

The 32<sup>nd</sup> Conference of Doctors Against Nuclear War in Hyogo, Japan

Sept. 24, 2022



“Don’t Bank On the Bomb”

to make TPNW more effective!

**ROUNDTABLE MEETING OF DOCTORS  
AGAINST NUCLEAR WAR IN THE KINKI  
REGION, JAPAN**

**PRESENTATION: “DON’T BANK ON THE  
BOMB”**

Head of the Executive Office Dr. Kazuo Matsui

# Main Recent Activities

- **Creating YouTube videos**
- **NHK introduced our Don't Bank on the Bomb (DBOB) campaign activities**
- **Lecture "Listening to the Facts of the Damage Caused by the Nagasaki Atomic Bomb," June 5, 2012** Speakers: Masato Oya and Seiichi Yamamoto
- **Third Survey**

# Third Survey of Financial Institutions

## < Targets >

**Major metropolitan banks** (7 <megabanks and Resona Bank>)

**Major regional banks** (10)

**Major non-life insurance companies** (4)

**Life insurance companies** (4)

**Other** (Fuyo General Lease)

**\*Includes all 7 financial institutions identified in the PAX Report as investing in nuclear weapons manufacturing companies** (hereinafter “financial institutions mentioned in the PAX Report”).

**Implementation period: From June 6, 2022**



# PAX Report, Japanese Financial Institutions Investing in Nuclear Companies

Financial Institution	Financing (Loans)	Shareholding	Bonds	Total (USD)	Total (JPY)
Mizuho (F)	\$8,682.7		\$4,624.5	\$13,307.2	¥1,530.3 billion
Mitsubishi UFJ (F)	\$9,263.9		\$3,357.8	\$12,621.7	¥1,451.5 billion
SMBC (G)	\$6,518.6		\$4,010.6	\$10,529.2	¥1,210.9 billion
ORIX Corporation		\$1,261.4		\$1,261.4	¥145.1 billion
Development Bank of Japan	\$300			\$300	¥34.5 billion
Sumitomo Mitsui Trust Bank		\$192.9		\$192.9	¥22.2 billion
Fuyo General Lease	\$190			\$190	¥21.9 billion

F: Financial group  
G: Group

Converted with USD 1 = JPY 115

Reference: "Perilous Profiteering," PAX (Nov. 2021)

# List of Financial Institutions That Responded to the Third Survey

<b>Financial institutions mentioned in the PAX Report (7)</b>	<b>5</b>	<b>Sumitomo Mitsui</b> Financial Group <b>Mizuho</b> Financial Group <b>Sumitomo Mitsui Trust</b> Bank <b>Mitsubishi UFJ</b> Financial Group <b>ORIX</b> Corporation
<b>Major metropolitan banks other than the above (1)</b>	<b>1</b>	<b>Resona</b> Bank
<b>Major regional banks (10)</b>	<b>0</b>	
<b>Non-life insurance companies (4)</b>	<b>0</b>	
<b>Life insurance companies (4)</b>	<b>3</b>	<b>Dai-ichi Life</b> Nippon Life (No answers to individual questions) Sumitomo Life (No answers to individual questions)

\*The number in parentheses indicates surveys sent.

**Response rate: 34.6%** (Sept. 26)

**\*Names of financial institutions are expressed on the following slides using only the parts in bold.**

**Q1: Do you attach importance to the content of the Treaty on the Prohibition of Nuclear Weapons (TPNW) enacted in 2021 when investing and lending?**

みずほ（認識している）  
 Yes（認識している）

No

Not familiar with/do not understand the Convention

6



**Nuclear weapons were banned by international treaty on Jan. 22, 2021.**

The **TPNW** was enacted. The Japanese government also signed and will seek ratification.

We doctors and dentists strive for a world without nuclear weapons.

# **A1: Do you attach importance to the Treaty on the Prohibition of Nuclear Weapons (TPNW)?**

## ◎ Yes (5)

Sumitomo Mitsui, Resona, ORIX, Dai-ichi Life,  
Sumitomo Mitsui Trust

## ◎ Other (2)

We are aware of it.

Mizuho, Mitsubishi UFJ

⇒ Same as previous survey results



**Q2: Do you have a policy on investments in and financing of companies involved in nuclear weapons-related manufacturing ?**

- Yes. We do not extend credit to or make investments in them.
- Yes. We believe extending credit or making investments is no problem once we have confirmed the funds will not be used for nuclear weapons.
- No particular policy



## **A2: Investment policy regarding nuclear weapons**

- ◎ Yes. We do not extend credit to or make investments in them.  
(3)

Sumitomo Mitsui, Resona, Dai-ichi Life

- ◎ Yes. We believe extending credit or making investment is no problem once we have confirmed the funds will not be used for nuclear weapons. (2)

Sumitomo Mitsui Trust, Mizuho

- ◎ Other (2)

Mitsubishi UFJ (See Q9)

ORIX (We have a policy.)

⇒ The facts differ from the survey results!

**Q3:** The Japanese version of the Stewardship Code states that “institutional investors should monitor investee companies.” Does your bank also consider it necessary to monitor whether companies participate in the manufacturing of nuclear weapons when you make an investment? If so, do you monitor this?

- We make an effort to monitor this, including when investments are outsourced.
- We make an effort to monitor this, except for when investments are outsourced.
- Monitoring is necessary but difficult or infeasible.  
(Please write specific reasons.)
- We do not believe monitoring is always necessary.
- No particular policy

# The Stewardship Code

Guidance stipulating the ideal state of institutional investors (interpretation guidelines) (From the *Securities Glossary*, Nomura Securities)

3. Institutional investors **should monitor investee companies** so that they can appropriately fulfill their stewardship responsibilities with an orientation towards the sustainable growth of the companies.

4. Institutional investors **should seek to arrive at an understanding in common with investee companies and work to solve problems through constructive engagement with investee companies.**

6. Institutional investors should **in principle report periodically** on how they fulfill their stewardship responsibilities, including their voting responsibilities, **to their clients and beneficiaries.**

From “Principles for Responsible Institutional Investors <<Japan’s Stewardship Code>>,”  
the Financial Services Agency



## **A3: Monitoring whether companies manufacture nuclear weapons**

(Adherence to Japan's Stewardship Code)

- ◎ We make an effort to monitor this, including when investments are outsourced. (5)

Sumitomo Mitsui, Mitsubishi UFJ, Sumitomo Mitsui Trust, ORIX, Resona

- ◎ We make an effort to monitor this, except for when investments are outsourced. (2)

Mizuho, Dai-ichi Life

**Q4:** Do you believe that investments and financing for missiles, guidance apparatus, and radar as means to convey nuclear weapons are also investments and financing related to nuclear weapons manufacturing?

- Yes
- No
- Do not know



## **A4: Are nuclear missiles, etc., also in the same category for investments and financing ?**

◎ Yes (4)

**Sumitomo Mitsui, Sumitomo Mitsui Trust, Resona, Dai-ichi Life**

◎ Other (2)

**Mizuho** (There is no precise definition. We decide case by case.)

**Mitsubishi UFJ** (We act according to policy if it is confirmed that funds will be used for nuclear weapons.)

◎ Do not know (1)  
**ORIX**



**Q5: Are you familiar with the Don't Bank on the Bomb (DBOB) campaign launched by the Dutch NPO PAX?**

- We know the details of the campaign.
- We know there is a campaign.
- We have never heard of the campaign.



## **A5: Are you familiar with DBOB?**



◎ We know the details of the campaign. (5)

Sumitomo Mitsui, Mizuho, Mitsubishi UFJ, Resona, Dai-ichi Life

◎ We know there is a campaign. (1)

ORIX

◎ We have never heard of the campaign. (1)

Sumitomo Mitsui Trust

⇒ Resona ↑, ORIX ↓ since the last survey

**Q6:** Are fixed measures in place, including withdrawal of investments and financing, if your bank discovers that an investment or financing recipient is a company that manufactures nuclear weapons?

- Yes
- We make a decision as appropriate at the time of discovery.
- We do nothing about it.



## **A6: Measures to withdraw investments and financing from companies that manufacture nuclear weapons**

◎ Yes (4)

Sumitomo Mitsui, Mitsubishi UFJ, ORIX, Dai-ichi Life

◎ We make a decision as appropriate at the time of discovery. (3)

Mizuho, Sumitomo Mitsui Trust, Resona

**Q7:** The report published by Dutch NGO PAX holds that your bank financed or held shares between Jan. 1, 2019 and Oct. 1, 2020 in companies involved in manufacturing nuclear weapons, as per the attached materials. Do you know that this financing and shareholding has been published in the PAX Report?

- Yes. It is not true.
- Yes. It is true.
- Yes, but we cannot answer whether it is true.
- No

**\*This question was asked only to the 7 financial institutions disclosed by the Report to have investments in or financing of companies involved in manufacturing nuclear weapons.**

## **A7: Investments in nuclear companies according to the PAX Report**

◎ Yes, but we cannot answer whether it is true.

**Sumitomo Mitsui, Sumitomo Mitsui Trust, ORIX**

◎ Other (2)

**Mizuho:** Yes, but we cannot answer regarding transactions with individual companies.

**Mitsubishi UFJ:** We refrain from commenting regarding individual companies.

**⇒ All 5 financial institutions know about the fact of the publication but refuse to answer whether it is true.**

**⇒ Sumitomo Mitsui Trust answered that they have never heard of DBOB?!?!**



## Q8: Credit policy towards nuclear weapons manufacturing companies

© This survey identified problems in the policy towards nuclear weapons upheld by each financial institution and asked whether they would consider changing it.

- We will not make investments in or extend financing to companies regarding nuclear weapons, and we will specify that in our policy.
- We will not make investments in or extend financing to companies regarding nuclear weapons, but we will not specify that in our policy.
- We will not make investments in or extend financing to companies regarding nuclear weapons. We will consider in the future whether to specify that in our policy.
- We will consider it in the future.
- We will not make investments in or extend financing to the nuclear weapons sector, but we will carry out investments in and financing of companies as previously.

# Mitsubishi UFJ Bank

Framework to appropriately identify and manage environmental and social risks associated with our business operations

## MUFG Environmental and Social Policy Framework

### Prohibited Transactions

- Transactions that negatively impact wetlands designated under the Ramsar Convention
- Transactions that negatively impact UNESCO designated World Heritage Sites
- Transactions violating the Washington Convention
- Transactions involving the use of child labor or forced labor

### Transactions of High Caution (Sector Specific Guidelines)

- Coal Fired Power Generators
- Mining (Coal)
- Cluster Munitions Manufacturing
- Forestry/Palm Oil

**New**

#### • Oil/gas (oil sands, Arctic exploitation)

Covers financing of new projects for the extraction of oil sands and the extraction of new oil and gas in the Arctic Region (north of latitude 66 degrees 33 minutes north)

#### • Large hydropower

Covers new development of a hydroelectric generation dam which exceeds 15 meters in height and can generate over 30MWm electricity

#### • Inhumane Weapons Manufacturing

(Nuclear weapons, anti-personnel mines, biological and chemical weapons)

See website for details:

<https://www.mufg.jp/english/csr/policy/index.html>



◆ These are high caution but not prohibited. Furthermore, the caution is only regarding transactions.

Reference: Mitsubishi UFJ Bank website

# Mitsubishi UFJ Bank



## Measures against cluster munitions

Civilian populations have been greatly affected by cluster munitions as they release many bomblets over a wide area and because of their indiscriminate effect. As a result, their use has generated significant humanitarian concerns internationally. A law is enforced in Japan prescribing the prohibition of manufacturing cluster munitions and a restriction on retention of cluster munitions. Based on the enforcement of the above law, and in the spirit of conforming to their code of conduct, the Japanese Bankers Association recognized the weight of public duty in banking services and agreed in October 2010 not to extend credit for funds to be used in manufacturing cluster munitions, whether in Japan or abroad.

Mitsubishi UFJ Bank and Mitsubishi UFJ Trust and Banking Corporation, full members of the Japanese Bankers Association, have prohibited the extension of credit for funds to be used in manufacturing cluster munitions. In addition, in light of the inhumane nature of cluster munitions, we have prohibited the extension of credit to companies manufacturing cluster munitions, regardless of the purpose of use for funds, since December 2017.

**In light of the inhumane nature of cluster munitions, Mitsubishi UFJ has prohibited the extension of credit to companies manufacturing cluster munitions, regardless of the purpose of use for funds, since 2017.**

Reference: [Mitsubishi UFJ Bank website](#)



## **Q8: For Mitsubishi UFJ**

- Your bank states in your “MUFG Environmental and Social Policy Framework” that [omitted].
- That is to say, you do not make investments in or extend financing to the nuclear weapons sector, but you do not deny investments or financing to other sectors within the same companies.

Your bank states that you do not make investments in or extend financing to companies manufacturing cluster munitions due to the inhumane nature of such weapons. Have you considered a similar change to your policy on nuclear weapons?

**Q9: If there are any comments you would like to add to the above answer, please write them below.**

## Initiatives for Socially Responsible Investing and Lending (Excerpt)

### Basic Stance on Lending

#### Stance on Lending to the entire Businesses or Sectors

- We will not lend to companies recognized as being directly or indirectly complicit in human rights violations such as human trafficking or those involved in child or forced labor.

#### Stance on Lending to Specific Businesses or Sectors

- We will not lend to prospective clients involved in the development, manufacture or possession of weapons of mass destruction, such as nuclear weapons, chemical weapons and biological weapons, and / or inhumane weapons such as landmines and cluster bombs.

Furthermore, we will not lend to prospective clients subject to, or likely to become the subject of, regulations or sanctions either domestically or abroad.



# Mizuho FG: Overview of our Environmental and Social Management Policy for Financing and Investment Activity

## I. Our Approach under our Environmental and Social Management Policy for Financing and Investment Activity

- Companies are expected to contribute to the sustainable development of society as good corporate citizens. In terms of the social and environmental impact of business decisions and business activity, companies need to consider the expectations of their stakeholders and ensure that their actions are not only aligned with international standards but also transparent and ethical.

## 3. Policy on Transition Risk Sectors and Policies on Specified Industrial Sectors

For certain sectors such as those listed below, where this is a high possibility of contributing to adverse environmental or social impacts, our decisions regarding whether to engage in business transactions take into consideration the client's response to environmental and social issues, including climate change, conservation of biodiversity, and respect for human rights.

### (2) Specified Industrial Sectors

#### ① Weapons

We avoid providing financing or investment which will be used for the manufacture of weapons designed to kill or inflict structural damage during wars or armed conflicts. In addition, we avoid providing financing or investment to any manufacturer of cluster munitions, antipersonnel landmines, or biochemical weapons, regardless of the purpose of the funding, in view of the inhumane nature of these weapons.

Resource: Mizuho website <https://www.mizuhogroup.com/binaries/content/assets/pdf/mizuhoglobal/sustainability/business->



# Financial Institution: : **Sumitomo Mitsui**

## Credit Policy (Excerpt)

Cluster bombs are considered inhumane, therefore SMBC Group prohibits credit to those manufacturers. In addition, it is confirmed that loans are not used for manufacturing of other weapons of destruction.

### **A8: Policy changes**

We will consider it in the future.

### **A9: Additional comments on the above**

Our Group's policy for each sector is based on stakeholders' opinions, and we also revise our credit policy as appropriate.

# Financial Institution: **Mizuho**

## Credit Policy (Excerpt)

Weapons: We avoid providing financing or investment which will be used for the manufacture of weapons designed to kill or inflict structural damage during wars or armed conflicts. In addition, we avoid providing financing or investment to any manufacturer of cluster munitions, antipersonnel landmines, or biochemical weapons, regardless of the purpose of the funding, in view of the inhumane nature of these weapons.

### **A8: Policy changes**

We regularly review risks of which we should be aware, as well as the appropriateness and sufficiency of applicable sectors, based on changes in the external environment and the operational results of our policy, to revise our policy and enhance operations.

### **A9: Additional comments on the above**

None

# Financial Institution: **Mitsubishi UFJ**

## Credit Policy (Excerpt)

Nuclear weapons, biological and chemical weapons, and anti-personnel mines, which are produced for use in wars and conflicts and have indiscriminate and serious effects on people, including civilians, are, along with cluster munitions, internationally recognized as being of great humanitarian concern. In light of the inhumane nature of nuclear weapons, biological and chemical weapons, and anti-personnel mines, Core Subsidiaries prohibit the provision of financing for the production of these weapons.

### **A8: Policy changes**

Refer to Q9.

### **A9: Additional comments on the above**

The “MUFG Environmental and Social Policy Framework” prohibits the provision of financing for the production of nuclear weapons. In addition to regular deliberation by the Sustainability Committee of whether revision is needed, the Framework is revised as necessary according to changes in business activities and the business environment.



# Financial Institution: **Sumitomo Mitsui Trust**

## Credit Policy (Excerpt)

SuMi TRUST Bank will avoid lending and other activities where funds will be used for manufacturing weapons of mass destruction such as nuclear weapons, chemical weapons, biological weapons, or for manufacturing inhumane weapons such as anti-personnel landmines.

### **A8: Policy changes**

We do not make investments in or lend to the nuclear weapons sector, and we carefully consider investments in and lending to companies based on whether they violate public morals.

### **A9: Additional comments on the above**

None

# Financial Institution: **ORIX**

## Credit Policy (Excerpt)

We do not make investments or extend financing for transactions for using, storing, manufacturing, and importing/exporting controversial or inhumane weapons, including cluster munitions, **nuclear weapons, anti-personnel landmines, chemical weapons, biological weapons, depleted uranium ammunition, and firearms.**

### **A8: Policy changes**

We will consider it in the future.

### **A9: Additional comments on the above**

None

# Financial Institution: **Resona**

## Credit Policy (Excerpt)

Stance on Lending to Specific Businesses or Sectors

We will not lend to specific clients involved in the development, manufacture or possession of weapons of mass destruction, such as nuclear weapons, chemical weapons and biological weapons, and / or inhumane weapons such as landmines and cluster bombs. Furthermore, we will not lend to prospective clients subject to, or likely to become the subject of, regulations or sanctions either domestically or abroad.

### **A8: Policy changes**

**We do not make investments in or extend loans to nuclear weapons manufacturing companies, but we do not plan to consider changing our wording.**

### **A9: Additional comments on the above**

**See the next page.**



# Financial Institution: Resona (Cont.)

## **A9: Additional comments on A8**

Our published “Stance on Lending to Specific Businesses or Sectors” indicates sectors in our lending portfolio, not customer sectors (partial). We looked closely into the feedback you gave us on this occasion, but there is also a risk that changing “clients” to “companies” would be mistaken for narrowing the scope of prohibition; therefore, we have determined that considering a change is unnecessary. We are the only major bank that has announced a prohibition of lending to nuclear weapons manufacturing companies on a per-obligor basis. We will continue working to contribute to the healthy and sustainable development of the regional community and economy through our core business.

# Financial Institution: Dai-ichi Life

## Credit Policy (Excerpt)

### Negative Screening

In terms of the characteristics and social sustainability of life insurance operations, Dai-ichi Life prohibits investment and financing in the following fields.

### Screening targets

#### ● Specific arms manufacturing

(cluster bombs, biological/chemical weapons, anti-personnel mines, nuclear weapons etc.)

## A8: Policy changes

**We do not invest in or finance nuclear arms manufacturing companies. We will consider whether to specify that in our policy in the future.**

## A9: Additional comments on the above

**Supplement to the answer to Q7: The companies themselves that manufacture nuclear weapons are negative screening targets; therefore, we do not invest in or finance other sectors within companies falling under the above.**

# What We Learned in This Survey (1)

There were no significant changes from the previous survey (conducted in 2021).

In spite of the questions regarding investments in or financing of nuclear arms manufacturing companies, many answers conveniently changed the wording to reflect financing of the nuclear weapons manufacturing sector or nuclear weapons themselves (the same as previously).

All the financial institutions indicated in the PAX Report as investing in nuclear weapons manufacturing companies understood they were included in the report. However, they refused to answer whether the Report was factual (refrained from commenting on individual cases).



## What We Learned from This Survey (2)

**This survey identified problems in the policies towards nuclear weapons upheld by each financial institution and asked whether they planned to consider changing them. However, there were few forward-looking responses.**

**Resona and Dai-ichi Life seem to be making positive efforts, but there are also unclear points.**

**The financial institutions' policies show that they take a more positive attitude toward addressing environmental and social issues and information disclosure, such as ESG/Stewardship Code.**

# Future Challenges

## As the Roundtable Meeting of Doctors Against Nuclear War in the Kinki Region, Japan

- ◎ The barrier of nondisclosure of individual cases. Limits of the survey?
  - Work out a survey method
  - It is important to deliver citizens' message of “Do not use my money for nuclear weapons” to financial institutions.
  
- ◎ Speak directly with the relevant people at financial institutions to communicate our demands.
  - Emailing is also a good method.

# Financial Institution Ratings Scoring Criteria

**A score of ( ) was given based on the results of this survey, with Q9 (comments) also taken into account.**

**Q1: Do you attach importance to the Treaty on the Prohibition of Nuclear Weapons (TPNW)? (20)**

**Q2: Do you have a policy on investments in and financing of companies involved in nuclear weapons-related manufacturing? (20)**

**Q3: Do you monitor whether companies are involved in the manufacturing of nuclear weapons when you invest? (10)**

**Q4: Do you believe that investments and financing for missiles, etc., are also investments and financing related to nuclear weapons manufacturing? (10)**

**Q5: Are you familiar with the DBOB campaign? (10)**

**Q6: Are fixed measures in place if your bank discovers that an investment or financing recipient is a company that manufactures nuclear weapons? (10)**

**Q7: The PAX Report states that you have financed companies involved in manufacturing nuclear weapons. You know that this financing has been published but refuse to answer with all the facts, citing the reason that you cannot disclose individual cases ⇒ -20**

**Q8: Are you considering changing your policy to prohibit investments in and financing of nuclear weapons companies? (20)**

80-100 points: Well done

50-79 points: Nice effort

0-49 points: Try harder

\*Scores are based solely on each financial institution's responses to this survey.

\*The criteria differ from the previous survey, so scores cannot be compared.



# Financial Institution Ratings

Based on answers to this survey

Well done!

**Resona, Dai-ichi Life**

Nice effort!

**Sumitomo Mitsui**

Try harder

**Sumitomo Mitsui Trust, ORIX, Mitsubishi UFJ, Mizuho**

Review the assignment

**Development Bank of Japan, Fuyo General Lease**

# Conclusion

- © Amid a trend of increased interest in the right to access information, human rights issues, and environmental issues, financial institutions are also reliably making positive changes to prohibit investments in and financing of nuclear weapons manufacturing companies.
- © However, far from being classified into the PAX **Hall of Fame**, Japanese financial institutions aren't even rated as **runners-up**.
- © According to the content of their policies and press conferences, it seems they are likely to withdraw investments from nuclear weapons manufacturing companies soon.
- © **We need to hurry to achieve a world without nuclear weapons before nuclear bombs are used.**



**DON'T BANK  
ON THE BOMB**

Nuclear weapons are profitable because

Money can't be used to make nuclear weapons

**There will be no profit in making nuclear weapons.**

companies that

**The DBOB Campaign is an extremely effective movement. It is easy for anyone to join.**

**Go to the bank and say, "Don't use my money for nuclear weapons!"**