Official Statement of Commitment to the Stewardship Code

Acadian Asset Management LLC (”We”) hereby declares the acceptance of the Japan’s Stewardship Code:

Principle 1: Institutional investors should have a clear policy on how they fulfil their stewardship responsibilities, and publicly disclose it. <u>Guidance</u> 1-1. Institutional investors should aim to enhance the medium- to long-term return on investments for their clients and beneficiaries by improving and fostering investee companies’ corporate value and sustainable growth through constructive engagement, or purposeful dialogue, based on in-depth knowledge of the companies and their business environment. 1-2. Institutional investors should have a clear policy on how they fulfill their stewardship responsibilities (hereafter, “stewardship policy”) and publicly disclose it. The stewardship policy should cover how they define the responsibility and how they fulfill it, in view of their role in the investment chain running from their clients and beneficiaries to the investee companies. 1-3. Asset owners should engage in stewardship activities themselves as much as possible in order to secure the interests of ultimate beneficiaries. When asset owners do not directly engage in stewardship activities, including the exercise of voting rights, they should request that their asset managers be engaged in effective stewardship activities on their behalf. 1-4. When selecting or issuing mandates to asset managers, asset owners should clearly specify issues and principles to be required in conducting stewardship activities, including the exercise of voting rights, in order to ensure effective stewardship activities. In particular, large asset owners should proactively consider and clearly specify issues and principles to be required in conducting stewardship activities, including the exercise of voting rights, keeping in mind their positions and roles in the investment chain, instead of mechanically accepting asset managers’ policies without any verification. 1-5. Asset owners should monitor whether their asset managers conduct stewardship activities in line with asset owners’ policies, making use of asset managers’ self-evaluations. In conducting such monitoring, asset owners should put emphasis on the “quality” of dialogue between asset managers and investee companies, instead of mechanically checking the number of meetings held between them and the duration of such meetings.
Responsible Investing is an integral part of our investment process, as we believe that sustainable companies generate stronger performance over time.

We believe active ownership is an important piece of our responsible investing practice. Institutional investors have a fiduciary responsibility to address ESG-related issues associated with their investments; therefore, we have developed an effective active ownership program consisting of voting and engagement activities.

Our Proxy Voting Policy and Procedures are made public and available via the following link. http://www.acadian-asset.com/about-acadian/legal-disclosures-and-terms

Our approach to engagement emphasizes elements that inherently align with our investment process which is highly systematic and uses quantitative models to assess stocks.

Principle 2: Institutional investors should have a clear policy on how they manage conflicts of interest in fulfilling their stewardship responsibilities and publicly disclose it.

Guidance

2-1. While institutional investors should put the interest of their client and beneficiary first in conducting stewardship activities, they inevitably face the issue of conflicts of interest from time to time, for example when voting on matters affecting both the business group the institutional investor belongs to and a client or beneficiary. It is important for institutional investors to appropriately manage such conflicts.

2-2. Institutional investors should put in place and publicly disclose a clear policy on how they manage key categories of possible conflicts of interest.

In particular, asset managers should identify specific circumstances that may give rise to conflicts of interest which may significantly influence the exercise of voting rights and/or dialogue with companies, and set out and disclose specific policies on measures for avoiding such conflicts and effectively eliminating the influences, thus securing the interests of clients and beneficiaries.

2-3. Asset managers should establish governance structures, such as an independent board of directors or third party committees for decision-making or oversight of voting, in order to secure the interests of clients and beneficiaries and prevent conflicts of interest.

2-4. The management of the asset managers should recognize that they themselves have important roles and responsibilities in strengthening the governance of asset managers and managing conflicts of interest, and should take action on such issues.

We put the interest of our clients first. We strive to prevent conflicts of interest and to manage and mitigate any conflicts of interest that arise from our investment process. Specific procedures are addressed within our Proxy Voting Policy and Procedures. Controls including account coding, separation of roles, and permission controls, have been adopted and built into our quantitative investment process to manage conflicts and ensure no account is favored over another.

Principle 3: Institutional investors should monitor investee companies so that they can appropriately fulfill their stewardship responsibilities with an orientation towards the sustainable growth of the companies.

Guidance

3-1. Institutional investors should appropriately monitor investee companies so that institutional investors can fulfill their stewardship responsibility with the aim of enhancing the medium- to long-term corporate value and capital efficiency and supporting the sustainable growth of the companies.

3-2. Institutional investors should monitor investee companies continuously and review as appropriate the effectiveness of the monitoring.

3-3. When investors monitor investee companies, a variety of factors, including non-financial ones, may be considered as relevant. Factors may include, for example, the investee companies' governance, strategy, performance, capital structure, business risks and opportunities (including risks and opportunities arising from social and environmental matters), and how the companies address them. Relevance of a factor may depend on each investor's investment policy and may differ according to specific investee companies. Institutional investors need to use their own judgment in choosing which factors to focus on in light of their stewardship responsibilities. They should endeavor to identify at an early stage issues that may result in a material loss in the value of investee companies.

Acadian seeks investments that are likely to generate the best risk-adjusted returns, inclusive of ESG considerations. We believe that such investments are characterized by strong financial health, solid business prospects, effective corporate governance, and upside potential - traits that are likely to be embodied by sustainable and responsible businesses. Our investment approach is highly systematic and uses quantitative models to assess stocks, and we incorporate Environmental, Social and Governance (ESG) considerations in our investment process.

Ultimately, we believe it stands to reason that fundamentally well-governed, sustainable businesses have the potential to generate strong results in our portfolios over time. We seek to direct our capital toward companies with not only attractive valuations and strong growth potential but also those with strong financial statements and prudent company management.

Principle 4: Institutional investors should seek to arrive at an understanding in common with investee companies and work to solve problems through constructive engagement with investee companies.

Guidance

4-1. Institutional investors should endeavor to arrive at an understanding in common with investee companies through constructive dialogue with the aim of enhancing the companies' medium- to long-term value and capital efficiency, and promoting their sustainable growth. In case a risk of possible loss in corporate value is identified through the monitoring of and dialogue with companies, institutional investors should endeavor to arrive at a more in-depth common understanding by requesting further explanation from the companies and to solve the problem.

4-2. Because passive management provides limited options to sell investee companies' shares and needs to promote their medium- to long-term increase of corporate value, institutional investors should actively take charge of engagement and voting from a medium- to long-term perspective.

4-3. Institutional investors should have a clear policy in advance on how they design dialogue with investee companies in various possible situations.

4-4. In addition to institutional investors engaging with investee companies independently, it would be beneficial for them to engage with investee companies in collaboration with other institutional investors (collective engagement) as necessary.

4-5. In principle, institutional investors can well have constructive dialogue with investee companies based on public information, without receiving information on undisclosed material facts. The "G20/OECD Principles of Corporate Governance" and the Tokyo Stock Exchange's "Japan's Corporate Governance Code" set the principle of the equitable treatment of shareholders, which applies to the handling of undisclosed material facts. Institutional investors that have dialogue with investee companies should be aware that the companies are expected to abide by the principle and should in essence be discreet in receiving information on undisclosed material facts.

We believe that engagement with investee companies is meaningful and constructive when the engagement policy is well designed based on the asset manager's investment philosophy and process.

Our process relies on a systematic analysis of high volumes of data, hence we are keen to promote data disclosure and transparency in the marketplace. When engaging with companies, our objective is typically to communicate best practices and improve corporate behavior and promote transparency of ESG data.

We use multiple avenues to engage with companies, including partnership with a third party, collaborative engagements, and direct communication with investee companies.

Principle 5: Institutional investors should have a clear policy on voting and disclosure of voting activity. The policy on voting should not be comprised only of a mechanical checklist: it should be designed to contribute to sustainable growth of investee companies.

<u>Guidance</u>

5-1. Institutional investors should seek to vote on all shares held. They should decide on the vote in light of the results of the monitoring of investee companies and dialogue with them.

5-2. Institutional investors should have a clear policy on voting and publicly disclose it. Institutional investors should try to articulate the policy as much as possible. The policy should not be comprised only of a mechanical checklist: it should be designed to contribute to sustainable growth of the investee company.

5-3. Institutional investors should at a minimum aggregate the voting records into each major kind of proposal, and publicly disclose them.

Furthermore, to enhance visibility of the consistency of their voting activities with their stewardship policy, institutional investors should disclose voting records for each investee company on an individual agenda item basis. If there is a reason to believe it inappropriate to disclose such company-specific voting records on an individual agenda item basis due to the specific circumstances of an investor, the investor should proactively explain the reason. At the time of their voting records disclosures, it is also considered beneficial in enhancing visibility for institutional investors, to explicitly explain the reasons why they voted for or against an agenda item.

5-4. When institutional investors use the service of proxy advisors, they should not mechanically depend on the advisors' recommendations but should exercise their voting rights at their own responsibility and judgment and based on the results of the monitoring of the investee companies and dialogue with them.

When disclosing their voting activities, institutional investors using the service of proxy advisors should publicly disclose the fact and how they utilize the service in making voting judgments.

5-5. Proxy advisors should dedicate sufficient management resources to ensure sound judgement in the evaluation of companies and furnish their services appropriately, keeping in mind that the principles of the Code, including guidance, apply to them. Proxy advisors should disclose their approach to providing the services including the operational structure, the management of conflicts of interest and procedures of developing voting recommendations.

We exercise voting rights in accordance with the Proxy Voting Policy and Procedures. Unless otherwise directed by a client, we vote all proxies through partnerships with third party proxy voting service providers. We have adopted their proxy voting policies, having confirmed that their ESG objectives align with ours. The policies have been developed based on independent, objective analysis of leading corporate governance practices and their support of long-term shareholder value.

Relying on a third party to vote proxies is intended to help ensure that we vote in the best interest of our clients and insulates our voting decisions from any potential conflicts of interest. We monitor our agents' voting recommendations, and we also reserve the right to override the recommendations if we believe that voting contrary to the recommendation is in the best interest of our clients.

Principle 6: Institutional investors in principle should report periodically on how they fulfill their stewardship responsibilities, including their voting responsibilities, to their clients and beneficiaries.

Guidance

6-1. Asset managers should in principle report periodically to their direct clients on how they fulfill their stewardship responsibilities through their stewardship activities.

6-2. Asset owners should in principle report at least once a year to their beneficiaries on their stewardship policy and on how the policy is implemented.

6-3. When reporting to their clients and beneficiaries, institutional investors should choose the format and the content of the reports in light of any relevant agreement with the recipients and the recipients' convenience, and the costs associated with the reporting, and should aim to deliver effective and efficient reports.

6-4. Institutional investors should maintain a clear record of their stewardship activities, including voting activities, to the extent necessary to fulfill their stewardship responsibilities.

We record actual stewardship activities and report details to our clients as stated within each client contract.

Principle 7: To contribute positively to the sustainable growth of investee companies, institutional investors should have in-depth knowledge of the investee companies and their business environment and skills and resources needed to appropriately engage with the companies and make proper judgments in fulfilling their stewardship activities.

Guidance

7-1. To make dialogue with investee companies constructive and beneficial, and to contribute to the sustainable growth of the companies, institutional investors should develop skills and resources needed to appropriately engage with the companies and to make proper judgments based on in-depth knowledge of the companies and their business environment.

Institutional investors should have the necessary internal structure to have appropriate engagements and make proper judgments.

7-2. In particular, the management of institutional investors should have appropriate capability and experience to effectively fulfill their stewardship responsibilities, and should be constituted independently and without bias, in particular from their affiliated financial groups.

The management of institutional investors should also recognize that they themselves have important roles and responsibilities to carry out stewardship activities such as enhancing dialogue, structure their organizations and develop human resources, and take action on these issues.

7-3. Exchanging views with other investors and having a forum for the purpose may help institutional investors conduct better engagement with investee companies and make better judgments.

7-4. Institutional investors should endeavor to improve their policies based on the Code and the quality of their stewardship activities by reviewing at an appropriate timing the status of their implementation of each principle, including guidance.

In particular, asset managers should regularly conduct self-evaluations with respect to the status of their implementation of each principle, including guidance, and disclose the results toward continued improvement of their governance structures, conflicts of interest management, and stewardship activities, etc.

Acadian utilizes a rigorous and robust research approach to ensure that the ESG factors that we invest upon are material drivers of risk and return. Given our conviction in the materiality of specific ESG factors, we dialogue with corporate management teams on those specific ESG issues that we believe will be drivers of their companies' long term returns.

Acadian participates in a number of forums to ensure that we are adopting best practices as the field of Responsible Investing advances. As examples, we are a signatory of the UN PRI; we were the first quantitative asset manager to become a signatory, when we signed on in 2009.

We regularly review our engagements and disclose the results.

Annual Review of Commitments under the Japan Stewardship Code

Acadian Asset Management LLC maintains its commitment to the Japan Stewardship Code. Our objective is to add value and improve the governance of Japanese corporates in which we have holdings. In support of this, we took the following actions in the fiscal year (April 2018 – March 2019).

1. Governance of our own processes: Our Responsible Investing Committee met regularly to oversee our governance activities including our active ownership policies. In addition, we reviewed and updated our proxy voting policy including changes to our oversight and of the proxy voting process, improved communications with issuers, and formalized our approach to overriding votes.

2. Proxy voting: We Publicly disclosed on our website a summary of our voting history for all Japanese securities. We held due diligence meetings with our proxy voting research providers. Finally, we voted on over 14,000 issues of Japanese companies held within accounts managed by Acadian where we had authority to vote proxies in accordance with our proxy policies.

3. Corporate engagement: We communicated with the management of over a dozen Japanese companies about executive compensation, votes against management, and corporate governance best practices.

4. Industry Collaboration: We, or one of our global affiliated companies, participated in industry events, including the Council of Institutional Investors Fall Conference, and as a Lead contributor to collaborative engagements including the High Meadows Institute, and Australasian Advisory PRI Committee, and others.

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Results of Exercise of Proxy Voting Rights to Japanese Companies

(Exercised within the fiscal year from April 2018 to March 2019)

Company Proposal

	Abstain	Against	For	Total
Preferred/Bondholder	11	-	-	11
Routine/Business	-	7	1,212	1,219
Directors Related	-	1,208	10,940	12,148
Capitalization	-	5	8	13
Reorg. and Mergers	-	18	373	391
Non-Salary Comp.	-	243	450	693
Antitakeover Related	-	35	-	35
Total	11	1,516	12,983	14,510

Shareholder Proposal

	Abstain	Against	For	Total
SH-Routine/Business	-	21	20	41
SH-Dirs' Related	-	22	3	25
SH-Corp Governance	-	1	5	6
SH-Compensation	-	4	1	5
SH-Health/Environ.	-	27	-	27
Total	-	75	29	104

Voting results based on a client-specific voting policy are excluded.

<u>Examples of agenda item</u>

Routine/Business Approve Allocation of Income and Dividends

Directors Related Elect Director, Appoint Internal Statutory Auditor(s)

Capitalization Authorize Share Repurchase Program

Reorg. and Mergers Approve Merger Agreement, Amend Articles of incorporation

Non-Salary Comp. Approve Restricted Stock Plan

Antitakeover Related Adopt, Renew or Amend Shareholder Rights Plan (Poison Pill)

SH-Routine/Business Amend Ordinary Business Items

SH-Dirs' Related Removal of Existing Board Directors

SH-Corp Governance Initiate Share Repurchase Program

SH-Compensation Increase Disclosure of Executive Compensation

SH-Health/Environ. Phase Out Nuclear Facilities