

2025

Current State and Challenges of Impact Investing in Japan

FY2025 Survey

March 31, 2026

GSG Impact JAPAN National Partner (formerly GSG Japan NAB)

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Current State and Challenges of Impact Investing in Japan – FY2025 Survey

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The GSG Impact is a global network of 50 nations plus the European Union that aims to promote impact investing/impact economy in partnership with financial institutions, governments, international organizations, businesses, and other entities worldwide. The GSG Impact JAPAN National Partner was established in 2014 as GSG Impact's national advisory board in Japan. This initiative contributes to the development of the market and ecosystem for impact investing and the impact economy in collaboration with practitioners and experts in diverse fields, including financial, business, social, and academic institutions. The activities of the GSG Impact JAPAN National Partner revolve around three pillars: research and publication, awareness-raising, and networking.

It is operated with the support of the following partners (in no particular order):

- Japan Social Innovation and Investment Foundation (SIIF)
- The Sasakawa Peace Foundation
- Mizuho Financial Group, Inc.

GSG Impact JAPAN National Partner website: <https://impactinvestment.jp/index.html>

Positioning of this report

This report presents the current state and challenges of impact investing in Japan with the purpose of sharing information effectively for promoting it. The project has been published under the supervision of the GSG Impact JAPAN National Partner (formerly GSG Japan NAB) every year since 2016.

Based on the questionnaire survey results, the main part of the report illustrates the investment balance (i.e., assets under management (AUM)) and where investments have been made in Japan's impact investing market, along with organizations' efforts and how the issues are perceived. This report also presents domestic and international trends in impact investing identified in our desk research.

Acknowledgments

We would like to express our appreciation to the people who offered help in the questionnaire, interviews, and the preparation of this report. This year's data collection was conducted in collaboration with the Impact Consortium.

Sponsor and copyright

The SIIF conducted the survey and created this report under the supervision of the GSG Impact JAPAN National Partner. This report is copyrighted to the SIIF. This report may not be edited, duplicated, published, or reproduced without permission.

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Executive Summary

FY2025 Impact AUM in Japan and Factors behind the Growth

Impact AUM in Japan¹: 18 trillion yen (108% of the previous year's figure)

This figure is the sum of assets under management (AUM) held by 47 organizations that responded to the Impact Investing Survey 2025 and met the impact investing requirements.

[Reference] Impact AUM worldwide²: Approximately JPY 243 trillion (USD 1.571 trillion) *2024 data

Observations of factors behind the growth of the impact on AUM

The impact on AUM increased by 1,351.4 billion yen (108%), compared with the 17,301.6 billion yen ascertained by the FY2024 survey. The factors behind this increase include the following:

1) Most of the increase comes from the top 10 organizations in terms of AUM, centered on major banks and life insurance companies.

Investment AUM by 41 impact investing organizations that have responded to the survey since FY2024 increased by 1,145.8 billion yen (107%) compared with last year. This figure accounts for 85% of the overall increase of 1,351.4 billion yen. This explains that the increase in investment AUM by existing impact investing organizations is a major factor.

Furthermore, the survey found that investments by the top 5 organizations, centered on major banks, made up 65%, and the top 10 organizations, adding major life insurers, account for 86% of the overall increase of 1,351.4 billion yen.

Figure 1. Impact AUM and growth rate of repeat responding organizations this year and the previous year

(in millions of yen)

(n=41)	FY2024	FY2025	Increase	Growth Rate
Impact AUM	16,912,718	18,058,584	1,145,866	107%

Source: Created based on the "Questionnaire Survey Regarding Impact Investment (2024 and 2025)" (GSG Impact JAPAN)

1 Based on responses to the questionnaire for the Impact Investing Survey 2025. See Chapter 2 of this document for the details of the calculation standard.

2 GIINsight: Sizing the Impact Investing Market 2024,
<https://thegiin.org/publication/research/sizing-the-impact-investing-market-2024/>

Developments in Impact Investing in Japan/Overseas during the Year

The following are some of the notable developments in 2025 and early 2026.

Figure 2. Developments in impact investing from 2025 to the beginning of 2026

Global movements	The second Trump administration is inaugurated, and the “backlash” against DE&I accelerates globally, centered in the US. (January 2025)
	The GIIN announced the launch of the GIIN’s Japan Working Group based in Japan. (March 2025)
	The GIIN hosted the first Asia Impact Forum in Singapore. (July 2025)
	The GIIN published “State of the Market 2025: Trends, Performance and Allocations,” summarizing trends in the impact investing market. (October 2025)
	The UK government announced the establishment of the Social Impact Investment Advisory Group (SIAG) and the launch of the “Office for the Impact Economy.” (November 2025)
	The Netherlands Advisory Board on impact investing (NAB) published the report “Dutch Pension Funds Impact Investments.” (January 2026)
Actions by Japanese public bodies	The University of Oxford announced a case study and video series summarizing the 10 Years in the making of Japan’s impact economy, adopting it as a case study for its impact investing program. (January 2026)
	The Government Pension Investment Fund (GPIF) formulated a “Sustainability Investment Policy” that specifies “investments in consideration of impact.” (March 2025)
	The Cabinet Secretariat specified “efforts to expand the impact investment market” in the “Grand Design and Action Plan for a New Form of Capitalism (Revised Edition 2025).” (June 2025)
	The Financial Services Agency (FSA) and the Ministry of Economy, Trade and Industry (METI) published the results of this fiscal year and the direction for the next fiscal year for each working group of the Impact Consortium. (June 2025)
	The new Takaichi administration specified “to promote all investments, including impact investment” in the instructions issued to 18 ministers upon the inauguration of the cabinet. (October 2025)
The Government Pension Investment Fund (GPIF) commissions a research company to conduct “Research and Study on Impact Investment.” (December 2025)	
Actions by Japan’s private sector	Keidanren (Japan Business Federation) published the opinion paper “Views on Data and Indicators for Impact Measurement and Investment/Lending.” (May 2025)
	GSG Impact JAPAN hosted GSG Impact’s “Global Leadership Meeting (GLM) 2025” in Kyoto. (May 2025)
	Keizai Doyukai (Japan Association of Corporate Executives), Japan Association of New Public, and Impact Startup Association published the case study collection “Introduction and Practical Significance of Impact Accounting in Japanese Companies.” (December 2025)
	Impact Startup Association announced that its full membership has expanded to 325 companies. (December 2025)

Chapter 1: Summary of Impact Investing and Development

Clarification of Impact Investing Terms

The terms used in the context of impact investing should first be clarified.

“Impact” refers to a social and/or environmental change or effect caused by a business or activity, whether it is long or short term.

“**Impact investing**” refers to an investment activity intended to generate a positive, measurable social and/or environmental change or effect alongside financial returns.

Conventional investing assesses value on the two axes of risk and return. Impact investing incorporates “impact” as the third axis.

Specifically, the four elements below define impact investing³:

- 1) intentionality
- 2) investment with return expectations
- 3) range of return expectations and asset classes
- 4) impact measurement

(1) “Intentionality” refers to a viewpoint of whether an investor aims (intends) to generate a positive impact by investing. (2) “Investment with return expectations” refers to a perspective on whether the entity that invests aims to not only generate an impact but also receive financial returns. (3) “Range of return expectations and asset classes” indicates that impact investing targets financial returns ranging from below market (sometimes called concessionary) to risk-adjusted market rate and can be performed across asset classes (i.e., all financial transactions in assets (stocks, bonds, loans, leases, etc.) for financial returns can be investments). (4) Impact measurement refers to a perspective on whether the investor is committed to measuring the social and/or environmental impact that results from its investing activity to take actions to add value to judgment.

The term “impact measurement and management” (“IMM”) refers to the repetitive process that includes the identification and examination of positive and negative impacts of business activities on people and the Earth. On this basis, IMM finds and practices ways to reduce negative impacts and maximize positive impacts while being consistent with your objective.⁴

IMM is positioned as a means to achieve what the investor “intends” to do in impact investing. IMM adds a “management” element to “impact measurement,” in which investors and business operators make business decisions based on the results of the measurement and aim to improve the impacts.

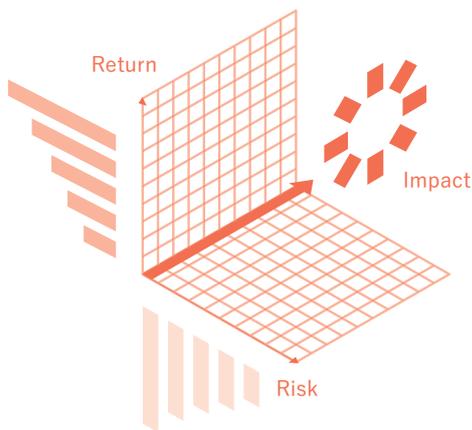
³ We used the Global Impact Investing Network (GIIN)’s definition of impact investing.

<https://thegiin.org/impact-investing/need-to-know/#what-is-impact-investing>

⁴ The IMM as defined by the GIIN is used.

The IMM methodology has been advanced and standardized in the global impact investing market over the last decade. GSG Impact JAPAN National Partner released guidelines for IMM practice, a practice guidebook, a discussion paper to create global standards for IMM, and other materials, to share with impact investing practitioners the points to be considered, issues they may face, and measures to address when conducting IMM.⁵

Figure 3. Third axis of investment



Source:
Position Paper on Expanding Impact Investing 2019
(formerly GSG-NAB Japan)

⁵ Press release “GSG Japan NAB creates and releases the ‘IMM Practice Guidebook’ and other documents in impact investing (stocks),” GSG Japan NAB (Presently GSG Impact JAPAN National Partner), July 2021, <https://impactinvestment.jp/news/research/20210701.html>
Press release “GSG Japan NAB (Current GSG Impact JAPAN National Partner) creates and releases the ‘Guidance for Impact Measurement & Management in Debt Finance’” GSG Japan NAB (Current GSG Impact Japan National Partner), July 2023, <https://impactinvestment.jp/resources/report/20230725.html>

Major Developments in Impact Investing

The following are notable developments in 2024 and early 2025.

Figure 2. (Reposted) Developments in impact investing from 2025 to the beginning of 2026

Global movements	The second Trump administration is inaugurated, and the “backlash” against DE&I accelerates globally, centered in the US. (January 2025)
	The GIIN announced the launch of the GIIN’s Japan Working Group based in Japan. (March 2025)
	The GIIN hosted the first Asia Impact Forum in Singapore. (July 2025)
	The GIIN published “State of the Market 2025: Trends, Performance and Allocations,” summarizing trends in the impact investing market. (October 2025)
	The UK government announced the establishment of the Social Impact Investment Advisory Group (SIAG) and the launch of the “Office for the Impact Economy.” (November 2025)
	The Netherlands Advisory Board on impact investing (NAB) published the report “Dutch Pension Funds Impact Investments.” (January 2026)
	The University of Oxford announced a case study and video series summarizing the 10 Years in the making of Japan’s impact economy, adopting it as a case study for its impact investing program. (January 2026)
Actions by Japanese public bodies	The Government Pension Investment Fund (GPIF) formulated a “Sustainability Investment Policy” that specifies “investments in consideration of impact.” (March 2025)
	The Cabinet Secretariat specified “efforts to expand the impact investment market” in the “Grand Design and Action Plan for a New Form of Capitalism (Revised Edition 2025).” (June 2025)
	The Financial Services Agency (FSA) and the Ministry of Economy, Trade and Industry (METI) published the results of this fiscal year and the direction for the next fiscal year for each working group of the Impact Consortium. (June 2025)
	The new Takaichi administration specified “to promote all investments, including impact investment” in the instructions issued to 18 ministers upon the inauguration of the cabinet. (October 2025)
	The Government Pension Investment Fund (GPIF) commissioned a research company to conduct “Research and Study on Impact Investment.” (December 2025)
Actions by Japan’s private sector	Keidanren (Japan Business Federation) published the opinion paper “Views on Data and Indicators for Impact Measurement and Investment/Lending.” (May 2025)
	GSG Impact JAPAN hosted GSG Impact’s “Global Leadership Meeting (GLM) 2025” in Kyoto. (May 2025)
	Keizai Doyukai (Japan Association of Corporate Executives), Japan Association of New Public, and Impact Startup Association published the case study collection “Introduction and Practical Significance of Impact Accounting in Japanese Companies.” (December 2025)
	Impact Startup Association announced that its full membership has expanded to 325 companies. (December 2025)

Figure 4. History of impact investing in the world and Japan

Year	Global	Japan
2007	The Rockefeller Foundation first used the term “impact investing” and began to promote impact investing	
2008	The Dormant Accounts Act was enacted in the UK	
2009	The Global Impact Investing Network (GIIN), a global network of impact investors, was established IRIS, a reporting standard for impact investing, has begun to operate	
2011	The US granted legal recognition to the benefit corporation as a category for social enterprises (Maryland, as the first US state)	The 21st Century Financial Behavior Principles were adopted mainly by private financial institutions
2012	Big Society Capital (BSC), a wholesale fund funded by dormant bank accounts, was established in the UK	
2013	The Global Steering Group for Impact Investment (GSG) was established (at the time, it was called the “G8 Impact Investment Task Force,” which was renamed “GSG” in 2015).	
2014		The GSG National Advisory Board (presently GSG Impact JAPAN National Partner) was established The GSG National Advisory Board (presently GSG Impact JAPAN National Partner) issued a report on the current state and challenges of impact investing in Japan for the first time.
2015		The GSG National Advisory Board (presently GSG Impact JAPAN National Partner) proposed seven key recommendations for the promotion of impact investing. The use of social impact bonds (SIB) is mentioned for the first time in the government’s growth strategies and basic policies for regional revitalization. The Government Pension Investment Fund (GPIF) signed the UN Principles of Responsible Investment (PRI)
2016	The Impact Management Project (IMP), an initiative for impact measurement and management (IMM), was established	The Social Impact Management Initiative (SIMI) was established (at the time, it was called the “Social Impact Measurement Initiative,” which was later renamed.) The Dormant Deposits Utilization Act was promulgated

Figure 4. History of impact investing in the world and Japan (continued)

Year	Global	Japan
2017	TPG, a major private equity firm, established a JPY 200 billion impact investment fund	
2018	<p>“Impact investing” was included in the declaration of the leaders at the G20 Buenos Aires Summit</p> <p>The UNDP initiated the Sustainable Development Goals (SDG) Impact with the expectation that the flow of private funds will expand to achieve the SDG goals.</p>	The Dormant Deposits Utilization Act came into effect
2019	<p>Prime Minister Abe declared at the G20 Osaka Summit that Japan will lead in innovative financing schemes such as impact investing and dormant bank accounts</p> <p>The International Finance Corporation (IFC) developed operation principles for impact investing</p>	<p>The Cabinet Office designated the Japan Network for Public Interest Activities (JANPIA) as the designated utilization organization based on the Dormant Deposits Utilization Act</p> <p>The Japan International Cooperation Agency (JICA) signed an operational protocol for impact investing as the first organization in Japan</p>
2020	UK’s BSC and a major private sector asset management institution partner to establish an impact investment trust company	Assistance in solving social issues using dormant bank accounts commenced
2021	<p>The Impact Taskforce (ITF) was set up by the UK, the chairperson of the 2021 G7 summit</p> <p>The Impact Management Platform (IMP) was set up as a successor to the Impact Management Project (IMP).</p>	<p>Prime Minister Kishida mentioned impact investing in his first policy speech</p> <p>The Japan Impact-driven Financing Initiative was launched (21 companies)</p>
2022	<p>Impact AUM reached 160 trillion yen (1.2 trillion dollars) worldwide, according to a global survey by the GIIN</p> <p>The Impact Weighted Accounting Initiative (IWAI) created and published a tentative proposal for an impact-weighted accounting framework (IWAF)</p> <p>BSC opened an impact venture capital community, ImpactVC, for those who engage in impact investing</p>	<p>The Cabinet and Cabinet Secretariat clearly stated that the government would promote impact investing in the “Grand Design and Action Plan for a New Form of Capitalism” and “Basic Policies for Economic and Fiscal Management and Reform 2022.”</p> <p>The Financial Services Agency (FSA) established the Working Group on Impact Investment</p> <p>The Impact Startup Association was established</p> <p>Keidanren (Japan Business Federation) published the report “Using Impact Metrics to Promote Dialog with Purpose as Starting Point”</p>

Year	Global	Japan
2023	<p>The World Economic Forum (WEF) published a new white paper on impact investing titled “Private Market Impact Investing: A Turning Point.”</p> <p>The GIIN published the “2023 GIINsights” series based on data collected from 308 impact investing organizations worldwide.</p>	<p>The Cabinet Secretariat announced the “Impact Investment Initiative for Global Health” at the G7 Hiroshima Summit.</p> <p>The FSA organized a launch event for the Impact Consortium, a conference for collaboration between the public and private sectors on impact investing.</p> <p>Keizai Doyukai (Japan Association of Corporate Executives) entered into a Partnership Agreement for Collaboration between the Impact Startup Association, the Japan Association of New Public, and the Japan Association of Corporate Executives.</p>
2024	<p>GSG Impact directly responded to its call to The Impact Taskforce (ITF) and published “Impact Transparency from the Ground Up”</p> <p>The Global Impact Investing Network (GIIN) released its “Sizing the Impact Investing Market 2024” report, which summarizes the latest estimates for the impact investing market</p>	<p>The Japan Association for Private Public Collaboration (JANPIA) plans to begin investing in dormant bank accounts</p> <p>The FSA published the “Basic Guidelines for Impact Investment (Impact Finance)” and held the “Impact Forum”</p> <p>The Cabinet Office and the Cabinet Secretariat stated their support for impact investing in the “Grand Design Action Plan for a New Form of Capitalism (Revised Edition 2024)” and the “Basic Policy on Economic and Fiscal Management and Reform 2024”</p> <p>The Ministry of Health, Labor, and Welfare announced the “Outline of the Fifth Medium-Term Plan for the Government Pension Investment Fund (GPIF),” which includes the implementation of impact investment</p>
2025	<p>The GIIN announced the launch of the GIIN’s Japan Working Group based in Japan. (March 2025)</p> <p>The GIIN published “State of the Market 2025: Trends, Performance and Allocations,” summarizing trends in the impact investing market. (October 2025)</p> <p>The UK government announced the establishment of the Social Impact Investment Advisory Group (SIIAG) and the launch of the “Office for the Impact Economy.” (November 2025)</p> <p>The Netherlands Advisory Board on impact investing (NAB) published the report “Dutch Pension Funds Impact Investments.” (January 2026)</p>	<p>Keidanren (Japan Business Federation) published the opinion paper “Views on Data and Indicators for Impact Measurement and Investment/Lending.” (May 2025)</p> <p>The Financial Services Agency (FSA) and the Ministry of Economy, Trade and Industry (METI) published the results of this fiscal year and the direction for the next fiscal year for each working group of the Impact Consortium. (June 2025)</p> <p>The new Takaichi administration specified “to promote all investments, including impact investment” in the instructions issued to 18 ministers upon the inauguration of the cabinet. (October 2025)</p> <p>The Government Pension Investment Fund (GPIF) commissions a research company to conduct “Research and Study on Impact Investment.” (December 2025)</p>

Chapter 2: Impact Investing Market in Japan

Chapter 2 presents the research method used in this report and the requirements for impact investing. This chapter then moves on to the current state of Japan's impact investing market as studied through the survey questionnaire results.

Survey Method

Summary of the method

- **A questionnaire survey. A survey form in Microsoft Excel to provide responses.**
- **Survey period: December 2025 – January 2026**
- **Respondents:**
asset managers, venture capitalists, institutional investors, foundations, etc.
 - This survey focused on institutions that may be connected to impact investing, covering a wide range of organizations. The survey covered those that have declared compliance with the Principles for Responsible Investment and the Principles for Financial Action for the 21st Century and those that have signed the Japan Impact-driven Financing Initiative, among others.
- **Valid responses: 66 organizations**
(53 are impact investing organizations, 47 organizations disclose their investment AUM.)
 - Six of the impact investing organizations declined to disclose their impact AUM. Therefore, its responses to questions about the AUM were not counted.
 - “No responses” and invalid responses to the survey questions may not have been counted.
 - For these reasons, the number of valid responses to each question differs.
- **Base date: End of March 2025. Note that the base date for some of the organizations that provided valid responses was at the end of September 2025 because of differences in the time the data from these respondents were aggregated.**

Design of the survey form

- We used the survey form for the “GIIN Annual Impact Investor Survey” as a guide in designing our survey form to make the analysis comparable with trends in global impact investing markets.
- Structure of survey form:
 - Attributes of the survey respondents (types of business and when they started impact investing)
 - How investments are made across the impact investing market (range of investments, asset classes for investment, regions)
 - Policy for promoting impact investment and the recognition of issues

This survey aims to compile a report that presents the progress of the efforts of impact investing organizations. Regarding what is needed for the further development of the impact investing market, the survey collected responses from organizations not working on impact investing to understand the current state in light of how to invite new players into the market and how to encourage existing players to invest further.

< Notes >

- **The survey is not intended to provide an accurate market estimate.**

The survey results are the cumulative responses to the questionnaire. They are not intended to provide an estimated size of the impact investing market in a strict sense.

- **Responses are essentially self-reported**

The results are based on self-reported answers from the responding organizations, similar to the “GIIN Annual Impact Investor Survey.” However, when any response about the state of impact investing was partial or incomplete or when any inconsistent responses were found, a follow-up interview was conducted with the organization by email or phone to obtain a complete and accurate answer.

- **Data cleaning and accuracy**

The survey team removed or corrected responses with inconsistency or misunderstanding to the full extent possible and took great care to prevent double counting of balances. However, these efforts do not guarantee complete accuracy. Responding organizations provided their responses voluntarily as a cooperative effort. “No responses” and “invalid responses” (i.e., responses that failed to meet the requirements for an answer) were not counted. Hence, the “n” (the number of valid answers) and AUM vary by question.

- **Respondents were Japanese corporations**

This survey focuses on impact investing in Japan. Hence, the responding organizations must be Japanese corporations. Note that the investee companies may be located outside Japan. If a respondent is a multinational corporation, its responses must address the impact of investing activities by its incorporated Japan office.

Requirements for “Impact Investing” in This Report

The “impact investing” used in the questionnaire survey and presented to respondents meet (1) and (2) stated below. These two correspond to levels 1⁶ and 2⁷ presented in the section on the requirements for impact financing in the Progress Report of the Japan Impact-Driven Financing Initiative 2024.

(1) Impact investments are made to generate a positive and measurable social and environmental impact alongside a financial return.⁸

- These investments can also be made across different asset classes, depending on the investor’s strategic goals. They may be made by investors in developed and/or developing countries, and their target returns may be at or below the market rate.
- The term “investing” in this survey refers to all financial transactions for returns, including investments in stocks and bonds, lending, and leasing, excluding donations, grants, and subsidies.

(2) The “measurement” of outcomes or outputs is mandatory, and “management” is implemented to create identified positive impacts and mitigate significant negative impacts.

Impact AUM

Impact AUM in Japan: 18 trillion yen (108% of the previous year’s figure)

This figure is the sum of assets under management (AUM) held by 47 organizations that responded to the Impact Investing Survey 2025 and met the impact investing requirements.

[Reference] Impact AUM worldwide⁹: Approximately JPY 243 trillion (USD 1.571 trillion) *2024 data

6 The investment has “intentionality” and “strategies” to create an impact, and it measures outcomes and output (source: “Progress Report of Japan Impact-Driven Financing Initiative 2024,” Japan Impact-Driven Financing Initiative)

7 The investment has “intentionality” and “strategies” to create an impact and measures outcomes and output. It also carries out management intended to create a specified positive impact and reduce the severely negative impact (source: “Progress Report of Japan Impact-Driven Financing Initiative 2024,” Japan Impact-Driven Financing Initiative)

8 The description is based on the GIIN Annual Impact Investor Survey 2020. The GIIN questionnaire survey defines the term “Impact investments are investments made with the intention to generate positive, measurable social, and environmental impact alongside a financial return. They can be made across asset classes, in emerging and developed markets, and target a range of returns from below market to market rate, depending on the investors’ strategic goals.” The underlined sentence is presented in the survey form, and the remaining portion is in the letter sent with the survey form.

9 GIINsight: Sizing the Impact Investing Market 2024,
<https://thegiin.org/publication/research/sizing-the-impact-investing-market-2024/>

List of Impact Investing Organizations

Figure 5. List of impact investing organizations (only the organizations this report is allowed to publish)¹⁰

Industry	Organization
Asset managers	Cadira Capital Management Co., Ltd.
	Kamakura Investment Management Co., Ltd.
	KJR Management
	Commons Asset Management, Inc.
	DBJ Asset Management Co., Ltd.
	T. Rowe Price Japan, Inc.
	Nissay Asset Management Corporation
	Nomura Asset Management Co., Ltd.
	Sumitomo Mitsui DS Asset Management Company, Limited
Venture capitals	Impact Capital Limited
	Keio Innovation Initiative, Inc.
	Shinsei Impact Investment Limited
	DG Daiwa Ventures Inc.
Private equity	Whiz Partners Inc.
	Gojo & Company, Inc.
	Japan Post Investment Corporation
	PMI Partners Limited

¹⁰ The list shows only the organizations that meet the requirements for impact investing and have given their permission to publish their names. We referred to the content of the responses to the relevant questions in the questionnaire on classification of industry.

Figure 5. List of impact investing organizations (continued)

Industry	Organization
Insurance companies	Asahi Mutual Life Insurance Company
	Japan Post Insurance Co., Ltd.
	Sumitomo Life Insurance Company
	Zenkyoren (National Mutual Insurance Federation of Agricultural Cooperatives)
	The Dai-ichi Life Insurance Company, Limited
	Nippon Life Insurance Company
	Mitsui Sumitomo Insurance Co., Ltd.
	Meiji Yasuda Life Insurance Company
Government-run development agencies and financial institutions	Japan International Cooperation Agency
	Japan Green Investment Corp. for Carbon Neutrality
Cooperative central financial institutions	The Norinchukin Bank
Banks and trust banks	SBI Shinsei Bank, Limited
	The San-in Godo Bank, Ltd.
	The Shizuoka Bank, Ltd.
	The Chiba Kogyo Bank, Ltd.
	Higo Bank
	Mizuho Bank, Ltd.
	Sumitomo Mitsui Banking Corporation
	Sumitomo Mitsui Trust Group, Inc.
	MUFG Bank, Ltd.
Mitsubishi UFJ Trust and Banking Corporation	

Figure 5. List of impact investing organizations (continued)

Industry	Organization
Banks and trust banks	JAPAN POST BANK Co., Ltd.
	Yokohama Financial Group, Inc.
Credit associations and credit unions	Tajima Shinkin Bank
Securities companies	Daiwa Securities Group Inc.
Lending companies and nonbank financial institutions	Credit Saison Co., Ltd.
Listed companies (Corporations)	Nippon Television Holdings, Inc.
Type II financial instruments business operator	Plus Social Investment Co., Ltd.
Foundations	KIBOW Foundation
	The Sasakawa Peace Foundation
	Japan Social Innovation and Investment Foundation
Incorporated educational institutions	Sophia School Corporation
	Ritsumeikan Social Impact Fund (The Ritsumeikan Trust)

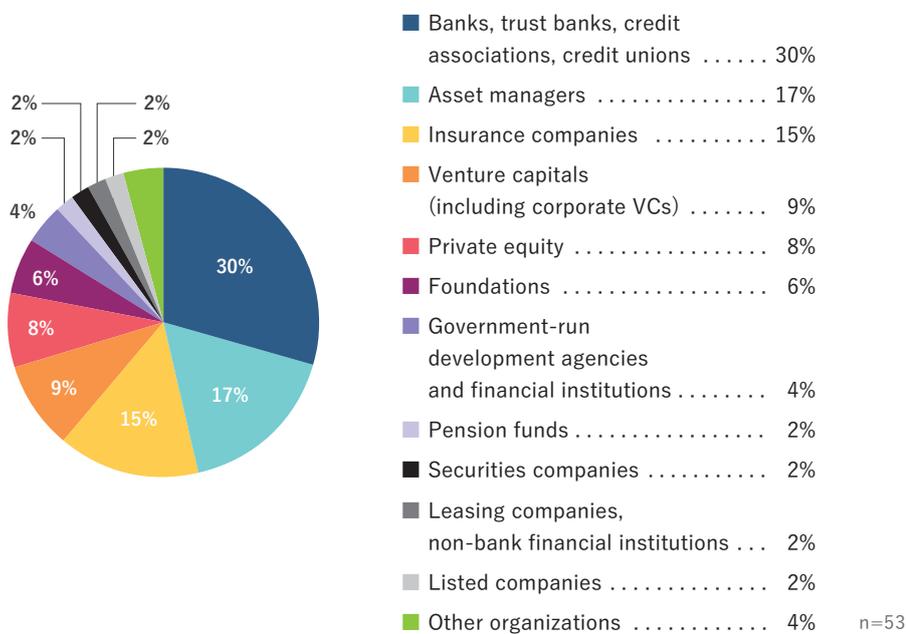
Attributes of Impact Investing Organizations

This section studies impact investing organizations sorted by industry.

Impact investing organizations by industry

- “Banks, trust banks, credit associations, and credit unions” (30%) comprised the majority, followed by “asset managers” (17%).

Figure 6. Impact investing organizations by industry



Source: Created based on the “Questionnaire Survey Regarding Impact Investment (2025)” (GSG Impact JAPAN)
 Question: “1. Please select one answer that most accurately describes your industry (SA).”

How Investments Are Made Across Impact Investing Markets

This section examines the size and distribution of impact AUM, asset classes for impact investing, along with regions.

Size and range of impact AUM

- The total impact AUM in Japan was approximately 18,653.1 billion yen as of the end of March 2025 (some were as of the end of September of the same year). The median of the 47 organizations was approximately 24.4 billion yen, and the mean was approximately 396.8 billion yen.
- The most common size was “10 billion yen-less than 100 billion yen” (30%), followed by “100 billion yen less than 1 trillion yen” (23%).
- Organizations with an AUM of less than 100 billion yen make up 64% of the total, which pushes down the median, whereas those with an AUM of 1 trillion yen or more make up 13%, which pushes up the average.

Figure 7. Median, mean, and total impact AUM

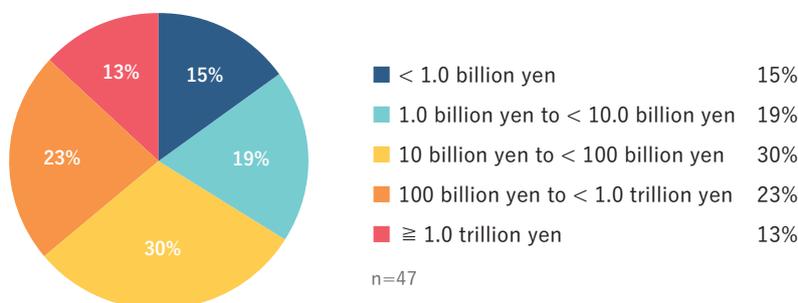
(in millions of yen)

Median	Mean	Total
24,446	396,875	18,653,136

n=47

Created based on the “Questionnaire Survey Regarding Impact Investment (2025)” (GSG Impact JAPAN)
Question: “4. Please enter the balance of impact investment and impact finance as of the end of March 2025, following the guidance.”

Figure 8. Distribution of impact AUM

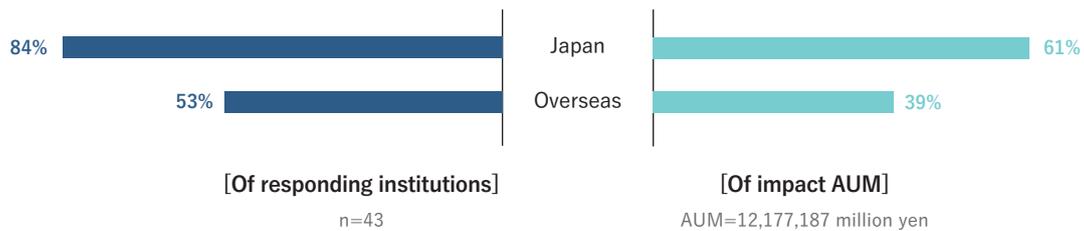


Source: Created based on the “Questionnaire Survey Regarding Impact Investment (2025)” (GSG Impact JAPAN)
Question: “4. Please enter the balance of impact investment and impact finance as of the end of March 2025, following the guidance.”

Impact investors by region

- Based on the number of organizations that responded, the ratio was high in “Japan” (84%) and “overseas” (53%).
- Based on AUM, the ratio was high in “Japan” (61%) and “overseas” (39%).

Figure 9. Impact investors by region

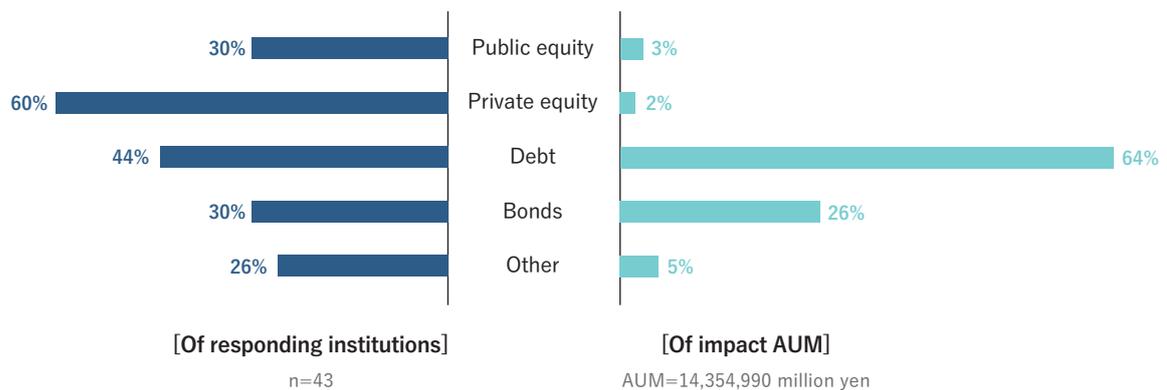


Source: Created based on the “Questionnaire Survey Regarding Impact Investment (2025)” (GSG Impact JAPAN)
 Question: “5. When the balance of impact investment and impact finance as answered in Question 4 is set to “100 (%),” please indicate the percentage (%) by region.”

Asset classes of impact investing

- Based on the number of organizations that responded, “Private equity” (60%) was the most common, followed by “Debt” (42%).
- Based on AUM, “Debt” (64%) was the most common, followed by “Bonds” (26%).

Figure 10. Asset classes for impact investing



Source: Created based on the “Questionnaire Survey Regarding Impact Investment (2025)” (GSG Impact JAPAN)
 Question: “6. When the balance of impact investment and impact finance as answered in Question 4 is set to “100 (%),” please indicate the percentage (%) by asset classes.”

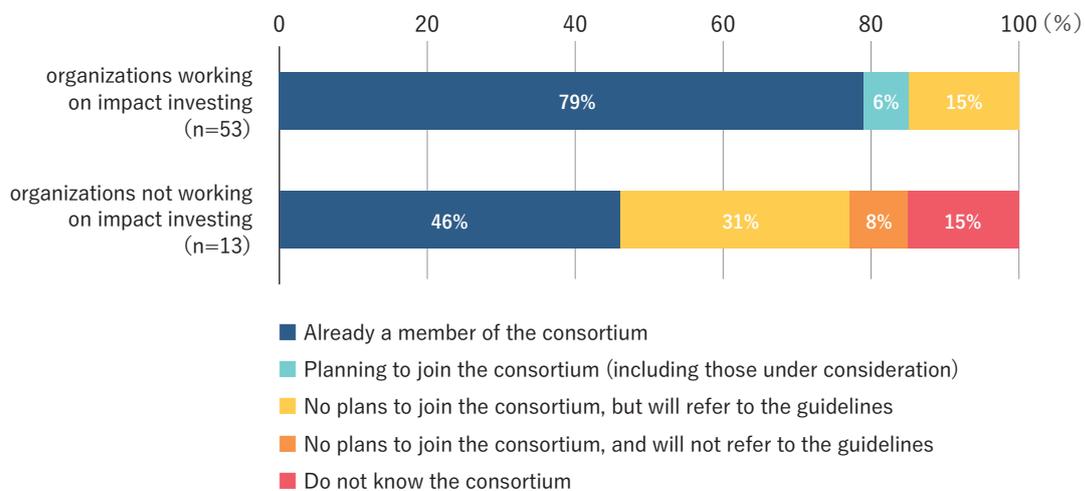
Impact Investment Promotion Policy and Issue Recognition

This section examines the status of membership in the Impact Consortium and policy on FSA guidelines, level of interest in impact accounting, factors inhibiting the entry and expansion of impact investing in Japan, and what will likely facilitate efforts toward impact investing.

Status of membership in the Impact Consortium and policy on FSA guidelines

- The most common response from organizations working on impact investing was “Already a member” (79%).
- For organizations not working on impact investing, “Already a member” (46%) was the most common response.
- The total of “No plans to join” and “Do not know” was 15% for organizations working on impact investing, compared to 54% for organizations not working on impact investing.

Figure 11. Status of membership in the Impact Consortium and policy on FSA guidelines

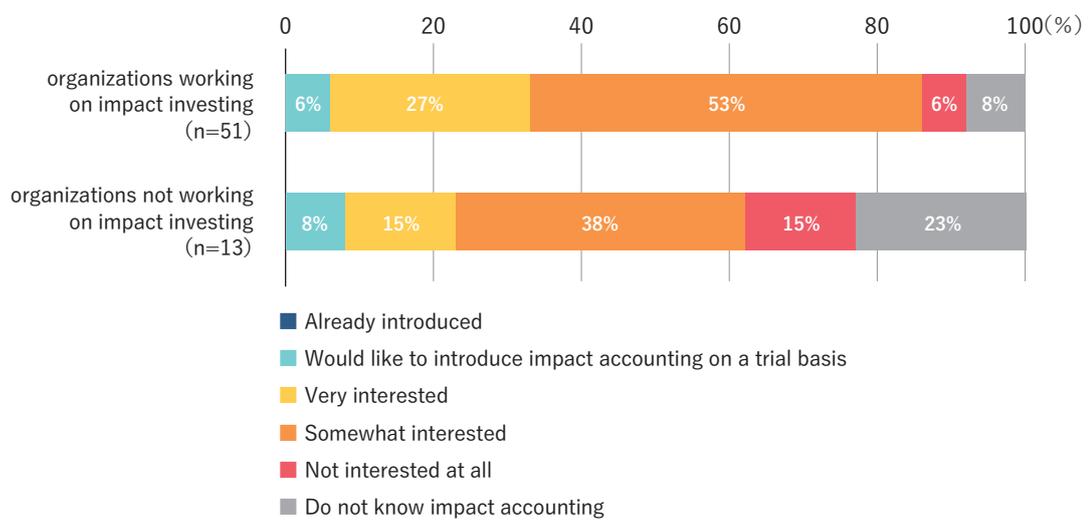


Source: Created based on the “Questionnaire Survey Regarding Impact Investment (2025)” (GSG Impact JAPAN)
 Question: “9. In response to the publication of the Financial Services Agency’s “Basic Guidelines on Impact Investment (Impact Finance)” and the launch of the “Impact Consortium”, please answer whether your organization will join the consortium and what your policy is in relation to the guidelines.”//SA

Level of interest in impact accounting

- The most common response from organizations working on impact investing was “Somewhat interested” (53%), followed by “Very interested” (27%).
- For organizations not working on impact investing, “Somewhat interested” (38%) was the most common response, followed by “Do not know impact accounting” (23%).
- “Already introduced” was 0%.

Figure 12. Level of interest in impact accounting

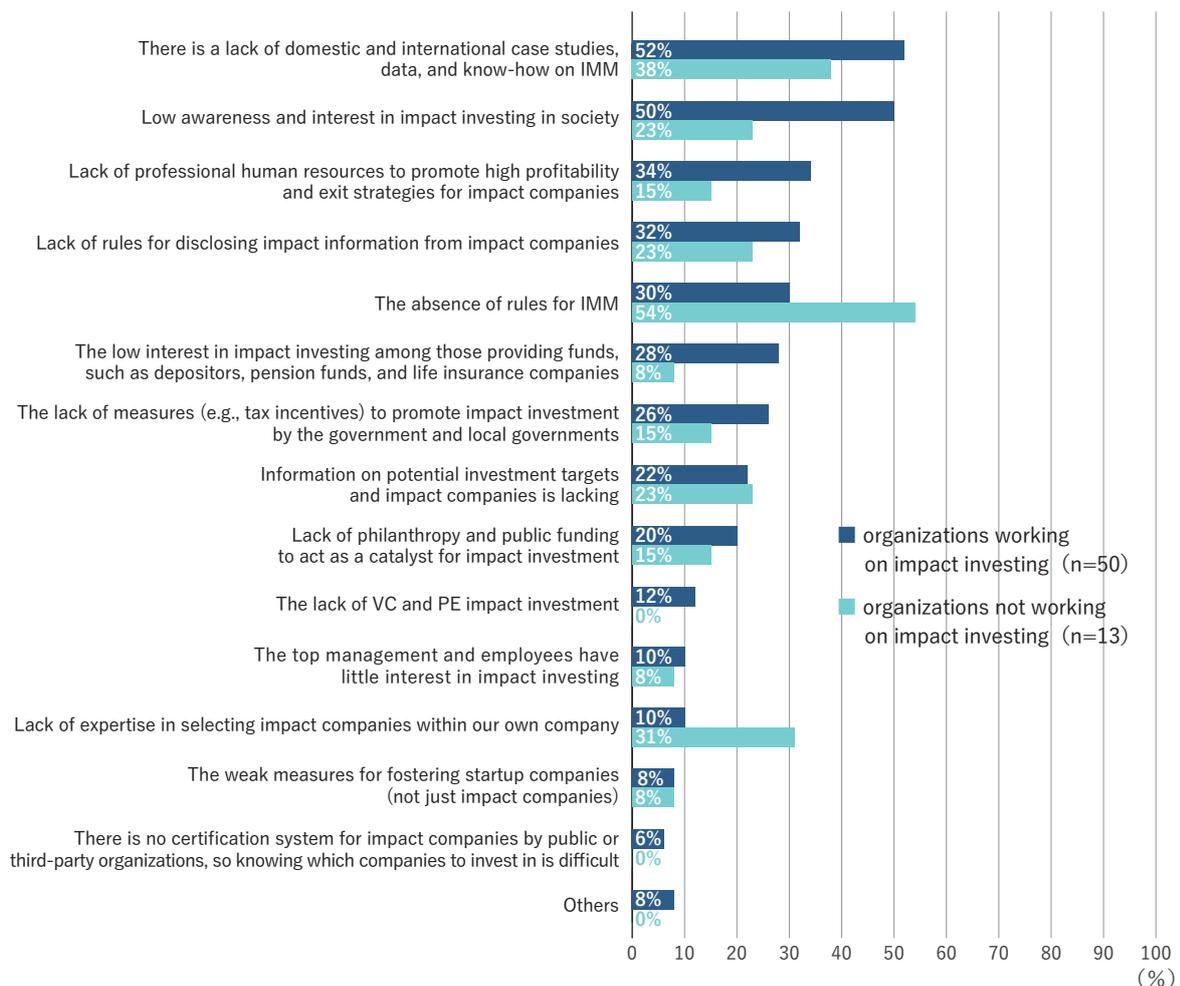


Source: Created based on the “Questionnaire Survey Regarding Impact Investment (2025)” (GSG Impact JAPAN)
Question: “10. Please answer whether your organization is interested in impact accounting. //SA

Factors inhibiting the entry and expansion of impact investing

- The most common response from organizations working on impact investing was “There is a lack of domestic and international case studies, data, and know-how on IMM” (52%).
- For organizations not working on impact investing, “The absence of rules for IMM” (54%) was the most common response.
- The gap between organizations working on impact investing and those not working on is large in the following areas: “Low awareness and interest in impact investing in society” (50% of organizations working on impact investing, 23% of organizations not working on impact investing) and “The absence of rules for IMM” (30% of organizations working on impact investing, 54% of organizations not working on impact investing), “The low interest in impact investing among those providing funds, such as depositors, pension funds, and life insurance companies” (28% of organizations working on impact investing, 8% of organizations not working on impact investing), “Lack of expertise in selecting impact companies within our own company” (10% of organizations working on impact investing, 31% of organizations not working on impact investing).

Figure 13. Factors inhibiting the entry and expansion of impact investing

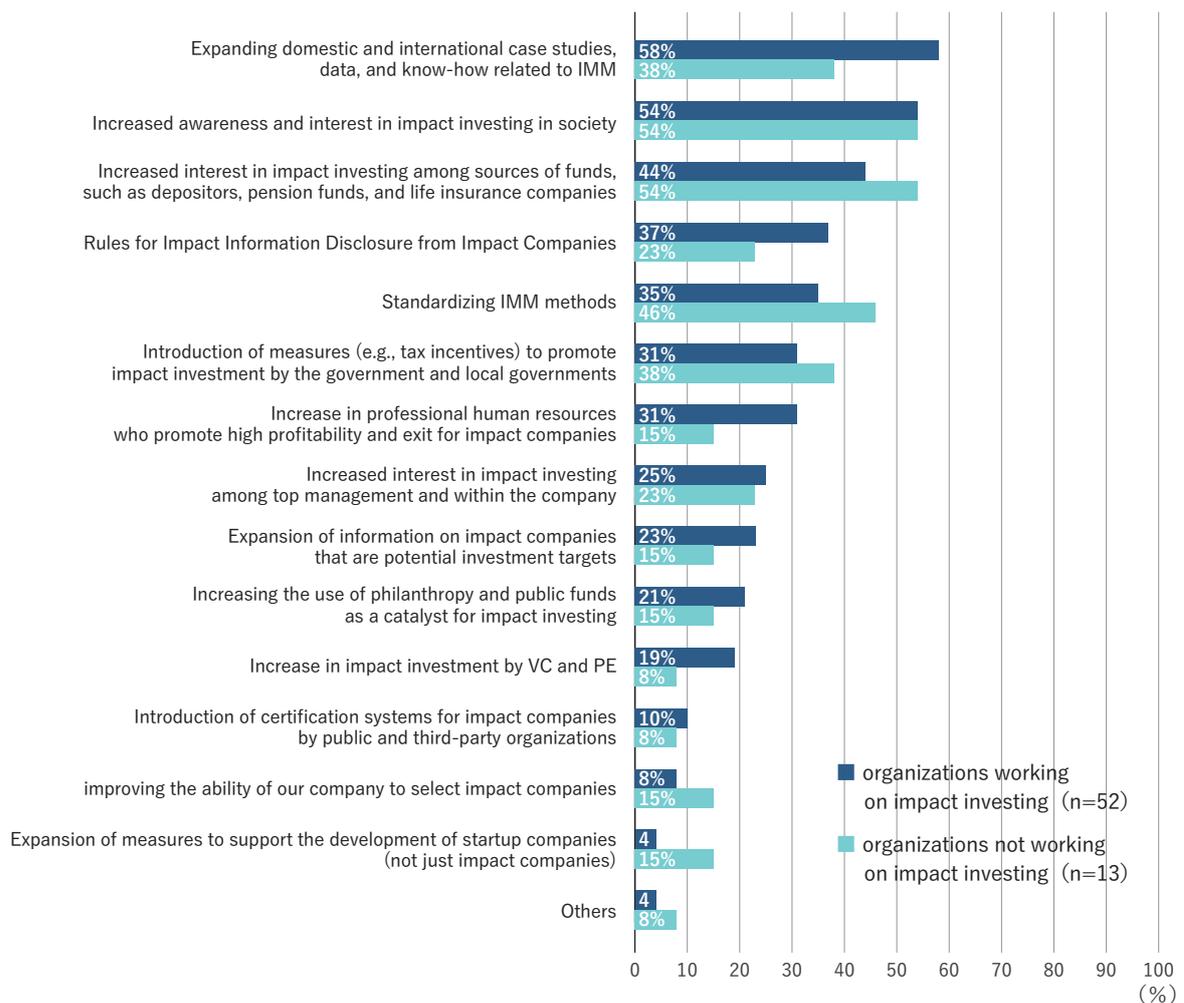


Source: Created based on the “Questionnaire Survey regarding Impact Investment (2025)” (GSG Impact JAPAN) Question: “7. What factors prevent your organization from entering or expanding its impact investing (impact finance) activities? Please select up to five of the following that are closest to your view./MA

Conditions that further facilitate impact investing

- The most common response from organizations working on impact investing was “Expanding domestic and international case studies, data, and know-how related to IMM” (58%).
- For organizations not working on impact investing, “Increased awareness and interest in impact investing in society” (54%) and “Increased interest in impact investing among sources of funds, such as depositors, pension funds, and life insurance companies” (54%) were the most common responses.
- The gap between organizations working on impact investing and those not working on is large in the following areas: “Expanding domestic and international case studies, data, and know-how related to IMM” (58% of organizations working on impact investing, 38% of organizations not working on impact investing) and “Increase in professional human resources who promote high profitability and exit for impact companies” (31% of organizations working on impact investing, 15% of organizations not working on impact investing), “Rules for Impact Information Disclosure from Impact Companies” (37% of organizations working on impact investing, 23% of organizations not working on impact investing).

Figure 14. Conditions that further facilitate impact investing



Source: Created based on the “Questionnaire Survey Regarding Impact Investment (2025)” (GSG Impact JAPAN) Question: “8. Which conditions would further facilitate impact investing (impact financing)? Please select up to five of the following that are closest to your view.//MA”

Conclusion

Although the global impact investing market is facing headwinds from the anti-ESG “backlash” originating in the US, the momentum for promotion has not stopped, centered in the UK, a hub of impact investing. Attention to Asia is also increasing, with the launch of the GIIN Japan Chapter. In Japan, although the growth rate of the balance slowed to 108% compared to last year, the Government Pension Investment Fund (GPIF) formulated a sustainability investment policy and began research on impact investment. Furthermore, impact investment was specified in the cabinet instructions under the new Takaichi administration. It can be said that the momentum of the public and private sectors has not waned.

The GSG Impact JAPAN National Partner is committed to conducting research, publication, and advocacy as Japan’s impact investing promotion body while working with its fellow organizations at home and abroad. This report, a fixed-point observation of current state and challenges of impact investing in Japan, will serve as a foundation for further discussion, to provide suggestions for practice, and thereby play a meaningful role in Japan’s impact investing arena.

We would like to express our appreciation to the people and organizations that participated in the questionnaire survey regarding impact investing (2025). We hope that this report will contribute to solving social issues through impact investing.

Afterword: Editors' Postscript

Secretariat, GSG Impact JAPAN National Partner/Japan Social Innovation and Investment Foundation (SIIF)
Report Production Team for "Current State and Challenges of Impact Investing in Japan – FY2025 Survey"

Kyoji Sasaki Project Leader, SIIF Impact Economy Lab

As the project leader, I undertook the planning and design of the research, conducted the survey, analyzed the responses, and authored this report since 2022. In designing the survey for FY2025, we significantly simplified the structure compared with last year. The aim is to maintain its positioning as a basic survey while narrowing it down to the minimum necessary questions to obtain a greater number of responses. This time, with the cooperation of the Impact Consortium, we were able to obtain responses from member organizations as well. With the cooperation of many responding organizations again this year, we captured the reality of the impact investing market in Japan. I would like to extend my gratitude to everyone who participated in the survey. We hope that the information based on a larger number of responses will be widely shared among market participants and serve as a tool for constructive dialog, fostering a robust impact investing market that resists impact washing and continues to thrive. Our team is committed to enhancing the survey's quality through ongoing dialogs with the readers. We greatly appreciate your candid feedback and opinions. If you have any requests regarding the survey data, please feel free to contact us at the contact information listed on the next page.

Satoshi Oda Project Advisor, SIIF Knowledge Development Officer

I have served as Advisor to this project since SIIF conducted it in-house for the first time. My primary focus has been identifying the barriers to impact investing from the asset owner's perspective and proposing strategic measures to accelerate the market based on those insights.

Around 2020, many respondents cited a lack of information on investee companies or a shortage of internal expertise as primary obstacles. However, since around 2023, there has been a notable shift toward Impact Measurement and Management (IMM) as the leading challenge. I believe this indicates that impact investing in Japan has entered a new stage of maturity, where investors are now grappling with more practical, operational hurdles.

It has been an honor to contribute to this project, which has become a benchmark report—widely cited both domestically and internationally for measuring the macro-scale of Japan's impact investing market.

On a personal note, I will be leaving SIIF in February 2026 and will have stepped down by the time this report is published. I intend to seek a professional journey in the fields of impact investing, sustainable finance, and sustainability management after leaving SIIF. I hope you continue to find this report a valuable resource in the years to come.

Current State and Challenges of Impact Investing in Japan
– FY2025 Survey –

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