



Toward a Decarbonized Society in 2050 —How the Business Community Will Act—

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Introduction

- Taking on the challenge of achieving “carbon neutral by 2050”
- Corporate executives should hammer out the solution and execution—based on pragmatic environmentalism.

“2050 Carbon neutral declaration”
by the prime minister of Japan
(October 2020)



Source: Official Website of the Prime Minister of Japan and His Cabinet

Davos conference of
World Economic Forum
(January 2019)

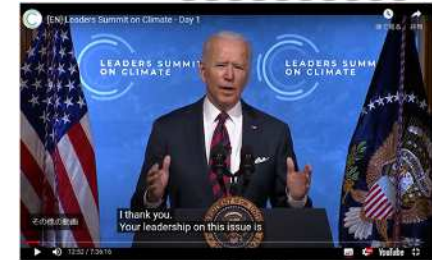
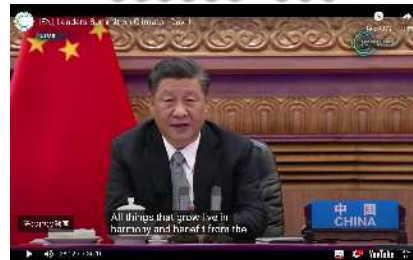
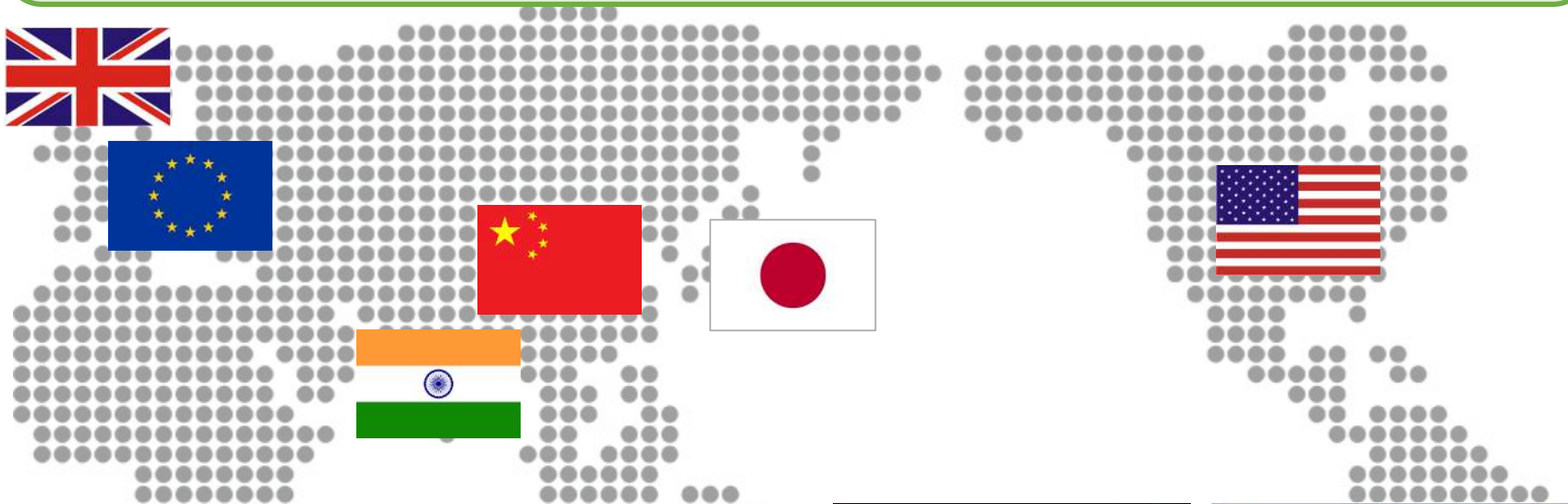


Photo by Jeff Elder

Source: “The 10 Best Moments From Davos With Salesforce”

1 . The Race for Global Supremacy over “Decarbonization”

- Competition for global supremacy and leadership over “decarbonization”
- Decarbonization substantially affects growth strategy and economic national security.

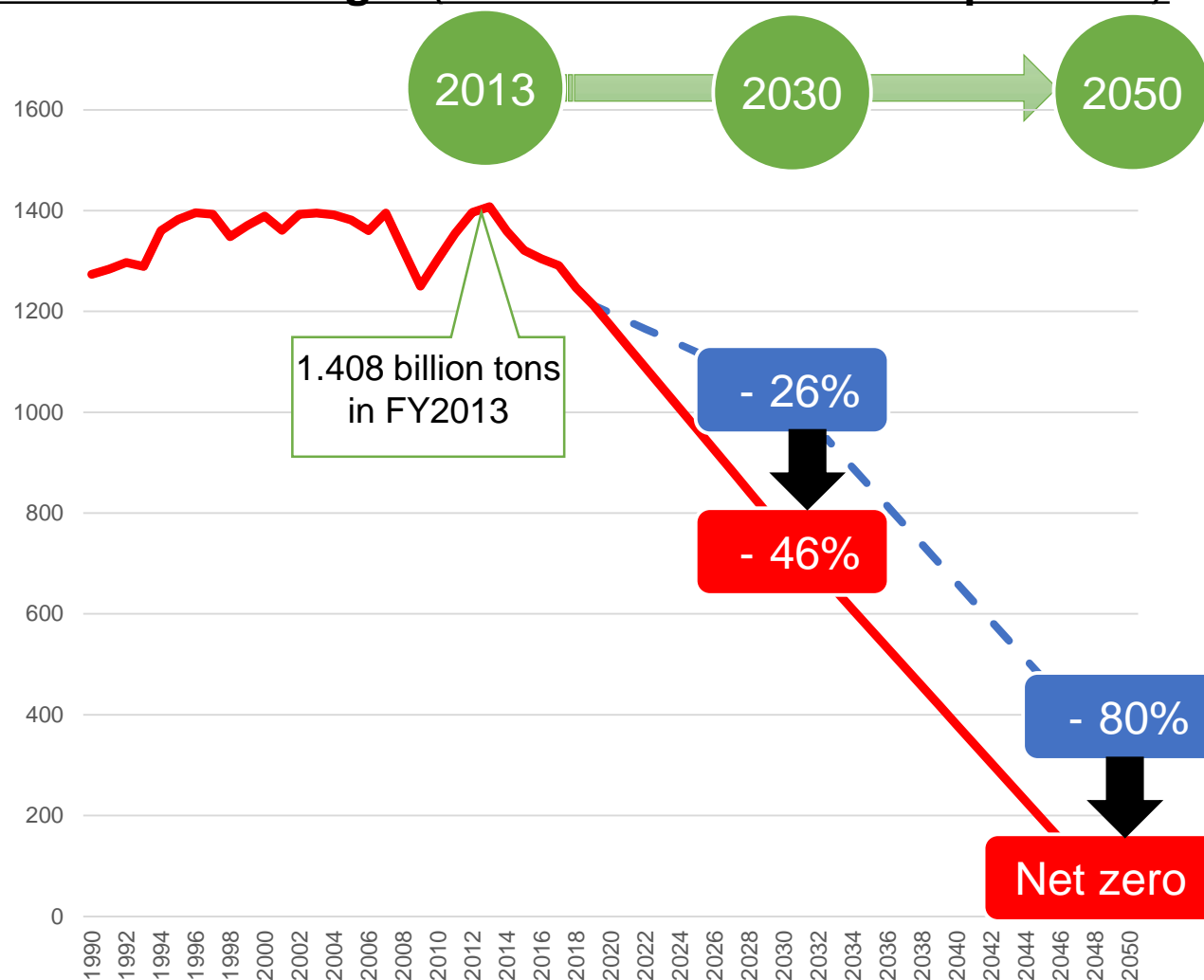


Leaders Summit on Climate (April 22-23, 2021)

Source: Website of the U.S. Department of State

2 . Road to 2050 Carbon Neutral

Greenhouse gas emissions of Japan The result and target (in million tons of CO₂ equivalent)



Key factors

Tech-
nology

Funds

Public
under-
standing

3 . Technology : The Sectors Japan Should Focus On



- ✓ Potential to be the most advanced in the world

Hydrogen, Ammonia, E-Fuel,
Decarbonization of manufacturing,
Artificial photosynthesis, etc.

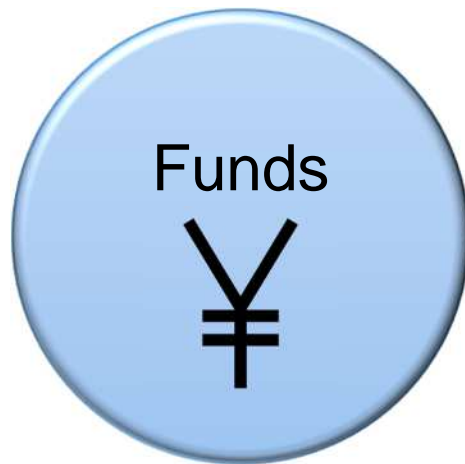
- ✓ Importance of economic national security

Next generation nuclear power plant,
Semiconductor, Digital, etc.

- ✓ Overseas investment contributing to the growth of Japanese corporations

Investment in growing sectors overseas, including solar panel and wind power generator, in which Japan is less competitive

4 . Funds (1) : Areas of Consideration under Stringent Fiscal Conditions of Japan



✓ Source of funds to advance “carbon neutral”

Carbon tax?

(Doyukai proposed “consumer carbon tax” in 2018.)

✓ Prioritization in investment for the maximum outcome

The government’s “Green Innovation Fund” for 2 trillion yen

✓ Inducement of private sector investment

Invite ESG funds for total 3,000 trillion yen from overseas
Promote Foreign Direct Investment (FDI) to Japan

4 . Funds (2) : ESG Funds of the world

Accumulated Balance of FDI

ESG investment balance worldwide:
USD30 trillion in 2018

	Billion \$
Europe	14,075
USA	11,995
Japan	2,180
Canada	1,699
Australia / NZ	734
Total	30,683

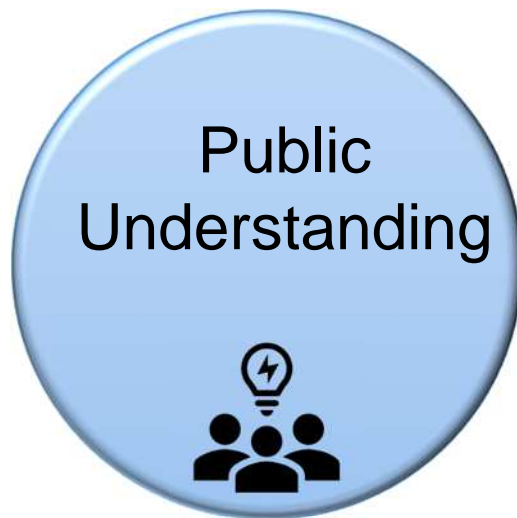
Source: Global Sustainable Investment Alliance,
The Global Sustainable Investment Review 2018

Percentage of accumulated FDI
against GDP in 2020

	%
UK	81.43
USA	51.92
France	31.99
Germany	31.26
China	21.39
Korea	12.40
Japan	4.34

Source: OECD, International Direct Investment
Statistics (2020)

5 . Public Understanding: Doyukai Set Up “Future Selection Forum”



✓ Future Selection Forum

- Participants: various stakeholders of the society, aged 17 to 73
- Theme: democracy, environment and energy, fiscal sustainability
- The Forum presents agendas and choices for Japan's future through discussions that clarify conflicts.



6 . Doyukai's Proposal for 2030 Energy Mix of Japan

- Expand zero-emission power source (Renewables 40% + Existing nuclear)

【The Government's latest plan for 2030】

Renewables
22 ~ 24%

Nuclear power
20 ~ 22%

Thermal power
56%



【Doyukai's proposal for 2030】

Renewables
40%

Nuclear power
minimum 15%

Thermal power
~ 45%

Summary

- ❑ Responsibility and actions of corporate executives based on pragmatic environmentalism
- ❑ A focus on stakeholder capitalism
- ❑ Japanese corporations value *SANPO YOSHI* *(three-way satisfaction) and contribute to resolve the global challenges.

* The *SANPO YOSHI* ideal defines a successful business as one that not only provides satisfaction to the buyer and the seller, but also contributes to society at large.

