

The Proposal

Partial amendment to the Articles of Incorporation (disclosure of a plan outlining the company's business strategy to align its financing and investments with the goals of the Paris Agreement)

Proposal details

The following clause shall be added to the Articles of Incorporation:

“The company shall adopt and disclose in its annual reporting a plan outlining its business strategy, including metrics and short-, medium- and long-term targets, to align its financing and investments with the goals of the Paris Agreement.”

Reasons for proposal

The aim of the proposal is to manage the company's exposure to climate change risks, and maintain and increase its corporate value.

The Paris Agreement aims to strengthen the global response to the threat of climate change by limiting global temperature rise to well below 2 degrees Celsius above pre-industrial levels and preferably to 1.5 degrees Celsius, and making finance flows consistent with a pathway towards that goal.

Although the company has enacted environmental, social and governance policies, it continues to provide significant finance to fossil fuel expansion and deforestation, which has fallen far short of aligning with the Paris Agreement goals. Under the Japanese government's carbon neutrality goal by 2050, this presents a significant financial and reputational risk to the company. Therefore, it is proposed to add the clause to the Articles of Incorporation.