

Attachment 1

ESG investment methods and definitions

Definition of Investment method

1. Negative screening: Exclude specific sectors and individual companies from investees
2. ESG Integration: Investment Manager systematically and explicitly incorporates environmental, social and governance factors into financial analysis
3. Engagement and exercise of voting rights: Encourage companies on the issue of ESG by voting rights exercises as a shareholder
4. Screening based on norms: Exclude companies that violate the international norms of ESG (international norms stipulated by OECD, ILO, UNICEF, and so on) from investees
5. Positive screening: Invest in companies with high reputation for ESG within each sector
6. Theme Investment on Sustainability: Invest in sustainability themes or assets (clean energy, green technology, sustainable agriculture, etc.)
7. Impact investment & community investment: Invest in order to solve social problems and environmental problems

(Source) Japan Investment Trusts Association based on GSIA "Global Sustainable Investment Review 2016"

(Note) GSIA (Global Sustainable Investment Alliance) is an international organization to promote sustainable investment