

I am the co-chair of JCLP, a cross-industry coalition of Japanese companies promoting decarbonization. I am Miyake of Aeon Company Limited.

I would first like to commend the strong leadership of Prime Minister Suga, who declared the target of carbon neutral society.

JCLP member companies are committed to 100% renewable energy with concrete steps towards decarbonization. Let me discuss why we are pushing this agenda, touching upon our perspectives at Aeon.

Aeon is a major energy consumer that uses around 1% of Japan's total electricity. When we declared our 100% renewable energy target in 2018, people asked why we did it and wondered if it is ever possible. Though a decisive move, it was not a difficult decision to make, because we knew, if unabated, climate change would certainly threaten the foundation of people's life and livelihood.

Aeon considers that retailing is an industry of peace, because the sense of security in society is the prerequisite for our business to thrive. That is why we took the bold step to preserve peace and to protect people's life.

Another factor is business competitiveness. In the rapidly changing world, global companies are aiming at carbon neutrality not only in their own entities but throughout their supply chains; and not in 50 years but within a shorter time span of 30 to 40 years. Will Japanese companies be able to remain competitive in the global supply chain? Initiatives for carbon neutrality is directly linked to Japan's reputation as the center of global industries.

Member companies of JCLP are aiming at the 2050 zero carbon goal upheld by Prime Minister. To this end, our member companies pledge to enhance our initiatives. We will also build a new mechanism to procure renewable energy and drive investments to reduce emissions, while at the same time reaching out to business partners and local governments.

Thanks to Prime Minister's declaration, the atmosphere prevailing in the Japanese industry has changed dramatically. That alone, however, is not enough; we need

a transformation throughout the societal system. It is imperative to create an ecosystem where all stakeholders, including investors, companies, and consumers, can take positive steps from their unique perspectives.

One of the ways to push this cause is to set an ambitious goal of renewable energy ratio by 2030. A couple of days ago, Minister Koizumi suggested the target of 40%. I believe that the entire world is now watching Japan's next move.

JCLP's target is even higher at 50%, but we are aware that a business as usual approach by Japan would not allow us to achieve an aspirational goal. At the Global Environmental Action Conference I attended recently, "transformative social change" was the theme touched by many experts from around the globe.

Carbon pricing is a mechanism that can promote the needed change. Ad hoc tax hikes are certainly not something businesses welcome. Hence we need to define the behavioral change we are aiming to achieve. We must also make sure that the transformation is achieved through a fair process, by ensuring that the raised funds are used not only for new technology development but also for those who are affected by climate change and for businesses that needs to be supported through the transformation. I hope the discussion will help ensure transparency needed to deal with these questions.