

# **FY 2024 TCFD Consortium Member Survey Result**

**30 September 2024**

**TCFD Consortium**



# List of Questions(1/3)

## [Common question]

| Question    | Financial institutions  | Non-financial institutions |
|-------------|---|----------------------------|
| Question 3  | What market segment does your company belong to? (Select one)   |                            |
| Question 4  | What motivated your institution to join the TCFD Consortium? (Multiple choice)  |                            |
| Question 5  | How has your company responded to TCFD recommendations? Please indicate the year in which your company made first disclosure in response to TCFD recommendations. If not, please indicate the expected year of disclosure. (Select one)   |                            |
| Question 6  | For respondents who chose option a. to e. in Question 5 (those who have already disclosed information based on TCFD recommendations): what media does your company utilize to disclose information based on TCFD recommendations? (Multiple choice)   |                            |
| Question 7  | For respondents who chose option a. to e. in Question 5 (those who have already disclosed information based on TCFD recommendations): is assurance to the disclosed information provided by an independent organization? (Select one)   |                            |
| Question 8  | What are the challenges for your company in further enhancing its TCFD disclosures or starting disclosure in the future? (Multiple choice)  |                            |
| Question 9  | For respondents who chose option a. in Question 8 (lack of organizational support and personnel for disclosure): please describe your company's views on what kind of personnel (e.g., directors, managers, professionals in charge of sustainability topics) are lacking. (Free description) * Optional answer |                            |
| Question 10 | Regarding the 11 recommendations by TCFD, which of the 11 recommendations has your company disclosed information in its publications (e.g., securities reports, integrated reports, environmental reports, websites, etc.)?   |                            |
| Question 11 | What is your company's transition plan? Does your company currently disclose your transition plan in its external publications (securities reports, integrated reports, environmental reports, websites, etc.)? (Select one)  |                            |
| Question 12 | Regarding the seven cross-industry metric categories recommended by TCFD, please indicate which metric category has your company disclosed in its external publications (e.g., securities reports, integrated reports, environmental reports, websites, etc.)?  |                            |
| Question 13 | To those undertaking scenario analysis, please describe your company's scenario analysis disclosure. (Select one)   |                            |
| Question 14 | What were the benefits of supporting and disclosing information according to TCFD recommendations? What are the expected benefits? Please indicate options closest to the situation in your company. (Multiple choice)  |                            |
| Question 15 | The General Requirements (S1) and Climate-related Disclosures (S2) of the IFRS Sustainability Disclosure Standards are published, which, drawing upon the TCFD framework, specify detailed disclosure items. Please indicate how your company is responding. (Select one)                                       |                            |

The results of the responses to questions in red are only disclosed and available for TCFD consortium member companies.

# List of Questions(2/3)

## [Individual question]

| Question    | Financial institutions  | Non-financial institutions  |
|-------------|---|---|
| Question 16 | What medium does your company use to obtain disclosure information the companies financed? (Multiple choice)  | Please indicate the frequency with which climate change information disclosure is discussed in dialogue (engagement) with financial institutions, e.g., investors. (Select one)                   |
| Question 17 | Please respond on the status of utilization of information based on TCFD disclosed by companies included in your company's portfolios. (Multiple choice)  | For respondents who answered a, b and c in Question 16: what questions were asked during the dialogue (engagement) with financial institutions? (Multiple choice)                                 |
| Question 18 | Regarding your company's engagement with financed companies on climate change issues: what aspects of engagement does your company focus on? (Multiple choice)  | Transition financing, which supports companies that are undertaking transition toward decarbonization, is gaining momentum. What is your company's perception of transition finance? (Select one) |
| Question 19 | Please indicate any concerns your company may have with respect to conducting climate-change related engagement with financed companies. (Multiple choice)  |   |
| Question 20 | Does your company analyze the GHG emissions (financed emissions) of your company's portfolio and establish targets? (Select one)  |   |
| Question 21 | For respondents who answered option a in Question 20 (those who have set targets): please indicate the year which your company sets the target. (Select one)  |   |
| Question 22 | For respondents who answered option a to Question 20: please explain your company's targets. (Free description)   |   |
| Question 23 | Transition financing, which supports companies that are promoting a transition toward decarbonization, is gaining momentum. Please inform if you have any requests for transition finance. (Free description) * Optional answer |   |

The results of the responses to questions in red are only disclosed and available for TCFD consortium member companies.

# List of Questions(3/3)

## [Common question]

| Question              |                           | Financial institutions  | Non-financial institutions |
|-----------------------|---------------------------|---|----------------------------|
| Financial institution | Non-financial institution |   |                            |
| Question 24           | Question 19               | If the Consortium decides to collect an annual membership fee of 100,000 yen in the future (from fiscal 2025), would you like to continue participating? Please answer this question assuming that the activities of the TCFD Consortium will remain at current levels. (Select one) [*New additions] |                            |
| Question 25           | Question 20               | Please state your opinion regarding the collection of annual fees (c. ¥100,000) for participation in the TCFD Consortium in the future (from FY 2025). (free description)<br>* Optional answer [*New additions]   |                            |
| Question 26           | Question 21               | If the TCFD Consortium were to charge members an annual membership fee of ¥100,000, how likely would you be to secure the budget? (Select one) [*New additions]   |                            |
| Question 27           | Question 22               | Please indicate the activities to be undertaken by the TCFD Consortium? (Multiple choices allowed) * Optional answer  |                            |
| Question 28           | Question 23               | For respondents who answered option a (publication of guidance, etc.) in Question 27/22. The TCFD Consortium has published TCFD Guidance 3.0 and Green Investment Guidance 2.0. What topics would you like to see in the guidance to be published in the future? (Free description) * Optional answer |                            |
| Question 29           | Question 24               | For respondents who answered option b (education and awareness-raising) in Question 27/22. What specific needs do you have with respect to education and awareness raising? (Multiple choices possible) * Optional answer   |                            |
| Question 30           | Question 25               | For respondents who answered option b., c. in Question 29/24. Please specify the number of seminars/educational programs and the fees. *Optional answer   |                            |
| Question 31           | Question 26               | For respondents who answered option c (position paper or opinion paper) in Question 27/22. Please indicate the topic on which positions paper or opinion paper should be written. (Free description) * Optional answer  |                            |

The results of the responses to questions in red are only disclosed and available for TCFD consortium member companies.

# Survey collection status

- Of the total **866** TCFD Consortium members, **456** responded to the survey (The response rate was **52.7%**. Survey period: **June 7 - July 2, 2024**).
  - ✓ Of the **181** financial institution members, **98** responded to the survey (response rate: **54.1%**).
  - ✓ Of the **685** non-financial institution members, **358** responded to the survey (response rate: **52.3%**).
- In the previous survey (conducted from July to August 2023), **421 institutions (52.5%)** responded.

## Questionnaire response status

|  | Total | Financial | Non-financial |
|--|-------|-----------|---------------|
| Number of TCFD Consortium members (as of beginning of June 2024) | 866   | 181       | 685           |
| Number of responses to the questionnaire                         | 456   | 98        | 358           |
| Response rate  | 52.7% | 54.1%     | 52.3%         |

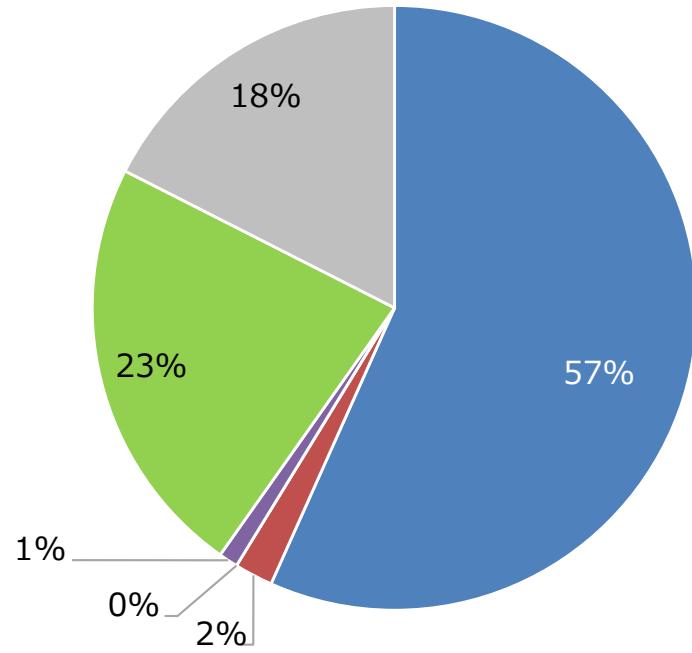
## Overview of the FY 2024 status report (questionnaire results)

- Corporate **website and integrated reports** are the most frequently used disclosure media, but the number of securities reports has increased significantly compared to last year. (Question 6)
- Challenges for companies on TCFD disclosure include insufficient analysis in **specialized areas such as climate scenarios**, inadequate organizational support, and a **shortage of human resources**. (Questions 8)
- Compared to last year's survey, **proportion of disclosure for many of the TCFD recommendations have increased**, but as last year, **strategy (c) on resilience including scenario analysis is slightly lagging the others** (Question 10).
- **Over 30% of financial institutions and nearly 50% of non-financial institutions disclosed their transition plans.** (Question 11)
- Regarding the seven cross-industry metrics proposed by TCFD, the **most disclosed are Scope 1 and 2 emissions, with 90% of respondents disclosing**. **Disclosure of Scope 3 emissions has also progressed compared to last year's survey, with about 70% of respondents disclosing**. On the other hand, capital allocation, internal carbon price (ICP), and compensation are **new items**, and the **disclosure ratio of the respondent companies is currently low**. (Question 12)
- Regarding scenario analysis, over 80% of respondents, both financial and non-financial companies, disclosed qualitative information. For **quantitative analysis**, there was a slight increase from last year, to **70% for financial institutions and 40% for non-financial institutions**. (Question 13)
- Popular view on the merits of TCFD information disclosure are **“deepening internal understanding of our climate-related risks and opportunities”** and **“improving relationship with financial institutions including investors”**. (Question 14)
- **About 40% of non-financial companies expressed interest in transition finance.** (Non-financial Question 18) There are requests on **defining sector-wide transition finance, clarification on transition pathway, and responding to increase in financed emissions**. (Financial Question 23)

## Question 3 (Financial & non-financial institutions)

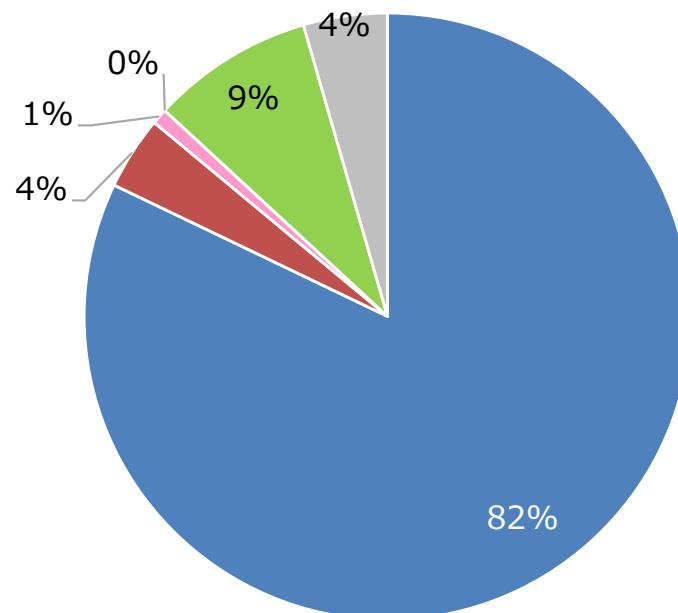
- What market segment does your company belong to? (Select one)

Financial institutions (97 respondents)



- a. Prime market
- b. Standard market
- c. Growth market
- d. Overseas market
- e. Unlisted
- f. Other

Non-financial institutions (358 respondents)



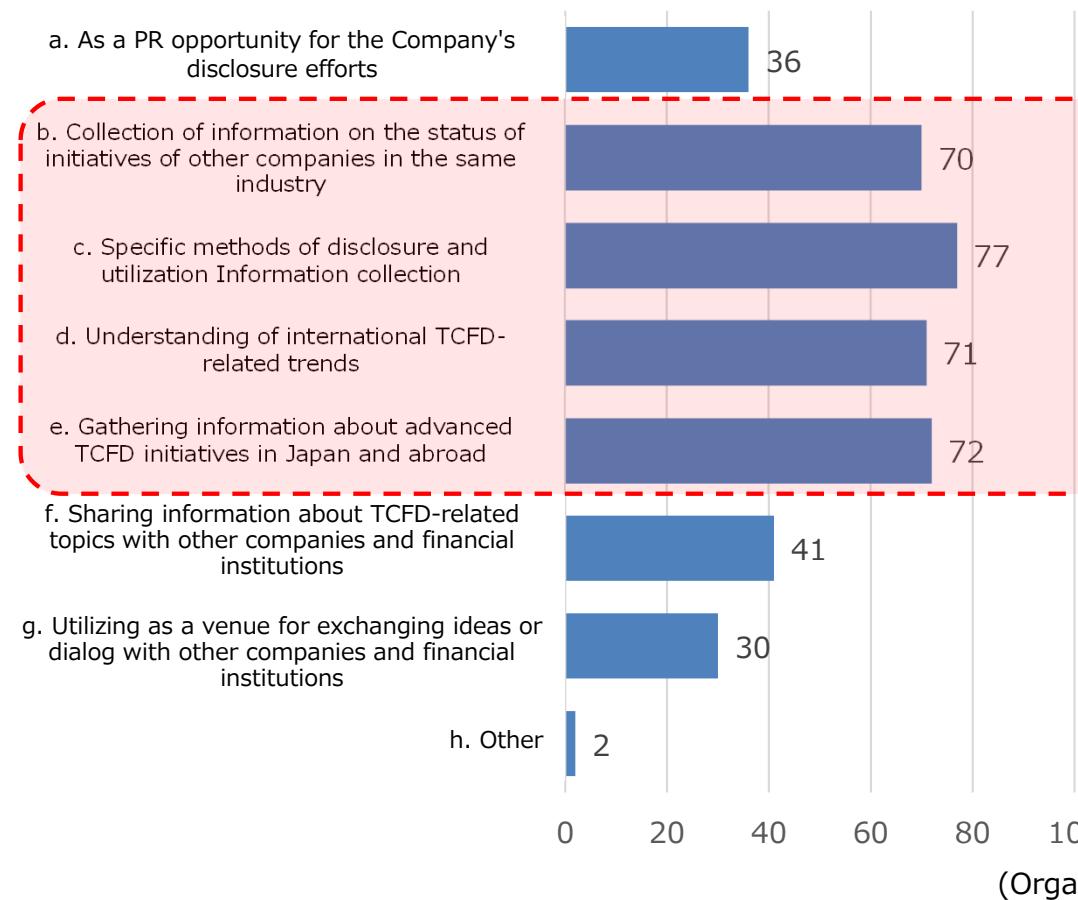
- a. Prime market
- b. Standard market
- c. Growth market
- d. Overseas market
- e. Unlisted
- f. Other

- About 80% of non-financial institution respondents are companies listed on the Prime Market. Financial institutions, on the other hand, have a high proportion of unlisted companies, but this is due to asset management companies and others which are subsidiaries.
- The proportion of those listed on the Standard and the Growth markets are about 5% for both financial institutions and non-financial institutions.

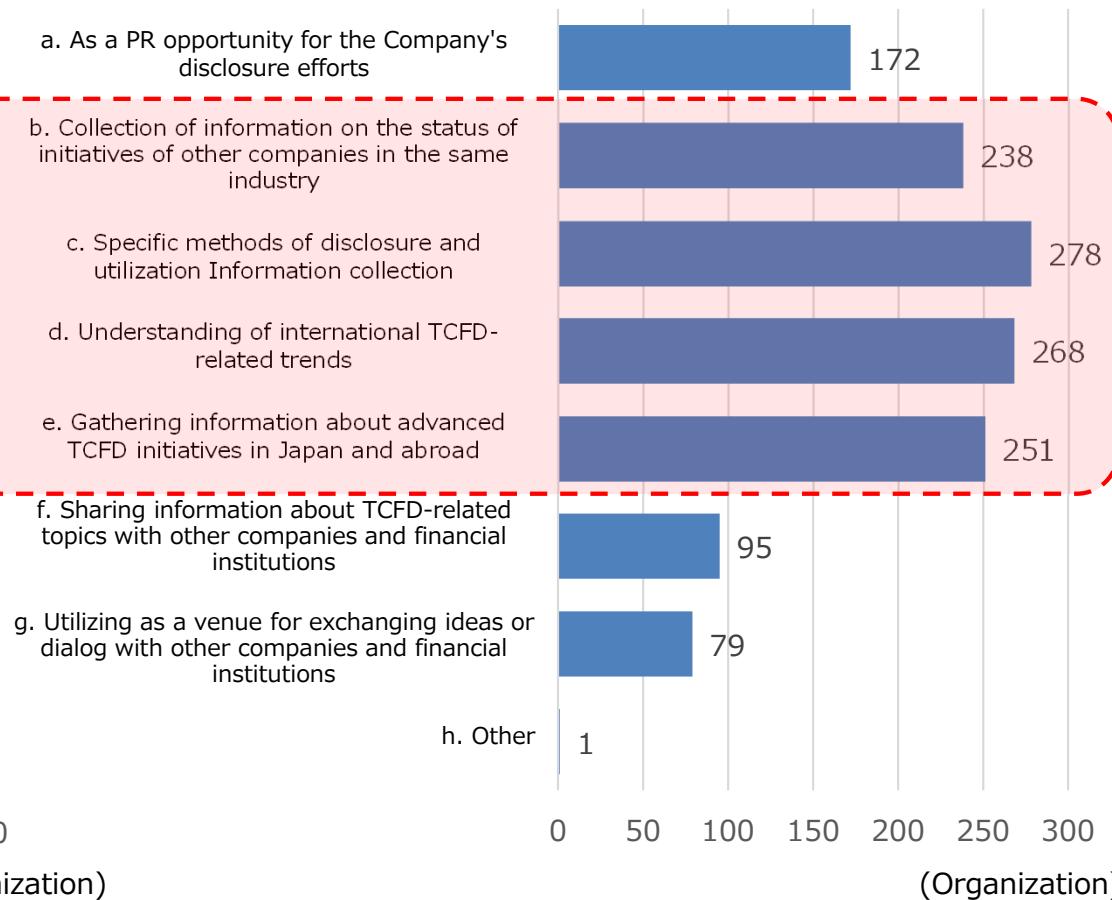
## Question 4 (Financial & non-financial institutions)

- What motivated your institution to join the TCFD Consortium? (Multiple choice)

**Financial institutions (98 respondents)**



**Non-financial institutions (358 respondents)**

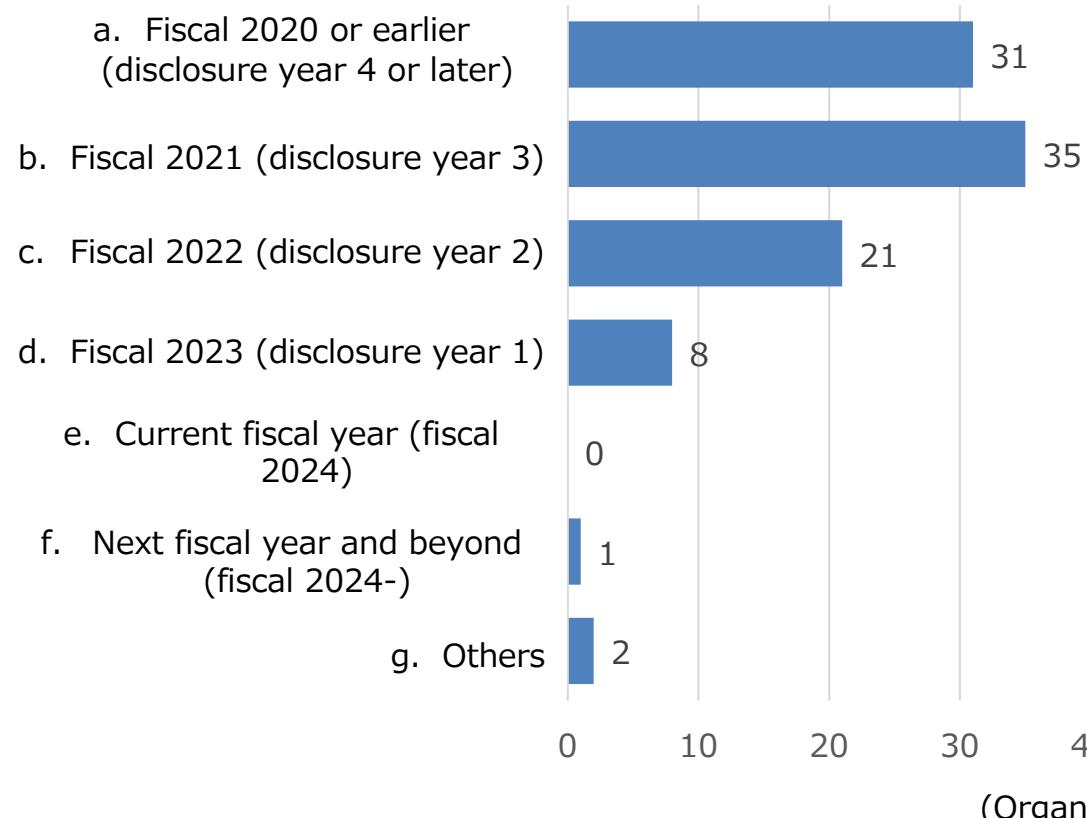


- Popular responses were options b to e (**Collecting information and understanding trends**) for both financial and non-financial institutions.
- The proportion of respondents selecting option a (PR for disclosure) is relatively higher for non-financial institutions, and proportion selecting options f and g (information sharing, exchanging ideas) were higher for financial institutions.

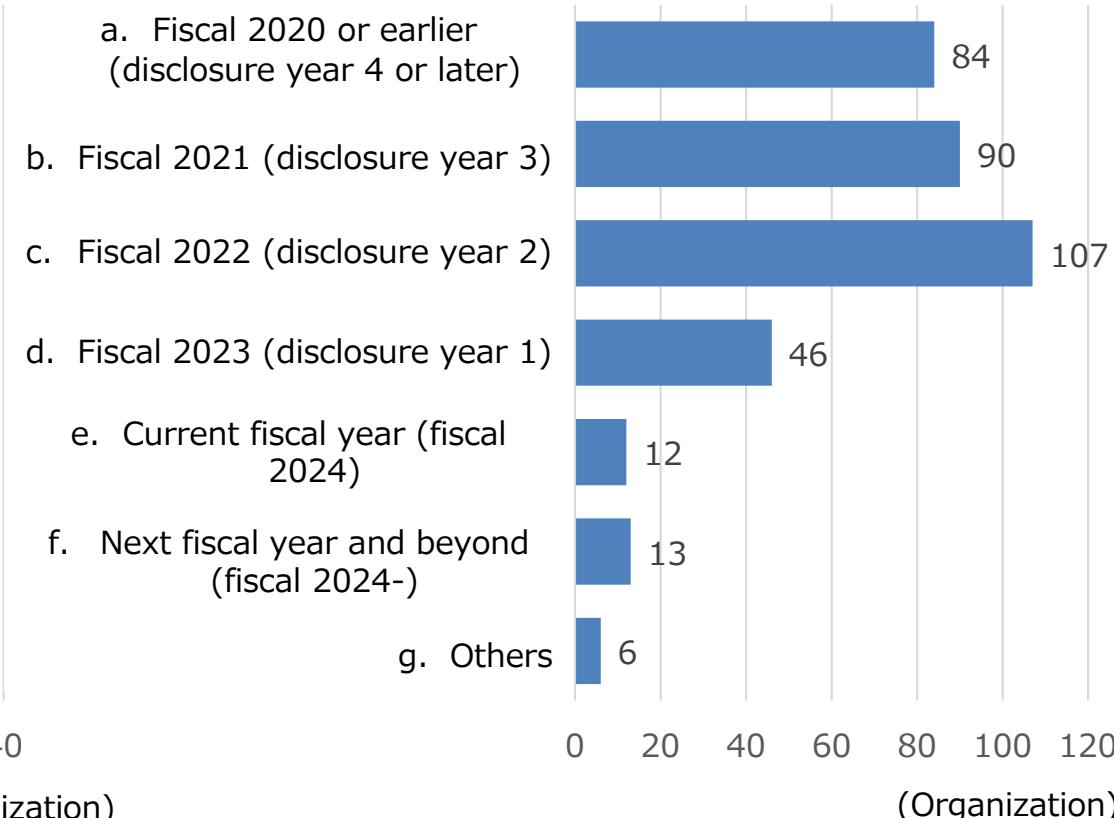
## Question 5 (Financial & non-financial institutions)

- How has your company responded to TCFD recommendations? Please indicate the year in which your company made first disclosure in response to TCFD recommendations. If not, please indicate the expected year of disclosure. (select one)

**Financial institutions (98 respondents)**



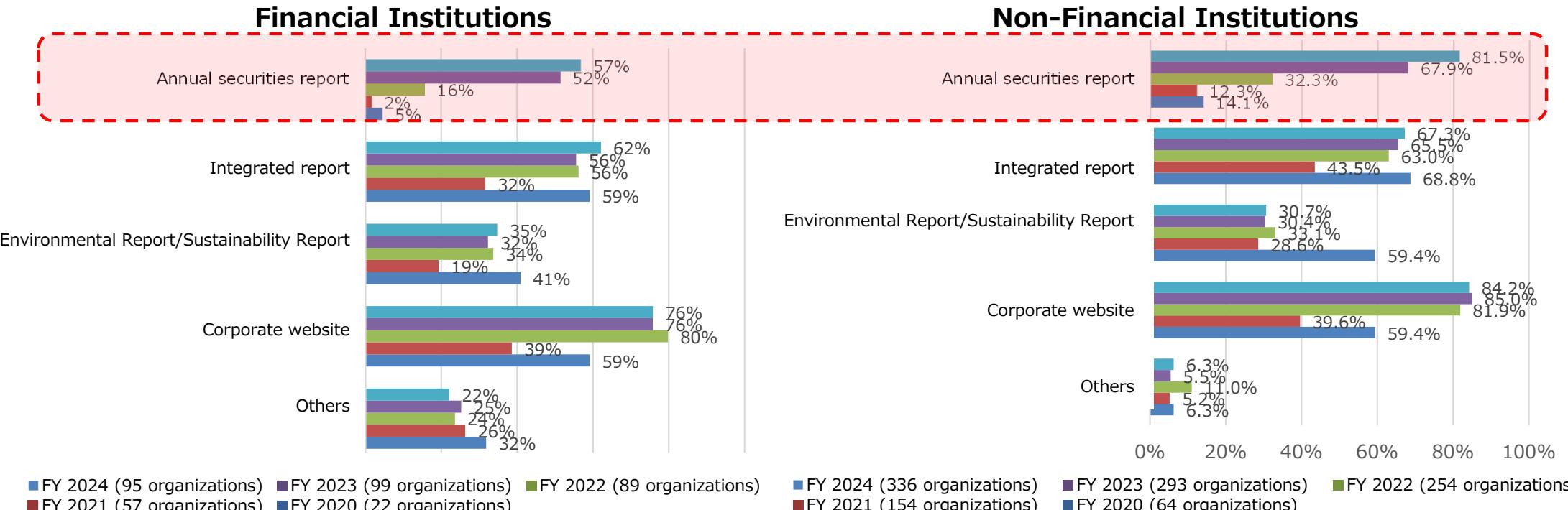
**Non-financial institutions (358 respondents)**



- For companies listed in the Prime market, disclosures peaked in 2022, triggered by the response to Corporate Governance Code (many of the companies which began disclosure at a later time include Standard and Growth market participants.)
- For both financial and non-financial institutions, most of those which responded option g (others) indicated no plan to disclose.

# Question 6 (Financial & non-financial institutions)

- For respondents who chose options a. to e. in Question 5 (those who have already disclosed information based on TCFD recommendations): what media does your company utilize to disclose information based on TCFD recommendations? (Multiple choice)



■ FY 2024 (95 organizations) ■ FY 2023 (99 organizations) ■ FY 2022 (89 organizations)  
■ FY 2021 (57 organizations) ■ FY 2020 (22 organizations)

■ FY 2024 (336 organizations) ■ FY 2023 (293 organizations) ■ FY 2022 (254 organizations)  
■ FY 2021 (154 organizations) ■ FY 2020 (64 organizations)

|  | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 |
|--|---------|---------|---------|---------|---------|
| annual securities report                   | 1       | 1       | 14      | 51      | 54      |
| Integrated report                          | 13      | 18      | 50      | 55      | 59      |
| Environmental Report/Sustainability Report | 9       | 11      | 30      | 32      | 33      |
| home page                                  | 13      | 22      | 71      | 75      | 72      |
| Others                                     | 7       | 15      | 21      | 25      | 21      |
| Number of responses                        | 22      | 57      | 89      | 99      | 95      |

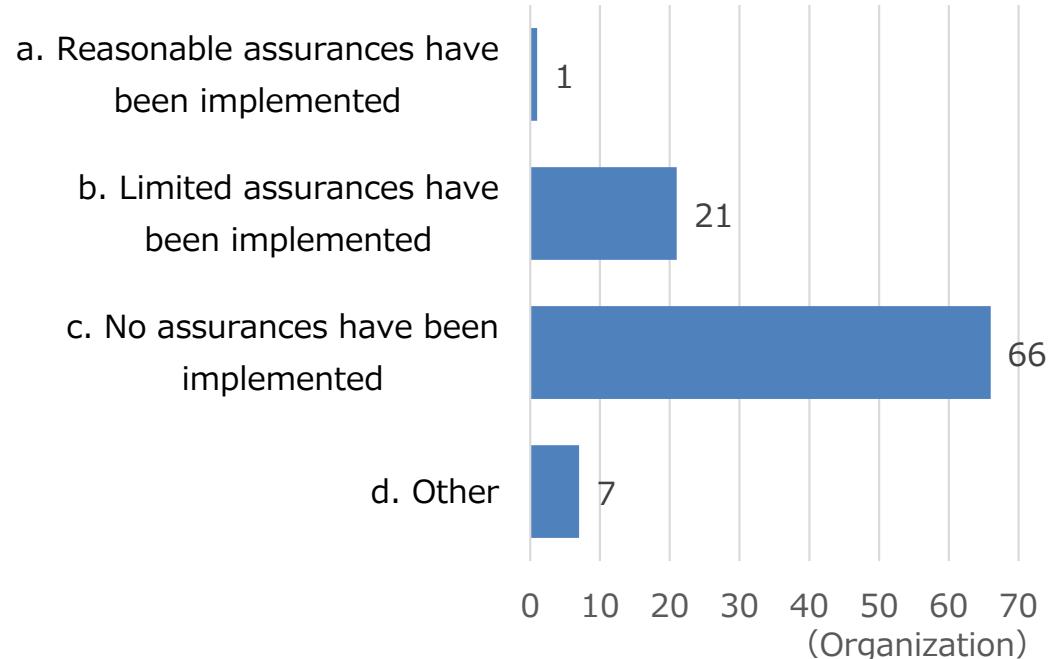
|  | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 |
|--|---------|---------|---------|---------|---------|
| annual securities report                   | 9       | 19      | 82      | 199     | 274     |
| Integrated report                          | 44      | 67      | 160     | 192     | 226     |
| Environmental Report/Sustainability Report | 38      | 44      | 84      | 89      | 103     |
| home page                                  | 38      | 61      | 208     | 249     | 283     |
| Others                                     | 4       | 8       | 28      | 16      | 21      |
| Number of responses                        | 64      | 154     | 254     | 293     | 336     |

- It is inferred that in addition to other media, more companies are promoting disclosure in securities reports due to the revision of the Cabinet Office Ordinance in January 2023, and their proportion is now matching those listed on the Prime market.
- However, in terms of popularity, the largest number of companies disclose information on their own websites, similar to the survey conducted last year.

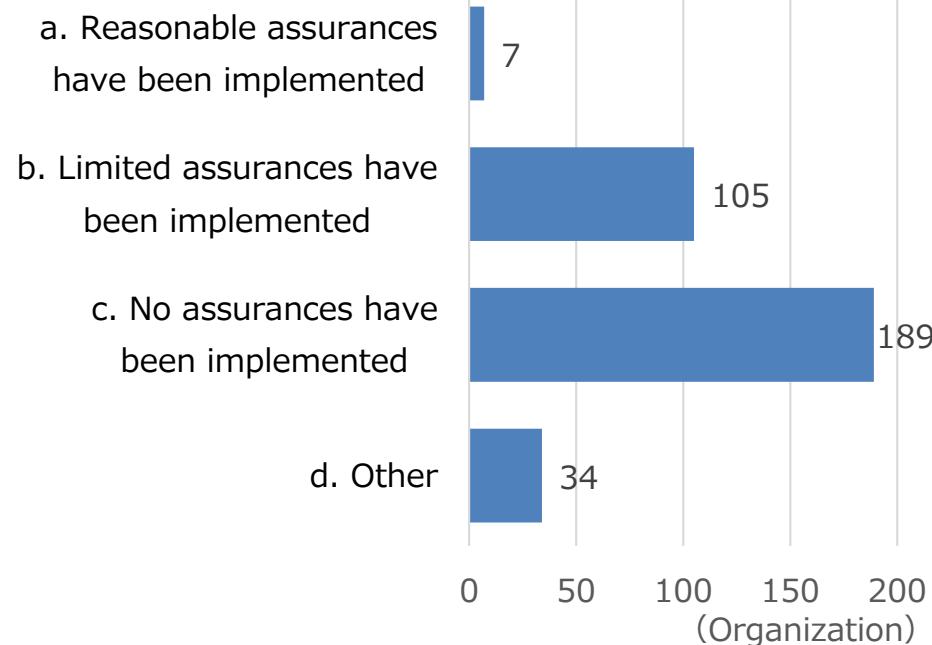
## Question 7 (Financial & non-financial institutions)

- For respondents who chose options a. to e. in Question 5 (those who have already disclosed information based on TCFD recommendations): is external assurance to the disclosed information provided by an independent organization? (select one)

**Financial institutions (95 respondents)**



**Non-financial institutions (335 respondents)**



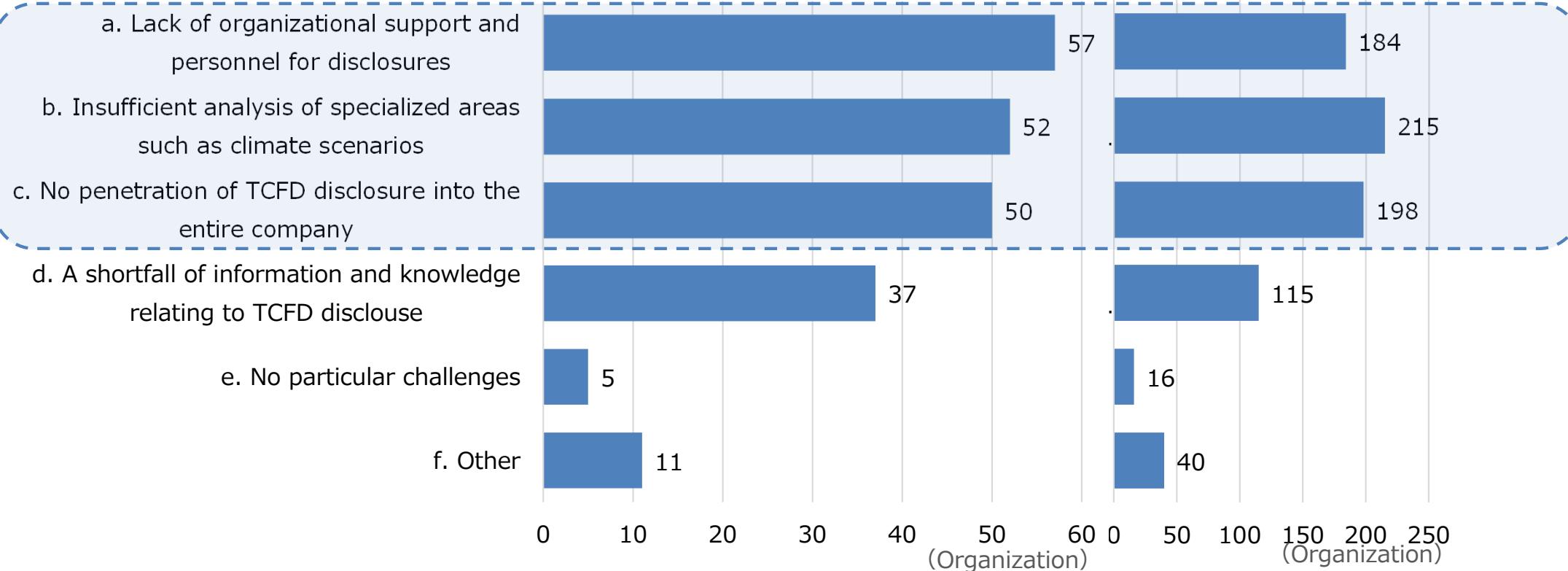
- While option c (no assurances) attracted the highest proportion of respondents, 20% of financial institutions and 30% of non-financial institutions provide external assurance (mostly limited assurance).

## Question 8 (Financial & non-financial institutions)

- What are the challenges for your company in further enhancing its TCFD disclosures or starting disclosure in the future? (Multiple choice)

**Financial institutions (98 respondents)**

**Non-financial institutions (358 respondents)**



- In order to further enhance TCFD disclosure, the majority of both financial institutions and non-financial institutions expressed the opinion that there is a **lack of organizational support and personnel, and sufficient analysis is not being done in specialized areas** such as climate scenarios. In addition, TCFD disclosure is deemed **not to have penetrated throughout the company**.

# Questions 10 and 12 (Financial & non-financial institutions)

- The definition of the 11 disclosure recommendations that break down the four core elements recommended by TCFD is shown in the matrix below.
- The seven cross-industry metric categories recommended for disclosure in the October 2021 revision are shown below.

## 11 Disclosure Recommendations of TCFD

| TCFD four core elements   | Governance   | Strategy  | Risk Management  | Metrics and Targets   |
|---------------------------|--|---|--|---|
| Four themes               | <ul style="list-style-type: none"> <li>• Disclose the organization's governance around climate-related risks and opportunities.</li> </ul> | <ul style="list-style-type: none"> <li>• Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.</li> </ul> | <ul style="list-style-type: none"> <li>• Disclose how the organization identifies, assesses, and manages climate-related risks.</li> </ul>               | <ul style="list-style-type: none"> <li>• Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.</li> </ul> |
| 11 Recommended Disclosure | A) Describe the board's oversight of climate-related risks and opportunities.  | A) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.  | A) Describe the organization's processes for identifying and assessing climate-related risks.  | A) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.   |
|                           | B) Describe management's role in assessing and managing climate-related risks and opportunities.   | B) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.   | B) Describe the organization's processes for managing climate-related risks.   | B) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.   |
|                           |  | C) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.  | C) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management. | C) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.   |

Source: Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures

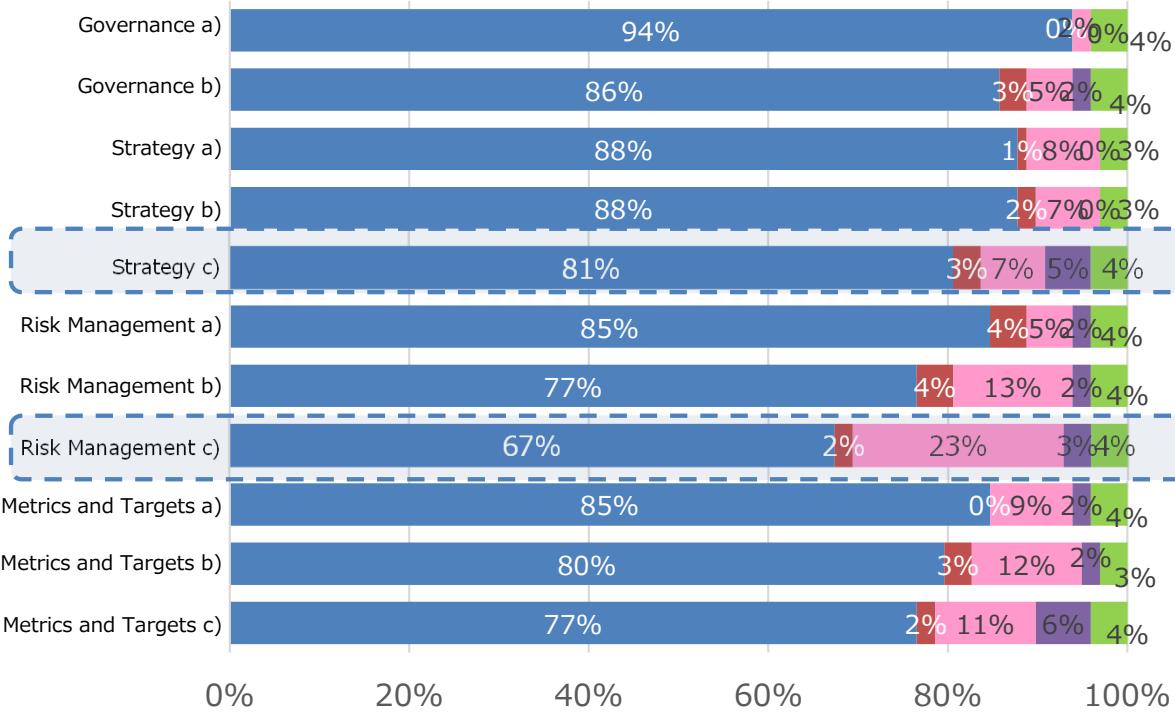
## What are seven “Cross-industry, Climate-Related Metric Categories”?

| Cross-industry Metric Categories      |  |                          |  |
|---------------------------------------|--|--------------------------|--|
| a) GHG Emissions (Scopes 1, 2, and 3) |  | e) Capital Deployment    |  |
| b) Transition Risks                   |  | f) Internal Carbon Price |  |
| c) Physical Risks                     |  | g) Remuneration          |  |
| d) Climate-Related Opportunities      |  |                          |  |

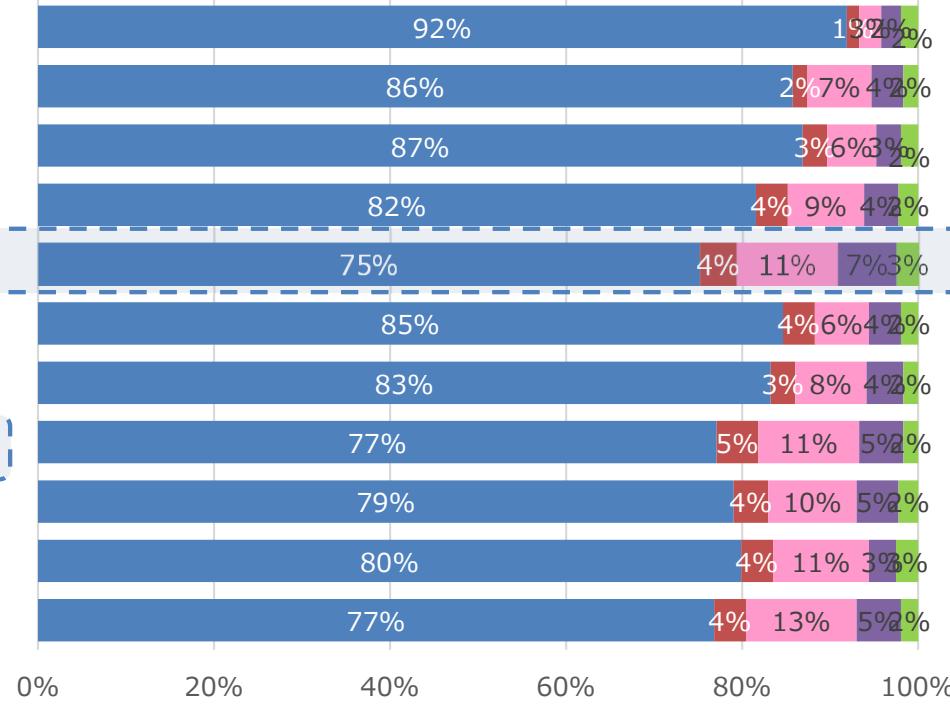
## Question 10 (Financial & non-financial institutions)

- Regarding the 11 recommendations by TCFD, which of the 11 recommendations has your company disclosed information in its publications (e.g., securities reports, integrated reports, environmental reports, websites, etc.)?

**Financial institutions (98 respondents)**



**Non-financial institutions (358 respondents)**



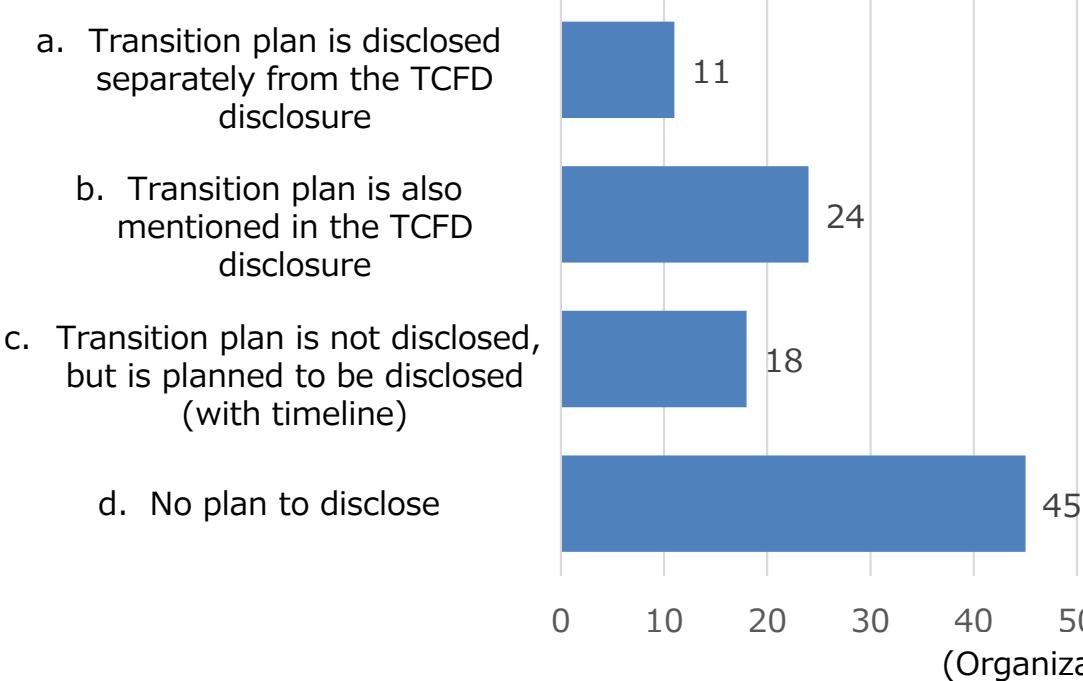
■ Disclosed ■ Considered but not disclosed ■ Under consideration ■ Not yet considered but willing to disclose ■ No plans to disclose

- Among the items recommended by the TCFD, there were no items disclosed by less than 60% of respondents, and most items were disclosed by approximately 75% of respondents. Compared with last year's survey, the **percentage of items disclosed increased in many items**.
- Common among financial and non-financial institutions, **strategy c on resilience including scenario analysis**, were shown to be lagging others.
- Similar to last year, for financial institutions, the item with the lowest score is risk management c (integration into overall risk management). Non-financial institutions also showed a low score. This suggests the difficulty of integration in financial institutions that already have sophisticated company-wide risk management systems.

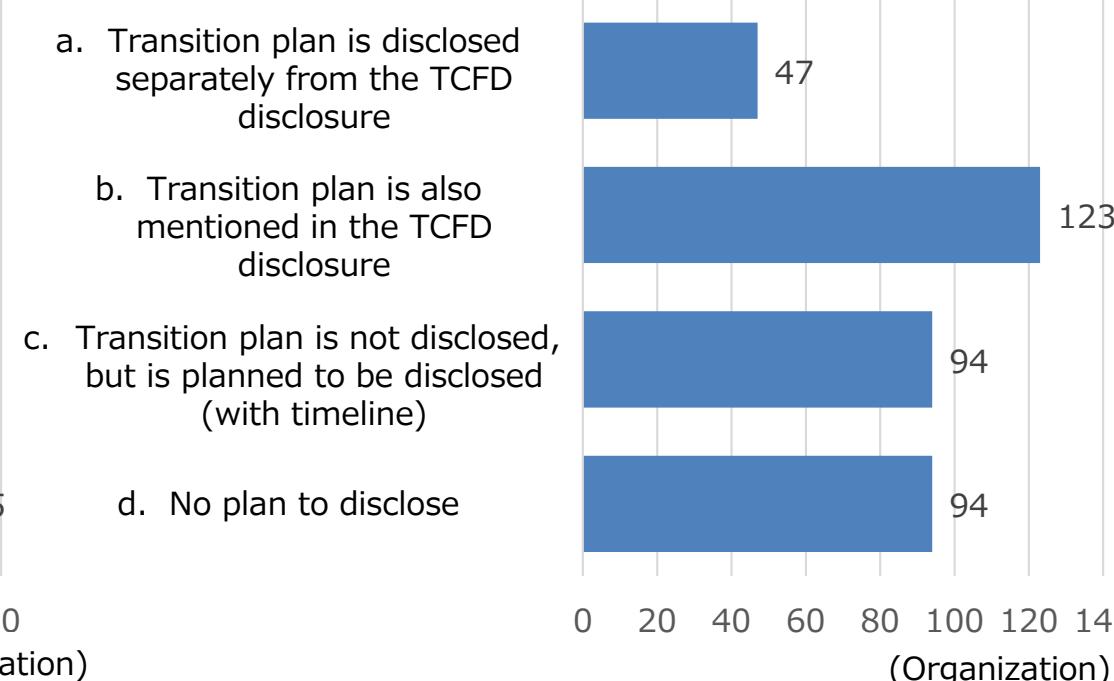
## Question 11 (Financial & non-financial institutions)

- What is your company's transition plan? Does your company currently disclose your transition plan in its external publications (securities reports, integrated reports, environmental reports, websites, etc.)? (Select one)

**Financial institutions (98 respondents)**



**Non-financial institutions (358 respondents)**

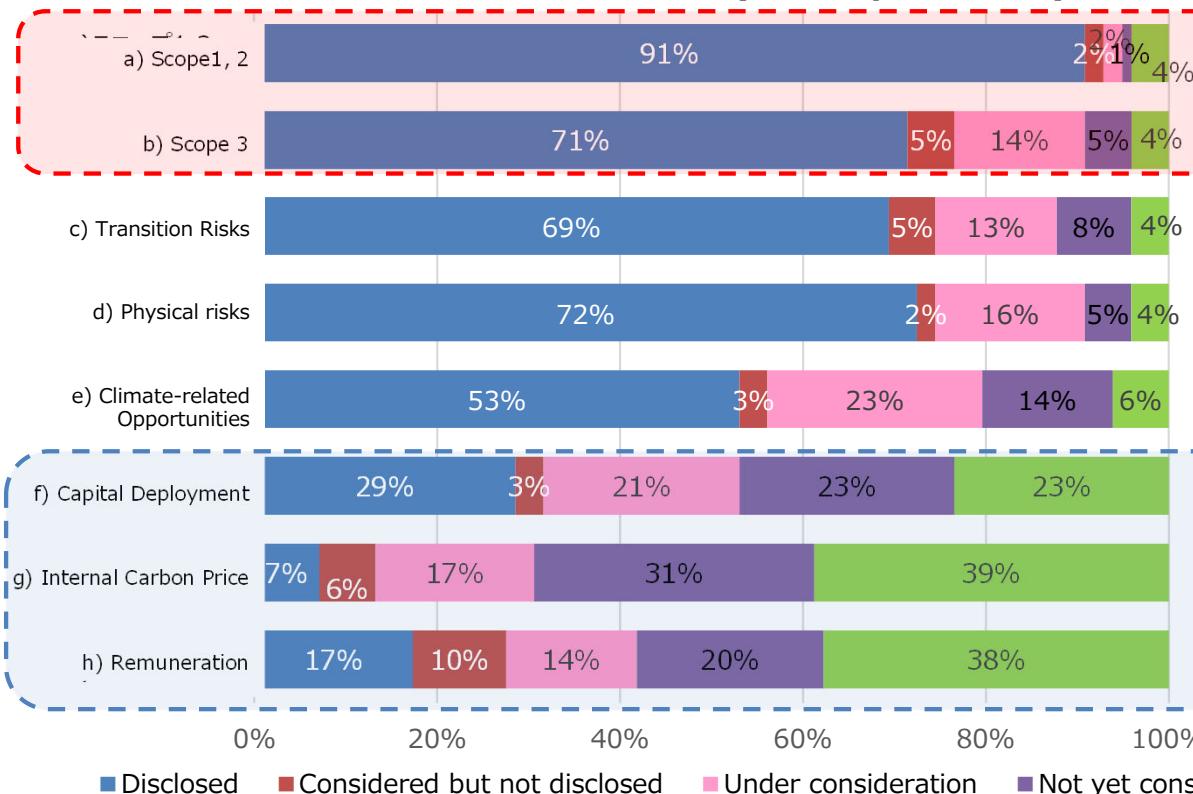


- More than 30% of financial institutions and nearly 50% of non-financial institutions disclosed their transition plan, and most of the disclosure was by **mentioning on the transition plan in their TCFD disclosure**.
- Though yet to disclose, nearly 20% of financial institutions and nearly 30% of non-financial institutions have plans to do so (with timeline).
- These figures have not changed significantly since last year.

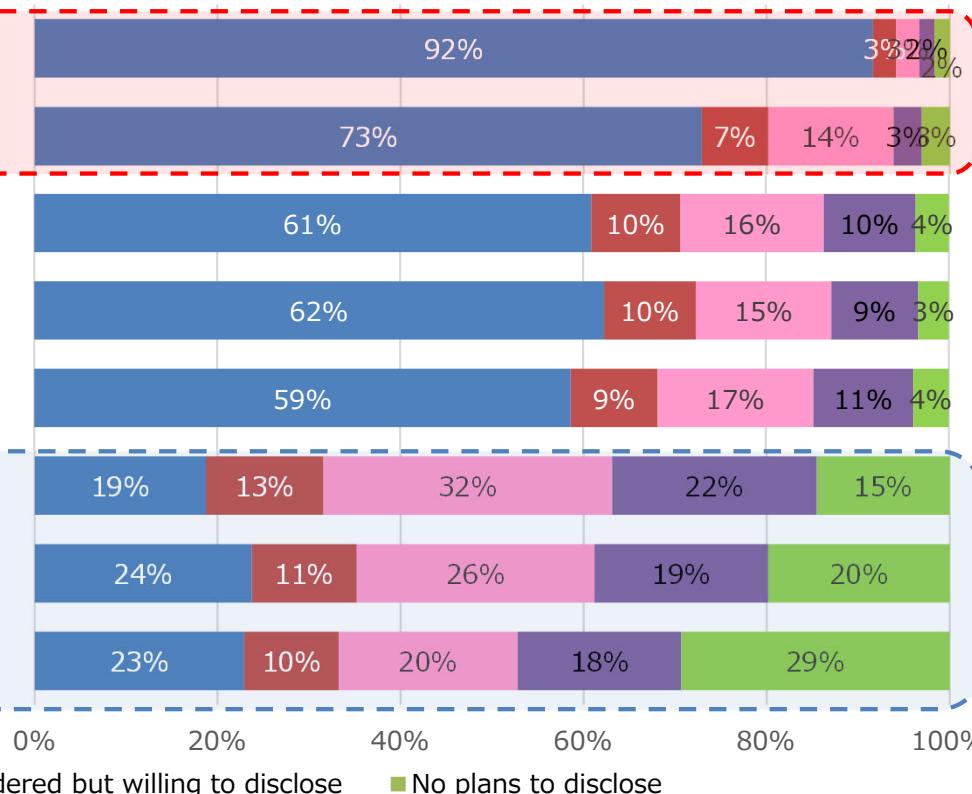
## Question 12 (Financial & non-financial institutions)

- Regarding the seven cross-industry metric categories recommended by TCFD, please indicate which metric category has your company disclosed in its external publications (e.g., securities reports, integrated reports, environmental reports, websites, etc.)?

**Financial institutions (98 respondents)**



**Non-financial institutions (358 respondents)**

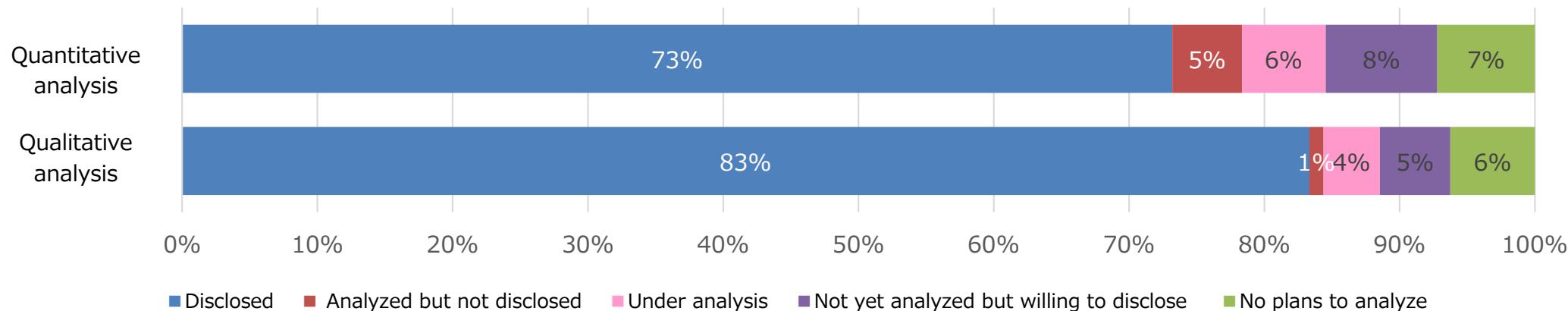


- Both financial and non-financial institutions demonstrate that disclosure of Scope 1 and 2 emissions are most advanced. **As for Scope 3 emissions, there is an increase in disclosure**, with about 70% of both financial and non-financial institutions disclosing (note however that no inquiries are made on categories).
- Similar to last year's results, of the seven metrics, disclosure of **capital allocation, internal carbon price, and remuneration** has a **low disclosure rate** in both financial and non-financial sectors, partly because these are new items. Further, many companies currently do not plan to disclose remuneration.

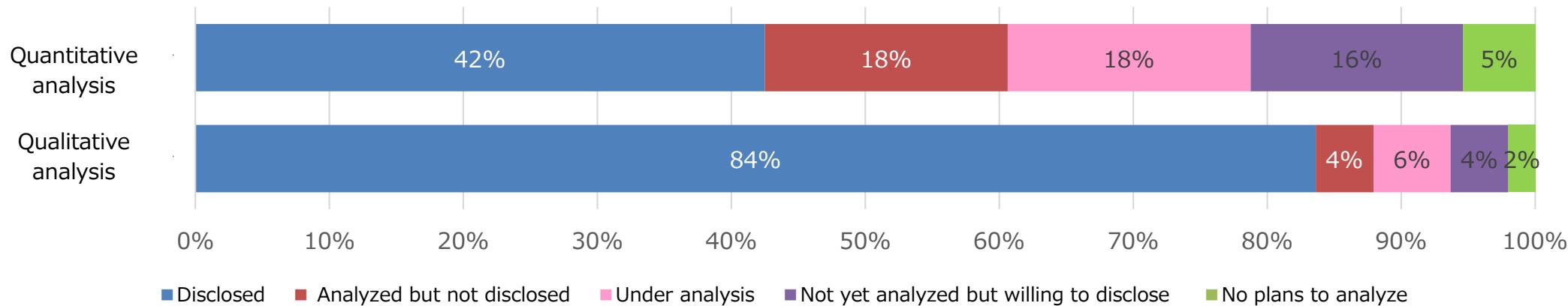
## Question 13 (Financial & non-financial institutions)

- To those undertaking scenario analysis, please describe your company's scenario analysis disclosure. (select one)

### Financial institutions (Quantitative: 97 respondents, Qualitative: 96 respondents)



### Non-financial institutions (Quantitative: 353 respondents, Qualitative: 348 respondents)



- About 80% of both financial and non-financial institutions disclosed qualitative analysis. The figure rises to about 90% when those that have conducted analysis but have not disclosed are included.
- Quantitative analysis has slightly increased** for both financial and non-financial institutions (financial institutions 70% to 73%, non-financial institutions 40% to 42%)

## Question 14 (Financial & non-financial institutions)

- What were the benefits of supporting and disclosing information according to TCFD recommendations? What are the expected benefits? Please indicate options closest to the situation in your company. (Multiple choice)

**Financial institutions (98 respondents)**

**Non-financial institutions (358 respondents)**

a. Improving customer relationships (new customer acquisition, awareness, differentiation, etc.)

38

123

b. Improving relationships with financial institutions, including investors (Increase dialogue, improve evaluation, promote understanding, raise funds, etc.)

65

238

c. Changing and deepening internal strategies (Business restricting, risk management)

56

166

d. Understanding our own climate-related risks and opportunities, Deepening internal understanding

74

243

e. No particular benefits

6

20

f. Other

2

7

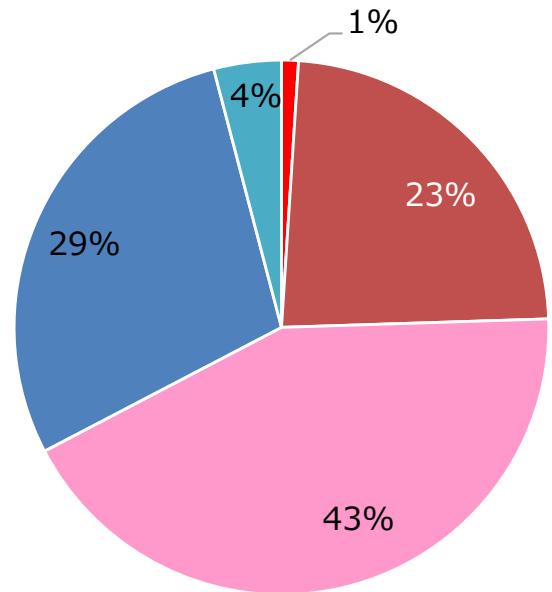
0 10 20 30 40 50 60 70 80 0 100 200 300  
(Organization)

- While both financial institutions and non-financial institutions felt a wide range of benefits from supporting and disclosing according to TCFD recommendations, the popular responses were “improving relationships with financial institutions, including investors” and “understanding of our own climate-related risks and opportunities,” indicating that TCFD disclosure **contributes to communication with investors and deepening internal understanding**.

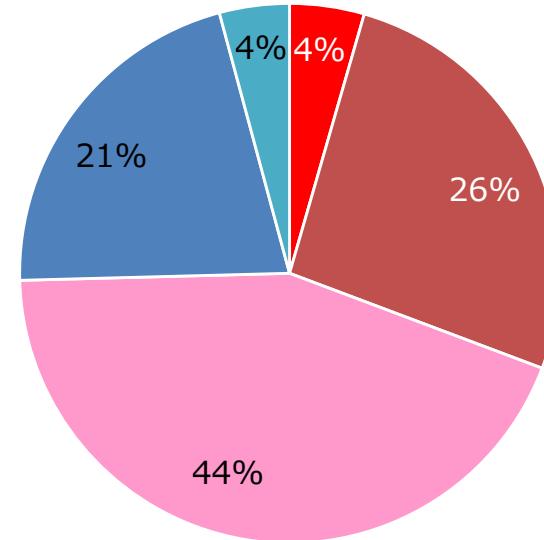
## Question 15 (Financial & non-financial institutions)

- The General Requirements (S1) and Climate-related Disclosures (S2) of the IFRS Sustainability Disclosure Standards are published, which, drawing upon the TCFD framework, specify detailed disclosure items. Please indicate how your company is responding. (Select one)

Financial institutions (98 respondents)



Non-financial institutions (358 respondents)



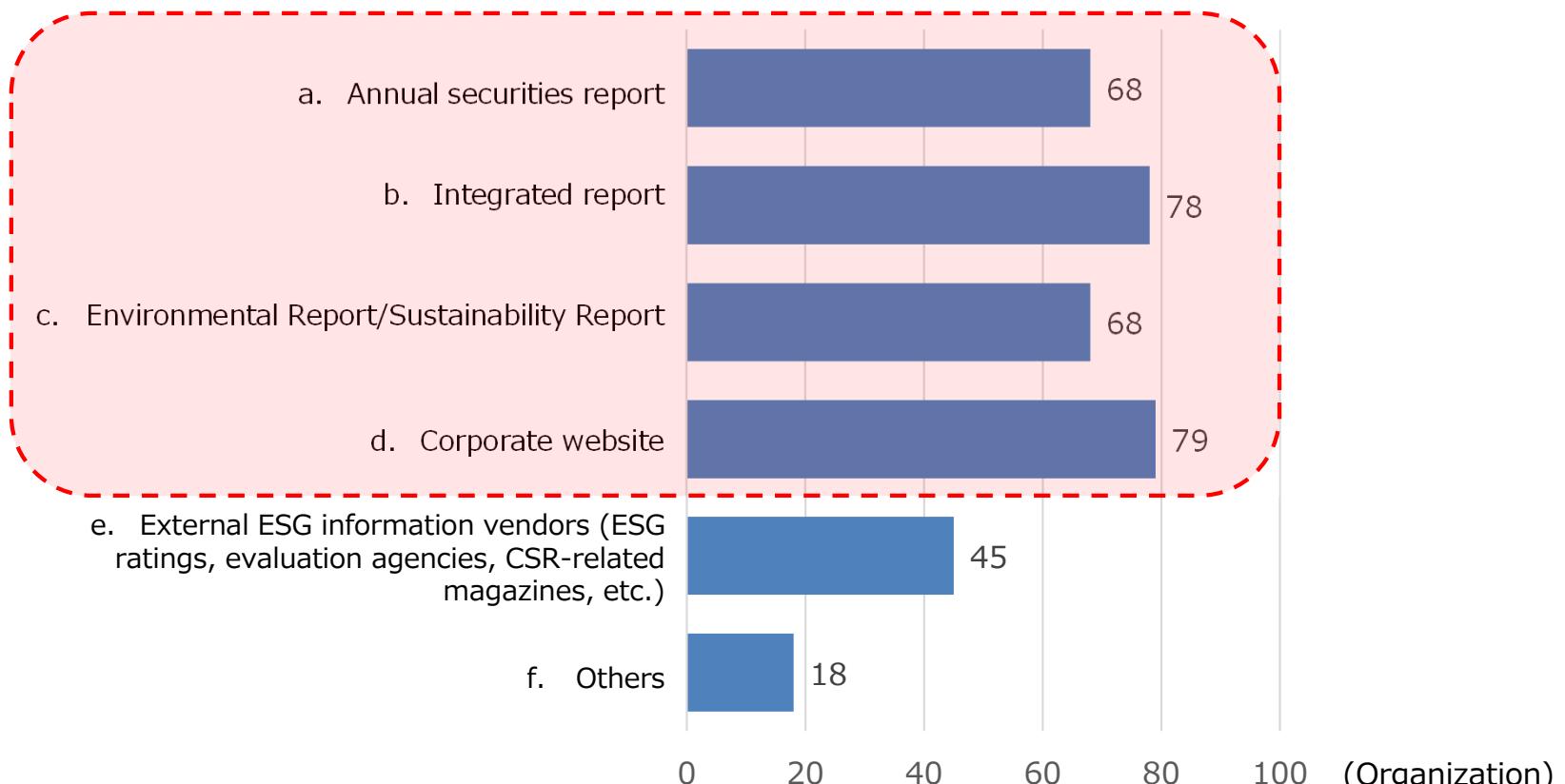
- a. Has disclosed or is prepared to disclose under IFRS Standards.
- b. Under preparation to disclose under IFRS Standards.
- c. Considering responding to IFRS Standards
- d. Knew about IFRS Standards but has not given consideration
- e. Did not know

- The proportion of companies which has disclosed according to IFRS Sustainability Disclosure Standards has not changed from last year (financial and non-financial companies alike), **but the proportion under preparation has increased significantly** (financial institutions 10% to 23%, non-financial institutions 15% to 26%). The proportion of companies addressing IFRS Standards, including those considering, has reached to about 70%.

## Question 16 (Financial Institutions)

- What medium does your company use to obtain disclosure information the companies financed? (Multiple choice)

Financial institutions (98 respondents)

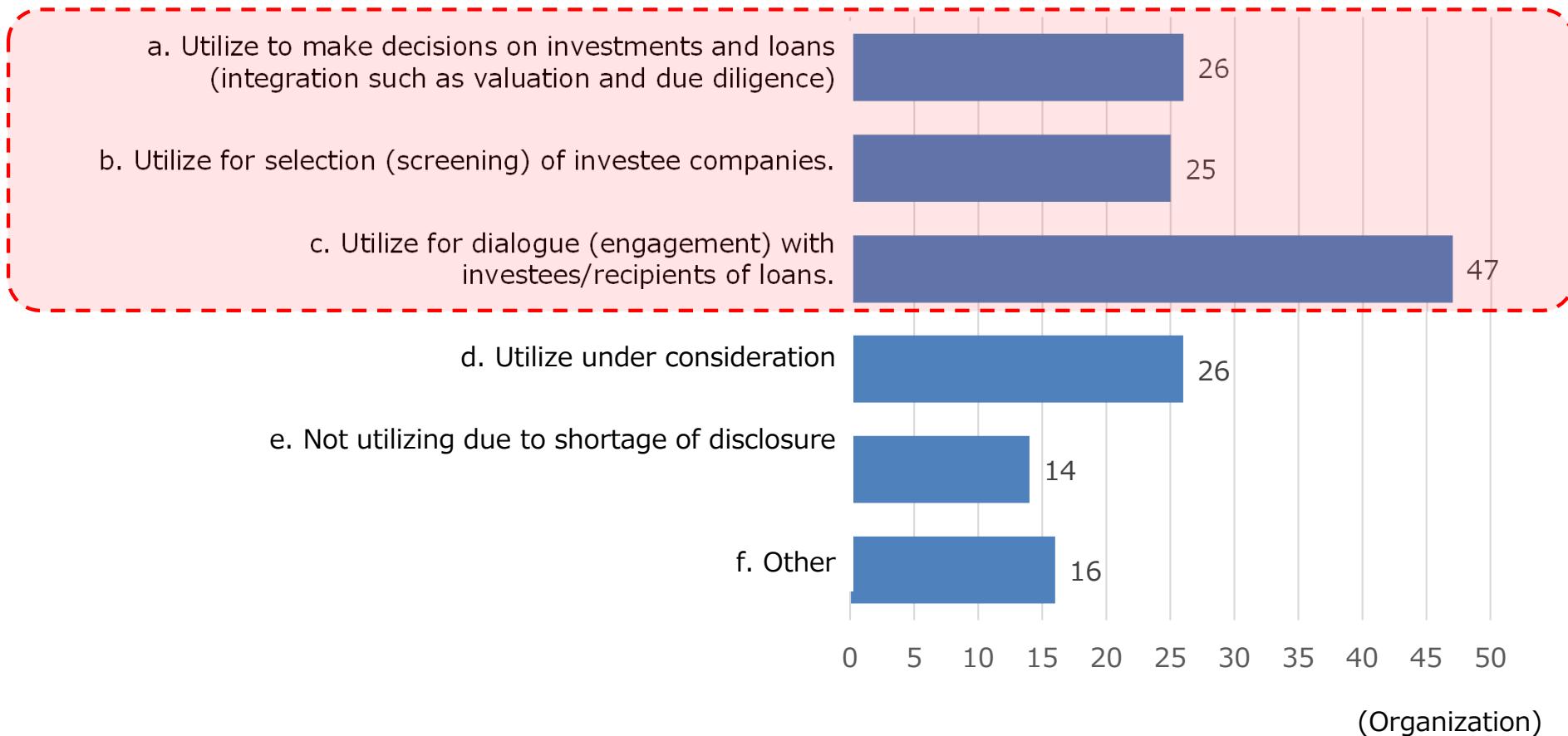


- Similar to last year, It has become clear that financial institutions **utilize information from various media** such as corporate websites, integrated reports, sustainability reports, and securities reports.

## Question 17 (Financial Institutions)

- Please respond on the status of utilization of information based on TCFD disclosed by companies included in your company's portfolios. (Multiple choice)

**Financial institutions (98 respondents)**

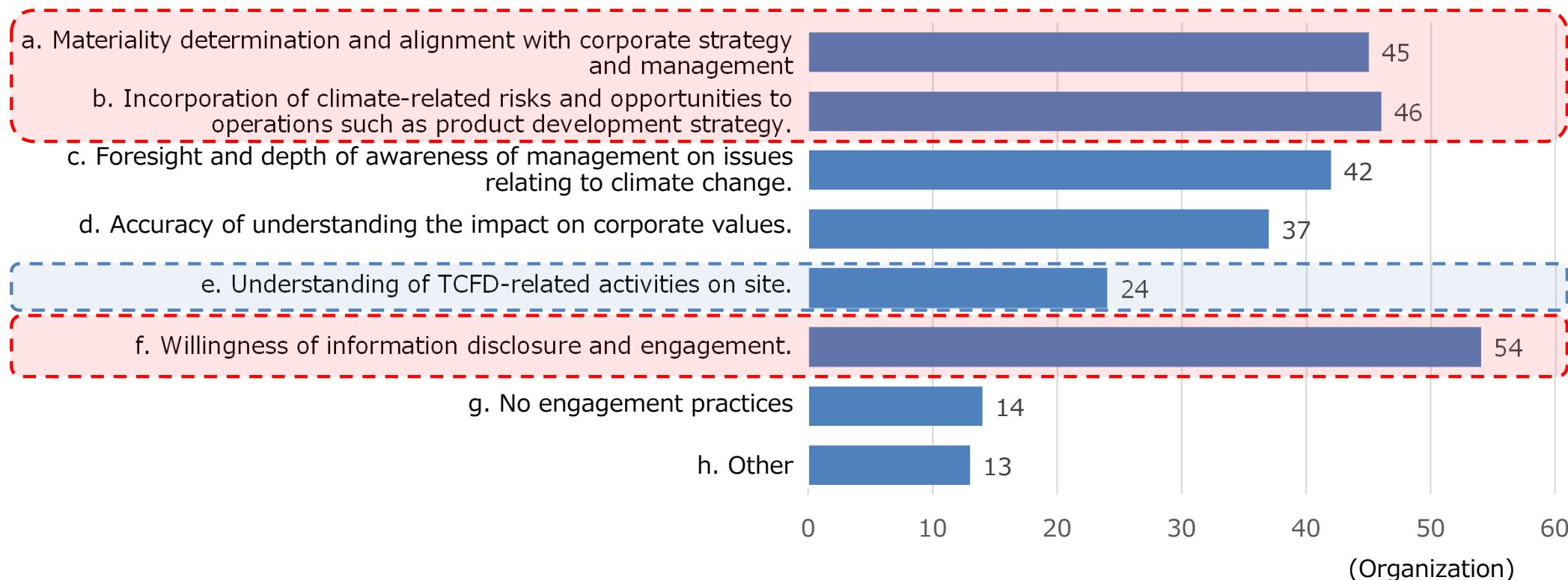


- The highest percentage of responses was for engagement, followed by integration and screening, suggesting that, similar to last year, information disclosed according to TCFD recommendations is being used in more **decision-useful areas**.

## Question 18 (Financial Institutions)

- Regarding your company's engagement with financed companies on climate change issues: what aspects of engagement does your company focus on? (Multiple choice)

Financial institutions (97 respondents)

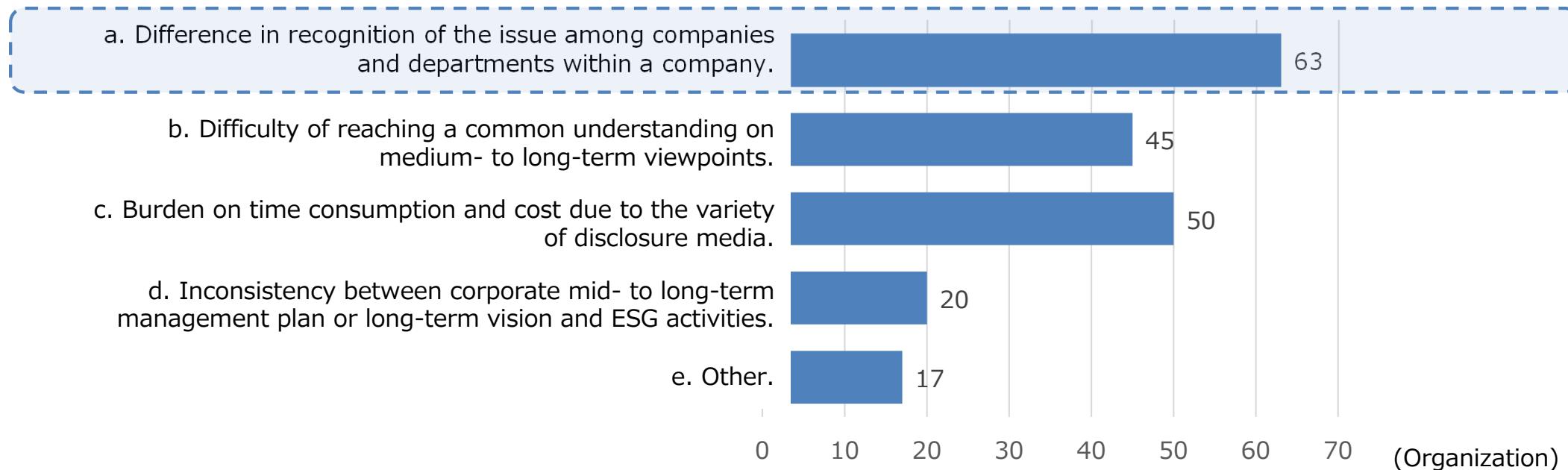


- As options for questioning the **attitude of the company as a whole**, it was shown that while materiality, reflection on the company's own business, and willingness to engage (options a, b, f) were common, there was relatively little interest in **increased understanding on site** (option e).
- The trend of response on options a to f has not changed significantly since last year.

## Question 19 (Financial Institutions)

- Please indicate any concerns your company may have with respect to conducting climate-change related engagement with financed companies. (Multiple choice)

Financial institutions (97 respondents)

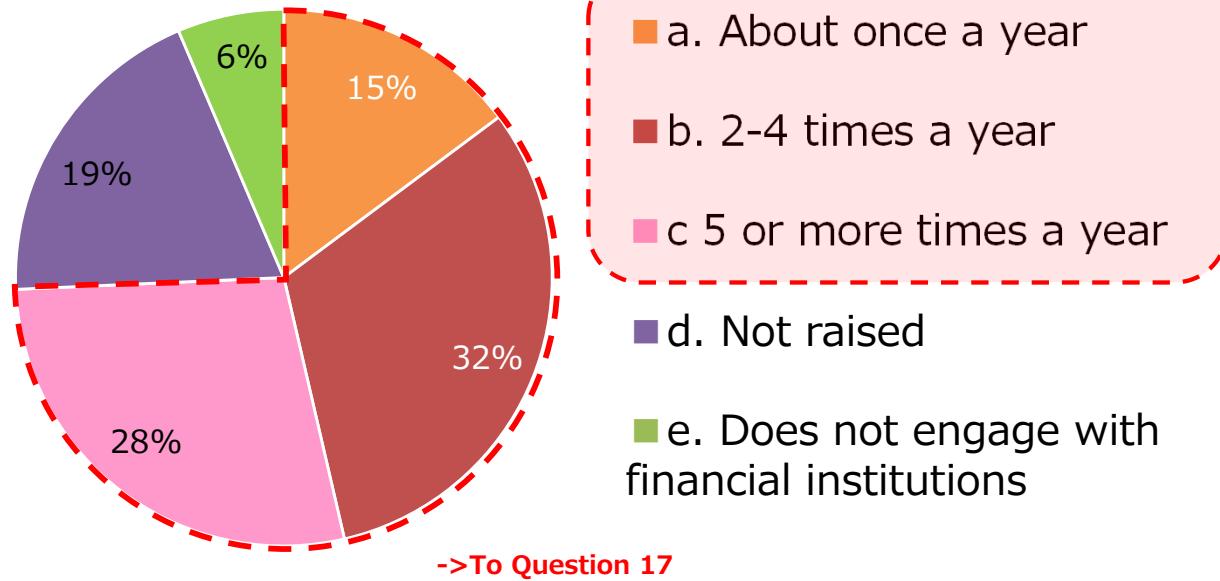


- It was suggested that there is a **difference in recognition of the issue among companies as well as between departments of companies** subjected to engagement (option a).
- The time and cost of collecting and analyzing information were mentioned as issues on the part of financial institutions. It was suggested that this was due in part to the speed of changes in the situation and the diversification of media such as websites (option c).
- Compared to last year's survey, the number of respondents who pointed out inconsistencies with medium- and long-term management strategies and long-term visions decreased, suggesting that disclosures are promoting climate change responses aligned with business strategies (option d).
- “Other” (option e) includes no engagement, lack of expertise, lack of sectoral guidelines.

## Question 16 (Non-Financial Institutions)

- Please indicate the frequency with which climate change information disclosure is discussed in dialogue (engagement) with financial institutions, e.g., investors. (select one)

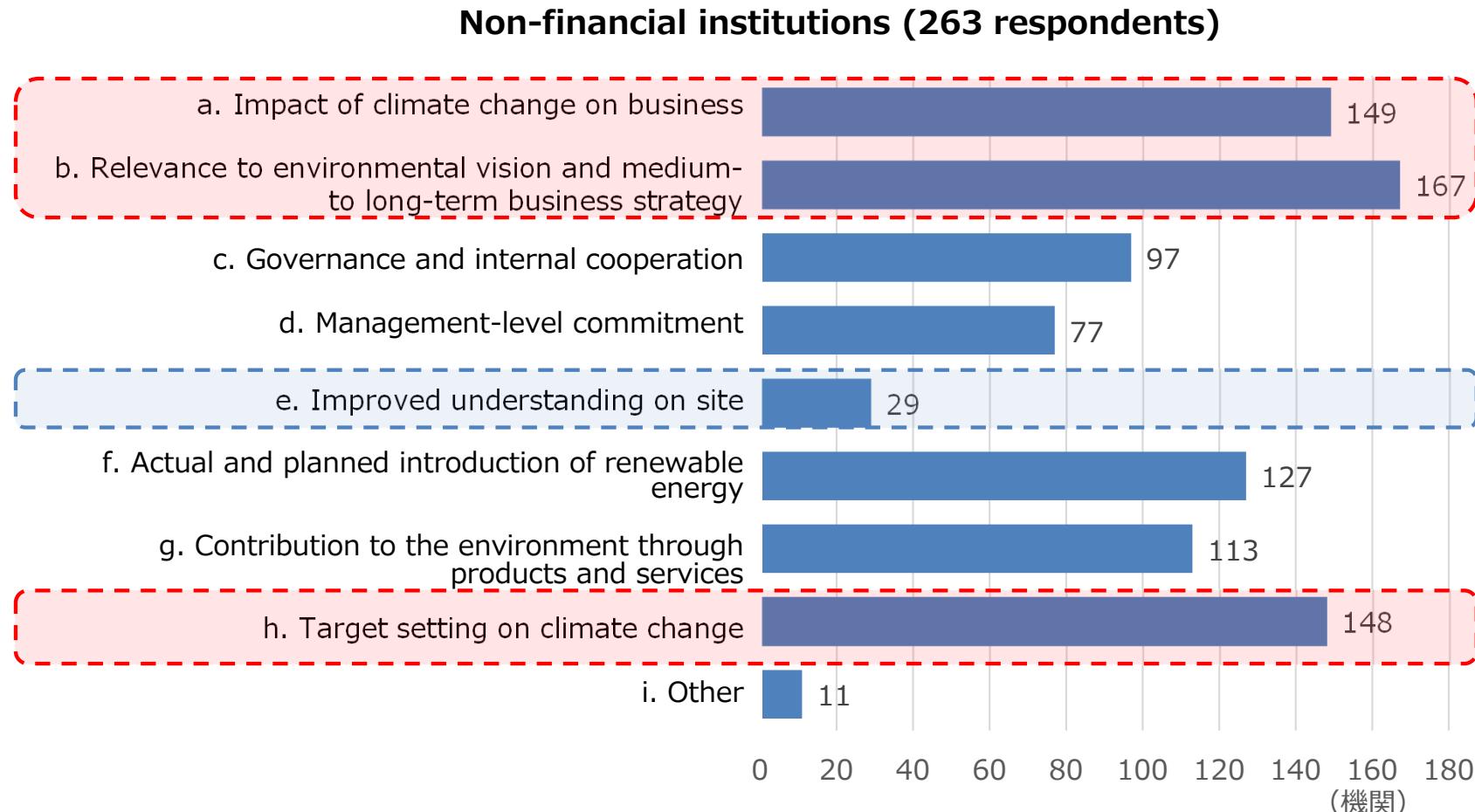
**Non-Financial Institutions (358 respondents)**



- 30% of companies engaged in “2-4 times a year” (option a) and “5 or more times a year” (option c) dialogue, and **three-quarters of non-financial institutions underwent more than one engagement per year**.
- On the other hand, there are a certain number of responses to “not raised” (option d) and “does not engage with financial institutions” (option e), suggesting that **engagement varies depending on materiality and company size**.

## Question 17 (Non-Financial Institutions)

- For respondents who answered a, b and c in Question 16: what questions were asked during the dialogue (engagement) with financial institutions? (Multiple choice)



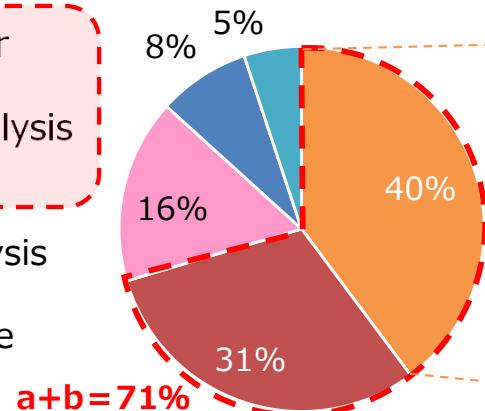
- The result was largely the same compared with last year.
- The impact of climate change on business, environmental vision, and the setting of climate change targets (options a, b, h) were of the greatest interest to non-financial institutions as a whole.
- The response to the situation of improved understanding on-site (option e) was low, suggesting that it is an issue for the future.

# Questions 20, 21 and 22 (Financial Institutions)

- [Question 20] Does your company analyze the GHG emissions (financed emissions) from your company's portfolio and set targets? (select one)
- [Question 21] For respondents who answered option a in Question 20 (those who have set targeted values): please indicate the year which your company sets the targeted value. (select one)
- [Question 22] For respondents who answered option a to Question 20: please explain your company's targets. (free description)

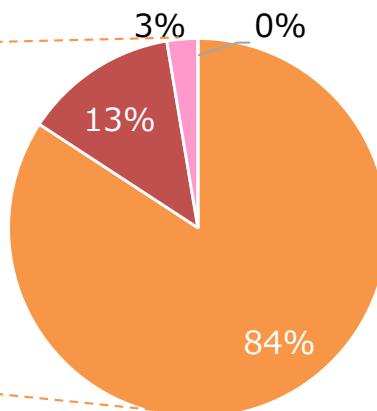
**Financial institutions (98 respondents)**

- a. Have set targets after analysis
- b. Have undertaken analysis but have not set targets
- c. Currently under analysis
- d. No plans to undertake analysis
- e. Other



**Financial institutions (38 respondents)**

- a. Have set targets for 2030 and 2050
- b. Have set targets for 2050 only, and is considering or will consider 2030 targets
- c. Have set targets for 2050 only, but no plans to consider 2030 targets
- d. No targets aimed at a specific year

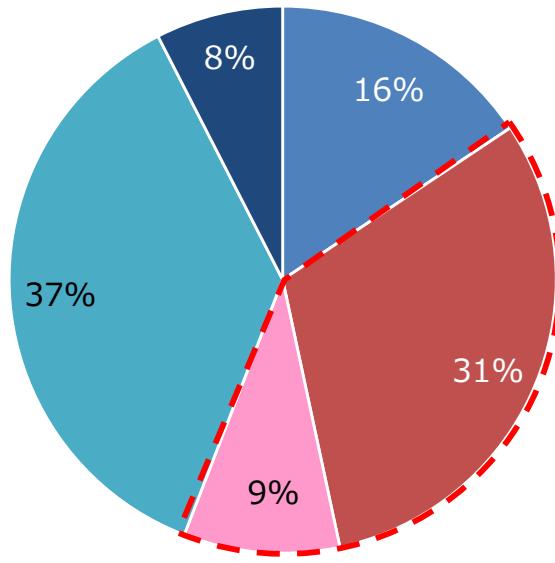


- More than 70% of the financial institutions analyzed the GHG emissions of their investment and loan portfolios, and 40% of the financial institutions set targets.
- Of the financial institutions that set targets, more than 80% set targets for both 2030 and 2050. While the targets common for 2050 is to achieve carbon neutrality, the targets for 2030 varied by industry, from committing to reductions on a per-unit basis to reduction target at the portfolio level.
- Some financial institutions were considering targets for 2030, indicating that more financial institutions are likely to set and disclose 2030 targets for financial emissions.

# Question 18 (Non-Financial Institutions)

- Transition financing, which supports companies that are undertaking transition toward decarbonization, is gaining momentum. What is your company's perception of transition finance? (Select one)

**Non-Financial Institutions (358 respondents)**



- a. Not of particular interest
- b. Interested and would like to consider it in the future
- c. Interested and specifically considering it
- d. Insufficient information to make a decision
- e. Others

- On the issue of transition finance, about 40% of the companies (options b, c) expressed interest.
- On the other hand, many respondents answered that they did not have sufficient information (option d), suggesting the **possibility of polarization of needs** as well as the **need for continued education**.