

Summary of Discussions

Second Practical Panel on the Use of Climate-Related Data and Adaptation

1. Date and Time

August 28, 2026 (Friday), 14:00-17:00

2. Venue

Conference Room No. 2, Central Government Building No. 7

1-2-3 Kasumigaseki, Chiyoda-ku, Tokyo

- On-site participation was limited to the organizers, speakers in Session 1, and participants in Session 2.
- The general public attended Session 1 via YouTube livestream, while government observers participated via Webex.

3. Organizers

- Financial Services Agency (FSA)
- Ministry of Education, Culture, Sports, Science and Technology (MEXT)
- Ministry of Agriculture, Forestry and Fisheries (MAFF)
- Ministry of Land, Infrastructure, Transport and Tourism (MLIT)
- Ministry of the Environment (MOE)

4. Participating Organizations (In-person)

(1) Banks

- Bank of Japan
- Mizuho Bank
- MUFG Bank
- Sumitomo Mitsui Banking Corporation
- Sumitomo Mitsui Trust Group, Inc.
- The Chugoku Bank, Ltd.
- Kyushu Financial Group, Inc.
- Norinchukin Bank

(2) Insurance Companies

- Dai-ichi Life Insurance Company, Limited
- Nippon Life Insurance Company
- Aioi Nissay Dowa Insurance Co., Ltd.
- Sompo Japan Insurance Inc.
- SOMPO Holdings, Inc.

- Tokio Marine Holdings, Inc.
- Mitsui Sumitomo Insurance Company, Limited

(3) Data Providers, Expert Organizations and Universities

- KPMG AZSA LLC
- Aon Group Japan Ltd.
- MS&AD InterRisk Research & Consulting, Inc.
- Weathernews Inc.
- Meteorological Research Institute, Japan Meteorological Agency
- Keio University
- National Institute for Environmental Studies (NIES)
- General Insurance Rating Organization of Japan (GIROJ)
- Sampo Risk Management Inc.
- Tokio Marine dR Co., Ltd.
- Bloomberg L.P.
- MSCI Inc.

(4) Government Agencies

- Organizing Ministries and Agencies (FSA, MEXT, MAFF, MLIT, MOE)
 - Japan Meteorological Agency
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5. Overview of Discussions

Overall Theme

Advancing Sustainability Disclosure and Enhancing Physical Risk Management among Japanese Financial Institutions

Session 1: Presentations

Opening Remarks

Mamoru Yanase, Director-General for Operations, Financial Services Agency

Keynote Presentation 1

Theme: Developments in Sustainability Disclosure Standards, Including the SSBJ Standards, and Assurance Frameworks

Speaker: Corporate Accounting and Disclosure Division, Policy and Markets Bureau, Financial Services Agency

Keynote Presentation 2

Theme: International Initiatives on the Financial Impacts of Extreme Weather Events

Speaker: International Affairs Division, Financial Services Agency

Keynote Presentation 3

Theme: Recent Developments of Practices on Management of Storm and Flood Risks and Support for Clients in the Financial Sector

Speaker: Office for Climate-related Financial Risk Monitoring Hub, Banking and Securities Business Supervision Bureau, Financial Services Agency

Case Study 1

Theme: Quantitative Analysis of Credit Costs Incorporating Physical Risks
Practical Approaches to Scenario Analysis and the Use of External Data

Speaker: Takehisa Hanawa, Risk Management Department, Sumitomo Mitsui Trust Group, Inc.

Case Study 2

Theme: Supporting Corporate Decision-Making and Adaptation to Climate Change
Practical Approaches Through Risk Visualization and Tailor-Made Insurance Solutions

Speakers:

- Yuka Oshima, SOMPO Holdings, Inc.
- Ken Gohara, Sompo Japan Insurance Inc.

Case Study 3

Theme: The Role of Weather Data in Physical Risk Scenario Analysis
Current Practices and Challenges in the Use of Climate Data in Financial Decision-Making

Speaker: Imari Orino, Land Domain/Climate Tech, Weathernews Inc.

Case Study 4

Theme: The Evolution of ESG Catastrophe Bonds and Recent Developments in the CAT Bond Market
Enhancing Resilience Through Risk Transfer and Addressing the Protection Gap

Speaker: Yusuke Kikuchi, Alternative Solutions Group, Aon Group Japan Ltd.

Session 2: Roundtable Discussion

Theme: Enhancing Physical Risk Management among Japanese Financial Institutions:
Further Opportunities for the Use of Climate-Related Data

Moderator: Jun Sunagawa, Chief Coordinator for Climate Change Adaptation, Climate Change Impacts Monitoring Research Section, National Institute for Environmental Studies

Summary

Participants from banks, insurance companies, data providers, expert institutions, universities, and government agencies exchanged views on enhancing responses to climate-related physical risks and expanding the use of climate-related data.

Building on the presentations delivered during Session 1, participants discussed current practices and challenges in physical risk assessment, approaches to addressing data gaps, measures to strengthen the resilience of customers and local communities, and responses to the growing protection gap.

Participants broadly agreed that both data gaps and the protection gap represent major challenges in responding effectively to physical climate risks. They emphasized the importance of promoting collaboration among public and private stakeholders, including enhanced data sharing, improvements in data infrastructure, and greater standardization of analytical methods and scenarios.

Participants also shared the view that developing an environment in which financial institutions can assess climate-related risks using common assumptions and indicators is essential for translating analytical results into financing, investment, and risk-management decisions.

Key discussion points are summarized below.

(1) Data Gaps and the Importance of Collaboration

Participants noted that while progress has been made in flood-risk analysis, data relating to landslides, windstorms, snow damage, droughts, and other hazards remain insufficient. They also pointed out that limited information on corporate business sites, logistics networks, and supply chains constrain the quantitative assessment of business impacts.

To address these data gaps, participants highlighted the importance of not only improving and expanding data provided by government agencies and research institutions but also making better use of forecast data and expertise offered by insurers and private-sector data providers. They further stressed the need for practical discussions among relevant stakeholders regarding the use of data and models that can support physical risk assessment.

In addition, participants noted that, alongside traditional public-private collaboration, cooperation among private-sector actors may also provide effective solutions, including the use of data and risk models held by the General Insurance Rating Organization of Japan. Expectations were expressed regarding the potential application of data and risk models accumulated within the insurance industry to enhance physical risk analysis and risk management by financial institutions.

(2) Need for Methodological Standardization and Enhanced Comparability

Participants recognized that differences in data sources, scenarios, and analytical methodologies across financial institutions make it difficult to compare or validate analytical outcomes. Accordingly, participants emphasized that efforts should focus not only on expanding datasets and improving forecasting accuracy, but also on promoting the standardization of methodologies and assessment indicators. Such efforts would help financial institutions interpret risks based on common assumptions and metrics while supporting institution-specific decision-making.

Participants also agreed that the ultimate objective of enhancing physical risk assessment is to improve financing, investment, and management decisions. Given the limited availability of data and the evolving nature of analytical methods, participants suggested that financial institutions should continue to make use of existing information rather than wait for perfect datasets or models, while continuously improving analytical approaches over time.

(3) Widening Protection Gap and the Growing Role of Financial Institutions

Participants observed that, in project finance, insurance premiums have been rising, while assets exposed to disaster events often face reduced insurance coverage, contributing to a widening protection gap. Nonetheless, participants reaffirmed the importance of insurance as a risk-management tool and discussed complementary risk-transfer mechanisms using capital market instruments, including catastrophe bonds.

Participants further shared the view that financial institutions play a critical role in financing adaptation and resilience efforts by their customers. Participants also highlighted best practices in supporting customer adaptation and resilience, including financing for disaster risk reduction, business continuity planning (BCP) support, and assistance with greenhouse gas emissions calculations. Participants emphasized that financial institutions can further support customer adaptation and resilience by making greater use of analytical results in discussions and engagement with customers. Participants also noted that fulfilling such a role would ultimately contribute to enhancing the resilience of financial institutions themselves.

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