

August 31, 2017

Asset Management One's Initiatives for Fulfilling Its Stewardship Responsibilities

Asset Management One Co., Ltd. ("AM-One") has revised its action policies pertaining to the seven principles along with Japan's Stewardship Code ("the Code") that was revised on May 29 this year.

Integrated in October 2016, DIAM Co., Ltd., the Asset Management Division of Mizuho Trust & Banking Co., Ltd., Mizuho Asset Management Co., Ltd., and Shinko Asset Management Co., Ltd. launched a new company called Asset Management One Co., Ltd. At the same time, we created a Responsible Investment Department and an Audit and Supervisory Committee comprising independent external directors to advance our governance structure as a responsible institutional investor.

With the revision of the Code, AM-One added "Preventive measures for conflicts of interest," "Disclosure of results of proxy voting," "Purposeful dialogue with the investee companies (engagement)" and "Disclosure of self-evaluation" to our action policy based on our activities as a frontrunner aiming for best practice in the Japanese asset management industry.

AM-One believes that by fulfilling its Stewardship Code responsibilities, it will enrich the Japanese economy and society. We will continue to enhance our stewardship activities as a responsible institutional investor to fulfill our duties related to economic and social development through the optimum allocation of social resources.

Major changes in our action policies are:

1. Enhancing Management of Conflicts of Interest within Proxy Voting

AM-One will raise the effectiveness of isolating information and intercepting the influence to the department in charge of proxy voting (Responsible Investment Department, Responsible Investment Committee, etc.). Details are:

(1) Isolating Information

- Isolate any information regarding proxy voting for securities between the person in charge and any other employees and employees of intra-group companies.
- Established a whistle-blower system for unjustifiable contact associated with proxy voting judgment.

- Enhance the post-monitoring framework (auditing e-mails, etc.) and verification for the appropriateness of the result of proxy voting.

(2) Restrictions on Personnel Transfers

- Restrict the transfer of personnel who worked in the department/team in charge of corporate marketing within the group in the past five years to the department in charge of proxy voting.

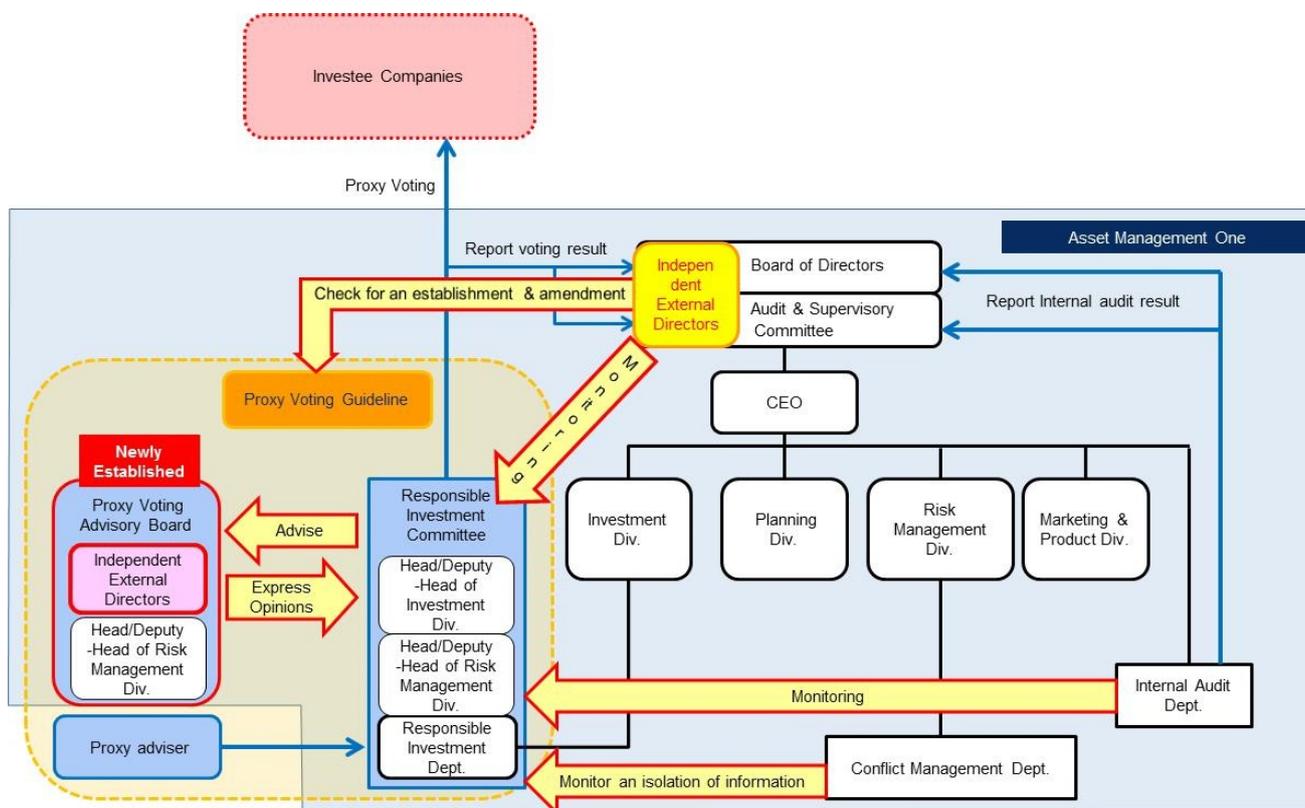
(3) Enhancement of Proxy Voting Structure <Establishment of Proxy Voting Advisory Council>

- We have established the Proxy Voting Advisory Council in which more than half of the members are independent external directors as an advisory council for the Responsible Investment Committee. We ask a third party company for advice based on our guideline regarding matters of our shareholders and their group companies in terms of managing conflicts of interest. The Responsible Investment Committee will deliberate and exercise the proxy voting appropriately based on the advisory council's opinion. We also have a monitoring framework by reporting the result to the Executive Management Committee and the Audit and Supervisory Committee.

<Outline of Responsible Investment Committee and Proxy Voting Advisory Council>

Name of Committee	Responsible Investment Committee	Proxy Voting Advisory Council
Function	Established as Business Policy Committee	Established as advisory council for Responsible Investment Committee
Roles	Discuss stewardship activities in general	From an external point of view, express opinions regarding matters of our shareholders and their group companies in terms of managing conflicts of interest.
Committee Members	Chair: Head of Investment Management Division Commissioner: Deputy Head of Investment Management Division, Head of Risk Management Division and Deputy Head of Risk Management Division Observer: Member of Audit and Supervisory Committee <including Independent External Directors>, Internal Audit Group	Chair: Head of Risk Management Division Members: Three Independent External Directors and Deputy Head of Risk Management Division

<New Framework Chart>



2. Measures for Stewardship Activities

(1) Disclosure of proxy voting results

- We will disclose our proxy voting results on a quarterly basis on our website by agenda items (for instance, the appropriation of retained earnings and the appointment of directors and auditors) and by each proposal made by investee companies.

(2) Engagement

- AM-One will seek to build mutual understanding with the investee companies through engagement activities designed to bolster corporate value and capital efficiency and achieve sustainable growth over the medium to long terms. If there is a possibility that the value of the company may be damaged, we will work on further dialogue with the company to resolve the problem with the investee company.
- In addition, for passive investment, we have analysts specializing in ESG in the Responsible Investment Department and an increased number of personnel dedicated to proxy voting as well. By encouraging engagement and proxy voting in the medium to long terms, we aim to raise investee companies' corporate value and the value of the stock market.

(3) Fulfilling stewardship activities, constructing organizational structure, development of human resources and self-evaluation led by management

- We are enhancing our framework to fulfill our stewardship responsibilities, establishing the Responsible Investment Department and increasing the number of analysts specializing in ESG and proxy voting within the Responsible Investment Department.
- We will conduct a self-evaluation of our governance system and conflict of interest management periodically and disclose the results on our website.

About Asset Management One:

Asset Management One Co., Ltd. is one of the largest asset managers in Asia with over USD463bn AUM* and is a leading provider of investment products for institutional and retail clients in Japan. Headquartered in Tokyo, Asset Management One offers a wide range of investment solutions to some of the world's largest institutional investors with a global network of offices in London, New York, Hong Kong and Singapore. Fully owned and backed by our parent companies, Mizuho Financial Group and Dai-ichi Life Holdings, Inc., Asset Management One is also able to draw on their expertise and resources to enhance its capabilities.

*as of 31st March 2017

For more information, please visit our website, <http://www.am-one.co.jp/english/>.

Please see the link for disclaimer: <http://www.am-one.co.jp/english/disclaimer/>