

Hibiki Path Advisors drives corporate environmental transparency through CDP engagement campaign

June 2022, Singapore: Hibiki Path Advisors Pte. Ltd. (“Hibiki”) joins 263 investors from nearly 29 countries in urging companies with a significant environmental impact to disclose data through CDP, the global non-profit that runs the world’s leading environmental disclosure system.

Over 1,400 of the world’s highest impact companies will be engaged in this campaign. These companies cover over US\$24 trillion (as of 22 June 2022) in global market capitalization and are estimated to collectively emit more than 4,800 megatonnes (Mt) of carbon dioxide equivalent (CO₂e) annually.

Hibiki is proud to participate in CDP’s [2022 Non-Disclosure Campaign](#), which aims to increase environmental disclosure among companies that have either never disclosed, or stopped disclosing, through CDP. Transparent corporate disclosure is crucial to directing capital towards the transition to a net-zero, nature positive future.

Climate change, deforestation and water security have become material issues to many industries and consistent, comparable data is key to addressing the associated risks and opportunities. We believe that increased corporate transparency on environmental impact is a key enabler to improve company performance and create a more resilient economy.

EGAMI Taro, Head of ESG Efforts at Hibiki Path Advisors, commented:

“We saw in many cases, lackluster evaluation by global sustainability criteria that small-mid cap Japanese companies receive derive from less sufficient disclosure. Some of the companies are struggling to secure internal resources and identify direct environmental impact that their daily activities generate.

As engagement-oriented investor, we are proud of being a part of this campaign as it encourages companies to obtain an opportunity to be more sensitive about the issues surround them. We believe better disclosure is an essential step to better alignment of all the stakeholders towards better sustainability.”

Laurent Babikian, Joint Global Director of Capital Markets at CDP, commented:

“Engagement is critical to driving disclosure, and disclosure is the first step to environmental action. Climate change, deforestation and water security present material risks to investments, and companies that are failing to disclose their impact risk trailing behind their competitors in their access to capital.

We are encouraged by the continued growth and success of this annual campaign and the record levels of participation this year. With a series of mandatory environmental disclosure requirements on the horizon in regions including the US, UK, Japan, EU, New Zealand and India, non-disclosure will no longer be an option for many of these companies.”

Following the 2021 Non-Disclosure Campaign, a record-breaking 25% of companies engaged in the campaign disclosed through CDP, responding to at least one CDP questionnaire. The

campaign demonstrates that companies are more than twice as likely to disclose data on their environmental impact when directly engaged by investors to do so.

About Hibiki Path Advisors

Founded in 2015, Hibiki Path Advisors specialize in Japanese equities.

We aim to deliver a superior risk-adjusted long-term return for our clients by adhering to a rigorous, bottoms-up, fundamentals-driven, “value-investing” discipline. This is further supported by our opportunistic engagements with the management teams of our portfolio companies to better align their interests with the shareholders so as to unlock the hidden potential value of our portfolio companies.

Hibiki is a reflective and profound Japanese word which is commonly interpreted in English as “harmony” or “resonance”. The word serves as a good reflection in our investment strategy as we seek harmony between us, investors, and companies that we invest in. This can only be achieved by first making sure that our voices are heard by resonance through the various barriers to reach the intended audience. Through this, we sincerely believe that we will be able to grow together to greater heights.

About CDP

CDP is a global non-profit that runs the world’s environmental disclosure system for companies, cities, states and regions.

Founded in 2000 and working with more than 680 investors with over \$130 trillion in assets, CDP pioneered using capital markets and corporate procurement to motivate companies to disclose their environmental impacts, and to reduce greenhouse gas emissions, safeguard water resources and protect forests.

Over 14,000 organizations around the world disclosed data through CDP in 2021, including more than 13,000 companies worth over 64% of global market capitalization, and over 1,100 cities, states and regions. Fully TCFD aligned, CDP holds the largest environmental database in the world, and CDP scores are widely used to drive investment and procurement decisions towards a zero carbon, sustainable and resilient economy. CDP is a founding member of the Science Based Targets initiative, We Mean Business Coalition, The Investor Agenda and the Net Zero Asset Managers initiative. Visit cdp.net or follow us @CDP to find out more.

