

## CANDIDATE STATEMENT, BIOGRAPHY, SIGNATORY, AND COMPARATIVE INFORMATION FORM

Full legal name: **Takeshi Kimura**

Job title: **Special Adviser to the Board**

Signatory organisation name: **Nippon Life Insurance Company**

Signatory organisations seconding your candidacy:

**AIA Group Limited**  
**Assurances du Groupe BPCE**  
**CDPQ (Caisse de dépôt et placement du Québec)**  
**GPIF (Government Pension Investment Fund)**  
**Swiss Re Ltd**  
**Tokio Marine & Nichido Fire Insurance Co.,Ltd.**



### CANDIDATE STATEMENT

I am truly grateful for the opportunity and honour of running for re-election for a second term on the PRI Board of Directors.

During my current tenure on the PRI Board, I have worked earnestly to help the PRI strengthen value across the diverse and global membership base, operate at scale, deepen its understanding of signatories, and build a truly global organization.

PRI is a big-tent organization. Signatories have different intentions and approaches to responsible investment, based on different investor mandates, different client expectations and different regulatory requirements. Embracing such diversity of signatories has contributed to the growth of the signatory base and the mainstreaming of ESG investments. At the same time, however, I recognize that embracing the diversity of signatories may blur the interpretation of responsible investment and reduce transparency and accountability of the PRI community.

I believe that so far the pros of the big-tent approach outweigh the cons. Under the big-tent approach, the growth of the signatory base has created positive externality to the PRI community and the financial industry as a whole. Everyone is happy.

However, in a changing world, the magnitude of pros and cons may change and even reverse. As the beneficiaries' expectations of responsible investments rise, signatories need to

progress their responsible investment activities and demonstrate their progression. Signatories also need to enhance their transparency and accountability. Without such efforts, the growth of the signatory base and embracement of diversity could bring negative externalities to the PRI community and the ESG industry. If this happens, it will not be good for anyone.

To avoid such situations, we must continue to change and evolve. The PRI Board needs to find the best way to support signatories and as such is committed to working with them to co-design a progression pathways framework.<sup>1</sup> This will be my top priority to address if re-elected.

A progression pathways framework should accommodate investors' different approaches to responsible investment and should provide sufficient options to accurately describe responsible investment practices without overwhelming signatories with complexity or prescriptions. At the same time, it should be noted that there is a trade-off: tailoring the response to specific groups of signatories reduces scalability.

How to support the overall development of the responsible investment industry while meeting the needs of various signatories is a difficult task, but if re-elected, I promise to continue to work sincerely on this challenge.

## BIOGRAPHY

### *Academic background*

I have a master's degree in economics and a doctor's degree in engineering.

- Master of Science in Policy Economics, University of Illinois at Urbana-Champaign (1994, U.S.)
- Doctor of Engineering, Tokyo Institute of Technology (1997, Japan)

I majored in macroeconomics, monetary economics, econometrics, and operations research. I published many papers in the refereed journals (including the top 10 journals) of these fields.<sup>2</sup>

### *Professional background*

I started my central bank career at the Bank of Japan (BOJ) in 1989 and worked at the Bank until 2020.<sup>3</sup> During that time, I was seconded to the Board of Governors of the Federal Reserve System (FRB) from 2003–2004.

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<sup>1</sup> See the following paper for details.

PRI, "[PRI in a Changing World Signatory Consultation: PRI Board Response](#)", March 2023.

<sup>2</sup> For details, see my home page at URL: [research papers by takeshi kimura \(google.com\)](#) .

<sup>3</sup> See URL: [Home : Bank of Japan \(boj.or.jp\)](#) .

At the BOJ, I served for many years in key positions in major departments and was involved in various fields of central banking: monetary policy, macro-prudential policy, money market operations, and payment system innovations (digital currency).

- Director-General, Payment and Settlement Systems Department, 2018-2020
- Deputy Director-General, Financial System and Bank Examination Department, 2015-2018
- General Manager, Regional Branch, 2013-2015
- Associate Director-General, Monetary Affairs Department, 2011-2013
- Associate Director-General, International Department, 2009-2011

Meanwhile, I represented the BOJ in various international committees and groups:

- BIS/CPMI (Bank for International Settlements, Committee on Payments and Market Infrastructures), 2018-2020
- FSB/SCAV/AGV (Financial Stability Board, Standing Committee on Assessment of Vulnerabilities, Analytical Group of Vulnerabilities), 2015-2018
- G20 Study Group on Commodities, 2010-2011, and so on

After leaving the BOJ in 2020, I joined Nippon Life Insurance Company. At Nippon Life Insurance, as Special Adviser to the Board, I have engaged in several projects in cooperation with three departments: Financial Planning Department, Corporate Planning Department, and Global Business Planning Department. I currently lead international initiatives such as PRI and NZAOA, as well as domestic government and financial industry activities related to sustainable finance.

## SIGNATORY ORGANISATION INFORMATION

Nippon Life Insurance is Japan's largest private asset owner with assets under management of ¥70trn (about \$540bln). It is the core company of the Nippon Life group, which consists of multiple group companies operating life insurance and asset management businesses in the Asia-Pacific region and globally. Six of the group companies are PRI signatories.

Nippon Life Insurance is supporting [PRI in Person 2023](#) as the lead sponsor. The success of PRI in Person will encourage investors around the world to shape sustainability outcomes and contribute to building a better world for all including Nippon Life's customers. Supporting PRI in Person as the lead sponsor is aligned with our management philosophy to act in the best long-term interests of our customers.

Nippon Life Insurance signed up to the PRI in 2017 and has been proactively progressing its responsible investing activities since then. In addition to focusing on "outside-in" risk management, such as ESG integration, Nippon Life has been promoting responsible investment activities in the direction of strengthening the "inside-out" aspect, or "Investing for Sustainability Impact". It is a shift from a future taker to a future maker. While future takers act

on the future real world as a given, future makers act to proactively influence the future real world.



Specifically, we have placed importance on improving corporate engagement and will focus more on sustainability outcomes in the dialogue with investee companies. We have also been actively involved in collaboration among investors to address systemic risks that cannot be managed by a single investor, such as climate change. For example, Nippon Life Insurance participates in investors' collaborative initiatives, including Net Zero Asset Owner Alliance, Climate action 100 plus, and Advance, a human rights initiative. It is more important than ever for investors to work together towards a common goal.

## LEADERSHIP AND GOVERNANCE EXPERIENCE

During my current tenure on the PRI Board, I have served on three Board Committees: the Finance, Audit and Risk Committee, the Governance Committee and the Policy Committee. I have never been absent from a Board meeting or any of the three Committees and have made every effort to fulfil my duties and contribute to constructive discussions.

Prior to working at Nippon Life, I worked at the Bank of Japan, Japan's central bank. With the progress of the digitalization of society in recent years, the central bank has faced the challenge of reforming payment systems. From 2018 to 2020, as Director-General, I led the BOJ's Payment and Settlement Systems Department. A particularly important issue was whether the central bank should issue digital currency. I established a study team within the department, and formed a group with other advanced central banks to assess the potential case for central bank digital currency (CBDC).<sup>4</sup>

Various players are involved in payment systems: banks, nonbanks, market infrastructures, and end-users such as firms and individuals. Since the issuance of CBDC could have a significant impact on these players, a national debate was necessary from the perspective of improving customer convenience and maximizing the benefits of technological innovation while avoiding a hasty decision. As Director-General, I held discussions with various stakeholders through many forums and exchanged opinions with politicians and the media.

<sup>4</sup> See URL: [Central bank group to assess potential cases for central bank digital currencies : 日本銀行 Bank of Japan \(boj.or.jp\)](https://www.boj.or.jp/en/press/pr/20200320/)

After that, with the consent of the BOJ Governor, I decided to start the process for proof of concept for CBDC.

In addition, in the field of payment systems, I tackled the issue of reforming cross-border payments, a priority issue for the G20 and FSB.<sup>5</sup> As a member of CPMI, I had discussions with other central banks and set out the direction of reform for domestic players such as banks and nonbanks.<sup>6</sup>

## DEMONSTRATED LEADERSHIP WITHIN RESPONSIBLE INVESTMENT, ESG EXPERTISE AND OTHER EXPERIENCE RELEVANT TO THE LONG-TERM SUCCESS OF THE PRI

In FY2022, I was invited to speak at the Japanese government's expert meetings on sustainable finance, including the "[Expert Panel on Sustainable Finance](#)" organized by the Financial Services Agency and the "[Financial High-Level Panel on ESG](#)" organized by the Ministry of the Environment. My suggestions on the need to strengthen beneficiary engagement are reflected in the [FSA's report](#).

In October 2022, as an alumnus of the central bank, I organized a meeting between the [Bank of Japan](#) and the PRI's Japanese signatories. The meeting discussed recent topics related to ESG investments in capital markets, regulatory developments, and central bank climate change initiatives such as the NGFS ([Central Banks and Supervisors Network for Greening the Financial System](#)).

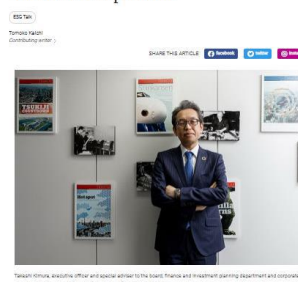
In addition to the above policy engagement activities, as a PRI board member, I have actively expressed my thoughts and opinions in media interviews. I have taken on the role of PRI ambassadors through various opportunities to raise awareness of the challenges of ESG investment in Japan.

### TV appearance



### Japan Times

Nippon Life exec urges shift to stakeholder capitalism



### Insurance Asset Risk

10 October 2022  
Japanese insurers ahead of the game on sustainability  
Takeshi Kimura, special adviser to the board of Nippon Life, explains how the 1992 Kyoto Protocol spurred Japan to act on sustainability and how the country's insurers play their parts.



<sup>5</sup> See URL: [Cross-border Payments - Financial Stability Board \(fsb.org\)](#) .

<sup>6</sup> The Committee on Payments and Market Infrastructures (CPMI) is an international standard setter that promotes, monitors and makes recommendations about the safety and efficiency of payment, clearing, settlement and related arrangements, thereby supporting financial stability and the wider economy.

Finally, I have also actively exchanged views on responsible investment with investors around the world through participation in national and international events.

[PRI in Person 2022 in Barcelona](#)



[Asian Investment Summit in Hong Kong in 2023](#)



- PRI and ClientEarth, “[Integrating the UN SDGs into investment: from aspiration to practice](#)”, 2023.
- PRI and Global Compact (Network Japan), “[Integrating the SDGs into Corporate Strategy](#)”, Joint Seminar on International Trends, 2022.
- “[Study Group on Impact Investing](#)” co-organized by the Financial Services Agency and GSG-NAB Japan in 2022 and 2023.
- RI Japan, “[Building trust and credibility in the sustainable finance industry: How can investors, lenders and service providers be true to their sustainability claim?](#)”, 2022.
- AsianInvestor, “[How leading asset owners integrate ESG in asset allocation](#)”, 2021, and so on.