



4Q 2019

Nomura Asset Management U.K. Limited
Nomura Asset Management Singapore Limited
Nomura Asset Management Malaysia Sdn. Bhd.
Nomura Islamic Asset Management Malaysia Sdn. Bhd.

Responsible Investing Report

Introduction

Nomura Asset Management is committed to Responsible Investment, being a signatory to the United Nations Principles for Responsible Investment ("UNPRI") since 2011, and has a strong track record of acting in a manner that maximises both the experiences of our clients and the other stakeholders impacted by our investments.

Nomura Asset Management U.K. Limited ("NAM UK") has been integrating Environmental, Social and Governance ("ESG") research (both proprietary internal research and external data providers) into all individual global equity investment committee reviews since 2013. Our engagement activity and ESG research has been published publicly online since 2Q16 in an effort to promote transparency and increase the impact of our activity. Whereas, Nomura Asset Management Malaysia Sdn Bhd ("NAMM") and Nomura Islamic Asset Management Sdn Bhd ("NIAM"), as member entities within the NAM group in Malaysia, are also committed to standards encouraged by the UNPRI through its commitment to observe the Malaysian Code of Institutional Investors ("MCII"). Both NAMM and NIAM became signatories of the MCII on 25 April 2017.

The engagement efforts of the NAM UK Fixed Income team have been included within this report since 3Q18, and since 2Q19 has also incorporated the research and engagement processes of Nomura Asset Management Singapore Limited ("NAM SG") and Nomura Asset Management Malaysia Sdn. Bhd. ("NAMM"). Through the collaboration of research efforts across offices and asset classes we believe we can maximise the impact of engagement activity and achieve the best outcomes for all stakeholders.

It is our view that Responsible Investment is best undertaken by taking into consideration the impact of a corporation's existence and the associated investment decisions on all stakeholders, not just ourselves as shareholders and/or bond investors. As responsible investors we must take into account the broader impact of our investment decisions and it is our duty to engage with the businesses we own and/or lend to, and even those we don't, to push for better practices where necessary. Targets for engagement are identified through our ongoing ESG research programme, which takes into consideration the ESG risks within our client portfolios and ongoing evaluation of the impact that our investee companies have on all stakeholders. An assessment is made as to the severity of the engagement topic and the engagement itself is carried out at the appropriate level. Where we feel our engagement activity is not having the desired effect we will escalate our concerns to more senior management or directly to the board. We are proactive with regards to proxy voting as a means to express our views and we actively seek to collaborate with other investors to maximise the impact of our activity.

"NAM Group" "NAM"	These references relate to the whole Nomura Asset Management organisation and will generally be used when referring to matters such as investment philosophy, style, company structure and other policies which are consistent across the Group.
"NAM UK"	This refers to Nomura Asset Management UK Limited, the UK based subsidiary of NAM Tokyo. NAM UK will typically be appointed as investment manager and will retain responsibility for the management, control and servicing of the client portfolio and relationship.
"NAM Singapore" "NAM SG"	This refers to Nomura Asset Management Singapore Limited.
"NAM Malaysia" "NAMM"	This refers to Nomura Asset Management Malaysia Sdn. Bhd.
"NIAM"	This refers to Nomura Islamic Asset Management Malaysia Sdn. Bhd.
"Our" "We"	This refers to the efforts and practices undertaken within the NAM UK, NAM Singapore and NAM Malaysia offices.

Summary

Over the period 28 companies were reviewed and assigned ESG ratings. Of these, 5 were awarded a rating of 'N' (No Issues), 18 a rating of 'I' (Issues but Improving), 4 a rating of 'I' (Issues, Not Improving) and 1 company was deemed Uninvestable. In addition, 19 further companies were engaged with, supplementary to full company reviews, to discuss ESG related queries that arose over the period. In total 38 companies were contacted to discuss ESG concerns – of these engagements 21 were focused on Environmental Impact, 12 on Social Impact, 4 Governance and 1 Remuneration. Of the companies we engaged with 8 were based in North America, 7 in Europe, 9 Malaysia and 14 within Asia Pacific (ex-Malaysia). Responses were received from 33 companies (87% response ratio).

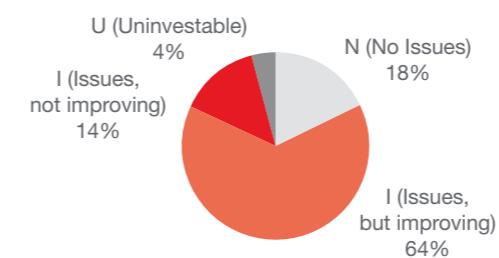
Companies reviewed

	Engagements
N (No Issues)	38
I (Issues, but improving)	18
I (Issues, not improving)	4
U (Uninvestable)	1
Total	28

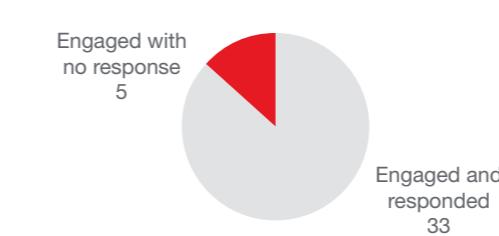
Engagements by Subject

	Engagements by Subject
Capital Allocation	0
Environmental Impact	21
Social Impact	12
Remuneration	1
Governance	4
Total	38

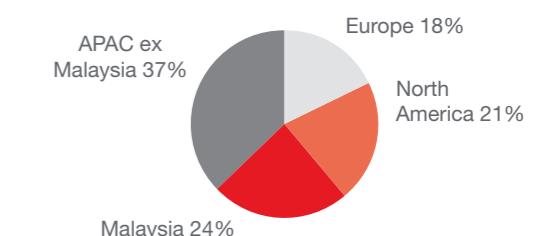
Ratings Assigned Over the Period



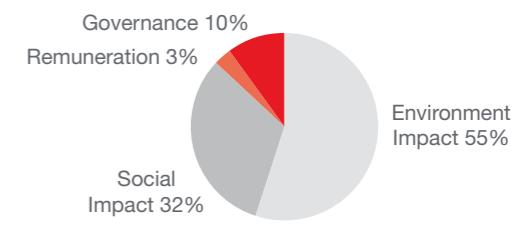
Engagement Over the Period



Engagements by Region



Engagement by Type



Notes from our Responsible Investing Research

- Collaboration:** This was again a very strong focus for Nomura Asset Management and we were involved in multiple collaborations as part of Access to Medicine's series of investor led engagements, including one which was co-led by ourselves. We also participated in further collaborative engagements focusing on issues such as ongoing litigation for a large US pharmaceutical and the response from the cement industry to climate change pressures.
- Collaboration (Proxy Voting):** Nomura Asset Management has co-filed a shareholder resolution with a prominent US Interactive Media and Services business in response to a disappointing reaction to our collaborative engagement efforts. The company has refused to engage with investors. Please see our Case Study for further details.
- Broader Efforts:** In November 2019, Nomura Asset Management UK's Healthcare analyst Ilan Chaitowitz attended the Cambridge Rare Disease Network's (CRDN) Companies Forum. CDRN is a charity that aims to address the needs of those living with rare conditions; a disease is classed as rare when there are less than 1 in 2,000 sufferers. Of the 3.5m affected in the UK, three quarters are children. There are no treatments for most rare diseases and part of the issue is a lack of funding and awareness. The forum gathers representatives from pharmaceutical, biotech and healthcare companies who are interested in understanding the regulatory issues for orphan medicinal products and working collaboratively on projects.

Engagement Tracking

To optimise both the efficiency and impact of our engagement activity we operate a prioritised 'engagement tracking' policy. Whilst we seek to engage with all companies that we feel can improve their ESG related practices, we recognise that focused and ongoing engagement activity will have a greater impact on specific ESG concerns and indeed there are certain companies that are more receptive to engagement. For instance we believe we can have a very positive impact by engaging in an active, continued dialogue with retailers in relation to sustainability issues within supply chains. However, for tobacco companies where the primary ESG issue is the impact of their products on consumer health, the effect of our ongoing engagement effort is unlikely to be significant. As such we have identified a number of companies where we believe ongoing engagement has a high likelihood of precipitating change. We typically re-engage with these companies on a quarterly basis (at the very least biannually). A list of ongoing engagements is presented in the following table.

Description	Nature of Engagement	Status of Engagement	Engagements/Notes
US Communication Services	Social & Governance - Whilst we believe the company to have a broadly positive impact on its stakeholders there are concerns around governance, monitoring of website content, and data protection that we believe the investor community has a responsibility to monitor	Ongoing	Email w/ IR Nov 2017; Email w/ IR Nov 2018; Call w/ Head Sustainability Dec 2018; Email w/ IR July 2019; Call w/ Head Sustainability Sep 2019; Signatory sponsored by buyside 10 Dec 2019; Call w/ Head of S sustainability 12 Dec 2019; Sent resolution letter to Alphabet's Corporate Secretary on 31Dec 2019 Commenced engagement following reports of insufficient monitoring of content allowing inappropriate videos to be uploaded in 2017. We have since received a somewhat underwhelming response to our engagement, however progress is being made and we are joining peer investors at company Corporate Social Responsibility (CSR) outreach calls. We hope that this collaborative investor pressure will bring about the necessary change. Emailed and posted letter to corporate secretary on 31st Dec 2019 as part of group collaboration
Swiss Food Products Business	Social - Ensuring the necessary steps are taken to limit the use of child labour in the cocoa supply chain	Ongoing	Call w/ Head Agricultural Services Dec 2017; Meeting w/ Chairman Mar 2018; Emailed Governance Head Jun 2018; Call w/ Cocoa Manager and Head of IR Nov 2018; Meeting w/ Chairman Feb 2019; Call w/ our peer cocoa supply chain collaborators Sep 2019; Call w/ Head of Cocoa Plan Oct 2019; Call w/ Sustainalytics, UNICEF and VOICE Network Nov 2019; Nomura Asset Management named on front page of Sustainalytics' Engagement Forum Dec 2019
UK Integrated Oil & Gas (Company A) UK Airline (Company B)	Environmental - A number of companies have advertised that customers can choose to fly or drive carbon neutral, however the intended spend on carbon credits appears far too low. We are engaging with an integrated oil company ('Company A') and airline company ('Company B')	Ongoing	Email Exchange w/ IR Company A Oct - Nov 2019; Email Exchange w/ IR Company B - Dec 2019 We have requested information on how the value of carbon credit has been calculated. Company A has advised cannot disclose this information - we queried CO2 generation assumptions and explanation in price difference on discount to market price for carbon. Company B has provided somewhat more information and has scheduled a call in January 2020 to discuss in more detail
US Aerospace & Defence	Social & Governance - Company involved in well publicised airplane crash tragedies. We have been disappointed by the company's response and in particular the fact that safety metrics do not feature directly in management remuneration criteria	Ongoing	Email w/ IR Jan-June 2019; Email w/ IR July 2019; Call w/ IR arranged Aug 2019; Meeting with largest customer Sep 2019 We continue to engage with the company and push for greater responsibility. We engaged with a core customer in September 2019. Sustainalytics are also engaging with the company on our behalf. CEO/ Chairman resigned in 4Q19
US Internet Retail	Environmental - limited carbon emission reduction target and policy. Social - privacy and data security risks, lagging peers in training staff	Ongoing	Email sent to IR15 Oct 2019; Dec 2019 requested Sustainalytics to engage on our behalf due to lack of response We have reached out to the company to engage on environmental and social concerns. Due to limited response we have requested Sustainalytics engage on our behalf
Brazilian Miner	Social - Following the tragic collapse of a dam and reports of potential deficiencies at other facilities we have been engaging with the company and joining collaborative engagements	Dis-Engaged	Meeting w/ IR May 2019; GES/Sustainalytics call Sep 2019; Email w/ IR Sep 2019 We have attempted to engage with the company and monitor progress with regards to dam busting issues on an ongoing basis, in particular how the families impacted will be remunerated. Regrettably our efforts have been met with limited response and we have taken the decision to dis-engage and focus on other engagements

Responsible Investing Case Study

CASE STUDY 1:

Human Rights Engagement and How to Responsibly React to Unsuccessful Attempts to Engage

Nomura Asset Management is an investor in a prominent Interactive Media and Services business, which is also one of the largest companies by market capitalisation listed on US exchanges. We expect the company to set an example for other public companies, and indeed for a number of stakeholders the company is a global leader with regards to its 'impact', however it has also been involved in a number of controversial proceedings.

One example of this was the payment of a US\$90m exit package to an executive, in 2014, despite credible allegations of sexual harassment, which led to a walkout in 2018 by over 20,000 employees and contractors regarding sexual harassment and other grievances. There have been other human rights violations such as child exploitation in videos on its streaming platform that we have engaged directly with the company on in the past.

Unsuccessful attempt at engagement: NAM UK were signatories along with 82 other institutional shareholders in a letter to the board to engage on broad human rights issues. This collective effort at engagement was coordinated through UN Principles for Responsible Investment (UNPRI). This gave us a bigger voice with which to engage the company. Signatories including NAM held a conference call to discuss topics we wanted to address. However, the lead authors of the letter did not get a response from the board.

What did we do? NAM UK co-filed a shareholder resolution with the same group of investors for the 2020 Annual Meeting of Shareholders to establish a Human Rights Risk Oversight Committee of the Board of Directors. NAM is authorising the lead filers to negotiate on our behalf for this shareholder resolution.

What can we expect? Unfortunately, the co-founders control 51% of shareholder votes despite owning only 13% of the shares outstanding. Therefore, shareholder resolutions have not been successful in the past. However, pressure placed on the company is leading to some changes. For example, employees will no longer be forced to sign arbitration clauses for sexual harassment claims, and the company streaming platform has implemented tougher rules to prevent child exploitation videos. Potentially most importantly, the co-founders have left their managerial roles, which we are hopeful will give the current CEO more power to implement changes that shareholders want. Whilst there won't be huge changes overnight, we believe that pressure on the company will bring about change and we are dedicated to ongoing engagement.

CASE STUDY 2:

Collaborating to Improve Global Access to Medicine

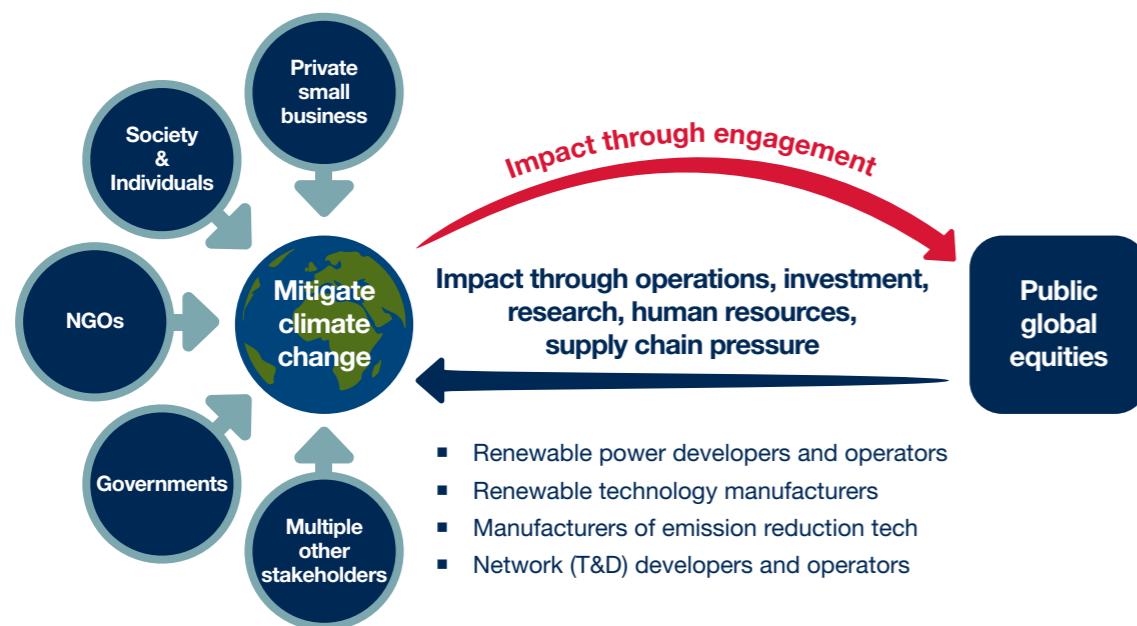
In 2019 Nomura Asset Management became a signatory to the Access to Medicine Index (ATMI). The Access to Medicine Foundation (ATM) has been engaging with the pharmaceutical industry for over ten years with the core goal of bringing medicine to the poor through improved access strategies within low and middle income countries in which billions of people have not yet benefited from modern medicine advancements. The Access to Medicine Index (ATMI) ranks the 20 largest pharmaceutical companies with regards to their efforts and achievements in relation to supporting and enabling access globally and is supported by 95 asset managers worldwide, representing greater than US\$13tn in AuM, that have committed to using the index as a tool for investment and engagement.

In 4Q19, Nomura Asset Management further established its commitment to engaging for impact and improving global access by taking on the role of co-Lead investor collaborator with a large global pharmaceutical on behalf of ATMI and its signatories, engaging in an ongoing dialogue with the company to push for even better Access outcomes. Access to Medicine's investor led company engagement programme is aimed at bringing the investor stakeholder more directly into the access discussions with pharmaceuticals to throw added weight behind the coordinated push for greater commitment to global access.

As part of this engagement we met with the company in person and also chaired a collaborative engagement call with the company alongside 13 other global asset managers. The group had a highly engaging back and forth discussion with the company, focusing on issues ranging from more closely aligning compensation with Access goals, to the right stage of the R&D process to begin Access planning and the different Access strategies required for nations at different stages of economic development. Through this collaborative engagement the importance to the investor community of corporate responsibility with regards to Access is being reinforced and supporting ATMI's vital work in improving global outcomes. We look forward to continuing our efforts collaboratively engaging with both the company and the other constituents of the Index to reinforce the importance of Access to the investment community.

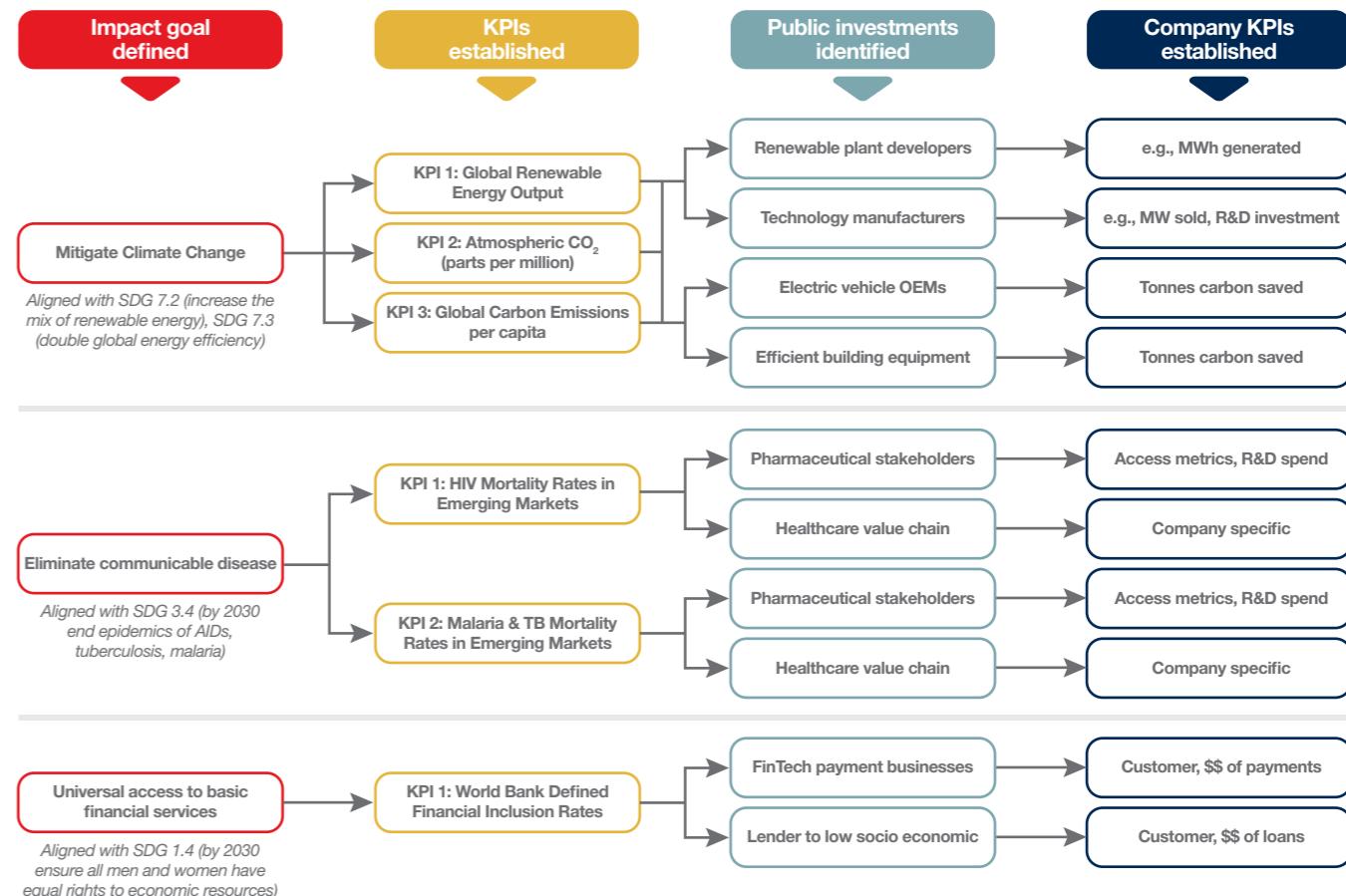
Introducing Impact Reporting for the Global Sustainable Equity Strategy

At the core of the Global Sustainable Equity strategy is a deep commitment to investing in companies that address the most important issues facing the world today. NAM is also committed to reporting credible impact data to support our clients' understanding of the impact that their capital is having, alongside competitive financial returns. Whilst public equity funds are not traditionally considered vehicles for impact investing, public companies have a unique role to play, alongside other stakeholders, in solving many of the problems society faces. For certain United Nations Sustainable Development Goals (UN SDG) related targets, no other stakeholder can have a greater impact than public companies, which have the resources, scale and investment firepower, to bridge the huge funding gaps required to meet the goals. Institutional investors are furthermore uniquely positioned to enhance the impact of public companies through targeted engagement.

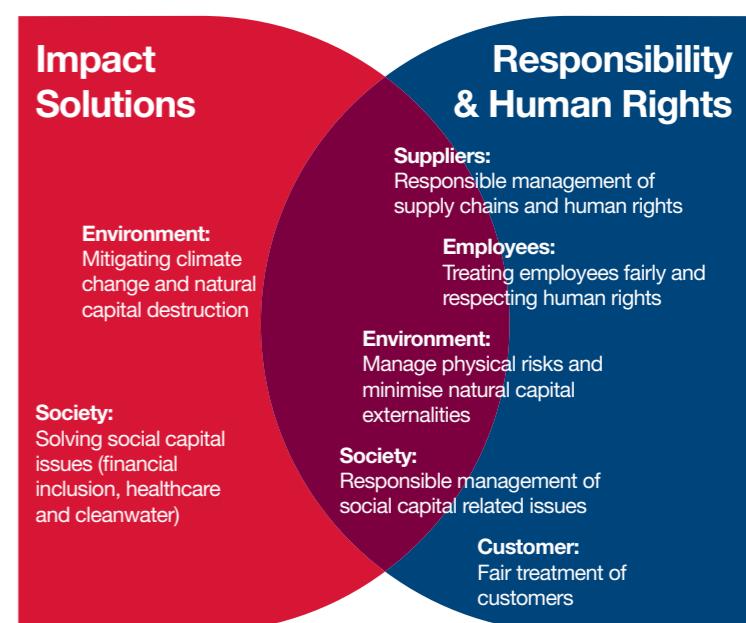


Our Approach → Impact cannot be claimed without having first established clear environmental and social goals . The 'impact' must be measurable in order to assess progress towards the goals and if required adapt the approach. At the public company level it is possible to report 'inputs' (such as R&D investment) or 'outputs' (number of patients receiving HIV treatment) but it is far more difficult to assess true 'impact'. Our approach is:

- Set '**Impact Goals**' and establish **Key Performance Indicators** (KPIs) for each goal
- Identify **investee companies** that support these goals and set **Company Performance Indicators**
- Track both **CPIs** and **KPIs** and **Engage with Companies** to enhance individual impact



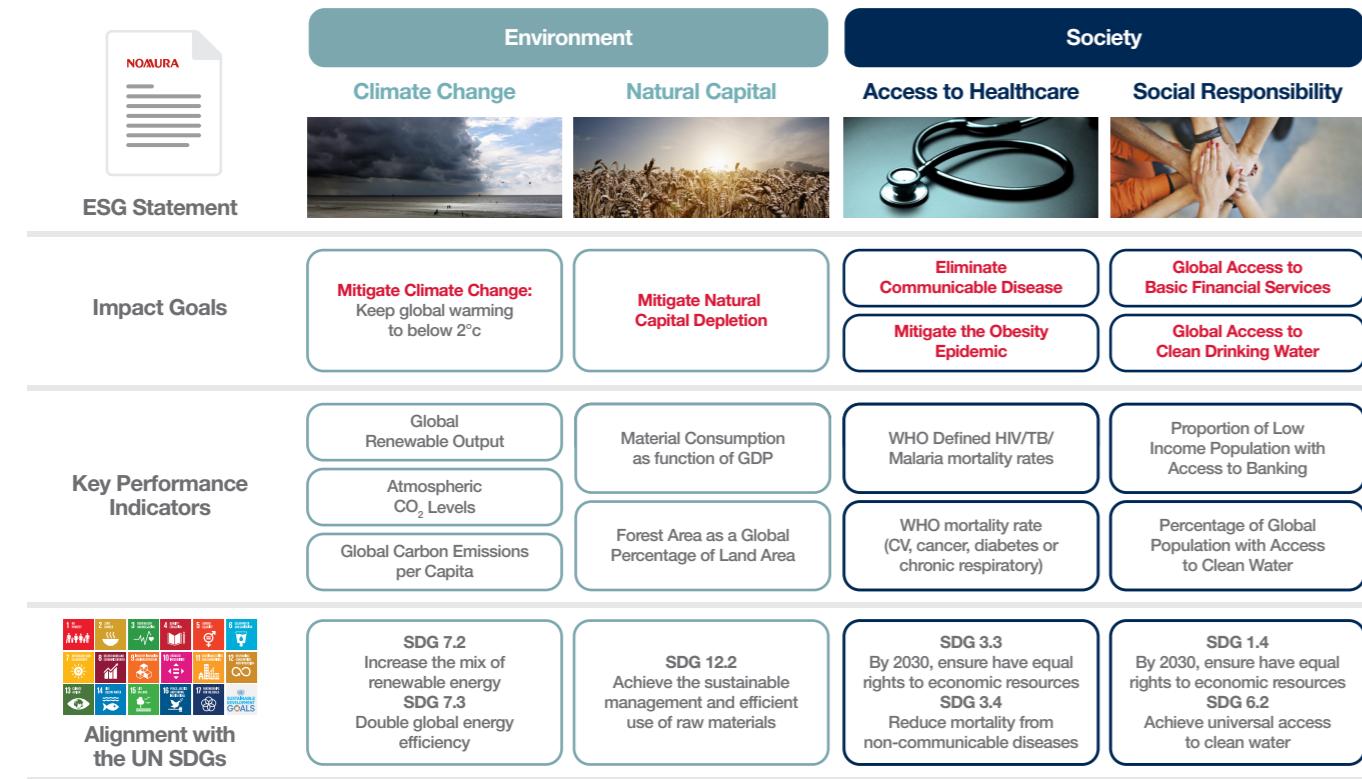
Total Stakeholder Impact → Taking account of the total impact on all stakeholders (environment, society, suppliers, customers, employees) is our Responsible Investment (RI) philosophy. A corporation can 'Impact' stakeholders through both the development of solutions to the problems facing the world today (such as lifesaving drugs), but also through the sustainable management of operations (e.g. minimising natural capital externalities). The two can overlap – a company that is 100% Renewable Energy powered, whilst not directly targeting a solution as the core function of its operations, is supporting an environmental solution. Society and Environment solutions are the primary focus of Impact Reporting.



Introducing Impact Reporting for the Global Sustainable Equity Strategy

Defining our Goals → The Environmental and Social Goals of the Nomura Global Sustainable Equity Fund are focused around the most pressing issues facing our world today. The Goals are closely aligned with the UN SDGs and Nomura Asset Management's Global ESG Statement. We have taken into consideration where we believe global listed equities can have a material impact and in which our engagement can support and enhance impact.

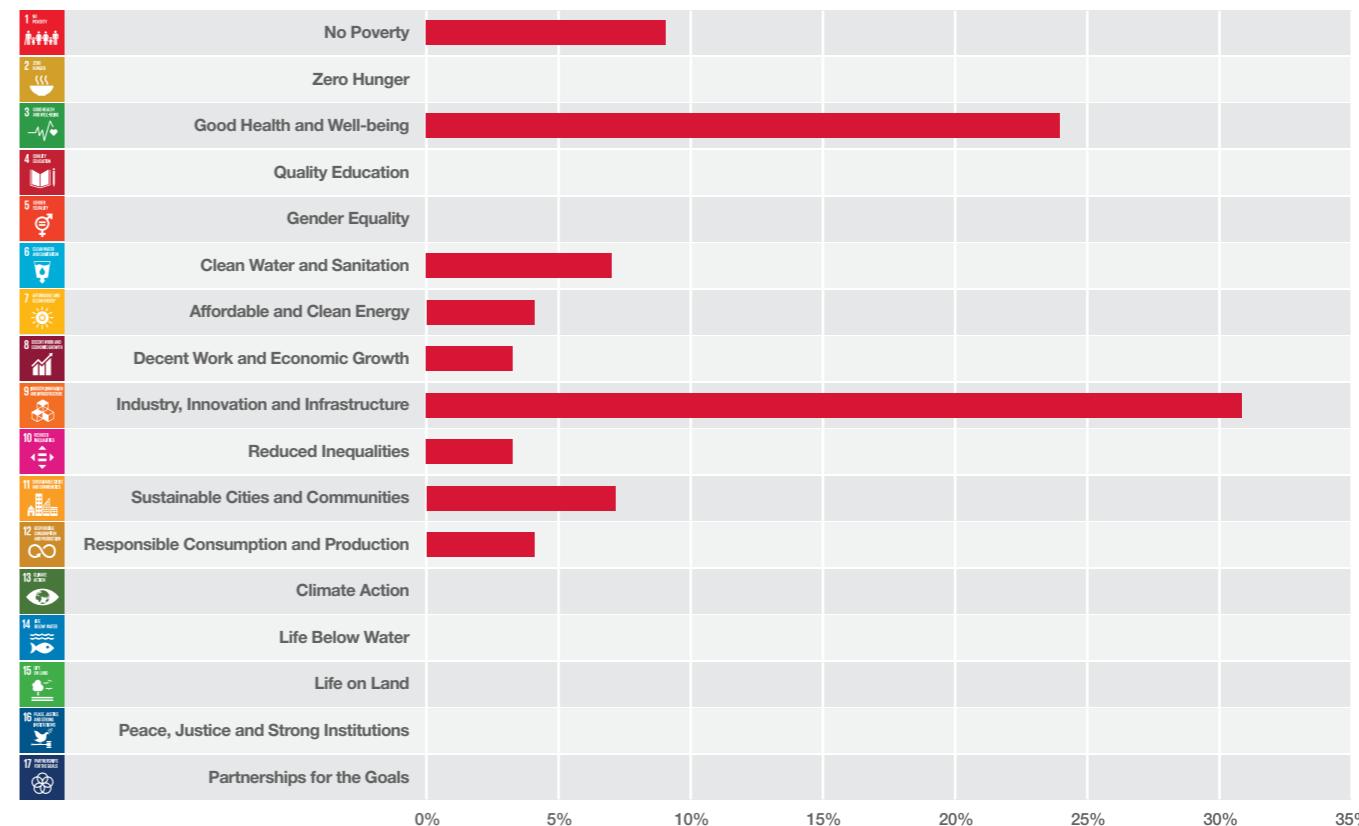
Setting Definable Impact Goals in line with NAM's ESG statement and the UN SDGs



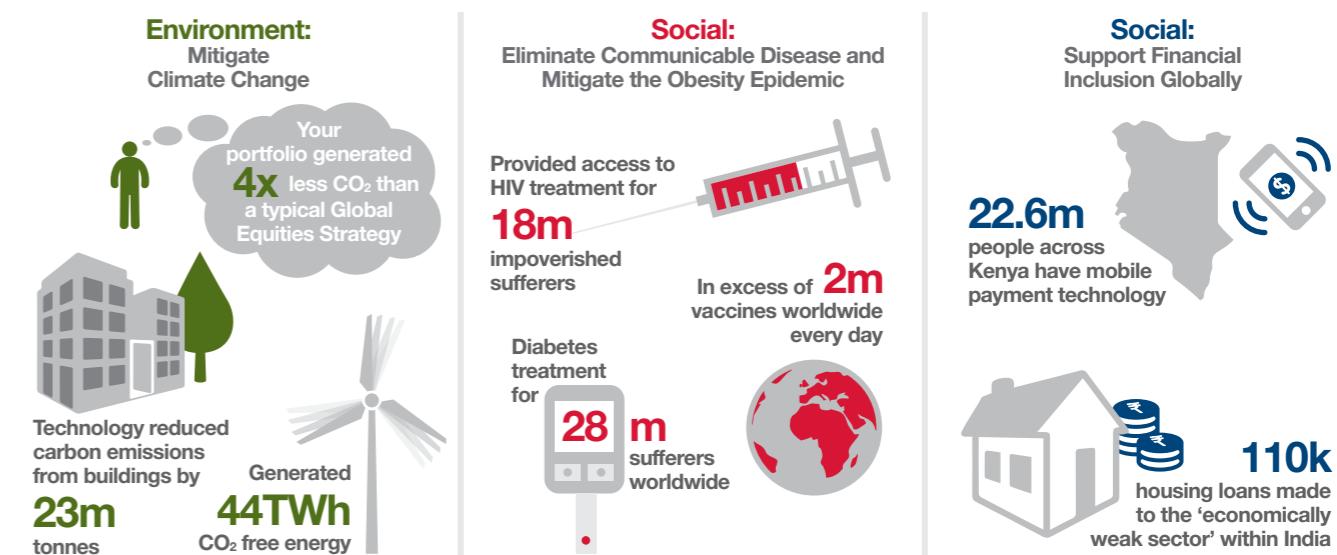
Engaging for Impact → Institutional investors are uniquely positioned to engage with companies to enhance their impact. We are currently engaging with investee companies to drive:

- Improved approaches to planning for Access to crucial medicines
- Improved carbon emission reporting
- A more active approach to companies reporting the true 'Impact' of operations and not just CSR reports

Portfolio Alignment with the UN Sustainable Development Goals



The Underlying Impact of the Global Sustainable Equity Portfolio of Companies



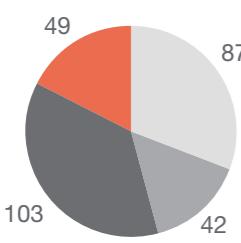
Sustainalytics Engagement (formerly GES International)

In addition to the extensive ESG research and engagement activity carried out at Nomura Asset Management, the services of Sustainalytics' engagement arm (formerly GES International) are used to maximise our engagement voice and ability to push for better practices and fairer outcomes for all stakeholders. The Sustainalytics engagement team has over 40 employees globally dedicated to corporate engagement and represent €1.5 trillion of investments worldwide. We include herein a summary of the engagement activity carried out on behalf of Nomura Asset Management as at the fourth quarter of 2019.

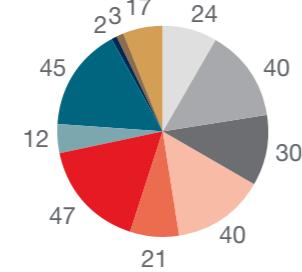
Sustainalytics Engagement Summary Report

Ongoing Business Conduct Engagements (as at 4Q19).

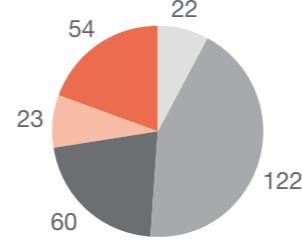
Norm Area Breakdown



Industry Sector Breakdown



Geographic Breakdown



Proxy Voting Record 4Q19

NAM seeks to act in a manner most likely to enhance the economic value of the underlying companies owned on our clients' behalf. We engage with companies based on our "Ideal Form of Business Management of Investee Companies" in order to enhance our mutual understanding and to seek changes in their company practices. NAM employs the services of Institutional Shareholder Services (ISS) to efficiently apply our proxy voting policy to individual proposals. ISS are provided with comprehensive and proprietary guidelines set out in our proxy voting policy. NAM will closely consider the voting agenda of a company that meets certain conditions (including, but not limited to, the violation of any applicable laws, inadequate board composition, and financial strategies that are not deemed to be in the best interests of shareholders and other stakeholders). Where we believe that a specific agenda item is not in the best interests of shareholders, NAM will decide either to vote against or to abstain from voting on the item. [Please see the Nomura Asset Management Proxy Voting Policy for full details.](#)

Voting Data

Over the quarter NAM UK, NAMM and NAM SG voted on 978 proposals across 50 shareholder meetings and 126 ballots. In total 52% of proposals were director related, with a further 23% in relation to 'Routine Business' and 15% 'Capitalisation'. In total NAM UK and NAM SG voted 'With' management on 927 (95%) proposals and 'Against' management (or 'Withheld' our vote) on 51 (5%) proposals. Examples of where we voted 'Against' management, or elected to 'Withhold' our vote included:

- Voted 'For' a shareholder resolution requiring that a US Software Services Company publish a report on the gender pay gap which Management had recommended a vote 'Against' the resolution
- Voted 'Against' the director nominations of a US Personal Products business as a result of consistent underperformance relative to peer companies

Proposals Voted on in 4Q19		
Proposal subject	Count	Proportion of Total Votes
Directorships	513	52.5%
Routine Business	222	22.7%
Capitalisation	149	15.2%
Reorg/M&A	49	5.0%
Compensation	39	4.0%
Health/Environment/Social	1	0.1%
Antitakeover	0	0.0%
Other	5	0.5%
Total	1181	100.0%

Proposals Voted 'Against' Management in 4Q19		
Proposal subject	Count	Proportion of Total Votes
Directorships	29	56.9%
Compensation	10	19.6%
Routine Business	7	13.7%
Capitalisation	2	3.9%
Reorg/M&A	0	0.0%
Antitakeover	0	0.0%
Health/Environment/Social	0	0.0%
Other	3	5.9%
Total	51	100.0%

Voting Record vs. Management in 4Q19		
	With	Against
Votes	927	51
Proportion	94.8%	5.2%

Voting Record vs. ISS in 4Q19		
	With	Against
Votes	958	20
Proportion	98.0%	2.0%

ESG queries raised

ESG queries raised			
Description	ESG Rating	Governance	Specific Management/Pay
USA Apparel Retail	Contacted Outside Formal Review	-	We are engaging with the company over what we believe to be excessive levels of pay given company performance. Incentive plans have become more complex and seem to enable considerable bonuses even when missing the LTIP targets (70% net income, 30% ROIC)
USA Building Products	N (No Issues)	Governance is scored as particularly strong with minor flags for over boarded directors and combined CEO/Chair	Remuneration is now driven by Free Cash Flow Conversion, organic EBIT Growth and organic Revenue Growth (annual bonus), whilst the LTIP is driven by TSR, pre tax EPS growth, pre tax ROIC
USA Building Products	I (Issues but Improving)	Governance is the primary concern given in particular the fact that it is a controlled company and the presence of multiple share classes with completely different voting rights. MSCI also flag an entrenched board, over boarded directors, and leadership concerns	Remuneration is driven in the short term by ROE, LTIP is driven by ROIC vs WACC
USA Defence Prime	I (Issue, not Improving)	MSCI score 4.5/10 and there are flags over remuneration, combined CEO/Chair and over boarded directors	Management are shareholder friendly and paid predominantly on relative TSR (50%), ROIC (25%, FCF (25%)

ESG queries raised					
Environmental/Social	Investment Consideration	Company Contacted?	Engagement Issue	Company Responded?	Notes from Company Contact
-	Contacted Outside Formal Review	Y	Remuneration	Y	We remain unconvinced by IR's response and have requested a call with the CFO for after Q3 results
MSCI scores are broadly very positive, as a recognised leader in the clean tech space. Toxic emissions score is a legacy from lead based power solutions business. Environmental Impact is robust given that products deliver meaningful efficiency improvements and support 'sustainable development' of cities and economies. No clear negative impact to other stakeholders	ESG considerations clearly highlight positively exposed to LT climate impact mitigation megatrend (and ultimately positive for LT earnings growth)	N	N/A	N/A	
MSCI score poorly on carbon emission due to the nature of its product range (water heaters, both gas & electric), it is however the leader in terms of efficiency (especially in commercial) and has further investments in water treatment which are aligned with the UN SDGs. MSCI also flag a lack of emission reporting – actually report emissions saved from their products (arguably more important than the manufacturing emissions)	On balance positively exposed to LT climate impact mitigation megatrend (and ultimately positive for LT earnings growth). Whilst it is not ideal to be a controlled entity do not see material risk to the investment case	Y	Environmental Impact	Y	Reached out to the company to discuss why it does not report the emissions of its manufacturing operations. Indeed the company does report the emissions impact of its products, which is actually more useful, therefore we were surprised they do not report this more basic data. The company responded that they are currently working on this and will begin reporting from the 2020 CSR report
Clearly violates the 'Peace & Justice' UN SDGs, as such making uninvestable for GSE. Relatively attacking nature of portfolio and all else equal we should invest in defence primes with less direct negative impact. Social impact is clearly large but barring radical change in global government policy do not see this as an investment risk	Uninvestable for GSE given social impact. Relatively high social impact risk given somewhat attacking nature of portfolio and all else equal we should invest in defence primes with less direct negative impact. Social impact is clearly large but barring radical change in global government policy do not see this as an investment risk	-	N/A	N/A	We have previously engaged with the company on the magnitude of remuneration and especially the pension of the CEO

ESG queries raised (cont'd)

ESG queries raised			
Description	ESG Rating	Governance	Specific Management/Pay
USA Defence Prime	I (Issue, not Improving)	MSCI score 7.2/10 (best across primes). Usual US company flags for combined CEO/Chair but also no independent lead director	Management are shareholder friendly and paid predominantly on relative TSR (50%), ROIC (25%), FCF (25%)
USA Defence Prime	I (Issue, not Improving)	MSCI score 6.5/10 – concerns raised over combined CEO/Chair, related party transactions, over boarded directors	Management are shareholder friendly and paid predominantly on relative TSR (50%), FCF (50%)
USA Defence Prime	I (Issue, not Improving)	MSCI score 4.7/10 and there are flags over an entrenched board, combined CEO/Chair and over boarded directors. Proxy statement detailing remuneration has not been released	-
USA Internet & Direct Marketing Retail	Contacted Outside Formal Review	-	-
USA Leisure Products	Contacted Outside Formal Review	-	-
USA Life Sciences	Contacted Outside Formal Review	-	-

ESG queries raised					
Environmental/Social	Investment Consideration	Company Contacted?	Engagement Issue	Company Responded?	Notes from Company Contact
Relatively lower environmental impact given is predominantly missiles and missile systems (vs. jets and bombers) though manufacturing process is also intense. Clearly violates the 'Peace & Justice' UN SDGs, as such making uninvestable for GSE. Very attacking portfolio and highest risk of defence primes with regards to causing negative social impact. History of cluster munition involvement but has stepped away	Clearly uninvestable for GSE given social impact risk. The most risky with regards to negative impact on other stakeholders and must be taken into consideration vs. other primes. Social impact is clearly large but barring radical change in global government policy do not see this as an investment risk	-	Social Impact	Y	Engaged on efforts to mitigate risk side unnecessary casualties from missile (cf were in cluster munitions etc) and sales to international nations with questionable track records. Company take the view that they are a US defence company and so operate within US law and don't appear to have any intention other than to use this to their advantage which is disappointing but to be expected
Manufactures bombers (aerospace ~40% of portfolio) and a relatively 'heavy' manufacturing process. Little information on investments in clean technology. Clearly violates the 'Peace & Justice' UN SDGs, as such making uninvestable for GSE. Slightly less attacking more space orientated portfolio though it is the prime on long range bombers and large proportion is classified	Clearly uninvestable for GSE given social impact. Lower 'risk' than other major defence primes and should be favoured else being equal. Social impact is clearly large but barring radical change in global government policy do not see this as an investment risk	N	N/A	N/A	N/A
Lowest environmental impact given focus is communications and only indirectly supplies the primes that manufacture aircraft and battleships. Clearly violates the 'Peace & Justice' UN SDGs, as such making uninvestable for GSE. Predominantly communication and also more of a supplier than a prime (risk of direct impact is far more limited)	Clearly uninvestable for GSE given social impact risk. Lowest risk with regards to direct negative stakeholder impact given operate more in the supply chain (communications and systems)	N	N/A	N/A	N/A
Carbon emissions and privacy/data security	Contacted Outside Formal Review	Y	Social Impact	N	Company has not answered as of yet. Need to resend email and try to schedule a call
Issues mostly related to toys safety, which the company is dealing with proactively	Contacted Outside Formal Review	Y	Social Impact	N/A	Company not rated, overall, ESG concerns remain limited and not worth a formal engagement. ESG rating is already very high
We believe the company should take a more active approach to CSR as opposed to a passive approach providing a lot of data on metrics that do not really get to the core of the impact. we advised that the company should report on the very positive impact that it is having on society as a results of its products	Contacted Outside Formal Review	Y	Social Impact	Y	The company responded advising that from 2020 the team will look to report more actively on positive impact

ESG queries raised (cont'd)

Description	ESG Rating	ESG queries raised	
		Governance	Specific Management/Pay
USA Pharmaceutical	Contacted Outside Formal Review	–	–
USA Pharmaceutical	Contacted Outside Formal Review	–	–
USA Telecom	Contacted Outside Formal Review	–	–
USA Telecom	Contacted Outside Formal Review	Chairman is not independent	–
France Diversified Banks	Contacted Outside Formal Review	We met with the Chairman of the group to discuss concerns around governance and the strategy of the business moving forward	The Chairman owns 2000 shares, which represent only 5% of 2018 (entirely fixed) compensation
Germany Construction Materials	Contacted Outside Formal Review	–	–
Germany Pharmaceutical Business	Contacted Outside Formal Review	–	–

Environmental/Social	Investment Consideration	Company Contacted?	Engagement Issue	Company Responded?	Notes from Company Contact
The company has been involved in multiple litigious claims surrounding in particular its talc product and we joined a collaborative call to hear from the company about its management of the risks and efforts moving forward	Contacted Outside Formal Review	Y	Social Impact	Y	Company provided an update and more detailed context with regards to ongoing litigation
The company scores relatively well on 'Access' as per the Access to Medicine Index however there are areas for improvement that we are engaging with the company on	Contacted Outside Formal Review	Y	Social Impact	Y	Appear to be a leader as per Sustainalytics with regards to their efforts and reporting. Do link emissions to remuneration but don't disclose - feedback given that if carbon reduction targets are part of remuneration drivers for the board should be disclosed. Updates on link to financials not expected near term, it is a long term process towards carbon neutral concrete in 2050 that they need to work on
Concerns on human capital management capabilities given past labour related controversies (discrimination allegations, wage disputes and union strikes)	Contacted Outside Formal Review	N	N/A	N/A	Assigned Issues - Improving rating. Not contacted yet
Digital privacy and data security. Some concerns related to poor track record of allegations for unethical labour practices (unpaid overtime wages, discriminations, etc)	Contacted Outside Formal Review	N	N/A	N/A	Assigned Issues - Improving rating. Not contacted yet.
–	Contacted Outside Formal Review	Y	Governance	Y	Took part in an engagement meeting with the Chairman organised by Sustainalytics. Came away from the meeting feeling that he is not the person who will hold executives to account
As a cement business there are clearly large environmental / climate change impacts and risk. We joined a collaboration with Sustainalytics to better understand the company's management of these risks	Contacted Outside Formal Review	Y	Environmental Impact	Y	Joined collaborative call led by Sustainalytics focused on the environmental impact of the business and the efforts being taken to mitigate impact
Company embroiled in litigation around Round-up glyphosate. However, topic of the call was rather the general ESG strategy and targets going forward	Contacted Outside Formal Review	Y	Social Impact	N/A	Product safety remains the key concern but the update presented today regarding 2030 goals is positive.

ESG queries raised (cont'd)

ESG queries raised			
Description	ESG Rating	Governance	Specific Management/Pay
Netherlands Integrated Oil & Gas	Contacted Outside Formal Review	–	–
Switzerland Packaged Foods & Meats	Contacted Outside Formal Review	–	–
UK Airline	Contacted Outside Formal Review	–	–
UK Construction Materials	Contacted Outside Formal Review	–	–
Australia Bank	U (Uninvestable)	Following money laundering revelations we decided that the company had become uninvestable due to scale and overarching impact.	–
Australia Plastic Packaging	I (Issues but Improving)	Independent majority board (9 independent, 1 CEO), and fully independent pay and audit committee. Deploys up to US\$300-400m on bolt-on acquisitions or buybacks per annum, has a central M&A team to screen for opportunities. Target 15-20% return within a 3-5 year timeframe	CEO is required to acquire and maintain ownership of the company's shares with a value equivalent to 300% of base salary. Each of the CEO's direct reports a value equivalent to 200% of base salary

ESG queries raised					
Environmental/Social	Investment Consideration	Company Contacted?	Engagement Issue	Company Responded?	Notes from Company Contact
Contacted the company over claims of carbon neutral fuel - in our view the numbers (for offsetting emission) do not match up with the actual costs and we find this to be misleading	Contacted Outside Formal Review	Y	Environmental Impact	Y	We engaged with the company to better understand the claims of driving carbon neutral if using a certain loyalty programme. We were disappointed by the response of the company, which we found to be rather dismissive, and are considering whether we can take further actions.
We have been engaging on an ongoing basis with the company on management of supply chain risks such as child labour and unsustainable palm oil	Contacted Outside Formal Review	Y	Social Impact	Y	Attended roundtable with the Chairman to discuss sustainability matters, and followed up with IR for clarifications
The company has claimed that it can entirely offset its emissions for a sum that we believe to be unrepresentative of the actual cost to sustainably offset emissions	Contacted Outside Formal Review	Y	Environmental Impact	Y	Ongoing dialogue with the company to better understand the sustainability of what has been reported
Surprisingly well advanced approach to carbon emissions reduction and reporting/disclosure and are part of the TCFD. Cement is only 10% of sales, however 25% of their energy is still coal. They are 21% alternative fuels and they want to increase that. Beyond the 2 Deg targets they feel they are challenged, because this will require looking more at the lifecycle carbon intensity of their products not just the cement production phase and they don't always know where their cement/concrete ends up	Contacted Outside Formal Review	Y	Environmental Impact	Y	We joined a collaborative call led by Sustainalytics focused on the environmental impact of the business and the efforts being taken to mitigate impact
Money laundering has a wide ranging negative impact on society. We do not feel that sufficient steps were taken and there is indeed an element of recklessness	Disinvested from the company	N	N/A	N/A	N/A
In 2018, pledged to develop all its packaging products to be recyclable or reusable by 2025. Established sustainability centre of excellence in Europe in FY19. Has initially committed to achieving 10% use of post-consumer recycled materials across their portfolio by 2025. There is some personnel risk as a result of M&A over the past years	–	Y	Environmental Impact	Y	Engaged with the company via email regarding their ESG policies. They are planning to improve further in terms of environmental issue in the medium term

ESG queries raised (cont'd)

ESG queries raised			
Description	ESG Rating	Governance	Specific Management/Pay
China Building & Construction	I (Issues but Improving)	There is no specific ESG experience on the Board, but the company is working to improve diversity. The current Board is all male. Have established a whistle-blower mechanism but no cases have been reported over the previous years	-
Hong Kong Financial Exchange & Data	N (No Issues)	Actively hold conference/seminars/trainings for listed companies to encourage board diversity and independent director in HK with more family-owned corporates. Review corporate governance code and ESG code (reports) alternatively every other year. Encouraging more data disclosure	-
Hong Kong Gas Utility	I (Issues but Improving)	The company expresses that SOEs in China should strive towards strict anti-corruption guidelines, however, there is no formal anti-corruption policy in place	-
Hong Kong Transportation Infrastructure	N (No Issues)	In order to support minority shareholders' interests, the board members are selected from shareholders, independent experts (from financials, techs, for example), as well as from company's senior management. 5 out of 13 board members are independent members. Has kept dividend pay-out above 60% for more than 10 years	-

ESG queries raised					
Environmental/Social	Investment Consideration	Company Contacted?	Engagement Issue	Company Responded?	Notes from Company Contact
Working to switch to ISO45001 certification but operations currently are not subject to any international standard. On carbon emission, currently selecting external consultant to develop a roadmap for the next 3 years. First target will be on carbon intensity which is looking at a 2030 timeline	-	Y	Environmental Impact	Y	Engaged with the company via 1 on 1 meeting with Sustainlytics. They are planning to set targets on carbon emission
Will announce climate risk proposals by the end of 2019. It is guideline but should come with implementation schedule. That is more directional document rather than target. Take approach of seeking to encourage companies to establish processes with more involvement from corporate board. If listing corporates do not achieve the (target) guideline or code, it does not damage listing qualifications. But if disclosure comes below minimum criteria, it could impact listing status	-	Y	Governance	Y	We interviewed staff in a listing team which makes guideline to HK listed companies. It is one of the exchange's important objectives to penetrate and implement better ESG into listing corporates
Company has no specific targets or KPI for CO2, concerned about committing to targets, but might review potential target next year (2020). Working towards ISO45001 certification, but some underlying operations are not yet fully compliant. They don't want to bring in external consultants yet	-	Y	Environmental Impact	Y	Engaged with the company via 1 on 1 meeting with Sustainlytics. They are working towards ISO45001 certification, there could also be more disclosure on safety indicators.
Some efforts to environmental issues. For example, some of the highways recently renovated to reduce noise. Currently 40% of employees are women and company is reasonably active in terms of contributing to local society. For example, the company has been donating certain amount to local society for poverty alleviation in Jiangsu Province	-	Y	Environmental / Social Impact	Y	Engaged with the company via email and telephone conference regarding their ESG policies. They are planning to improve further in terms of environmental issue in the medium term

ESG queries raised (cont'd)

ESG queries raised			
Description	ESG Rating	Governance	Specific Management/Pay
India Packaged Foods & Meat	I (Issues but Improving)	–	–
India Regional Bank	I (Issues but Improving)	Well constituted board and given bank size recognition, provision and reporting is in line with large peers. Due diligence comfort is quite high especially since their own employees visit customers to open accounts. Data security is in line with large peers	–
Indonesia Industrial Conglomerate	I (Issues but Improving)	Holding company under which it has many businesses across Asia. Do not have ESG annual report, or address ESG directly in annual report, believing the role as holding company should be collaboration/sharing/best practices. Are planning more disclosures about ESG by special committee from July 2019	–
Malaysia Consumer Staples	I (Issues but Improving)	Governance is broadly strong. However the company is a family controlled firm with 55% of the voting rights. There is concern regarding presence of related party transactions	–

ESG queries raised					
Environmental/Social	Investment Consideration	Company Contacted?	Engagement Issue	Company Responded?	Notes from Company Contact
Operate in sensitive segments like baby foods, however safety standards are robust. Water has been highlighted as a stress factor however almost every factory has a water usage reduction target; water consumption per ton of product reduced 53% in 10y. Plastic waste is another area of concern - has achieved plastic neutrality for its top 3 products and working towards fully recyclable/re-usable packaging by 2025	–	Y	Social Impact	Y	Engaged company directly and via emails
Since they are a small finance bank, their primary objective is to enable financial inclusion and build a strong banking and financial ecosystem for the unbanked and underserved masses. This serves as a strong social agenda. Reasonable environment friendly practices – no concerns there	–	Y	Social Impact	Y	Engaged with company on 3 occasions over phone call and email. We will look to engage more often to keep track of its activities across E/S/G parameters
Palm oil is controversial although it is not significant in terms of their profit. Certain NGOs have reported the company is responsible for unsustainable deforestation. Do not yet appear ready to set minimum compliance rule on environmental issues. For the property/hotel business, each company has own target on plastic or food waste etc, but those are not integrated/aggregated on group level	–	Y	Environmental Impact	Y	The holding company has not paid much attention to ESG disclosure leaving it to each business entity. This is not atypical of conglomerates, but integrating rules across businesses or set minimum compliance targets etc are expected in the future. The company is planning several projects toward 2020, so much improvement is expected
Risk of operational disruption due to compliance costs associated with rising energy prices and water shortages (energy and water security)	Investable as the company has taken steps to address the risks with the compliance costs. However the company should continue to develop the energy and water management practices	Y	Environmental Impact	Y	The company provided an update of environmental steps being taken. Has invested in environmental protection measures and uses a seawater intake system that screens and filters incoming water to minimise aquatic diseases. Has also made investment in multiple clean energy projects across operational sectors. As a palm planter and palm oil miller, it has invested USD\$10 million in the development of high quality palm pellet fuels made of palm waste biomass

ESG queries raised (cont'd)

ESG queries raised			
Description	ESG Rating	Governance	Specific Management/Pay
Malaysia Financial Institution	I (Issues but Improving)	Presence of certain party related transactions with the controlling owner. Single shareholder block holds 30% or more of the voting shares or has effective control of the board	Lack of disclosure in relation to executive pay
Malaysia Glove Manufacturer	Contacted Outside Formal Review	Multiple inside directors may provide a too-strong management perspective within the boardroom and concerns with the board leadership structure which creates the potential for overly powerful management interests and board level conflicts of interest	-
Malaysia Hydropower, Quarry & Property Investment	Contacted Outside Formal Review	-	-
Malaysia Insurance	N (No Issues)	Board has an independent majority but the Chairman is not an independent director	-
Malaysia Management Services Provider	I (Issues but Improving)	Single shareholder holds 30% or more of the voting share or has effective control of the board. Related party transactions flagged	Lack of disclosure in relation to executive pay

ESG queries raised					
Environmental/Social	Investment Consideration	Company Contacted?	Engagement Issue	Company Responded?	Notes from Company Contact
Due to the nature of the company's operations, the focus is on financial product safety (less exposure to overleveraged customers or high-risk financial products), social impact (limited involvement in SME financing and lack of direct initiatives to contribute to microfinance) and access to finance (not enough measures to take advantage on opportunities arising from financial inclusion and access to new markets)	No major ESG concerns impacting investment decision	N	N/A	N/A	N/A
There is no disclosure on fossil fuel and GHG at this point in time. Successfully maintained DOE's Standard A rating for effluent water discharge for all the manufacturing facilities. Continue to work closely with DOE to improve its impact and recently commissioned cogeneration plant to efficiently generate electricity in the facilities	ESG issues raised do not breach investability criteria but have pushed for improving the disclosures on fossil fuel, CHG and other sustainability measures	Y	Environmental Impact	Y	Reached out to the company requesting that a stakeholder impact survey be completed focused primarily on environmental impact and the emission intensity of manufacturing
No clear negative environmental impact and the company has made some progress towards formalising sustainability within its businesses but there are room for improvement. It will continue measuring sustainability matters that are material to the businesses and move towards benchmarking the progress against international standards of reporting	ESG issues raised do not breach investability but have pushed for improving the disclosures and reporting of sustainability practises	Y	Environmental Impact	Y	Reached out to the company requesting that a stakeholder impact survey be completed focused primarily on environmental impact
Due to the nature of the company's operations, the focus is on social impact, risk on financial product safety and access to finance	No major ESG concerns impacting investment decision	N	N/A	N/A	N/A
The company's operations are not of heavy industrial nature and as such it emits minimal levels of greenhouse gases. Its healthcare support and infrastructure services plays an important role in the society, ensuring the condition of the hospitals, equipment, linens, etc are safe for all patients, staff as well as visitors and consistently in line with international standards. Through its Infrastructure services, the company maintains a network of highways which is crucial for the safety of the users	Investable and note considerable positive societal impact from operations	Y	Environmental and Social Impact	Y	Engaged with company to better understand environmental and social impact and risks

ESG queries raised (cont'd)

ESG queries raised			
Description	ESG Rating	Governance	Specific Management/Pay
Malaysia Marine Business & Transportation Provider	I (Issues but Improving)	Concerns around the ownership structure and related party transactions	Lack of disclosure in relation to executive pay. According to the company, it opts not to disclose the senior management's remuneration components as it is not in the best interest of the Company and Senior Management personnel. However the remuneration to the senior management is fair and above average compared to the maritime industry in the local market in order to attract and retain talent in the company
Malaysia Media & Broadcasting	Contacted Outside Formal Review	Board lacks gender diversity and there are concerns on related party transactions	-
Malaysia Oil & Gas Service Provider	I (Issues but Improving)	The controlling shareholder controls 52.58% of the voting power. Related party transactions are flagged	-
Malaysia Oil & Gas Service Provider	I (Issues but Improving)	Board lacks independent majority, presence of multiple executives on the board, multiple inside directors may provide a too strong management perspective within the boardroom. There are concerns on related party transactions	-

ESG queries raised					
Environmental/Social	Investment Consideration	Company Contacted?	Engagement Issue	Company Responded?	Notes from Company Contact
Initiatives to improve on sustainability issues in the marine services and transportation sector	Investable - note there are issues that must be considered but the company is taking steps to improve	Y - via telephone conference and email	Environmental Impact	Y	All vessels will be in compliance with the IMO2020 Global Sulphur Cap regulation by using low sulphur fuels or retrofitted with scrubbers. Company disagrees with external providers giving low rating on environmental issues, which it believes is primarily industry specific. Highlighted that the accident rates have declined and it has improved a lot on sustainability practices. Will continue to benchmark itself against the current ESG practice in order to identify and close the gaps
There is no clear risk on the social impact especially after taking into consideration the company's initiatives to drive societal development through key product - content. Social impact efforts include developing local sports - connecting fellow Malaysians to their favourite sports and raising education standards through edutainment channel	No major ESG concerns impacting investment decision	Y	Social Impact	Y	NAM Malaysia reached out to the company requesting that a stakeholder impact survey be completed with the primary focus on social impact. The company provided a detailed breakdown of social impact efforts
Increase efforts to reduce environmental impact from oil and gas exploration and production activities. However still lags best practices such as having quantitative reduction targets in place. Switched from using oil based mud to a water based variant, which facilitated significant reduction in carbon footprint	Commitments to reducing environmental impact reinforce investability	Y	Environmental Impact	Y	Company updated us on progression of its efforts - FY 2018, total environmental spills recorded by the drilling operations reduced to 0.25 bbls from 21.5 bbls in FY2017. Total GHG emitted fell 2.1%. Waste water generated had decreased by 5.5% despite the increase in rig activity
As a provider of oil and gas offshore integrated production and support services, the company faces high risks of compliance costs associated with environmental issues	Overall, the company is investable as it has compliance driven approach and there are initiatives to address the environmental risks. However the company still lacks best practices	Y	Environmental Impact	N	The company has not responded to our questionnaire. We have followed up with the company to respond to us

ESG queries raised (cont'd)

ESG queries raised			
Description	ESG Rating	Governance	Specific Management/Pay
Malaysia Oil & Gas Service Provider	Contacted Outside Formal Review	–	–
Philippines Home Improvement Retail	I (Issues but Improving)	Has 4 independent board members out of 7. Three of these recommended by external consultant, with one recommended by founder family. There are some related party transactions with its parent company (46 out of 56 branches' properties are under lease contract with parent and there is also an engineering contract with its parent)	Currently CEO and chief product officer are only family members and other management including COO and CFO are outsider. According to the company, the founder will consider an outsider CEO in the future
Philippines Power Generation	N (No Issues)	9 independent directors out of 30 board members. There is no specific ESG experience on the Board, but the company is working to improve diversity. Current Board is all male. Dividend pay-out policy is 30%, however, will depend on the balance sheet and capex requirement	–
Singapore Aerospace & Defence	I (Issues but Improving)	Board consists of 12 members, 1 executive directors, 3 non-executive directors, 8 independent non-executive directors	–
Korea Semiconductor Manufacturer	I (Issues but Improving)	The company has good board representation with members from different industries. However, there is a lack of female board members. Whistle blowing channels are well set up and cases investigated and appropriately handled	–

ESG queries raised					
Environmental/Social	Investment Consideration	Company Contacted?	Engagement Issue	Company Responded?	Notes from Company Contact
Company employs cleaner technologies making disposal and recycling of waste easier and cheaper whilst limiting its impact on the environment. In 2018 the company registered zero fines on environmental regulation breaches and maintained a zero total recordable environmental incident frequency count	Investable due to continuous efforts to comply with environmental regulations.	Y	Environmental Impact	Y	Reached out to the company requesting that a stakeholder impact survey be completed focused primarily on environmental impact and initiatives to provide products and services that facilitate reduction in environmental emissions and pollutions
According to the company has not faced any ESG related issues, court case, and controversial issues etc. Reasonable gender diversification. For example, there are 2 women out of 7 in the board, there are 12 women out of 21 management members, and in total 47% of employees are women	–	Y	Governance	Y	Engaged with the company via telephone conference on various impact in relation to ESG issues, and also their disclosure stance. We may monitor the progress of the company's new initiatives like issuance of sustainable report in Feb/Mar 2020 and succession plan in the future
Focused on clean & renewable power generation portfolio from 2016, divesting diesel facility (don't have coal). Planning to establish LNG terminal to secure gas supply to the country. Alongside core gas fired power plant business expanding other cleaner energy facility like Hydro and geothermal (EDC) power plant. In 2018 reported a 3 percent decrease in emissions intensity	–	Y	Governance / Environmental Impact	Y	Engaged with the company via email and telephone conference regarding their ESG policies. They are planning to improve further in terms of environmental issue in the medium term
Raised the GHG emission intensity reduction target to 36% on a business as-usual basis by 2030, with 2010 as the base year. Improved water consumption intensity by 1.5% YoY in 2018. Developed Vendor Code of Conduct required of STE's vendors. Strengthened ethics training programme - zero tolerance for fraud and corrupt practices. Trained 7,683 employees in 2018 or (52%)	–	Y	Environmental Impact	Y	Engaged with the company on environmental impact
The company has established environmental goals to be achieved by 2022. This is the first year of establishing a separate entity to look at sustainability. Currently, they share information with the supply chain, but participation to achieve targets is on a voluntary basis	–	Y	Environmental Impact	Y	Engaged with company over phone on ESG issues

ESG queries raised (cont'd)

ESG queries raised			
Description	ESG Rating	Governance	Specific Management/Pay
Taiwan Industrial Conglomerate	I (Issues but Improving)	Has established multiple reporting channels through which stakeholders can report corrupt activities. These are independent investigation mechanisms which conduct relevant investigation and inspection. Targets a 75% cash dividend pay-out	-
Thailand Real Estate Owner	I (Issues but Improving)	Has 4 independent board members out of 11. Regulation requires more than one third. Corporate Governance Committee reviews non-compliance subjects shall be reviewed and improved and proposes approval and promulgation by the Board of Directors and further announcement. Issued Code of Conduct to cover business practices and anti-corruption policy	-

ESG queries raised					
Environmental/Social	Investment Consideration	Company Contacted?	Engagement Issue	Company Responded?	Notes from Company Contact
Derived 29% of its revenue for the manufacturing business from green products in 2018. Has invested in recycled PET for over 30 years. First company in the World able to recycle polyester from all types of post-consumer textiles. Zero Discharge of Hazardous Chemicals (ZDHC) established with 2020 as the target year	-	Y	Environmental Impact	Y	Engaged with the company on environmental impact
Doesn't currently face any ESG related issues, court cases or controversial issues etc. Has environmental monitoring system including real-time wastewater and air quality monitoring system. Executes safety training program and fire protection training for all workforce in its industrial estates. Has reasonable gender diversification. For example, CEO is woman, there are two women out of eleven in the board, more female workers than males https://www.wha-logistics.com/en/news-media/csr-activities	-	Y	Governance / Environmental Impact	Y	Engaged with the company via telephone conference on various impact in relation to ESG issues, and also their disclosure stance. We may monitor the progress of the company's new initiatives like issuance of sustainable report in 2020

Glossary

COGS	Cost of Goods Sold
COI	Conflict of Interests
CSR	Corporate Social Responsibility
DTA	Deferred Tax Asset
EBIT	Earnings Before Interest and Tax
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
EM	Emerging Markets
EPS	Earnings Per Share
ESG	Environmental, Social, Governance
FCF	Free Cash Flow
KPI	Key Performance Indicator
LTIP	Long Term Incentive Plan
ND	Net Debt
Opex	Operating Expense
PSP	Performance Share Plan
PSU	Performance Share Unit
RoA	Return on Assets
ROCE	Return on Capital Employed
ROIC	Return on Invested Capital
RSU	Restricted Share Unit
SAR	Stock Appreciation Rights
SH	Shareholder
SOE	State owned Enterprise
STIP	Short Term Incentive Plan
TSR	Total Shareholder Return
UNSDG	UN Sustainable Development Goals
WC	Working capital

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US\$ 494 bn	1,333	238
assets under management globally	staff employed across 15 offices	portfolio managers located strategically around the world
113	1959	30 years
dedicated professionals committed to fundamental and quantitative research	Our investment management capability was established in Japan over 50 years ago	Operating in Europe for over 30 years

Source: Nomura Asset Management as at 31st December 2019

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