



**日本証券業協会**  
Japan Securities Dealers Association

# **Declaration on Promoting Sustainable Finance**

July 20, 2022

## Declaration on Promoting Sustainable Finance

Whereas recognizing our mission is to establish a sound securities market that is consistent with the society, highly reliable and transparent in order to contribute to the realization of a sustainable society and the achievement of carbon neutrality by 2050, we declare as follows.

**We in the securities industry:**

- 1** regard sustainable finance as infrastructure to realize a sustainable society, and promote this through the fund-raising and -supply functions of the securities market.
- 2** welcome actions by market participants taking into account the medium- to long-term sustainability, including ESG factors.
- 3** strive to undertake active cooperation and collaboration with various stakeholders, further increase the sense of ownership, and fulfill the roles that the securities industry should play.

Specific policies and measures to promote sustainable finance are described in the Annex to this Declaration.

July 20, 2022 : Japan Securities Dealers Association (JSDA)

## Annex to Declaration on Promoting Sustainable Finance

- 1** Seek to create positive impacts through securities investments  
The securities industry seeks to create more positive impacts on the environment and society while securing appropriate risk-return if conditions such as risk and return are equal or similar compared to other investments.
- 2** Contribute to the shift to decarbonization through transition finance  
In order to contribute to a steady transition to decarbonization, the securities industry promotes transition finance, which provides funds for decarbonization or low-carbon investments, not only in green projects but also in sectors where it is difficult to reduce emissions.
- 3** Develop market participants' capacities with regards to sustainable finance  
The securities industry promotes initiatives to develop human resources in order to contribute to deepening market participants' understanding and knowledge of sustainable finance.
- 4** Promote sustainable finance to individual investors  
The securities industry actively disseminates, permeates and promotes the significance of sustainable finance to a wide range of people including individual investors and students.
- 5** Strengthen cooperation and collaboration with domestic and overseas counterparts  
The securities industry further strengthens cooperation and collaboration with stakeholders on the promotion of sustainable finance, including counterparts in Japan and overseas, and speeds up initiatives to promote sustainable finance from various angles.

# Action Plan Summary

(As of July 20, 2022)

	Specific measures	Time-frame	Methods for publication
1 Seek to create positive impacts through securities investments	<ol style="list-style-type: none"> <li>1. Publish the Japanese translation of "Harmonised Framework for Impact Reporting" issued by ICMA and other documents to contribute to the preparation of impact reporting by issuers.</li> <li>2. Set up a portal on the JSDA's website through which people can access the tools on impact finance and impact reporting published by initiatives such as GIIN, GSG, IMP and ISSB, and the guidelines on non-financial reporting frameworks published by the SASB, GRI, etc.</li> </ol>	<ol style="list-style-type: none"> <li>1. Planned to be done during fiscal 2022</li> <li>2. Planned to be done during fiscal 2022</li> </ol>	<ol style="list-style-type: none"> <li>1. Planned to be published on the ICMA website and the JSDA website</li> <li>2. Planned to be published on the JSDA website</li> </ol>
2 Contribute to the shift to decarbonization through transition finance	<ol style="list-style-type: none"> <li>1. (For market participants) Hold study sessions for market participants on sector-specific roadmaps published mainly by the METI.</li> <li>2. Exchange information on transition finance within Asia in the Study Group on Transition Finance under the Asian Securities Forum (ASF), for which the JSDA serves as the secretariat.</li> <li>3. Undertake various initiatives related to transition finance, including joint events with ICMA.</li> </ol>	<ol style="list-style-type: none"> <li>1. Held sequentially from April 2022</li> <li>2. During fiscal 2022</li> <li>3. During fiscal 2022</li> </ol>	<ol style="list-style-type: none"> <li>1. Online hosting</li> <li>2. Online information sharing</li> <li>3. Communications using the JSDA website</li> </ol>
3 Develop market participants' capacities with regards to sustainable finance	<ol style="list-style-type: none"> <li>1. (For issuers) In continuing the training program with ICMA, review the contents to make it more meaningful for issuers of SDG bonds.</li> <li>2. (For securities companies) Update the contents of the "Guidebook on Financial Instruments Contributing to the SDGs" published by the JSDA.</li> </ol>	<ol style="list-style-type: none"> <li>1. Planned to be held during fiscal 2022</li> <li>2. Revised and published in March 2022</li> </ol>	<ol style="list-style-type: none"> <li>1. Assumed to be held online (Depending on the situation, consider hybrid format of online and in-person)</li> <li>2. Published on the JSDA website</li> </ol>

# Action Plan Summary

**4** Promote sustainable finance to individual investors

Specific measures	Time-frame	Methods for publication
<ol style="list-style-type: none"> <li>1. Develop contents that contribute to understanding the significance of sustainable finance in the "Time for Investment" section of the JSDA website for individual investors.</li> <li>2. Subject to individual investors' increased knowledge on ESG investment, consider collecting and publishing methods and examples of ESG investment in listed stocks by individual investors.</li> </ol>	<ol style="list-style-type: none"> <li>1. Planned to be developed during fiscal 2022</li> <li>2. Planned to be considered during fiscal 2022</li> </ol>	<ol style="list-style-type: none"> <li>1. Planned to be published on the ICMA website and the JSDA website</li> <li>2. Planned to be published on the JSDA website</li> </ol>

**5** Strengthen cooperation and collaboration with domestic and overseas counterparts

<ol style="list-style-type: none"> <li>1. Appropriately express the securities industry's views on proposed standards for sustainability reporting. &lt;The Working Group on Sustainability Standards was established under the Sustainable Finance Promotion Committee&gt;</li> <li>2. Actively collaborate and cooperate with the Sustainable Finance Platform Development Working Group set up in the JPX regarding ESG-related platforms and other measures.</li> <li>3. Exchange views on current issues, as well as domestic and international trends, related to sustainable finance among relevant parties, and express views to the authorities, if appropriate.</li> <li>4. Reflect on measures related to sustainable finance while paying attention to necessary collaboration with domestic and overseas stakeholders such as relevant authorities and GFANZ.</li> <li>5. Continue the ongoing collaboration with ICMA.</li> </ol>	Sequentially implemented during fiscal 2022	Sequentially cooperate and communicate at each committee/meeting, etc.
---	---	--