mark, Communication Support Board



Excellent Company Award for the Employment of People with Disabilities (Tokyo Governor's Award)

5 Initiatives to Reduce Poverty



The Chiba Bank, Ltd.



Initiatives to Provide Food Assistance to the Underprivileged and Developing Countries

Summary of the Initiative

In September 2020, Chiba Bank concluded a comprehensive partnership agreement with the Chiba Council of Social Welfare Council and Food Bank Chiba to strengthen its social contribution activities by providing food to the underprivileged. In October 2022, the Bank held the “Chiba Bank Food Drive 2022” to collect surplus food products that employees brought from home. A total of 489 kg of food products was collected and donated to Food Bank Chiba. The donated food was delivered to welfare facilities and underprivileged people through Food Bank Chiba.

In addition, the Bank is implementing a “Table for Two (TFT)” food assistance program for developing countries in its employee cafeterias. Each time an employee orders a designated healthy meal, 20 yen (the cost of a school lunch in developing countries) is donated to a developing country. This program is unique in that it allows employees to improve their health while also supporting school lunches in developing countries.

Background of the Initiative

In May 2019, the Bank formulated the “Chiba Bank Group Declaration on SDGs” to promote initiatives for achieving the SDGs. The Bank is implementing food aid initiatives to support the underprivileged in its community and to provide school lunches to children in developing countries.

Food drives and the TFT program are initiatives in which employees participate. The Bank believes that the continuous implementation of these initiatives will contribute to raising awareness of SDGs among its employees.

Results of the Initiative

- Food donations to Food Bank Chiba (FY2022)
 - May 2022: 40 boxes (2,400 servings) of canned Calorie Mate, 12 boxes (144 servings) of canned bread
 - September 2022: 100 cases (1,200 servings) of canned beef rice bowls and beef stew, 150 boxes (4,500 servings) of freeze-dried biscuits
 - October 2022: 489 kg of food products collected through food drive, 600 kg of new rice purchased from Fresh Farm Chiba Co., Ltd. (agricultural corporation established through joint investment with 15 local companies)
- Donations to TFT
 - Donations through the TFT program in employee cafeterias (cumulative total from January 2021 to November 2022): 276,880 yen (for 13,844 meals)
 - Donations from the October-November 2022 walkathon: 113,100 yen (for 5,655 meals)

Issues and Objectives for the Future

The Bank will continue to promote the participation of more employees through ongoing social contribution activities, such as food aid and donations in cooperation with local businesses and welfare organizations.

For further information

<https://www.chibabank.co.jp/company/sustainability/csr/person/welfare.html>
(Japanese only)



Food Drive



TFT Menu

6 ESG Loans and Regional Revitalization Initiatives



The Bank of Kyoto, Ltd. Bank of Kyoto

Promoting ESG/SDGs Initiatives in the Region with the Cooperation of Listed Manufacturers and Suppliers

Summary of the Initiative

This is an initiative by the Bank of Kyoto to promote ESG/SDGs throughout the supply chain in cooperation with listed companies with vast supplier networks.

As a first step, the Bank implemented an initiative in collaboration with Shimadzu Corporation. For this initiative, the Bank confirmed the direction of its approach with Shimadzu Corporation before holding interviews with SME suppliers. Subsequently, the Bank reviewed any issues and improvement measures that had been identified, and provided specific solutions.

Background of the Initiative

Kyoto is home to many listed companies and suppliers that boast cutting-edge technologies and unique management styles, creating a distinctive industrial structure. In particular, listed companies related to production/business machinery and electronic components/devices are garnering attention as “Kyoto companies” and are facing a variety of issues such as reducing greenhouse gas emissions throughout their supply chains.

On the other hand, it is difficult for SMEs, which are Scope 3 for listed companies, to make concrete progress in their initiatives. The Bank implemented this initiative in order to avoid withdrawal from the supply chain and negative impacts on listed companies, and to create positive impacts such as the differentiation of social and environmental initiatives.

Results of the Initiative

While gradually gaining a better understanding of the challenges SMEs face, the Bank has launched services that are tailored to each stage of their progress. “Kyogin SDGs Declaration Support” (November 2021) was designed to help SMEs understand ESG/SDGs, organize their initiatives, and identify their current status. “Kyogin Sustainability Management Support” (July 2022) was designed to help SMEs integrate the SDGs into their management strategies. “Kyogin SDGs Execution Support” (October 2022) was designed to help SMEs implement their strategies. More than 500 contracts for Kyogin SDGs Declaration Support were signed in less than a year.

In addition, the Bank has concluded a collaboration agreement with Shimadzu Corporation and is developing initiatives that go beyond the field of the environment.

Issues and Objectives for the Future

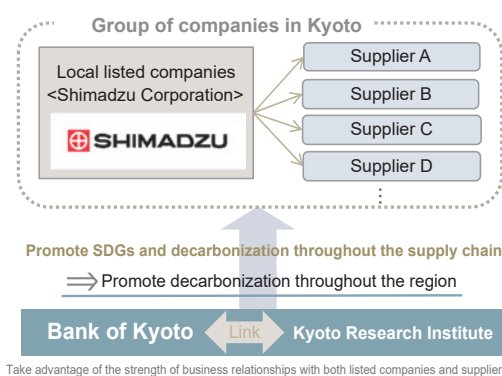
The Bank recognized the need to demonstrate incentives such as energy conservation (i.e., cost reduction) and to foster awareness among SMEs.

The Bank is also working to deploy its expertise through participation in Kyoto Prefecture’s “Supply Chain Decarbonization Support Project.”

For further information

https://www.kyotobank.co.jp/investor/disc/pdf_2022dis/021-030.pdf (Japanese only) (P25, 26)

Image of initiatives



SDG consulting for clients

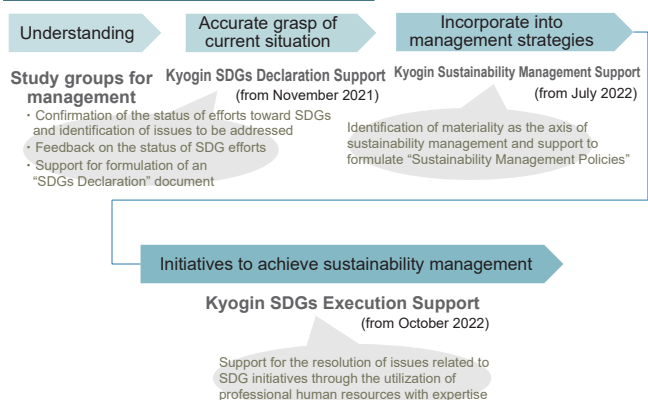


Image of the Bank of Kyoto’s ESG/SDGs Promotion Efforts



The Aichi Bank, Ltd.



Aigin SDG/ESG Support Loan/SDG Business Support Plan for Developing Countries

Summary of the Initiative

Aichi Bank has launched the "Aigin SDG/ESG Support Loan/SDG Business Support Plan for Developing Countries" to support companies that have been selected for the "SME/SDG Business Support Project**" ("JICA Project") implemented by the Japan International Cooperation Agency (JICA) to finance relevant projects.

*The goal of this project is to use the superior technologies, products, and ideas possessed by companies to solve problems faced by developing countries while also enabling companies to expand overseas, thereby stimulating the Japanese economy as well.

Background of the Initiative

The Bank has concluded a "Memorandum of Understanding for Business Collaboration and Cooperation" with the JICA Chubu Center for the purpose of contributing to the development of developing countries and the revitalization of local economies. This is achieved by first identifying SMEs in Japan with superior technologies and products that can contribute to the development of developing countries, and then supporting the expansion of these SMEs to overseas locations. To this end, the Bank offers the Aigin SDG/ESG Support Loan/SDG Business Support Plan for Developing Countries, a special loan product for companies that have adopted JICA projects.

The conclusion of the MOU provided an opportunity for the Bank to strengthen its cooperative framework for collaboration with JICA and to establish a framework for financial support.

Results of the Initiative

The Bank selected the "SDGs Business Model Formulation Survey with the Private Sector for Revitalization of Pyrethrum Industry through Value Chain Development of 100% Natural Mosquito Repellent in Kenya," a JICA project planned by one of their business partners, and provided the necessary funds in August 2022. This was the first time in Japan that a dedicated financing product was used for this purpose.

The purpose of this project is to conduct market research and needs analysis in order to provide manufacturing know-how, implement branding, and secure international sales channels for 100% natural mosquito repellent in response to Kenya's challenge of revitalizing its pyrethrum industry. If commercialized, this project will contribute to improving the incomes of small-scale farmers faced with poverty, promoting employment, and transforming the pyrethrum industry into a sustainable industry.

Issues and Objectives for the Future

The Bank supported another client company in developing a plan and application for the "SDGs Business Formulation Survey with the Private Sector for Earthquake-resistant Solar Houses for Low-income Families in Indonesia," a JICA project that was adopted in March 2022 in collaboration with regional financial institutions. The purpose of this project is to conduct a market and needs survey to realize a business idea for providing units of earthquake-resistant solar houses that can be purchased by low-income families who are vulnerable to disasters in Indonesia, a country that is prone to frequent earthquakes. The Bank has participated as an external resource in studies and surveys of overseas business development. If this project achieves commercialization, it can provide safer housing for low-income families.

Each of these projects aims to expand business overseas by utilizing the know-how and products of our business partners to solve issues in developing countries. The Bank will continue to contribute to the development of local economies and the realization of sustainable societies.

For further information

<https://www.aichibank.co.jp/news/files/pdf/news20220826.pdf> (Japanese only)
<https://www.aichibank.co.jp/news/files/pdf/news20220427.pdf> (Japanese only)
<https://www.aichibank.co.jp/news/files/pdf/news20210423.pdf> (Japanese only)



Signing Ceremony of "Memorandum of Understanding for Business Collaboration and Cooperation"



Pyrethrum Industry Revitalization Project in Kenya

The JBA's SDGs Promotion Framework and Key Initiatives
Status of Activities of the JBA in FY2022

Efforts of Member Banks

Expert Column

JBA's 2022 SDG-related Publications

7 DX Promotion Initiatives



Mizuho Financial Group

Mizuho DX Challenge in the Tech Area

Summary of the Initiative

The digital transformation (DX) that Mizuho aims to achieve is to create new solutions and new value by leveraging the strengths of the Mizuho Group to address the pain points of society and customers. Mizuho has designated “Financial DX,” “ESG (SX),” and “Tech oriented” as the three areas of focus for DX. In the tech start-up area, the Group will create new value and deliver it to customers and society by leveraging the expertise and IT implementation capabilities of Mizuho Research & Technologies and Mizuho-DL Financial Technology, which conduct research on AI and other cutting-edge technologies, as well as a network of large corporations and startup companies with advanced technological capabilities.

Background of the Initiative

Example 1: Healstep, an AI-based service for health insurance associations

Healstep, a joint venture with Dai-ichi Life Group, is a service that uses AI-based analysis of future medical cost projections to help health insurance associations improve the efficiency of their health services and control medical costs. This service, which leverages Mizuho Research & Technologies’ high level of expertise in the social security field and its know-how in healthcare data analysis and consulting, won the top prize at the DH Grand Prix of the 2021 Data Health and Preventive Service Expo organized by the Ministry of Health, Labour and Welfare.

Example 2: Metaverse

In August 2022, Mizuho held an exhibit at Virtual Market, one of the world’s largest VR events, becoming an early participant in the metaverse area. In the future, the Group will develop this into a digital touch point for customer interaction to provide financial services in the metaverse in the same way as existing real world services. The Group will also conduct a PoC to explore unprecedented customer experiences and business opportunities that take advantage of the unique features of the metaverse.

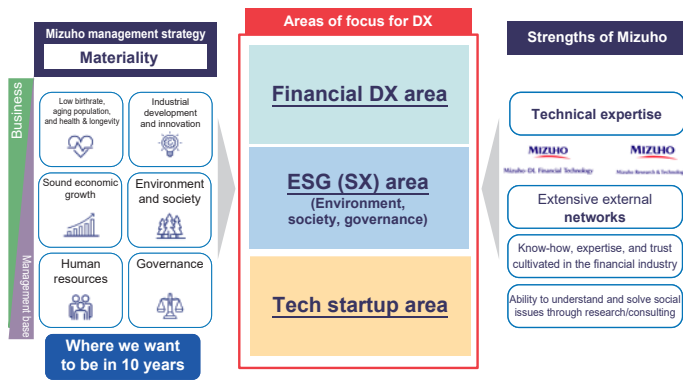
In addition, there is a strong need for a payment infrastructure that does not detract from the immersive user experience. Mizuho is considering the use of the J-Coin platform to provide the safe and secure payment and identity verification services that only banks can offer.

Mizuho believes that there is a need for users to be able to use the same virtual payment method across the many different metaverse platforms, and are therefore considering the establishment of a cross-platform mechanism.

Results of the Initiative, Issues and Objectives for the Future

Healstep is steadily expanding, with more than 30 health insurance organizations having adopted the system. Mizuho is also promoting various other DX initiatives, such as smart agriculture, and will continue to aim to solve social issues through DX in the future.

Mizuho DX website
<https://www.mizuhogroup.com/digital>



Areas of Focus for DX



Exterior View of the Mizuho Exhibit at Parareal Osaka, a Metaverse Space



The Kiyo Bank, Ltd.



Digital Management Diagnosis: Promotion of Regional DX through Collaboration between Wakayama Prefecture and Kiyo Bank

Summary of the Initiative

Kiyo Bank, in cooperation with Wakayama Prefecture, is using the Digital Management Diagnosis online diagnostic tool to assess the current status of digitalization of businesses in the prefecture and support the promotion of digital transformation (DX).

Background of the Initiative

Wakayama Prefecture is developing the "Wakayama Digital Revolution Promotion Project" to strengthen the competitiveness of businesses and establish their superiority, and is also providing consistent support for businesses to achieve DX, through efforts such as building momentum and raising awareness, conducting diagnoses (understanding current conditions), acquiring technology, and providing support for the introduction of systems.

In FY2021, the Bank developed an online diagnostic tool, "the Digital Management Diagnosis," commissioned by Wakayama Prefecture, and in FY2022 it used this tool to assess the current status of digitalization and to support the promotion of DX.

Results of the Initiative

The Digital Management Diagnosis tool is a self-diagnostic tool for business managers. It is designed to promote awareness of the current status and challenges of digitalization and to provide opportunities to take action toward digitalization. The user simply answers 30 questions

online, which can be answered regardless of the DX level of the business manager, and then the results of the diagnosis are immediately displayed on a radar chart. By comparing the results with benchmarks (average values within the prefecture), the business manager can make an objective assessment of the company's level of superiority and which issues should be given priority.

The Bank has received positive responses from companies that have received a diagnosis, such as "The issues that we need to be addressed have been clarified," and "I would like to share the current situation with our board members and successors and proceed with the implementation of initiatives."

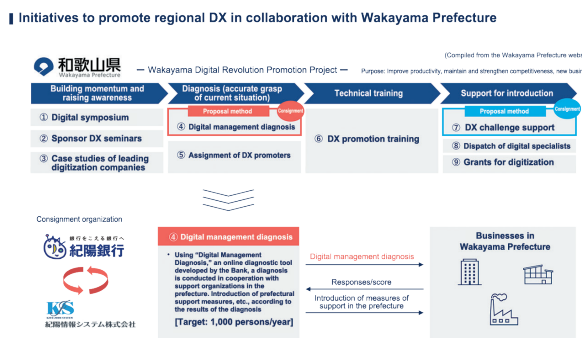
In FY2022, the Bank conducted various support measures based on the diagnoses, such as performing diagnoses for 1,000 businesses in the prefecture, and holding seminars jointly with Wakayama Prefecture in response to issues identified from the results of diagnoses.

Issues and Objectives for the Future

The Bank will continue to support local businesses in realizing DX, and will work in cooperation with Wakayama Prefecture and others to contribute to the creation of a framework to support the promotion of DX in the region as a whole.

2022 Integrated Report and Disclosure Magazine (p. 24)
<https://www.kiyobank.co.jp/investors/ir/disclosure/disc04.html> (Japanese only)

Digital Management Diagnosis
<https://digital-wakayama.com> (Japanese only)



Overview of Initiatives to Promote Regional DX in Collaboration with Wakayama Prefecture

DX promotion should start with an accurate grasp of the current situation through "Digital Management Diagnosis!"

Diagnosis is performed online by simply answering 30 questions in six categories! You can make an objective assessment of the current status of your company's digital management.

Free Time required for diagnosis: 10 minutes (Business Seminars)

<Diagnosis results (image)>

Overall score: 238/600 points
FY2022 average for all industries: 245

Category	Score	Benchmark
Management strategy	72	70
Organizational system and structure	43	45
Training digital human resources	35	35
Development of new business	38	35
Digital tools	40	40
Business reform	51	55

Co-host seminars with Wakayama Prefecture

Target: Those who work for local governments, support organizations, financial institutions, etc. mainly in Wakayama Prefecture

Online seminar for digital management diagnosis

Using "Digital Management Diagnosis" as a starting point toward community-wide DX support

Strategies for the utilization of digital human resources to achieve DX

When conducting a "Digital Management Diagnosis," it was discovered that many businesses in the prefecture are facing challenges in acquiring and training digital human resources. To acquire and develop digital human resources, it is effective to encourage employees to acquire skills and also to utilize personnel who have side jobs!

If your businesses are having trouble acquiring and training digital human resources, why not take advantage of personnel who have side jobs? In this seminar, we will introduce specific examples and key points on how to use personnel who have side jobs.

Digital Management Diagnosis

Expert
Column

Domestic and International Trends Regarding SDGs/ESG in 2022

The Japan Research Institute, Limited
Senior Counselor

Eiichiro Adachi



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Note: This article was prepared based on information as of the end of December 2022.

Invasion of Ukraine and SDGs/ESG

The military invasion of Ukraine, initiated by Russia on February 24, 2022, still has no end in sight. This incident abruptly upended the world view and common sense following the end of the Cold War in 1989. First, a strong brake was applied to globalization (the easy movement of people, goods, and money on a global scale) and the principle of international cooperation. Second, the supply of fossil fuels, food, and minerals became uncertain, and the inflationary trend of the economy became apparent at once. Ballooning public expenditure in the COVID-19 pandemic period and increasing national security spending have combined to generate a debate about strengthening of government functions and tax burdens in many countries, and as result, political instabilities occurred more frequently.

In terms of the SDGs and ESG, the year 2022 can be described as a year of headwinds in the sense that it became harder to talk about long-term prospects and ideals, and people were forced to focus on the events in front of them. In his address to the 77th session of the United Nations General Assembly on September 20, 2022, UN Secretary-General Antonio Guterres called attention to “the climate emergency and biodiversity loss” as well as “the dire financial situation of developing countries and the fate of the Sustainable Development Goals (SDGs)” alongside “crises like the war in Ukraine and the multiplication of conflicts around the globe.” He continued by saying that “because of our decisions, sustainable development everywhere is at risk. The SDGs are issuing an SOS.”^{*1,*2}

A classic example of the backlash against ESG (Environmental, Social, Governance) can be seen in the legislative movement in the United States to place restrictions on ESG investments. The “Ensuring Sound Guidance (ESG) Act to Protect Investors and Preserve Access to Capital for Energy Producers,” introduced in the U.S. House of Representatives on March 18, 2022, and the “Safeguarding Investment Options for Retirement Act,” introduced in the U.S. House of Representatives on October 18, 2022, are examples. They view the withdrawal of investment in fossil fuels from the energy industry as a problem, and insist that pension fund management should be focused solely on the beneficiaries’ financial returns.

On the other hand, there is a growing sense of frustration among those who are highly aware of the issue of climate change, especially among young people, because they have not been able to find even a clue to solving the problem. In Europe and elsewhere, direct action

*1 https://www.unic.or.jp/news_press/messages_speeches/sg/45130/ (Japanese)

*2 <https://www.un.org/sg/en/content/sg/speeches/2022-09-20/secretary-generals-address-the-general-assembly>

has been taken by the Tyre Extinguishers, an international group that deflates the tires of sport utility vehicles (SUVs), and parkour groups that turn off the lights of stores at night, and there continue to be numerous reports of attacks on masterpieces of art at museums in various regions. It has been a year in which we have also seen that the unstable emotions of the next generation have nowhere to go.

The term “greenwashing” refers to the practice of exaggerating the extent to which a product or service takes environmental or sustainability factors into account. Against the backdrop of people’s sense of stagnation, another feature of 2022 was the attention paid to the criticism of washing on SDGs and ESG. Even financial products and services are no exception, and there is a growing awareness in Europe and the United States that funds and investment advisors might overstate the environmental and sustainability initiatives and factors they claim to consider. In response, the U.S. Securities and Exchange Commission (SEC), for example, issued supervisory measures for the first time in 2022, prosecuting and imposing fines on asset management companies for “washing.” In May 2022, the SEC announced proposals such as requiring additional specific disclosure requirements regarding ESG strategies in fund prospectuses, annual reports, and adviser brochures, implementing a layered, tabular disclosure approach for ESG funds to allow investors to compare ESG funds at a glance, and requiring funds focused on the consideration of environmental factors to disclose the amount of greenhouse gas (GHG) emissions associated with their portfolio investments, as well as other related proposals for amendments to the Investment Advisers Act of 1940 and the Investment Company Act of 1940.

Global Trends in Sustainability Disclosure

As noted above, even amid the headwinds to the SDGs and the backlash against ESG, the demand for disclosure in these areas by corporations and financial institutions (collectively referred to as “sustainability disclosure” in this report) continued to evolve.

The International Sustainability Standards Board (ISSB), which was established in November 2021 under the IFRS Foundation, the standard-setting body for the International Financial Reporting Standards (IFRS), released drafts of “General Requirements for Disclosure of Sustainability-related Financial Information” and “Climate-related Disclosures” in March 2022. They received comments on the drafts through July of the same year, with the aim

of finalizing them as early as possible in 2023. At the ISSB Board of Directors meeting held on December 15, 2022, it was decided that Scope 1 through 3 should be the target of corporate GHG disclosure. However, if there are difficulties in collecting GHG information from upstream and downstream business partners, a minimum delay of one year from the start of “climate-related disclosures” should be allowed for Scope 3 disclosure, with the use of estimated values instead. It was also clarified that financed emissions, which correspond to Scope 3 disclosures for financial institutions, cover three business categories: commercial banks, asset management & custody services, and insurance services (investment and loans).

The Taskforce on Nature-related Financial Disclosures (TNFD), an international organization jointly established by the United Nations Environment Programme Finance Initiative (UNEP FI), the United Nations Development Programme (UNDP), the World Wide Fund for Nature (WWF), and Global Canopy to examine how to disclose corporate financial impacts of the loss of ecosystems, forests, rivers, and other natural resources, also launched a beta v0.1 version of its disclosure framework in March 2022, a beta v0.2 version in June 2022, and a beta v0.3 version in November 2022. This is a result of the distinctive approach of updating each beta version to reflect market feedback as it is received. A beta v0.4 version will be available in March 2023. As of November 2022, more than 130 companies and financial institutions are conducting pilot tests according to this framework, and the final version, scheduled for release in September 2023, will reflect the results of these tests.

At the 15th Conference of the Parties to the Convention on Biological Diversity (COP15) held on December 7–19, 2022, the “Kunming-Montreal Global Biodiversity Framework” was adopted. This framework sets targets, for example, to conserve at least 30% of land and sea areas by 2030. At the conference, the “MOVING TOGETHER ON NATURE” statement³ was signed by over 150 financial institutions worldwide. The launch of Nature Action 100, an institutional investor initiative to address the loss of nature and biodiversity (scheduled for 2023), was also announced.

Positioning of SDGs/ESG in Domestic Finance-Related Policies

The “Basic Policy on Economic and Fiscal Management and Reform

³ <https://www.unpri.org/download?ac=17383>

2022"⁴,⁵, approved by the Cabinet in June 2022, stated that "To achieve GX⁶ initiatives, we will work on developing social systems and infrastructures by expanding support through the Green Innovation Fund, reforming regulatory measures and engaging in international standards, etc. We will strive quickly to build a desirable environment for expanding the sustainable finance market and then attract domestic and foreign ESG finance, by aiming to realize the Green International Financial Center where environment-related products such as green bonds are traded, enhancing the quality and quantity of disclosure based on TCFD recommendations, etc., and supporting the supply of funds for transitions and innovations." In August 2022, the "Study Group on Financing for the GX of Industry" was established as a forum for discussions to give concrete form to these initiatives. In December of the same year, a policy package consisting of the following seven pillars was presented: (1) Expansion of green finance, (2) Expansion of transition finance, (3) Development and establishment of blended finance in the GX field, (4) Provision of funds to promote GX investment by local communities and SMEs⁷, (5) Improvement of the market environment for promoting corporate investment in GX, (6) Establishment of an evaluation framework for companies that practice GX and its use in financial markets, and (7) Formation of capital return.

In its "Strategic Priorities July 2022-June 2023"⁸,⁹ released in August 2022, the Financial Services Agency (FSA) stated, "With the increasing importance of societal issues, such as climate change as well as declining birthrate and aging population, it has become indispensable to promote sustainable finance to facilitate a transition to new industrial and social structures and to realize a sustainable society. In particular, regarding climate change, a significant amount of long-term investments are needed for smoothly facilitating economic and social transition to achieve the goal of carbon neutrality by 2050, and the JFSA will proceed with the development of a favorable environment for promoting transition finance to support such transition."

Masayoshi Amamiya, Deputy Governor of the Bank of Japan, came to understand that "With regard to financial system stability, whether the transition to decarbonization is delayed or advanced, it could have a negative impact on the financial system by causing losses to financial institutions' borrowers, deteriorating the value of their assets, and

altering the quantity and quality of financial institutions' investments and loans. With regard to price stability, increases in the frequency of disruptions to economic activities due to the loss of basic social infrastructure and in supply chain disruptions have been observed as a result of the growing scale and frequency of natural disasters worldwide. These disruptions increase the volatility of real economic activity, which in turn leads to price fluctuations. In addition, there are concerns over swings in fossil fuel and other energy prices and their impact on other goods and services prices if the transition to net zero does not proceed smoothly."¹⁰

Specific Trends in Domestic Financial-Related Policies

Regarding individual issues, the Expert Panel on Sustainable Finance, established by the FSA in 2020, compiled and released its second report, "Financial Systems that Open Up a New Sustainable Society," in July 2022. This report presented the progress of measures taken during the year since the release of the first report, as well as further issues and recommendations based on domestic and international trends and other factors. In fact, as for matters related to banks, the "Progress Report on Enhancing Asset Management Business 2022" published in May 2022 highlighted the status of public placement funds that claim ESG considerations, pointed out several issues¹¹, and provided supervisory expectations for asset management firms providing ESG fund. In November of the same year, a draft amendment to the Cabinet Office Ordinance to establish a new column for sustainability information in securities reports and securities registration statements was announced. The "Code of Conduct for ESG Evaluation and Data Providers"¹² was prepared and published in December of the same year, and related organizations were called upon to endorse it.

In addition, in July 2022, the Ministry of the Environment published the "Green Bond and Sustainability-Linked Bond Guidelines 2022" to clarify the criteria for judging greenness and to strengthen explanations to market investors by bond issuers, while keeping in mind the content of international principles. In October of the same year, based on the

⁴ https://www5.cao.go.jp/keizai-shimon/kaigi/cabinet/honebuto/2022/2022_basicpolicies_ja.pdf (Japanese)

⁵ https://www5.cao.go.jp/keizai-shimon/kaigi/cabinet/honebuto/2022/2022_basicpolicies_en.pdf

⁶ GX is an abbreviation for Green Transformation. It refers to "a fundamental transformation of the entire economy and society by creating a virtuous cycle between the economy and the environment." This term has been used by a major electronics manufacturer, for example, to title its new medium-term management plan in May 2010 (and ending in FY2012) "Green Transformation 2012." Keidanren introduced the term Green Transformation (GX) in its November 2018 booklet, "Contributing to Avoided Emissions through the Global Value Chain."

⁷ Including the establishment of a low-interest loan program by the Japan Finance Corporation (JFC) for those working on GX.

⁸ https://www.fsa.go.jp/news/r4/20220831/220831_main.pdf (Japanese)

⁹ https://www.fsa.go.jp/en/news/2022/20220926/the_fsa_strategic_priorities_july2022-june2023.pdf

¹⁰ Speech at the Annual Meeting of the Japan Society of Monetary Economics (November 27, 2022) https://www.boj.or.jp/en/about/press/koen_2022/data/ko221127a.pdf

¹¹ For example, the description in the prospectus regarding how ESG factors are considered in the investment process is abstract.

¹² The relationship arises when the company becomes an issuer of related loans or its own ESG-related bonds, etc.

revised Law Concerning the Promotion of the Measures to Cope with Global Warming, there was a move to establish the Japan Green Investment Corp. for Carbon Neutrality, which will operate a fund business funded by the government's FILP and private-sector capital investment.

So-called transition finance is interpreted in Japan as finance for companies belonging to high GHG emitting industrial sectors to make a transition toward steady decarbonization, including energy conservation and fuel conversion. There were moves such as the preparation and publication of road maps for some additional industrial sectors and the start of public offerings for transition finance subsidies.

Expectations of Regional Financial Institutions

The FSA recognizes that efforts by regional financial institutions to secure a stable management base by providing high value-added services that meet customer needs (creation of shared value) are in line with the SDGs, which also position private companies as entities responsible for solving social issues. The Cabinet Office's "Regional Revitalization SDGs Financial Framework" and the Ministry of the Environment's "Practical Guide to ESG Regional Finance" continue to promote the establishment of frameworks that encourage regional financial institutions to take action. Regional financial institutions, which are in a position to support the growth of regional economies and local industries in terms of funding, are expected to utilize this framework to provide consulting services to their corporate clients and support their clients' efforts to solve social issues. The 2021 amendment to the Banking Act also allows banking groups to enter into businesses that contribute to the development of a sustainable society through their subsidiaries (i.e., advanced banking service companies), thereby increasing the scope for diversification of their support for the companies in which they invest and finance.

Current Status of Initiatives by Member Banks of the Japanese Bankers Association

The 2022 "Survey on SDGs/ESGs" conducted by the Japanese Bankers Association asked its member banks about initiatives they endorse, such as the environment, human rights, and diversity. (surveyed as of the end of July 2022, 114 banks responded.) Their responses (multiple responses allowed) indicated that the number of banks endorsing the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) increased significantly from 24 in FY2020 to 51 in FY2021 and 97 in FY2022. In addition, 91 banks

answered "Yes" to the question of whether there is a lending and investment policy (including a sector policy) that considers SDGs/ESG, an increase from the 73 banks that answered "Yes" in FY2021. The content is increasingly related to negative impacts on the environment and human rights, coal-fired power generation, forests, agricultural products (palm oil), cluster munitions, and inhumane weapons, among others. 66 banks responded "Yes" to the question "Do you have a lending and investment policy for local communities (e.g., initiatives related to regional revitalization, community-based finance, etc.)?" The survey suggests that member banks of the Japanese Bankers Association have made certain progress in their initiatives and actions with an awareness of SDGs/ESG in 2022.

Business and Human Rights

In March 2022, the Ministry of Economy, Trade and Industry (METI) established the "Study Group on Guidelines for Respecting Human Rights in Supply Chains." Based on the study group's deliberations, in September of the same year the "Guidelines on Respecting Human Rights in Responsible Supply Chains" were formulated and published by the Inter-Ministerial Committee on Policy Promotion for the Implementation of Japan's National Action Plan on Business and Human Rights. These guidelines were established to help companies deepen their understanding of human rights and promote their efforts in this regard by providing concrete and easy-to-understand explanations of the measures required of companies in Japan, based on international standards such as the UN Guiding Principles, the OECD Guidelines for Multinational Enterprises, and the ILO MNE Declaration, in line with the actual conditions of companies conducting business activities in Japan. While the guidelines were being formulated, in Japan, 2022 was a year in which a significant number of cases of nonpayment of wages, overwork, assault, and sexual harassment of foreign technical intern trainees came to light.

Overseas, there is a growing trend toward a significant overlap between the failure to take effective action on climate change and awareness of the problem of human rights violations. "New Threats to Human Security in the Anthropocene," released by UNDP in February 2022, states that "In 2020, 40.5 million people were added to the global population of internally displaced people." Of these, 9.8 million were displaced by violent crimes, political violence, violence between rival populations, armed conflict, and other forms of insecurity, while more than 3 times that number, 30.7 million, were displaced by disasters. The report estimates that only 660,000 of those displaced were displaced by geological events such as earthquakes and

volcanic eruptions, while about 30 million of those displaced were displaced by weather-related events. This includes 14.6 million from storms such as cyclones, hurricanes, and typhoons, 14 million from floods, and 1.2 million from wildfires. Thus, climate change is a threat to human health, property, and life, and consequently companies (including financial institutions) that are complicit in its progression are viewed as problematic from a business and human rights principle's perspective.

On Financial and Economic Education

The "Japan FSA Strategic Priorities July 2022-June 2023" stated that, "In order to enable individuals to select appropriate financial instruments and services that suit their needs and life plans and to achieve stable asset formation through diversified investment, it is important to enhance people's financial literacy. For that purpose, financial and economic education should be provided to a wide range of generations. Schools and workplaces have so far provided opportunities for financial and economic education, including that on asset formation, but they have been limited."

The JBA, individual financial institutions, and other industry organizations have been providing information and financial and economic education on asset building in a variety of ways, and will coordinate appropriately with the "system for promoting efforts to provide opportunities for financial and economic education on asset building," which is under consideration by the Japanese government as a whole. In addition, it will be important to incorporate into financial and economic education the contribution to the achievement of SDGs, consideration of ESG factors, and the significance and reality of sustainable finance^{*13}.

Regarding Diversity

The Japanese government recognizes that the source of added value is "human capital," which generates ingenuity and new ideas. In order to promote corporate human investment, the government has been studying ways to enhance the disclosure of non-financial information in securities reports, such as investment initiatives in human capital, and formulated plans to create rules for the disclosure of non-financial information by the end of 2022. In June 2022, the Study Group on Visualization of Nonfinancial Information, established

in the New Form of Capitalism Realization Headquarters, Cabinet Secretariat, after five rounds of discussions, published the Guidelines for Visualization of Human Capital (Draft)^{*14, *15} and an Appendix (Draft)^{*16}. In June 2022, the "Working Group on Corporate Disclosure" of the Financial System Council announced the "Report of Working Group on Corporate Disclosure: Toward the Creation of a Capital Market that will Contribute to Medium- and Long-Term Enhancement in Corporate Value." This report proposes the addition of items such as gender wage gap, ratio of female managers, and ratio of males taking childcare leave to the newly created columns for sustainability information. In November of the same year, the amendment to the Cabinet Office Ordinance stated, "Based on the Act on Promotion of Women's Participation and Advancement in the Workplace, companies and their consolidated subsidiaries that disclose information about the percentage of female managers, percentage of male employees taking childcare leave, and the wage gap between men and women are required to include such indicators in their annual securities reports."

In the Japanese financial industry, there are many institutions where these indicators are not necessarily high in terms of diversity. I would like to add that as banks consider the SDGs and ESG, it is essential for them to improve the diversity of their own human capital in their organizations.

^{*13} In March 2022, the JBA published "Introduction to Sustainable Finance: Using Financial Power to Save the Earth!", a new textbook for high school students.

^{*14} https://www.cas.go.jp/jp/seisaku/atarashii_sihonsyugi/wgkaisai/hizaimu_dai6/siryou1.pdf (Japanese only)

^{*15} The draft guidelines mention that related laws and regulations already require disclosure regarding the following as a matter related to human capital: the ratio of female workers among hired workers, the ratio of female workers among workers in managerial positions, the difference in years of continuous employment between men and women, the average overtime hours per month, the ratio of the use of paid leave, the ratio of mid-career hires of regular employees to the number of hired regular employees, the rate of men taking childcare leave, and the rate of men taking childcare leave for childcare purposes.

^{*16} Examples of disclosure items are detailed in the five areas of (1) employee engagement, (2) mobility, (3) diversity, (4) health and safety, and (5) labor practices and compliance.

JBA's 2022 SDG-related Publications

1. Further Promoting the SDGs/ESG initiatives Implemented by Member Banks	
Publication of JBA SDGs REPORT 2021-2022 (final version)	https://www.zenginkyo.or.jp/news/2022/n061601/ (Japanese only) https://www.zenginkyo.or.jp/fileadmin/res/en/outline/sdgs/SDGsreport_2021-2022e.pdf
Review of Key Initiatives regarding SDGs by the Japanese Bankers Association, and publication of JBA SDGs REPORT 2022-2023 (preliminary version)	https://www.zenginkyo.or.jp/news/2023/n031602/ (Japanese only) https://www.zenginkyo.or.jp/fileadmin/res/en/outline/sdgs/initiative_2023e_0.pdf
2. Fulfilling the Role Expected of the Banking Industry in Achieving a Sustainable Society, such as a "Just Transition" to Carbon Neutrality/Net Zero Emissions by 2050	
JBA comments on the Draft Code of Conduct for ESG Evaluation and Data Providers	https://www.zenginkyo.or.jp/fileadmin/res/abstract/opinion/opinion340905.pdf (Japanese only)
JBA announces "Carbon Neutrality Initiative 2023"	https://www.zenginkyo.or.jp/en/news/2023/021601/
Publication of "The Banking Industry's efforts for Climate Change"	https://www.zenginkyo.or.jp/news/2022/n062701/ (Japanese only)
Launch of a special website on the banking industry's efforts for climate change	https://www.zenginkyo.or.jp/news/2022/n121501/ (Japanese only)
Release of "First Steps Toward Decarbonization"	https://www.zenginkyo.or.jp/news/2023/n013001/ (Japanese only)
JBA comments on the Second GFIT Taxonomy Consultation Paper: "Identifying a Green Taxonomy and Relevant Standards for Singapore and ASEAN"	https://www.zenginkyo.or.jp/fileadmin/res/en/news/news220623.pdf
JBA comments on the Platform for Sustainable Finance's draft report on minimum safeguards	https://www.zenginkyo.or.jp/fileadmin/res/en/news/news220905.pdf
JBA comments on the ISSB Exposure Draft: "IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information"	https://www.zenginkyo.or.jp/fileadmin/res/en/news/news220729.pdf
JBA comments on the ISSB Exposure Draft: "IFRS S2 Climate-related Disclosures"	https://www.zenginkyo.or.jp/fileadmin/res/en/news/news220739.pdf
JBA comments on the FSB Interim Report: "Supervisory and Regulatory Approaches to Climate-related Risks"	https://www.zenginkyo.or.jp/fileadmin/res/en/news/news220630.pdf
JBA comments on the Federal Deposit Insurance Corporation's draft Principles for Climate-Related Financial Risk Management for Large Financial Institutions	https://www.zenginkyo.or.jp/fileadmin/res/en/news/news220603.pdf
JBA comments on the SEC Proposed Rule: "The Enhancement and Standardization of Climate-Related Disclosures for Investors"	https://www.zenginkyo.or.jp/fileadmin/res/en/news/news220617.pdf
JBA comments on "A Sector-Neutral Framework for private sector transition plans" by the Transition Plan Taskforce (TPT)	https://www.zenginkyo.or.jp/fileadmin/res/en/news/news220713.pdf

JBA's 2022 SDG-related Publications

JBA comments on the EBA Discussion Paper: "The Role of Environmental Risks in the Prudential Framework"	https://www.zenginkyo.or.jp/fileadmin/res/en/news/news220802.pdf
JBA comments on "Core Carbon Principles Assessment Framework and Assessment Procedure" by the Integrity Council for the Voluntary Carbon Market (IC-VCM)	https://www.zenginkyo.or.jp/fileadmin/res/en/news/news220927.pdf
JBA comments on the draft Principles for Climate-Related Financial Risk Management for Financial Institutions proposed by the Board of Governors of the Federal Reserve System	https://www.zenginkyo.or.jp/fileadmin/res/en/news/news230206.pdf
JBA comments on the Consultation Report "Compliance Carbon Markets" by the International Organization of Securities Commissions (IOSCO)	https://www.zenginkyo.or.jp/fileadmin/res/en/news/news230210.pdf
JBA comments on the Discussion Paper "Voluntary Carbon Markets" by the International Organization of Securities Commissions (IOSCO)	https://www.zenginkyo.or.jp/fileadmin/res/en/news/news230240.pdf
JBA comments on the "Supervisory Guidance on Climate-related Risk Management and Client Engagement (Draft)"	https://www.zenginkyo.or.jp/fileadmin/res/abstract/opinion/opinion340526.pdf (Japanese only)
JBA comments on the "Guidelines Concerning the Activities of Enterprises, etc. Toward the Realization of a Green Society Under the Antimonopoly Act (Draft)"	https://www.zenginkyo.or.jp/fileadmin/res/abstract/opinion/opinion350270.pdf (Japanese only)
JBA comments on the "Carbon Credit Report (Draft)"	https://www.zenginkyo.or.jp/fileadmin/res/abstract/opinion/opinion340513.pdf (Japanese only)
JBA comments on the "Revised Green Bond and Sustainability-Linked Bond Guidelines 2022 (Draft)" and the "Revised Green Loan and Sustainability-Linked Loan Guidelines 2022 (Draft)"	https://www.zenginkyo.or.jp/fileadmin/res/abstract/opinion/opinion340518.pdf (Japanese only)
JBA comments on the "Basic Policy for the Realization of GX"	https://www.zenginkyo.or.jp/fileadmin/res/abstract/opinion/opinion350120.pdf (Japanese only)
Revision of JBA targets in Keidanren's "Carbon Neutrality Action Plan"	https://www.zenginkyo.or.jp/news/2023/n012001/ (Japanese only)
Status of the setting of environmental goals at JBA	https://www.zenginkyo.or.jp/abstract/efforts/contribution/csr/environment/environment02/ (Japanese only)
Participation in the Taskforce on Nature-related Financial Disclosures (TNFD) Forum	https://www.zenginkyo.or.jp/news/2022/n121502/ (Japanese only)
JBA comments on the TNFD Nature-related Risk & Opportunity Management and Disclosure Framework Beta v0.1	https://www.zenginkyo.or.jp/fileadmin/res/en/news/news220438.pdf
JBA comments on the TNFD Nature-related Risk & Opportunity Management and Disclosure Framework Beta v0.2	https://www.zenginkyo.or.jp/fileadmin/res/en/news/news220922.pdf
JBA comments on the TNFD Nature-related Risk & Opportunity Management and Disclosure Framework Beta v0.3	https://www.zenginkyo.or.jp/fileadmin/res/en/news/news230250.pdf
Updated "JBA eco map"	https://www.zenginkyo.or.jp/news/2022/n093001/ (Japanese only)

JBA comments on the TPT Disclosure Framework and the TPT Implementation Guidance	https://www.zenginkyo.or.jp/fileadmin/res/en/news/news230228.pdf
JBA comments on the Third GFIT Taxonomy Consultation Paper: "Identifying a Green Taxonomy and Relevant Standards for Singapore and ASEAN"	https://www.zenginkyo.or.jp/fileadmin/res/en/news/news230315.pdf
JBA comments on the "Next National Biodiversity Strategy (Draft)"	https://www.zenginkyo.or.jp/fileadmin/res/abstract/opinion/opinion350238.pdf (Japanese only)
JBA comments on the "Guidelines for Private Sector Engagement in Biodiversity (Version 3) (Draft)"	https://www.zenginkyo.or.jp/fileadmin/res/abstract/opinion/opinion350248.pdf (Japanese only)
JBA comments on the "Carbon Footprint Report (Draft)" and the "Carbon Footprint Guidelines (Draft)"	https://www.zenginkyo.or.jp/fileadmin/res/abstract/opinion/opinion350302.pdf (Japanese only)
3. Implementing Activities for Regional Economic Revitalization and Local Invigoration (Japanese only)	
Regional revitalization initiatives (questionnaires)	https://www.zenginkyo.or.jp/abstract/efforts/contribution/sousei/
4. Improving the Financial Literacy of Japanese Nationals by Promoting Financial Literacy Education Activities (Japanese only)	
[JBA x SCRAP] Publication of financial and economic education website for collaboration with Real Escape Game: "Improving My Money Skills After Reincarnating in Another World and Mastering Magic"	https://www.zenginkyo.or.jp/news/2023/n020101/
Publication of "Important Story about Money and Lowering the Age of Majority" website	https://www.zenginkyo.or.jp/news/2022/n040801/
Commissioning of Tochigi Shonan High School as a "Designated School for Financial Literacy Education Research" for FY2022	https://www.zenginkyo.or.jp/news/2022/n053101/
Commissioning of Toyama Prefectural Shikino High School to conduct "Educational Activities to Prevent Special Types of Fraud" in FY2022	https://www.zenginkyo.or.jp/news/2022/n051601/
Publication of report on "Schools Designated for Financial Literacy Education Research" in FY2022	https://www.zenginkyo.or.jp/education/support/support01/r/4/tochigishonan-h/
"Educational Activities to Prevent Special Types of Fraud" at Toyama Prefectural Shikino High School	https://www.zenginkyo.or.jp/news/2023/n033102/
Release of "Maneran," an investment learning app	https://www.zenginkyo.or.jp/news/2023/n031601/
5. Promoting Wider Access to Finance and Financial Services for the Elderly and Other Users (Japanese only)	
JBA comments on the "Basic Policy on the Promotion of Eliminating Discrimination against Persons with Disabilities (Revised Draft)"	https://www.zenginkyo.or.jp/fileadmin/res/abstract/opinion/opinion350113.pdf
6. Promoting Digitization and Providing Safe, Secure, and Highly-Convenient Financial Services	
Implementation of the Digital Invoice and Payment Linkage Service Development Grant Project	https://www.zengin-net.jp/announcement/pdf/announcement_20220801.pdf (Japanese only)

Determination of grantee businesses for the Digital Invoice and Payment Linkage Service Development Grant Project	https://www.zengin-net.jp/announcement/pdf/announcement_20230119.pdf (Japanese only)
Setting and implementing a Month for Strengthening Digital Settlement and Accounting Operations	https://www.zenginkyo.or.jp/news/2022/n101801/ (Japanese only)
Summary of discussions (Zengin-Net Experts Meeting, Task Force for the Next-Generation Payment Systems, ZEDI Utilization and Promotion Working Group), and Zengin-Net Research Report	https://www.zengin-net.jp/zengin_net/epm_tf/ (Japanese only)
Establishment of the "Task Force for the Next-Generation Payment Systems" and related working groups in FY2022	https://www.zengin-net.jp/announcement/pdf/announcement_20220414.pdf (Japanese only)
Expansion of Qualification for Participation in the Zengin System	https://www.zengin-net.jp/en/announcement/pdf/announcement_20220915.pdf
Expansion of Qualification for Participation in the Zengin System: Update	https://www.zengin-net.jp/en/announcement/pdf/announcement_20221007.pdf
Revision of "Voluntary Action Plan for the Full Digitization of Bills and Checks"	https://www.zenginkyo.or.jp/news/2022/n061701/ (Japanese only)
Launch of the Electronic Exchange System	https://www.zenginkyo.or.jp/news/2022/n071901/ (Japanese only)
Notice of the start of exchange payments for electronic exchanges	https://www.zenginkyo.or.jp/news/2022/n110401/ (Japanese only)
Densai Seminars (online seminars, Seminars Regarding the Total Digitization of Bills and Checks)	https://www.densai.net/support/seminar/ (Japanese only)
Implementation of the "Month for Promotion of densai" (November 2022)	https://www.densai.net/info/20221018-8447/ (Japanese only)
Request for promotion of electronic payment of taxes and public dues	https://www.zenginkyo.or.jp/news/opinion/2022/111401/ (Japanese only)
Building of the API Gateway and the Formulation of the Basic Policy for the Next-Generation Zengin System	https://www.zengin-net.jp/en/announcement/pdf/announcement_20230316.pdf
Research Report on the Digitization Status of Bill and Check Functions	https://www.zenginkyo.or.jp/news/2023/n033101/ (Japanese only)
7. Implementing Measures to Prevent Financial Crimes and Money Laundering, and Actions to Meet FATF Recommendations (Japanese only)	
Publication of video to raise awareness for the prevention of damage caused by special types of fraud	https://www.youtube.com/playlist?list=PLKyyzrZ65OFZ5pnPnuG2U8vdF1awVhH6
Public relations activities to prevent money laundering and the financing of terrorism	https://www.zenginkyo.or.jp/money-laundering/

8. Expanding Initiatives in Light of Trends Regarding Human Rights and Diversity (Japanese only)

Efforts to protect human rights (human rights maxims, lectures on human rights and the issues of discrimination against social minorities based on descent)	https://www.zenginkyo.or.jp/abstract/efforts/contribution/human-rights/#
JBA comments on "Guidelines on Respecting Human Rights in Responsible Supply Chains (Draft)"	https://www.zenginkyo.or.jp/fileadmin/res/abstract/opinion/opinion340829.pdf
Revision of the "JBA Code of Conduct"	https://www.zenginkyo.or.jp/news/2022/n091501/

