

October 21, 2020

Nippon Life Insurance Company

Nippon Life Announces Investment in Sustainable Development Bond Issued by World Bank
- Raising Awareness for Efforts to Solve Nutrition Problems for a Globally Healthy Society -

Nippon Life Insurance Company (President: Hiroshi Shimizu; hereinafter “Nippon Life”) today announced it has invested AUD 150 million (approximately JPY 11.4 billion) in sustainable development bonds (“the Bond”) issued by the International Bank for Reconstruction and Development (“World Bank”).

The Bond is the first the World Bank has issued to raise awareness for nutrition challenges. It is also the first time for Nippon Life to invest in a bond with this theme.

The World Bank, established in 1944, is the world’s largest single international development financial institution. The World Bank aims to reduce poverty in middle income and creditworthy lower income countries by promoting sustainable development by providing loans, guarantees and through non-lending operations such as analysis or advisory services.

The World Bank is working with member countries to tackle to the increasingly serious global issues of undernutrition and obesity. Malnutrition contributes to the risk of higher infant mortality in developing countries, adult poverty, rising health costs and has a serious impact on the development of human capital and economies. The COVID-19 pandemic has highlighted the risks of malnutrition and elevated the need for further action as economies and citizens face the disruption of food supply chains and economic hardships as a result of the pandemic.

Nippon Life actively engages in ESG investments and loans to contribute to solving environmental and social issues from the perspective of coexisting with the environment, communities and society, and sharing stable growth with economies and businesses. Nippon Life’s investment in the Bond has been positioned as one way of contributing to achieving the SDGs.

Nippon Life is proactively involved in the health care sector, aiming to create “Insurance +α” value (meaning “Insurance plus additional services”) under the slogan of the “Nippon Life Group: leading the way in an era when a lifetime spans 100 years,” as declared in the Medium-Term Management Plan Zen Shin—Next Stage. Investment in the Bond matches Nippon Life’s initiatives and highlights the importance of tackling nutrition problems.

Nippon Life will continue advancing ESG investments and loans, taking into account matters of a social and public nature and investment returns, to better serve the interests of policyholders and contribute to the formation of a sustainable society.

<Nutrition Problems>

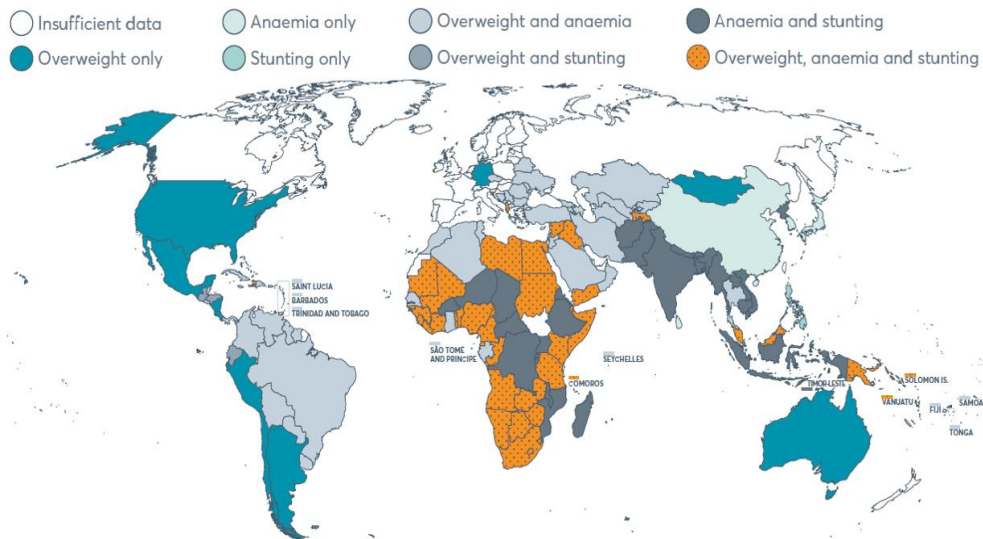
Two nutrition problems, undernutrition and obesity, are global challenges. Undernutrition greatly increases infant mortality rates, reduces future learning abilities and income, prevents escape from poverty and adversely affects the economy as a whole. Estimates suggest that reducing inhibited growth, an indicator of chronic malnutrition, would increase the GDP in the Asia and Africa region by 4-11%*.

* Source: An Investment Framework for Nutrition 2017

Obesity is not just a problem just for high-income countries, but also increasingly in low- to middle-income countries where there is a rapid increase in unhealthy eating habits due to processed foods that have poor nutritional value and are cheaper than non-processed foods. More than 70% of overweight people live in low- to middle-income countries, which becomes a serious concern for all countries.

The World Bank works with developing countries through loans and technical support such as designing policies and programs and through augmented nutrition intervention measures, distributing food with high nutritious value to families without access to food and specialized actions for malnourished children.

■ Global Nutrition Problems



Source: 2018 Global Nutrition Report

<Nutrition Problem Projects >

India: National Nutrition Mission Project

World Bank financing: USD 200 million

In India, 38% of children under 5 years old are chronically malnourished, adversely affecting not only their health, but also learning abilities and productivity when working in adulthood. The Government of India in 2018 launched the National Nutrition Mission with the goal of limiting stunting among children to under 25% by 2022 and reducing anemia among women by 3% and low birth weight by 2% per year.



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IBRD supports the Government of India to achieve the National Nutrition Mission through the provision of financial and technical support to increase the Integrated Child Development Services, which aim at improving the integrated services centers for the nutrition of children under 3 years of age and raising awareness of nutrition. IBRD also provides support for food delivery that limits person-to-person contact to the utmost degree under COVID-19 and dissemination of messages about nutrition and preventing COVID-19 infection.

Peru: Investment in Human Capital Project

World Bank financing: USD 50 million

In Peru, social challenges remain in addressing nutrition problems such as anemia amongst children that hamper healthy growth and development of the future workforce, especially in poor families such as small farming households. The government delivers social programs and projects to support Early Childhood Development (ECD) to improve the situation including the fight against anemia.



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IBRD provides financial and technical supports to the Government of Peru for these programs to raise awareness toward improving nutrition, including the fight against anemia, and to provide healthcare services for early childhood development.

* These examples are for illustrative purposes only and no assurance can be provided that disbursements for projects with these specific characteristics will be made by the World Bank during the term of the securities described herein.

<SDGs Closely Related to Nutrition>

Goal 1: No Poverty

End poverty in all its forms everywhere



Goal 2: Zero Hunger

End hunger, achieve food security and improved nutrition and promote sustainable agriculture



Goal 3. Good Health and Well-Being

Ensure healthy lives and promote well-being for all people at all ages

