

3 People

—Social Considerations

People are at the center of global economic prosperity, driving wealth creation, developing innovative products and services, and supporting the communities in which they live and work.

From the World Economic Forum White Paper “Measuring Stakeholder Capitalism”

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The Group's Approach to Social Issues

The sustainable society envisioned under the SDGs is based on the assumption that humans will play a central role. Thus, the 17 goals ultimately aim to achieve human happiness. In 1948 the World Health Organization (WHO) described the state of human happiness as "well-being" (a state of complete physical, mental, and social well-being) and the Organisation for Economic Co-operation and Development (OECD) has defined the conditions of well-being to be comprised of material components such as income, employment, and housing, as well as immaterial components that contribute to quality of life (QOL), including health, education, and social connections. Our initiatives on pursuing prosperity and those related to global environmental considerations are also sorted into those that create positive impacts that ultimately lead to the well-being of people from all walks of life, not just our clients and employees.

Definition of Well-Being by the OECD

Material conditions	Immaterial conditions (QOL)	
<ul style="list-style-type: none"> Income and wealth Jobs and earnings Housing 	<ul style="list-style-type: none"> Health status Work and life balance Education and skills Civic engagement and governance 	<ul style="list-style-type: none"> Social connections Environmental quality Personal security Subjective well-being

Related Materiality

Impact Materiality

Materiality	Risk/Opportunity	Main stakeholders	Key measures
Pursuing sustainability-themed business opportunities	Opportunity	Clients, employees, communities	Maximizing the positive impacts through business (e.g. development of innovative financial products that help solve social issues and engagement with companies to whom we extend investments and loans to actively encourage behavioral change)
Considering impacts on society and the business environment of companies to whom we extend investments and loans	Risk	Clients, employees, communities, NPOs	Minimizing the negative impacts through business (e.g. investments and loans in line with policies for specific sectors and ESG guidelines, and engagement with companies to whom we extend investments and loans to encourage the control of negative impacts, such as human rights issues)
Population decline and issues of a super-aged society	Risk/Opportunity	Clients, employees, communities, business partners	Reviewing business operations from the perspective of the impact on the well-being of elderly clients, addressing dementia-related problems, and transferring assets between generations taking into account the viewpoint of child-rearing support

Governance and Management Framework Materiality

Materiality	Risk/Opportunity	Main stakeholders	Key measures
Bolstering human resources and developing workplace environments	Risk/Opportunity	Employees	Hiring and appointing diverse human resources, adopting appropriate performance evaluation and compensation packages, nurturing human resources, improving employee satisfaction levels, promoting employee health, and preserving employment and worker rights

Highly
Relevant
SDGs

