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Disclosure Status in Accordance with TCFD (Indicators and Targets)

Disclosure of Climate-related Information in Voluntary Disclosures by TOPIX500 Member Companies

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Summary

- This paper summarizes the status of disclosures in accordance with TCFD as of the end of September 2022 of the 439 TOPIX500 member companies that have issued voluntary disclosure documents (integrated reports, sustainability reports, etc.), and describes the suggestions obtained for future disclosure. This paper focuses on indicators and targets from among the disclosures required under TCFD, which include governance, strategy, risk management, and indicators and targets for climate change.
- Regarding indicators and targets, many companies disclosed GHG emissions, particularly Scope1, and 2 as indicators (362 companies) and set targets (Scope1:293 and Scope2:292). As for Scope3, many companies (277 companies) are at least trying to ascertain their emissions as indicators. There were also some companies using renewable energy usage as an indicator (128 companies) or as a target (111 companies).
- In the future, it is assumed that the disclosure of sustainability information will be required in the securities report. What is used as indicators and targets varies from company to company, appropriate indicators and targets should be used to monitor the company's climate-related risks, opportunities and responses, with reference to the results of surveys in this paper, indicators of other companies in the same industry, and international standards. It is important that companies work to tackle climate change by incorporating indicators and targets into each department within the company to deepen their understanding. It is also important that they disclose and explain indicators and targets to investors and share their significance and progress.

Attention

This report is a summary translation. The official document is only in Japanese.