

DBJ Asset Management Policy on Sustainability [Provisional translation]

1. Purpose

- DBJ Asset Management Co. Ltd. (“DBJAM”), in accordance with its corporate philosophy and the highest business criterion which has been stipulated as “Basic Policy on Fiduciary Duties”, formulates and discloses the “Policy on Sustainability” (“Sustainability Policy”) in order to fulfill its stewardship responsibilities.

(Related information)

DBJAM “Basic Policy on Fiduciary Duties” [Provisional translation]

https://www.dbj-am.jp/en/pdf/basic_policy.pdf

2. Policies

(1) ESG Integration

- DBJAM, from the perspective of risk-return optimization to maximize profits for investors over the long term, shall integrate environmental, social, and governance (“ESG”) elements into investment processes such as investment decisions and monitoring, and shall establish an appropriate internal system which underlies such processes. DBJAM shall also actively engage with investees and related stakeholders in light of maximizing the long-lasting value of the investment.
- DBJAM shall establish the internal committee, which shall be chaired by the CEO, constituted by all executive officers, and in charge of implementing the PDCA cycle on ESG integration throughout the company. The committee shall be supervised by the Board of Directors.
- DBJAM shall continue its endeavors to improve its service level while accurately and continuously comprehends market conditions and industry trends, and contribute to the development of the financial market and industry by actively participating in and supporting various initiatives.

(2) Corporate Responsibility as a Social Being

- In accordance with expectations from various stakeholders of the DBJ Group, DBJAM shall fulfill corporate social responsibilities for the realization of a sustainable society.
- From the perspective of considering establishment of a sustainable and sound environment and society, DBJAM shall not undertake contracts for or invest in the following types of businesses.

- ① Businesses that infringe public order or morals
- ② Businesses that have relations with anti-social forces
- ③ Businesses that disregard common norms
- ④ Businesses that violate or may violate laws and regulations

Ex.) Businesses that infringe on the Convention on International Trade in Endangered Species of Wild Fauna and Flora (Washington Convention), businesses that engage in child labor or forced labor, businesses that have a negative impact on World Heritage Sites designated by UNESCO, businesses that have a negative impact on wetlands designated under the Ramsar Convention.

- ⑤ Businesses related to inhumane weapons

Ex.) Businesses related to the manufacture of inhumane weapons such as cluster bombs, nuclear weapons, biological or chemical weapons, and anti-personnel mines.

- DBJAM shall work to consistently implement its own endeavors toward the realization of a sustainable society, including consideration for the environment.

(3) Human Capital Development

- With the recognition that human resources constitute the most important foundation for fulfilling its responsibilities properly and sustainably, DBJAM shall conduct OJT and other trainings appropriately in accordance with distinct roles and develop the abilities of employees worthy of being investment management professionals.
- DBJAM shall maintain and enhance its employees' well-beingness, while actively promoting a work environment where employees can fully leverage their abilities and expertise in the performance of their roles.

3. Disclosure

- DBJAM shall disclose not only the Sustainability Policy itself, but also the status of its endeavors each fiscal year appropriately. The Sustainability Policy shall be revised as needed in order to keep its adequacy as a code of management, aiming at the optimization of business operations.
- DBJAM shall report appropriately to investors, as relevant, regarding the status of specific endeavors on the management of entrusted assets.