



RI TRANSPARENCY REPORT

2014/15

Nissay Asset Management Corporation



UNEP Finance Initiative
Changing finance, financing change



United Nations Global Compact

An investor initiative in partnership with UNEP Finance Initiative and UN Global Compact

About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2014-15 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

| Symbol | Status |
|--------|---|
| ✓ | The signatory has completed all mandatory parts of this indicator |
| ☑ | The signatory has completed some parts of this indicator |
| 🔒 | This indicator was not relevant for this signatory |
| - | The signatory did not complete any part of this indicator |
| 🔍 | The signatory has flagged this indicator for internal review |

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

Principles Index

| Organisational Overview | | | | Principle | | | | | | General |
|-------------------------|---|--------|------------------------------|-----------|---|---|---|---|---|---------|
| Indicator | Short description | Status | Disclosure | 1 | 2 | 3 | 4 | 5 | 6 | |
| OO 01 | Signatory category and services | ✓ | Public | | | | | | | ✓ |
| OO 02 | Headquarters and operational countries | ✓ | Public | | | | | | | ✓ |
| OO 03 | Subsidiaries that are separate PRI signatories | ✓ | Public | | | | | | | ✓ |
| OO 04 | Reporting year and AUM | ✓ | Public | | | | | | | ✓ |
| OO 05 | Breakdown of AUM by asset class | ✓ | Asset mix disclosed in OO 06 | | | | | | | ✓ |
| OO 06 | How would you like to disclose your asset class mix | ✓ | Public | | | | | | | ✓ |
| OO 07 | Segregated mandates or pooled funds | ✓ | Private | | | | | | | ✓ |
| OO 08 | Breakdown of AUM by market | ✓ | Private | | | | | | | ✓ |
| OO 09 | Additional information about organisation | ✓ | Private | | | | | | | ✓ |
| OO 10 | RI activities for listed equities | ✓ | Public | | | | | | | ✓ |
| OO 11 | RI activities in other asset classes | ✓ | Public | | | | | | | ✓ |
| OO 12 | Modules and sections required to complete | ✓ | Public | | | | | | | ✓ |

| Overarching Approach | | | | Principle | | | | | | General |
|----------------------|--|--------|------------|-----------|---|---|---|---|---|---------|
| Indicator | Short description | Status | Disclosure | 1 | 2 | 3 | 4 | 5 | 6 | |
| OA 01 | RI policy and other guidance documents | ✓ | Public | | | | | | | ✓ |
| OA 02 | Publicly available policies / documents | ✓ | Public | | | | | | ✓ | |
| OA 03 | Policy components and coverage | ✓ | Public | ✓ | ✓ | | | | | |
| OA 04 | Conflicts of interest | ✓ | Public | | | | | | | ✓ |
| OA 05 | RI goals and objectives | ✓ | Public | | | | | | | ✓ |
| OA 06 | Main goals/objectives this year | ✓ | Private | | | | | | | ✓ |
| OA 07 | Governance, management structures and RI processes | ✓ | Private | | | | | | | ✓ |
| OA 08 | RI roles and responsibilities | ✓ | Public | | | | | | | ✓ |
| OA 09 | RI in performance management, reward and/or personal development | ✓ | Private | | | | | | | ✓ |
| OA 10 | Collaborative organisations / initiatives | ✓ | Public | | | | ✓ | ✓ | | |
| OA 11 | Promoting RI independently | ✓ | Public | | | | ✓ | | | |
| OA 12 | Dialogue with public policy makers or standard setters | ✓ | Private | | | | ✓ | ✓ | ✓ | |
| OA 13 | ESG issues in strategic asset allocation | ✓ | Private | ✓ | | | | | | |
| OA 14 | Allocation of assets to environmental and social themed areas | ✓ | Private | ✓ | | | | | | |
| OA 15 | ESG issues for internally managed assets not reported in framework | 🔒 | n/a | | | | | | | ✓ |
| OA 16 | ESG issues for externally managed assets not reported in framework | 🔒 | n/a | | | | | | | ✓ |
| OA 17 | RI/ESG in execution and/or advisory services | 🔒 | n/a | ✓ | ✓ | | | | | |
| OA 18 | Innovative features of approach to RI | ✓ | Private | | | | | | | ✓ |
| OA 19 | Internal and external review and assurance of responses | ✓ | Private | | | | | | | ✓ |

| Indirect – Manager Selection, Appointment and Monitoring | | | | Principle | | | | | | General |
|--|---|--------|------------|-----------|---|---|---|---|---|---------|
| Indicator | Short description | Status | Disclosure | 1 | 2 | 3 | 4 | 5 | 6 | |
| SAM 01 | Description of RI considerations | ✓ | Private | ✓ | | | | | ✓ | |
| SAM 02 | Role of investment consultants | ✓ | Public | | | | ✓ | | | |
| SAM 03 | RI factors in selection, appointment and monitoring across asset classes | ✓ | Public | | | | | | | ✓ |
| SAM 04 | Breakdown of passive, active quant and active fundamental | ✓ | Private | | | | | | | ✓ |
| SAM 05 | ESG incorporation strategies | ✓ | Public | ✓ | ✓ | | | | | |
| SAM 06 | Selection processes (listed assets) | ✓ | Public | ✓ | | | | | ✓ | |
| SAM 07 | Appointment considerations (listed assets) | 🔒 | n/a | | | | ✓ | | | |
| SAM 08 | Monitoring processes (listed assets) | ✓ | Public | ✓ | | | | | | |
| SAM 09 | Percentage of (proxy) votes cast | ✓ | Public | | ✓ | | | | | |
| SAM 10 | Selection processes (non-listed assets) | 🔒 | n/a | ✓ | | | | | ✓ | |
| SAM 11 | Appointment considerations (non-listed assets) | 🔒 | n/a | | | | ✓ | | | |
| SAM 12 | Monitoring processes (non-listed assets) | 🔒 | n/a | ✓ | | | | | ✓ | |
| SAM 13 | Description of RI considerations in ‘other’ asset classes | ✓ | Private | ✓ | | | | | ✓ | |
| SAM 14 | Percentage of externally managed assets managed by PRI signatories | ✓ | Private | ✓ | | | | | ✓ | |
| SAM 15 | Examples of ESG issues in selection, appointment and monitoring processes | - | n/a | | ✓ | | | | | |
| SAM 16 | Disclosure of RI considerations | ✓ | Public | | | | | | ✓ | |

| Direct - Listed Equity Incorporation | | | | Principle | | | | | | General |
|--------------------------------------|---|--------|------------|-----------|---|---|---|---|---|---------|
| Indicator | Short description | Status | Disclosure | 1 | 2 | 3 | 4 | 5 | 6 | |
| LEI 01 | Breakdown by passive, quantitative, fundamental and other active strategies | ✓ | Private | ✓ | | | | | | |
| LEI 02 | Description of ESG incorporation | ✓ | Private | ✓ | | | | | | |
| LEI 03 | Percentage of each incorporation strategy | ✓ | Public | ✓ | | | | | | |
| LEI 04 | Type of ESG information used in investment decision | ✓ | Private | ✓ | | | | | | |
| LEI 05 | Information from engagement and/or voting used in investment decision-making | ✓ | Private | ✓ | | | | | | |
| LEI 06 | Types of screening applied | ✓ | Public | ✓ | | | | | | |
| LEI 07 | Processes to ensure screening is based on robust analysis | ✓ | Public | ✓ | | | | | | |
| LEI 08 | Processes to ensure fund criteria are not breached | ✓ | Private | ✓ | | | | | | |
| LEI 09 | Types of sustainability thematic funds/mandates | ✓ | Public | ✓ | | | | | | |
| LEI 10 | Description of ESG integration | ✓ | Private | ✓ | | | | | | |
| LEI 11 | Review ESG issues while researching companies/sectors | ✓ | Public | ✓ | | | | | | |
| LEI 12 | Processes to ensure integration is based on robust analysis | ✓ | Private | ✓ | | | | | | |
| LEI 13 | Aspects of analysis ESG information is integrated into | ✓ | Private | ✓ | | | | | | |
| LEI 14 | ESG issues in index construction | ✓ | Private | ✓ | | | | | | |
| LEI 15 | How ESG incorporation has influenced portfolio composition | ✓ | Private | ✓ | | | | | | |
| LEI 16 | Incorporation of ESG issues has improved financial/ESG performance and reduced risk | ✓ | Private | ✓ | | | | | | |
| LEI 17 | Examples of ESG issues that affected your investment view / performance | ✓ | Private | ✓ | | | | | | |
| LEI 18 | Disclosure of approach to ESG incorporation | ✓ | Public | | ✓ | | | | ✓ | |

| Direct - Listed Equity Active Ownership | | | | Principle | | | | | | General |
|---|--|--------|------------|-----------|---|---|---|---|---|---------|
| Indicator | Short description | Status | Disclosure | 1 | 2 | 3 | 4 | 5 | 6 | |
| LEA 01 | Description of approach to engagement | ✓ | Private | | ✓ | | | | | |
| LEA 02 | Reasoning for interaction on ESG issues | ✓ | Public | ✓ | ✓ | ✓ | | | | |
| LEA 03 | Process for identifying and prioritising engagement activities | ✓ | Public | | ✓ | | | | | |
| LEA 04 | Objectives for engagement activities | ✓ | Public | | ✓ | | | | | |
| LEA 05 | Process for identifying and prioritising engagement activities | 🔒 | n/a | | ✓ | | | | | |
| LEA 06 | Objectives for engagement activities | 🔒 | n/a | | ✓ | | | | | |
| LEA 07 | Role in engagement process | 🔒 | n/a | | ✓ | | ✓ | | | |
| LEA 08 | Monitor / discuss service provider information | 🔒 | n/a | | ✓ | | | | ✓ | |
| LEA 09 | Share insights from engagements with internal/external managers | ✓ | Private | ✓ | ✓ | | | | | |
| LEA 10 | Tracking number of engagements | ✓ | Public | | ✓ | | | | | |
| LEA 11 | Number of companies engaged with, intensity of engagement and effort | ✓ | Private | | ✓ | | | | | |
| LEA 12 | Engagements on E, S and/or G issues | ✓ | Private | | ✓ | | | | | |
| LEA 13 | Companies changing practices / behaviour following engagement | ✓ | Private | | ✓ | | | | | |
| LEA 14 | Examples of ESG engagements | ✓ | Private | | ✓ | | | | | |
| LEA 15 | Disclosure of approach to ESG engagements | ✓ | Public | | ✓ | | | | ✓ | |
| LEA 16 | Description of approach to (proxy) voting | ✓ | Private | | ✓ | | | | | |
| LEA 17 | Typical approach to (proxy) voting decisions | ✓ | Public | | ✓ | | | | | |
| LEA 18 | Percentage of voting recommendations reviewed | 🔒 | n/a | | ✓ | | | | | |
| LEA 19 | Confirmation of votes | ✓ | Private | | ✓ | | | | | |
| LEA 20 | Securities lending programme | ✓ | Private | | ✓ | | | | | |
| LEA 21 | Informing companies of the rationale of abstaining/voting against management | ✓ | Public | | ✓ | | | | | |
| LEA 22 | Percentage of (proxy) votes cast | ✓ | Public | | ✓ | | | | | |
| LEA 23 | Proportion of ballot items that were for/against/abstentions | ✓ | Private | | ✓ | | | | | |
| LEA 24 | Shareholder resolutions | ✓ | Private | | ✓ | | | | | |
| LEA 25 | Examples of (proxy) voting activities | ✓ | Private | | ✓ | | | | | |
| LEA 26 | Disclosing voting activities | ✓ | Public | | ✓ | | | | ✓ | |

| Direct - Fixed Income | | | | Principle | | | | | | General |
|-----------------------|---|--------|------------|-----------|---|---|---|---|---|---------|
| Indicator | Short description | Status | Disclosure | 1 | 2 | 3 | 4 | 5 | 6 | |
| FI 01 | Breakdown by passive, quantitative, fundamental and other active strategies | ✓ | Private | ✓ | | | | | | |
| FI 02 | Breakdown of investments by credit quality | ✓ | Private | | | | | | | ✓ |
| FI 03 | Description of ESG incorporation | ✓ | Private | ✓ | | | | | | |
| FI 04 | Percentage of each incorporation strategy | ✓ | Public | ✓ | | | | | | |
| FI 05 | Type of ESG information used in investment decision | ✓ | Private | ✓ | | | | | | |
| FI 06 | Types of screening applied | ✓ | Public | ✓ | | | | | | |
| FI 07 | Processes to ensure screening is based on robust analysis | ✓ | Public | ✓ | | | | | | |
| FI 08 | Processes to ensure fund criteria are not breached | ✓ | Private | ✓ | | | | | | |
| FI 09 | Types of sustainability thematic funds/mandates | 🔒 | n/a | ✓ | | | | | | |
| FI 10 | Description of ESG integration | 🔒 | n/a | ✓ | | | | | | |
| FI 11 | Review of ESG issues while researching companies/sectors | 🔒 | n/a | ✓ | | | | | | |
| FI 12 | Processes to ensure integration is based on robust analysis | 🔒 | n/a | ✓ | | | | | | |
| FI 13 | Incorporation of ESG issues into analysis and decision making | ✓ | Public | ✓ | | | | | | |
| FI 14 | ESG issues in index construction | ✓ | Private | ✓ | | | | | | |
| FI 15 | How ESG incorporation has influenced portfolio composition | ✓ | Private | ✓ | | | | | | |
| FI 16 | Incorporation of ESG issues has improved financial/ESG performance and reduced risk | ✓ | Private | ✓ | | | | | | |
| FI 17 | Examples of ESG issues that affected your investment view / performance | ✓ | Private | ✓ | | | | | | |
| FI 18 | Disclosure of approach to ESG incorporation | ✓ | Public | | ✓ | | | | ✓ | |
| FI 19 | Engagement with corporate issuers | ✓ | Private | | ✓ | | | | | |
| FI 20 | Engagement with government issuers | ✓ | Private | | ✓ | | | | | |

Nissay Asset Management Corporation

Reported Information

Public version

Organisational Overview

PRI disclaimer

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Basic Information

| OO 01 | Mandatory | Gateway/Peering | General |
|-------|-----------|-----------------|---------|
|-------|-----------|-----------------|---------|

| OO 01.1 | Select the services you offer. |
|---------|--------------------------------|
|---------|--------------------------------|

☒ Fund management

| | % of assets under management (AUM) in ranges |
|--|--|
|--|--|

- ☐ <10%
☐ 10-50%
☒ >50%

☒ Fund of funds, manager of managers, sub-advised products

| | % of assets under management (AUM) in ranges |
|--|--|
|--|--|

- ☐ <10%
☒ 10-50%
☐ >50%

☐ Other, specify

☐ Execution and advisory services

| OO 02 | Mandatory | Peering | General |
|-------|-----------|---------|---------|
|-------|-----------|---------|---------|

| OO 02.1 | Select the location of your organisation's headquarters. |
|---------|--|
|---------|--|

Japan

| OO 02.2 | Indicate the number of countries in which you have offices (including your headquarters). |
|---------|---|
|---------|---|

- ☐ 1
☒ 2-5
☐ 6-10
☐ >10

| OO 02.3 | Indicate the approximate number of staff in your organisation in full-time equivalents (FTE). |
|---------|---|
|---------|---|

| | FTE |
|--|-----|
|--|-----|

417

| OO 03 | Mandatory | Descriptive | General |
|-------|-----------|-------------|---------|
|-------|-----------|-------------|---------|

OO 03.1

Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

- ☐ Yes
☒ No

OO 03.3

Additional information. [Optional]

Our subsidiary, Nippon Life Global Investors Singapore Limited, has not signed yet commits to ESG.

OO 04

Mandatory

Gateway/Peering

General

OO 04.1

Indicate the year end date for your reporting year.

31/12/2014

OO 04.2

Indicate your total AUM at the end of your reporting year, excluding subsidiaries you have chosen not to report on, and advisory/execution only assets.

| | trillions | billions | millions | thousands | hundreds |
|---------------|-----------|----------|----------|-----------|----------|
| Total AUM | 7 | 084 | 833 | 270 | 606 |
| Currency | JPY | | | | |
| Assets in USD | | 67 | 868 | 539 | 271 |

OO 04.5

Indicate the level of detail you would like to provide about your asset class mix.

- ☐ Approximate percentage breakdown to the nearest 5% (e.g. 45%)
☒ Broad ranges breakdown (i.e. <10%; 10-50%; >50%)

OO 06

Mandatory

Descriptive

General

OO 06.1

To contextualise your responses to the public, indicate how you would like to disclose your asset class mix.

- ☒ Publish our asset class mix as broad ranges

| | Internally managed (%) | Externally managed (%) |
|---------------------------|------------------------|------------------------|
| Listed equity | 10-50% | 10-50% |
| Fixed income – corporate | <10% | <10% |
| Fixed income – government | 10-50% | <10% |
| Fixed income – other | <10% | <10% |

| | | |
|--------------------|------|------|
| Private debt | 0 | 0 |
| Private equity | 0 | 0 |
| Property | 0 | 0 |
| Infrastructure | 0 | <10% |
| Commodities | 0 | 0 |
| Hedge funds | 0 | <10% |
| Forestry | 0 | 0 |
| Farmland | 0 | 0 |
| Inclusive finance | 0 | 0 |
| Cash | <10% | <10% |
| Other (1), specify | <10% | <10% |
| Other (2), specify | 0 | 0 |

☐ Publish our asset class mix as per attached file (the following image formats can be uploaded: .jpg, .jpeg, .png, .bmp and .gif)

Gateway asset class implementation indicators

| OO 10 | Mandatory | Gateway | General |
|---------|--|---------|---------|
| OO 10.1 | <p>Select the responsible investment activities your organisation implemented, directly and/or indirectly, for listed equities in the reporting year.</p> <p><input checked="" type="checkbox"/> We incorporate ESG issues into investment decisions on our internally managed assets</p> <p><input checked="" type="checkbox"/> We engage with companies on ESG issues via our staff, collaborations or service providers</p> <p><input checked="" type="checkbox"/> We cast our (proxy) votes directly or via service providers</p> <p><input checked="" type="checkbox"/> We address ESG incorporation, engagement and/or (proxy) voting in our external manager selection, appointment and/or monitoring processes</p> <p><input type="checkbox"/> None of the above</p> | | |
| OO 11 | Mandatory | Gateway | General |

OO 11.1

Indicate if in the reporting year you incorporated ESG issues into your investment decisions and/or your active ownership practices in the following internally managed asset classes.

- ☒ Fixed income – corporate
- ☒ Fixed income – government
- ☐ Fixed Income – other
- ☐ Cash
- ☐ Other (1)
- ☐ None of the above

OO 11.2

Indicate if in the reporting year you addressed ESG incorporation and/or active ownership in your external manager selection, appointment and/or monitoring processes in the following externally managed asset classes.

- ☒ Fixed income – corporate
- ☒ Fixed income – government
- ☐ Fixed Income – other
- ☐ Infrastructure
- ☒ Hedge funds
- ☐ Cash
- ☐ Other (1)
- ☐ None of the above

OO 12**Mandatory****Gateway****General****OO 12.1**

The modules and sections that you will be required to complete are listed below.

This list is based on the percentages provided in your AUM breakdown and your responses to the gateway indicators. You are only required to report on asset classes that represent 10% or more of your AUM. You may report voluntarily on any applicable modules or sections by selecting them from the list. Fixed Income and Infrastructure are voluntary.

Core modules

- ☒ Organisational Overview
- ☒ Overarching Approach (including assets which do not have a separate module)

RI implementation directly or via service providers

Direct - Listed Equity incorporation

- ☒ Listed Equity incorporation

Direct - Listed Equity active ownership

- ☒ Engagements
- ☒ (Proxy) voting

| |
|-----------------------|
| Direct - Fixed Income |
|-----------------------|

- ☒ Fixed Income - Corporate
- ☒ Fixed Income - Government

RI implementation via external managers

| |
|---|
| Indirect - Selection, Appointment and Monitoring of External Managers |
|---|

- ☒ Listed Equities
- ☒ Fixed Income - Corporate
- ☒ Fixed Income - Government
- ☒ Hedge funds

Closing module

- ☒ Closing module

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Overarching Approach

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Responsible investment policy

| OA 01 | Mandatory | Gateway/Core Assessed | General |
|-------|-----------|-----------------------|---------|
|-------|-----------|-----------------------|---------|

| | |
|---------|---|
| OA 01.1 | Indicate if you have a responsible investment policy. |
|---------|---|

- ☒ Yes
☐ No

| | |
|---------|--|
| OA 01.2 | Indicate if you have other guidance documents or more specific policies related to responsible investment. |
|---------|--|

- ☒ Yes
☐ No

| | |
|---------|---|
| OA 01.3 | Provide a brief description of the key elements of your responsible investment policy or, if you do not have a policy, of your overall approach to responsible investment. [Optional] |
|---------|---|

As an asset management company, we have a fiduciary responsibility to pension funds, their members and investment trust beneficiaries. We also have a social responsibility to promote a sustainable society, enhancing corporate governance and ensuring the stable development of financial markets.

We believe that incorporating environmental, social and governance (ESG) issues into the investment research and decision-making process could have a material impact on the improvement of long-term investment returns and the fulfillment of social responsibilities.

1. Identifying ESG issues

We strive to understand global ESG issues and to identify their effects on investment values from the viewpoint of long-term risk and return.

2. ESG issues and the investment process

We strive to incorporate ESG issues into our investment process as part of our fiduciary responsibilities.

3. Expanding ESG investment

We strive to develop and manage investment products which incorporate ESG best practice to meet the needs of investors who wish to contribute to achieve a sustainable society through their investment.

4. Constructive dialogue with invested companies

We strive to exercise proxy voting in an appropriate manner and have constructive dialogues with invested companies from an ESG perspective. This includes enhancing corporate governance with a view to improving long-term enterprise value.

| OA 02 | Mandatory | Core Assessed | PRI 6 |
|-------|-----------|---------------|-------|
|-------|-----------|---------------|-------|

| | |
|---------|---|
| OA 02.1 | Indicate if your responsible investment policy is publicly available. |
|---------|---|

- ☒ Yes

| | |
|---------|--|
| OA 02.2 | Provide a URL to your responsible investment policy. |
|---------|--|

| | |
|--|-----|
| | URL |
|--|-----|

<http://www.nam.co.jp/company/ss/esg.html>

☐ No

| | |
|----------------|---|
| OA 02.3 | Indicate if your other policies or guidance documents related to responsible investment are publicly available. |
|----------------|---|

☒ Yes

☐ Yes, all

☒ Yes, some

| | |
|----------------|---|
| OA 02.4 | List these other policies or guidance documents related to responsible investment that are publicly available and their URLs. |
|----------------|---|

| Policy or document name | URL |
|-------------------------|---|
| Proxy Voting | http://www.nam.co.jp/company/english/investment/proxyvoting.html |

☐ No

| | |
|----------------|------------------------------------|
| OA 02.5 | Additional information. [Optional] |
|----------------|------------------------------------|

Our publicly available responsible investment policy is only in Japanese.

| | | | |
|--------------|------------------|----------------------|----------------|
| OA 03 | Mandatory | Core Assessed | PRI 1,2 |
|--------------|------------------|----------------------|----------------|

| | |
|----------------|--|
| OA 03.1 | Indicate the components/types and coverage of your responsible investment policy and guidance documents. |
|----------------|--|

Select all that apply

| Policy components/types | Coverage by AUM |
|---|--|
| <input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> (Proxy) voting policy <input checked="" type="checkbox"/> Engagement/active ownership policy <input checked="" type="checkbox"/> Specific guidelines on corporate governance <input checked="" type="checkbox"/> Specific guidelines on environmental issues <input checked="" type="checkbox"/> Specific guidelines on social issues <input type="checkbox"/> Asset class-specific guidelines <input checked="" type="checkbox"/> Screening/exclusion policy <input type="checkbox"/> Other, specify <input type="checkbox"/> Other, specify | <input type="radio"/> Applicable policies cover all AUM <input checked="" type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM |

| | | | |
|-------|-----------|---------------|---------|
| OA 04 | Mandatory | Core Assessed | General |
|-------|-----------|---------------|---------|

| | |
|---------|---|
| OA 04.1 | Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process. |
|---------|---|

☒ Yes

| | |
|---------|--|
| OA 04.2 | Describe your policy on managing potential conflicts of interest in the investment process. [Optional] |
|---------|--|

We define "conflicts of interest" within our Proxy Voting policy and statement on Japan's Stewardship Code.

Please go to the web links referenced below for the statement against Stewardship Code.

English: <http://www.nam.co.jp/company/english/news/pdf/stewardship.pdf>

Japanese: <http://www.nam.co.jp/company/ss/stewardship.html>

☐ No

Objectives and strategies

| | | | |
|-------|-----------|-----------------------|---------|
| OA 05 | Mandatory | Gateway/Core Assessed | General |
|-------|-----------|-----------------------|---------|

| | |
|---------|--|
| OA 05.1 | Indicate if your organisation sets objectives for its responsible investment activities. |
|---------|--|

☒ Yes

| | |
|---------|--|
| OA 05.2 | Indicate how frequently your organisation sets or revises objectives for responsible investment. |
|---------|--|

☒ At least once per year

☐ Less than once per year

OA 05.3

Indicate how frequently your organisation formally reviews performance against its objectives for responsible investment.

- ☐ Quarterly
- ☐ Biannually
- ☒ Annually
- ☐ Every two years or less
- ☐ It is not reviewed
- ☐ No

Governance and human resources

OA 08**Mandatory****Gateway/Core Assessed****General****OA 08.1**

Indicate the roles present in your organisation and for each, indicate whether they have oversight and/or implementation responsibilities for responsible investment.

Roles present in your organisation

- ☒ Board members or trustees
 - ☒ Oversight/accountability for responsible investment
 - ☐ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee
 - ☒ Oversight/accountability for responsible investment
 - ☐ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Other Chief-level staff or head of department, specify
 - Responsible Investment committee members**
 - ☒ Oversight/accountability for responsible investment
 - ☐ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
 - ☒ Portfolio managers
 - ☒ Oversight/accountability for responsible investment
 - ☒ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
 - ☒ Investment analysts
 - ☐ Oversight/accountability for responsible investment
 - ☒ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
 - ☐ Dedicated responsible investment staff
 - ☐ External managers or service providers
 - ☒ Other role, specify

Head of Corporate Governance

- ☒ Oversight/accountability for responsible investment
- ☒ Implementation of responsible investment
- ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☐ Other role, specify

| | |
|----------------|---|
| OA 08.2 | Indicate the number of dedicated responsible investment staff your organisation has. [Optional] |
|----------------|---|

| | |
|--|--------|
| | Number |
|--|--------|

6

Promoting responsible investment

| | | | |
|--------------|------------------|----------------------|----------------|
| OA 10 | Mandatory | Core Assessed | PRI 4,5 |
|--------------|------------------|----------------------|----------------|

| | |
|----------------|---|
| OA 10.1 | Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played. |
|----------------|---|

Select all that apply

- ☒ Principles for Responsible Investment

| | |
|--|--|
| | Your organisation's role in the initiative during the reporting period (see definitions) |
|--|--|

- ☐ Basic
- ☐ Moderate
- ☒ Advanced

| | |
|--|--|
| | Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional] |
|--|--|

Played a significant leading role by providing operational, content development and large personnel support as a secretariat of PRI Awareness Working Group (Japan) promoting ESG perceptions and integration practices especially for asset owners since 2012.

- ☒ Asian Corporate Governance Association

| | |
|--|--|
| | Your organisation's role in the initiative during the reporting period (see definitions) |
|--|--|

- ☒ Basic
- ☐ Moderate
- ☐ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

Had joined the conference in HK, the meeting in Singapore and several telephone conferences during the reporting year.

- ☐ Association for Sustainable & Responsible Investment in Asia
- ☐ Australian Council of Superannuation Investors
- ☒ CDP Climate Change

Your organisation's role in the initiative during the reporting period (see definitions)

- ☒ Basic
- ☐ Moderate
- ☐ Advanced
- ☐ CDP Forests
- ☐ CDP Water
- ☐ CFA Institute Centre for Financial Market Integrity
- ☐ Council of Institutional Investors (CII)
- ☐ Eumedion
- ☐ Extractive Industries Transparency Initiative (EITI)
- ☐ Global Investors Governance Network (GIGN)
- ☐ Global Real Estate Sustainability Benchmark (GRESB)
- ☐ Institutional Investors Group on Climate Change (IIGCC)
- ☐ Interfaith Center on Corporate Responsibility (ICCR)
- ☒ International Corporate Governance Network (ICGN)

Your organisation's role in the initiative during the reporting period (see definitions)

- ☐ Basic
- ☐ Moderate
- ☒ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

Played a significant leading role and contributed to the organization.

Attended conferences as a participant.

Acted ad-hoc as a public spokesperson for ICGN.

- ☐ Investor Group on Climate Change, Australia/New Zealand (IGCC)
- ☐ Investor Network on Climate Risk (INCR)/CERES
- ☐ Local Authority Pension Fund Forum
- ☒ Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
Sif Japan

Your organisation's role in the initiative during the reporting period (see definitions)

- ☐ Basic
☐ Moderate
☒ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

Attended conferences as a participant.

Attended some meetings arranged by SIF Japan members for study meetings.

Financial contribution.

Acted as a public spokesperson for the initiative several times.

- ☐ Shareholder Association for Research and Education (Share)
☐ United Nations Environmental Program Finance Initiative (UNEP FI)
☐ United Nations Global Compact
☒ Other collaborative organisation/initiative, specify

The Securities Analysts Association of Japan(SAAJ)

Your organisation's role in the initiative during the reporting year (see definitions)

- ☐ Basic
☐ Moderate
☒ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

Contributed to SAAJ to state opinions for accounting as a position of an investing company

- ☒ Other collaborative organisation/initiative, specify

Accounting Standards Board of Japan(ASBJ)

Your organisation's role in the initiative during the reporting year (see definitions)

- ☐ Basic
☐ Moderate
☒ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

Participated to large degree in advancing ASBJ.

Contributed by preparing position papers to incorporate ESG issues into accounting standards.

- ☒ Other collaborative organisation/initiative, specify

"The Corporate Reporting Lab" Supported by the Japanese Ministry for Economy, Trade and Industry (METI)

| | |
|--|--|
| | Your organisation's role in the initiative during the reporting year (see definitions) |
|--|--|

- ☐ Basic
☐ Moderate
☒ Advanced

| | |
|--|--|
| | Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional] |
|--|--|

Joined up the group formulating Japanese version of stewardship code to participate largest degree in the group by preparing position papers and joint statements.

The Corporate Reporting Lab aims to facilitate dialogue between Japanese companies and investors, and between Japanese companies and overseas investors. The Corporate Reporting Lab links to a special project on "Competitiveness and Incentive Structures for Sustainable Growth", described as "Japan's Kay Review", which aims to "... enhance the ability of Japanese companies to sustainably improve their long-term performance and create value, and will consider ideal capital markets that support such companies' efforts ..."

This revolutionary action for Japan should be remarkable without reference of starting point of execution.

- ☒ Other collaborative organisation/initiative, specify

International Integrated Reporting Council (IIRC)

| | |
|--|--|
| | Your organisation's role in the initiative during the reporting year (see definitions) |
|--|--|

- ☐ Basic
☐ Moderate
☒ Advanced

| | |
|--|--|
| | Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional] |
|--|--|

Participated as only investing company member in advancing IIRC by preparing the structure

| | |
|---------|------------------------------------|
| OA 10.2 | Additional information. [Optional] |
|---------|------------------------------------|

| | | | |
|-------|-----------|---------------|-------|
| OA 11 | Mandatory | Core Assessed | PRI 4 |
|-------|-----------|---------------|-------|

| | |
|---------|--|
| OA 11.1 | Indicate if your organisation promotes responsible investment, independently of collaborative initiatives. |
|---------|--|

- ☒ Yes

OA 11.2

Indicate which of the following actions your organisation has taken to promote responsible investment, independently of collaborative initiatives.

- ☒ Provided or supported education or training programmes for clients, investment managers, broker/dealers, investment consultants, legal advisers or other investment organisations
- ☐ Provided financial support for academic or industry research on responsible investment
- ☒ Encouraged better transparency and disclosure of responsible investment practices across the investment industry
- ☒ Spoke publicly at events and conferences to promote responsible investment
- ☒ Wrote and published in-house research papers on responsible investment
- ☐ Encouraged the adoption of the PRI
- ☐ Other, specify

☐ No

Nissay Asset Management Corporation

Reported Information

Public version

Indirect – Manager Selection, Appointment and Monitoring

PRI disclaimer

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Overview

| | | | |
|---------------|------------------|----------------------|--------------|
| SAM 02 | Mandatory | Core Assessed | PRI 4 |
|---------------|------------------|----------------------|--------------|

SAM 02.1

Indicate if your organisation uses investment consultants and/or fiduciary managers in the selection, appointment and/or monitoring of external managers.

☐ Yes

☒ No

| | | | |
|---------------|------------------|----------------|----------------|
| SAM 03 | Mandatory | Gateway | General |
|---------------|------------------|----------------|----------------|

SAM 03.1

Indicate for which of the following externally managed asset classes your organisation, and/or your investment consultants, consider responsible investment factors in investment manager: (a) Selection, (b) Appointment (investment management agreements/contracts), and (c) Monitoring

Select all that apply

| Asset classes | (a) Selection | (b) Appointment | (c) Monitoring |
|---------------------------|-------------------------------------|--------------------------|-------------------------------------|
| Listed equity | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Fixed income - corporate | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Fixed income - government | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Hedge funds | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Listed equity (LE), fixed income corporate (FIC) and fixed income government (FIG)

Overview

| | | | |
|---------------|------------------|----------------|----------------|
| SAM 05 | Mandatory | Gateway | PRI 1,2 |
|---------------|------------------|----------------|----------------|

SAM 05.1

Indicate which of the following ESG incorporation strategies you encourage or require your external manager(s) to implement on your behalf:

Active investment strategies

| Active investment strategies | LE | FIC | FIG |
|------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| Screening | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Thematic | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Integration | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| None of the above | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |

Passive investment strategies

| Passive investment strategies | LE | | FIG |
|-------------------------------|-------------------------------------|--|-------------------------------------|
| Screening | <input type="checkbox"/> | | <input type="checkbox"/> |
| Thematic | <input type="checkbox"/> | | <input type="checkbox"/> |
| Integration | <input type="checkbox"/> | | <input type="checkbox"/> |
| None of the above | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> |

SAM 05.2

Indicate if - on your externally managed assets - you engage directly, via service providers, or via your external manager.

| | LE | FIC |
|--|-------------------------------------|-------------------------------------|
| We engage directly or via service providers on our externally managed assets | <input type="checkbox"/> | <input type="checkbox"/> |
| We require our external managers to engage on our behalf | <input type="checkbox"/> | <input type="checkbox"/> |
| None of the above | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |

SAM 05.3

Indicate if - on your externally managed listed equities - you cast your (proxy) votes directly, via service providers, or via your external manager.

| | |
|--|-------------------------------------|
| | LE |
| We cast our (proxy) votes directly or via service providers on our externally managed assets | <input type="checkbox"/> |
| We require our external managers to cast our (proxy) votes on our behalf | <input checked="" type="checkbox"/> |
| None of the above | <input type="checkbox"/> |

Selection

| | | | |
|---------------|------------------|----------------------|----------------|
| SAM 06 | Mandatory | Core Assessed | PRI 1-6 |
|---------------|------------------|----------------------|----------------|

SAM 06.1

Indicate whether your organisation, and/or your investment consultant, in the manager selection process for listed assets, typically do any of the following:

General

| | LE | FIC | FIG |
|---|-------------------------------------|-------------------------------------|-------------------------------------|
| Review the manager's responsible investment policies | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Discuss managers' governance and management of responsible investment activities | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Meet staff with responsible investment responsibilities to assess their skills and competence | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Discuss minimum responsible investment expectations that managers must meet | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Discuss the role managers have played in collaborative initiatives | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Ask whether the organisation is a signatory to the PRI and/or other relevant organisations | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Review the manager's responsible investment reporting to clients and/or the public, including PRI reporting | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Discuss the type of ESG reporting you expect | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Assign specific weighting to ESG factors in your manager evaluation | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Other general aspects in your selection process, specify | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| None of the above | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

(Proxy) voting

| | LE |
|--|-------------------------------------|
| Discuss the managers' voting processes | <input checked="" type="checkbox"/> |
| Discuss how information gained through research for (proxy) voting is used in investment-decision making | <input checked="" type="checkbox"/> |
| Other (proxy) voting issues in your selection process, specify | <input type="checkbox"/> |
| None of the above | <input type="checkbox"/> |

If you select any 'Other' option(s), specify

In the manager selection process and periodic monitor, we check if an organization incorporates ESG issues into investment decisions.

We obtain a formal proxy voting policy before a formal agreement.

SAM 06.2

Provide additional information relevant to your organisation's selection approach for listed assets. [Optional]

Monitoring

SAM 08

Mandatory

Core Assessed

PRI 1

SAM 08.1

Indicate whether your organisation, and/or your investment consultant, in the dialogue and monitoring of your external manager typically do any of the following:

General

| | LE | FIC | FIG |
|--|-------------------------------------|-------------------------------------|-------------------------------------|
| Include responsible investment as a standard agenda item at performance review meetings | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Highlight examples of good responsible investment practice by other managers | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Review the manager's responsible investment reporting, for example PRI-generated responsible investment reports | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Encourage your managers to consider joining responsible investment initiatives/organisations or participate in collaborative projects with other investors | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Include responsible investment criteria as a formal component of overall manager performance evaluation | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Request information on whether your manager's approach to ESG issues has impacted financial performance | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Request information on whether your manager's approach to ESG issues has impacted risk or volatility | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Request information on whether your manager's approach to ESG issues has impacted ESG performance | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Other general aspects of your monitoring, specify | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| None of the above | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |

(Proxy) voting

| | |
|---|-------------------------------------|
| | LE |
| Review the number or percentage of votes cast | <input checked="" type="checkbox"/> |
| Request an explanation of reasons for votes cast | <input checked="" type="checkbox"/> |
| Discuss whether companies were informed of the reasons for votes against management recommendations or abstentions/withheld votes | <input type="checkbox"/> |
| Review the number of resolutions on ESG issues filed or co-filed | <input type="checkbox"/> |
| Discuss the changes in company practice (outcomes) that have been achieved from voting activities | <input type="checkbox"/> |
| Other ways you monitor (proxy) voting activities, specify | <input type="checkbox"/> |
| None of the above | <input type="checkbox"/> |

| | | | |
|---------------|------------------|----------------------|--------------|
| SAM 09 | Mandatory | Core Assessed | PRI 2 |
|---------------|------------------|----------------------|--------------|

| | |
|-----------------|---|
| SAM 09.1 | For the listed equities where you have given your external managers a (proxy) voting mandate, indicate the approximate percentage (+/- 5%) of votes that were cast during the reporting year. |
|-----------------|---|

☒ We track or collect this information

| | |
|--|--------------------------------|
| | Votes cast (to the nearest 5%) |
|--|--------------------------------|

| | |
|--|---|
| | % |
|--|---|

100

| | |
|--|--|
| | Specify the basis on which this percentage is calculated |
|--|--|

- ☒ Of the total number of ballot items on which they could have issued instructions
- ☐ Of the total number of company meetings at which they could have voted
- ☐ Of the total value of your listed equity holdings on which they could have voted
- ☐ We do not track or collect this information

| | |
|-----------------|------------------------------------|
| SAM 09.2 | Additional information. [Optional] |
|-----------------|------------------------------------|

Except FoF, all votes other than ones with specific requirements are casted.

Communication

| | | | |
|---------------|------------------|----------------------|--------------|
| SAM 16 | Mandatory | Core Assessed | PRI 6 |
|---------------|------------------|----------------------|--------------|

SAM 16.1

Indicate if your organisation proactively discloses any information about responsible investment considerations in your indirect investments.

- ☐ Yes, we disclose information publicly
- ☒ Yes, we disclose information to clients/beneficiaries only

SAM 16.3

Indicate what type of information your organisation proactively discloses to clients and/or beneficiaries about your indirect investments.

- ☐ How responsible investment considerations are included in manager selection, appointment and monitoring processes
- ☐ Details of the responsible investment activities carried out by managers on your behalf
- ☐ E, S and/or G impacts and outcomes that have resulted from your managers' investments and active ownership
- ☒ Other, specify

We will consider to issue those upon clients requests

- ☐ We do not proactively disclose information to the public and/or clients/beneficiaries

Nissay Asset Management Corporation

Reported Information

Public version

Direct - Listed Equity Incorporation

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ESG incorporation in actively managed listed equities

Implementation processes

| LEI 03 | Mandatory | Gateway/Core Assessed | PRI 1 |
|--------|-----------|-----------------------|-------|
|--------|-----------|-----------------------|-------|

LEI 03.1

Indicate (1) which ESG incorporation strategy and/or combination of strategies you apply to your actively managed listed equities and (2) the breakdown of your actively managed listed equities by strategy or combination of strategies.

ESG incorporation strategy (select all that apply)

☒ Screening alone (i.e. not combined with any other strategies)

| | |
|--|---------------------------------------|
| Percentage of active listed equity to which the strategy is applied - you may (estimate +/- 10%) | <div> <div></div> <div>%</div> </div> |
| | 56.85 |

☐ Thematic alone (i.e. not combined with any other strategies)

☒ Integration alone (i.e. not combined with any other strategies)

| | |
|--|---------------------------------------|
| Percentage of active listed equity to which the strategy is applied - you may (estimate +/- 10%) | <div> <div></div> <div>%</div> </div> |
| | 7.29 |

☒ Screening + Integration strategies

| | |
|--|---------------------------------------|
| Percentage of active listed equity to which the strategy is applied - you may (estimate +/- 10%) | <div> <div></div> <div>%</div> </div> |
| | 34.23 |

☐ Thematic + integration strategies

☐ Screening + thematic strategies

☒ All three strategies combined

| | |
|--|---------------------------------------|
| Percentage of actively managed listed equities to which each strategy or combination of strategies is applied - you may (estimate +/- 10%) | <div> <div></div> <div>%</div> </div> |
| | 1.63 |

☐ No incorporation strategies applied

Total actively managed listed equities

100%

| | |
|-----------------|---|
| LEI 03.2 | Describe your primary reasons for choosing a particular ESG incorporation strategy. |
|-----------------|---|

This is not the exact answer for a particular ESG incorporation strategy, but we believe integrating ESG factors into investment process contributes to both long-term investment returns and sustainable societies.

| | |
|-----------------|--|
| LEI 03.3 | Where assets are managed using a combination of ESG incorporation strategies, briefly describe how these combinations are used. [Optional] |
|-----------------|--|

Internal ESG evaluation which is finally determined depends on companies and industries in accordance with materiality is incorporated into long term forecast.

| | |
|-----------------|------------------------------------|
| LEI 03.4 | Additional information. [Optional] |
|-----------------|------------------------------------|

(A) Implementation: Screening

| | | | |
|---------------|------------------|--------------------|--------------|
| LEI 06 | Mandatory | Descriptive | PRI 1 |
|---------------|------------------|--------------------|--------------|

| | |
|-----------------|--|
| LEI 06.1 | Indicate and describe the type of screening you apply to your internally managed active listed equities. |
|-----------------|--|

Type of screening

☒ Negative/exclusionary screening

Screened by

- ☐ Product
- ☐ Activity
- ☐ Sector
- ☐ Country/geographic region
- ☒ Environmental and social practices and performance
- ☒ Corporate governance

| | |
|--|-------------|
| | Description |
|--|-------------|

e.g.

Cluster bomb

Stocks with high volatility and potential scandals

- ☐ Positive/best-in-class screening
- ☐ Norms-based screening

LEI 06.2

Describe how the screening criteria are established, how often the criteria are reviewed and how you notify clients and/or beneficiaries when changes are made.

Screening criteria was established based on listing rules, liquidity and credit risks and/or antisocial acts and is annually reviewed.

| | | | |
|--------|-----------|---------------|-------|
| LEI 07 | Mandatory | Core Assessed | PRI 1 |
|--------|-----------|---------------|-------|

LEI 07.1

Indicate which processes your organisation uses to ensure that screening is based on robust analysis.

- ☒ Comprehensive ESG research is undertaken or sourced to determine companies' activities and products.
- ☐ Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- ☒ External research and data used to identify companies to be excluded/included is subject to internal audit by ESG/RI staff, the internal audit function or similar
- ☒ Company ESG information/ratings are updated regularly to ensure that portfolio holdings comply with fund policies
- ☐ A committee or body with representatives independent of the individuals who conduct company research reviews some or all screening decisions
- ☒ A periodic review of the quality of the research undertaken or provided is carried out
- ☐ Other, specify
- ☐ None of the above

(B) Implementation: Thematic

| | | | |
|--------|-----------|-------------|-------|
| LEI 09 | Mandatory | Descriptive | PRI 1 |
|--------|-----------|-------------|-------|

LEI 09.1

Indicate the type of sustainability thematic funds or mandates that your organisation manages.

- ☐ Environmentally themed funds
- ☒ Socially themed funds
- ☒ Combination of themes

(C) Implementation: Integration of ESG issues

| | | | |
|--------|-----------|---------------|-------|
| LEI 11 | Mandatory | Core Assessed | PRI 1 |
|--------|-----------|---------------|-------|

LEI 11.1

Indicate if E, S and G issues are reviewed while researching companies and/or sectors in active strategies.

| ESG issues | Coverage/extent of review on these issues |
|----------------------|---|
| Environmental | <input checked="" type="radio"/> We systematically review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We do not review environmental issues |
| Social | <input checked="" type="radio"/> We systematically review the potential significance of social issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of social issues and investigate them accordingly <input type="radio"/> We do not review social issues |
| Corporate Governance | <input checked="" type="radio"/> We systematically review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We do not review corporate governance issues |

Communication

| | | | |
|--------|-----------|---------------|---------|
| LEI 18 | Mandatory | Core Assessed | PRI 2,6 |
|--------|-----------|---------------|---------|

LEI 18.1

Indicate if your organisation proactively discloses information on your approach to ESG incorporation in listed equity.

- ☒ We disclose it publicly

Provide URL

<http://www.nam.co.jp/company/english/investment/mainstreaming.html>

LEI 18.2

Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.

- ☐ Yes
☒ No

LEI 18.3

Indicate the information your organisation proactively discloses to the public regarding your approach to ESG incorporation.

- ☒ Broad approach to ESG incorporation
☐ Detailed explanation of ESG incorporation strategy used

LEI 18.4

Indicate how frequently you typically report this information to the public.

- ☐ Quarterly or more frequently
- ☐ Between quarterly and annually
- ☐ Less frequently than annually
- ☒ Other, specify

When any change made

LEI 18.5

Indicate the information your organisation proactively discloses to clients/ beneficiaries regarding your approach to ESG incorporation.

- ☐ Broad approach to ESG incorporation
- ☒ Detailed explanation of ESG incorporation strategy used

LEI 18.6

Indicate how frequently you typically report this information to clients/beneficiaries.

- ☐ Quarterly or more frequently
- ☐ Between quarterly and annually
- ☐ Less frequently than annually
- ☒ Other, specify

Upon request

- ☐ We disclose it to clients and/or beneficiaries only
- ☐ We do not proactively disclose it to the public and/or clients/beneficiaries

Nissay Asset Management Corporation

Reported Information

Public version

Direct - Listed Equity Active Ownership

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Engagement

Overview

LEA 02

Mandatory

Gateway

PRI 1,2,3

LEA 02.1

Indicate your reasons for interacting with companies on ESG issues and indicate who carries out these interactions.

| Type of engagement | Reason for interaction |
|--|---|
| Individual/Internal staff engagements | <input checked="" type="checkbox"/> To support investment decision-making (e.g. company research) <input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via internal staff |
| Collaborative engagements | <input type="checkbox"/> To support investment decision-making (e.g. company research) <input type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input type="checkbox"/> To encourage improved ESG disclosure <input type="checkbox"/> Other, specify <input checked="" type="checkbox"/> We do not engage via collaborative engagements |
| Service provider engagements | <input type="checkbox"/> To support investment decision-making (e.g. company research) <input type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input type="checkbox"/> To encourage improved ESG disclosure <input type="checkbox"/> Other, specify <input checked="" type="checkbox"/> We do not engage via service providers |

LEA 02.2

Additional information. [Optional]

Individual/Internal staff means inhouse analysts and/or portfolio managers.

Process

Process for engagements run internally

| | | | |
|--------|-----------|---------------|-------|
| LEA 03 | Mandatory | Core Assessed | PRI 2 |
|--------|-----------|---------------|-------|

LEA 03.1

Indicate whether your organisation has a formal process for identifying and prioritising engagement activities carried out by internal staff.

☒ Yes

LEA 03.2

Describe how you identify and prioritise engagements.

Our dedicated engagement team together with in-house analysts generate investment ideas through regular dialogues with investees. We mainly focus on operational, financial and IR issues, and set engagement agenda for each company. We constantly examine how feasible our engagement agenda is in the process of mutual opinion exchanges. We prioritize engagements based on quantitative analysis through our CFROI earnings model, which quantify how much additional corporate value we could actually create through the engagement process.

☐ No

LEA 03.3

Additional information. [Optional]

We position "dialogue with companies" at the center of the investment process, strive to evaluate corporate value and make investment decisions from a mid- to long-term perspective.

We focus on dialogue with senior management of investees to obtain deeper insight and understand corporate strategies.

We express our opinions as an investor and exchange views in dialogues, which we believe create corporate value, resulting in the benefits both for our beneficiaries and investee companies.

| | | | |
|--------|-----------|---------------|-------|
| LEA 04 | Mandatory | Core Assessed | PRI 2 |
|--------|-----------|---------------|-------|

LEA 04.1

Indicate if you define specific objectives for your engagement activities.

☒ Yes

- ☐ Yes, for all engagement activities
- ☒ Yes, for the majority of engagement activities
- ☐ Yes, for a minority of engagement activities

☐ No

LEA 04.2

Indicate if you monitor the actions that companies take following your engagements.

☒ Yes

- ☐ Yes, in all cases
- ☒ Yes, in the majority of cases
- ☐ Yes, in the minority of cases

LEA 04.3

Describe how you monitor and evaluate the progress of your engagement activities.

All dialogues with companies and the progress of the engagement activities are recorded in our internal database.

☐ No

General processes for all three groups of engagers

LEA 10**Mandatory****Gateway/Core Assessed****PRI 2****LEA 10.1**

Indicate if you track the number of engagements your organisation participates in.

| Type of engagement | Tracking engagements |
|--|---|
| Individual / Internal staff engagements | <input checked="" type="radio"/> Yes, we track the number of our engagements in full <input type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> No, we do not track our engagements but can provide a reasonable estimate of our engagement numbers <input type="radio"/> No, we do not track and cannot estimate our engagements |

Communication

LEA 15**Mandatory****Core Assessed****PRI 2,6****LEA 15.1**

Indicate whether your organisation proactively discloses information on its engagements.

- ☐ We disclose it publicly
- ☒ We disclose it to clients and/or beneficiaries only

LEA 15.5

Indicate what engagement information your organisation proactively discloses to clients/beneficiaries.

Engagement information disclosed

- ☒ Details of the selections, priorities and specific goals of engagement
- ☐ Number of engagements
- ☐ Breakdown of engagements by type/topic
- ☐ Breakdown of engagements by region
- ☐ An assessment of the current status of the engagement
- ☒ Outcomes that have been achieved from the engagement
- ☒ Other information

Names of the companies engaged with and agendas of dialogues are made, upon clients' requests

LEA 15.6

Indicate how frequently you typically report engagements information

- ☐ Disclosed continuously (prior and post engagements)
- ☐ Disclosed quarterly
- ☐ Disclosed annually
- ☐ Disclosed every two years or less
- ☒ Other, specify

Upon client's request

- ☐ We do not proactively disclose it to the public and/or clients/beneficiaries.

(Proxy) voting and shareholder resolutions**Process****LEA 17****Mandatory****Descriptive****PRI 2****LEA 17.1**

Indicate how you typically make your (proxy) voting decisions and what this approach is based on.

Approach

- ☒ We use our own research or voting team and make our own voting decisions without the use of service providers.

Based primarily on

- ☒ our own voting policy
- ☐ our clients requests or policy
- ☐ other, explain
- ☐ We hire service provider(s) which make voting recommendations or provide research that we use to inform our voting decisions.
- ☐ We hire service provider(s) which make voting decisions on our behalf, except for some pre-defined scenarios for which we review and make voting decisions.
- ☐ We hire service provider(s) which make voting decisions on our behalf.

LEA 17.2

Additional information.[Optional]

Our internal research team judges each case based on our own voting policy unless any specific request given by clients. Service provider information is used for a reference only.

LEA 21**Mandatory****Core Assessed****PRI 2**

LEA 21.1

Indicate if you ensure that companies are informed of the rationale when you and/or the service providers acting on your behalf abstain or vote against management recommendations.

- ☐ Yes, in most cases
- ☒ Sometimes, in the following cases:
- ☐ votes in selected markets
 - ☒ votes on certain issues (all markets)
 - ☐ votes for significant shareholdings (all markets)
 - ☐ other, explain
- ☐ No
- ☐ Not applicable as we and/or our service providers do not abstain or vote against management recommendations

Outputs and outcomes

LEA 22**Mandatory****Core Assessed****PRI 2****LEA 22.1**

For listed equities where you and/or your service provider has the mandate to issue (proxy) voting instructions, indicate the percentage of votes cast during the reporting year.

- ☒ We do track or collect this information

Votes cast (to the nearest 1%)

%

100

Specify the basis on which this percentage is calculated

- ☒ of the total number of ballot items on which you could have issued instructions
- ☐ of the total number of company meetings at which you could have voted
- ☐ of the total value of your listed equity holdings on which you could have voted

LEA 22.2

If there are specific reasons why you did not vote certain holdings, explain these, and if possible, indicate the percentage of holdings affected by these factors. [Optional]

The number mentioned in LEA22.1 only includes Japanese casts.

While voting all Japanese casts, any non-Japanese companies which require us to attend the shareholder's meetings, additional costs or etc. in order to cast votes would not be voted after considering of clients benefits very carefully.

There is no single way to find numbers of those non-voted-meetings with a current platform in Japan.

- ☐ We do not track or collect this information

Communication

| | | | |
|--------|-----------|---------------|---------|
| LEA 26 | Mandatory | Core Assessed | PRI 2,6 |
|--------|-----------|---------------|---------|

| | |
|----------|--|
| LEA 26.1 | Indicate if your organisation proactively discloses information on your voting activities. |
|----------|--|

- ☒ We disclose it publicly

| | |
|--|-------------|
| | provide URL |
|--|-------------|

<http://www.nam.co.jp/company/list/cvr.html>

| | |
|----------|---|
| LEA 26.2 | Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries. |
|----------|---|

☐ Yes

☒ No

| | |
|----------|--|
| LEA 26.3 | Indicate the voting information your organisation proactively discloses to the public. |
|----------|--|

| | |
|--|--|
| | Indicate how much of your voting record you disclose |
|--|--|

- ☐ All voting decisions
- ☐ Some voting decisions
- ☐ Only abstentions and opposing vote decisions
- ☒ Summary of votes only

| | |
|--|--|
| | Indicate what level of explanation you provide |
|--|--|

- ☐ Explain all voting decisions
- ☒ Explain some voting decisions
- ☐ Only explain abstentions and votes against management
- ☐ No explanations provided

| | |
|----------|--|
| LEA 26.4 | Indicate how frequently you typically report voting information to the public. |
|----------|--|

- ☐ Continuously (primarily before meetings)
- ☐ Continuously (soon after votes are cast)
- ☐ Quarterly or more frequently
- ☒ Between quarterly and annually
- ☐ Less frequently than annually
- ☐ Other, specify

| | |
|----------|---|
| LEA 26.5 | Indicate the voting information your organisation proactively discloses to clients/beneficiaries. |
|----------|---|

Indicate how much of your voting record you disclose

- ☒ All voting decisions
- ☐ Some voting decisions
- ☐ Only abstentions and opposing vote decisions
- ☐ Summary of votes only

Indicate what level of explanation you provide

- ☒ Explain all voting decisions
- ☐ Explain some voting decisions
- ☐ Only explain abstentions and votes against management
- ☐ No explanations provided

LEA 26.6

Indicate how frequently you typically report voting information to clients/beneficiaries.

- ☐ Continuously (primarily before meetings)
- ☐ Continuously (soon after votes are cast)
- ☐ Quarterly or more frequently
- ☒ Between quarterly and annually
- ☐ Less frequently than annually
- ☐ Other, specify

LEA 26.7

Describe any other differences in the information being disclosed. [Optional]

Total number of "FOR" and "AGAINST" of each proposal category is disclosed on asset basis.

- ☐ We disclose it to clients/beneficiaries only
- ☐ We do not proactively disclose our voting activities to the public and/or to clients/beneficiaries

Nissay Asset Management Corporation

Reported Information

Public version

Direct - Fixed Income

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

ESG incorporation in actively managed fixed income

Fixed Income - Corporate

Implementation processes

| | | | |
|-------|-----------|-----------------------|-------|
| FI 04 | Mandatory | Gateway/Core Assessed | PRI 1 |
|-------|-----------|-----------------------|-------|

FI 04.1

Indicate (1) which ESG incorporation strategy and/or combination of strategies you apply to your actively managed corporate fixed income investments; and, (2) the breakdown of your actively managed corporate fixed income investments by incorporation strategy or combination of strategies.

ESG incorporation strategy (select all that apply)

☒ Screening alone (i.e. not combined with any other strategies)

| | |
|---|---------------------------------------|
| Percentage of active corporate fixed income to which the strategy is applied (estimate +/- 10%) | <div> <div></div> <div>%</div> </div> |
| | 100 |

- ☐ Thematic alone (i.e. not combined with any other strategies)
- ☐ Integration alone (i.e. not combined with any other strategies)
- ☐ Screening + Integration strategies
- ☐ Thematic + integration strategies
- ☐ Screening + thematic strategies
- ☐ All three strategies combined
- ☐ No incorporation strategies applied

Total actively managed fixed income - corporate

100%

FI 04.2

Describe your primary reasons for choosing a particular incorporation strategy.

This is not the answer for a particular incorporation strategy but we believe that integrating ESG factors into investment process contributes to both good investment return and sustainable society.

(A) Implementation: Screening

| | | | |
|-------|-----------|-------------|-------|
| FI 06 | Mandatory | Descriptive | PRI 1 |
|-------|-----------|-------------|-------|

FI 06.1

Indicate and describe the type of screening you apply to your internally managed active corporate fixed income investments.

Type of screening

- ☒ Negative/exclusionary screening

Screened by

- ☐ Product
- ☐ Activity
- ☐ Sector
- ☐ Country/geographic region
- ☒ Environmental and social practices and performance
- ☒ Corporate governance

Description

We have an established structure that credit analysts can systematically obtain information analyzed by our own equity analyst team who has good accesses to top management in every sector through one-on-one meeting and site visits for proprietary research. We also evaluate investable corporates with "Corporate Governance (ESG) Evaluations" from a viewpoint of Fixed Income - Corporate& Government every half a year.

- ☐ Positive/best-in-class screening
- ☐ Norms-based screening

FI 06.2

Describe how the screening criteria are established, how often the criteria are reviewed and how you notify clients and/or beneficiaries when changes are made.

The screening criteria was established to identify a governance issue/concern on a corporate and to avoid any future risk. Irregular review is applied and no report to clients and/or beneficiaries.

FI 07**Mandatory****Core Assessed****PRI 1**

FI 07.1

Indicate which processes your organisation uses to ensure that screening in corporate fixed income is based on robust analysis.

- ☒ Comprehensive research is undertaken or sourced to determine issuers' ESG performance
- ☐ Issuers are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- ☐ External research and data used to identify issuers to be excluded/included is subject to internal audit by ESG/RI staff, the internal audit function or similar
- ☒ Information on ESG issues and/or ratings is updated regularly to ensure that portfolio holdings comply with fund policies
- ☐ A committee or body with representatives independent of the individuals who conduct ESG research reviews some or all screening decisions
- ☒ A periodic review of the quality of the research undertaken or provided is carried out
- ☐ Other, specify
- ☐ None of the above

Fixed income - Government

FI 13**Mandatory****Core Assessed****PRI 1****FI 13.1**

Indicate if you incorporate ESG issues in investment analysis and decision making for your government fixed income investments.

☒ Yes

FI 13.2

Indicate for what percentage of your government fixed income investments you incorporate ESG issues in investment analysis and decision making.

- ☐ <10%
- ☐ 10-50%
- ☒ 51-90%
- ☐ >90%

FI 13.3

Indicate if in active strategies, E, S and G issues are reviewed while researching government issuers.

| ESG issues | Coverage/extent of review on these issues |
|----------------------|---|
| Environmental | <input checked="" type="radio"/> We systematically review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We do not review environmental issues |
| Social | <input checked="" type="radio"/> We systematically review the potential significance of social issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of social issues and investigate them accordingly <input type="radio"/> We do not review social issues |
| Corporate Governance | <input checked="" type="radio"/> We systematically review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We do not review corporate governance issues |

| | |
|----------------|---|
| FI 13.4 | Describe your approach to incorporating ESG issues in government fixed income investments. [Optional] |
|----------------|---|

We apply ESG in government fixed income investment by selecting countries through ESG country rating.

☐ No

Communication

| | | | |
|--------------|------------------|----------------------|----------------|
| FI 18 | Mandatory | Core Assessed | PRI 2,6 |
|--------------|------------------|----------------------|----------------|

| | |
|----------------|--|
| FI 18.1 | Indicate if your organisation proactively discloses information on your approach to ESG incorporation in all fixed income investments. |
|----------------|--|

- ☐ We disclose it publicly
☐ We disclose it to clients/beneficiaries only
☒ We do not proactively disclose it to the public and/or clients/beneficiaries

| | |
|----------------|------------------------------------|
| FI 18.7 | Additional information. [Optional] |
|----------------|------------------------------------|

We disclose it upon clients' requests.