Compliance with the "Principles for Responsible Institutional Investors (Japan's Stewardship Code)"

Norinchukin Capital Co., Ltd. ("the Company") accepts the "Principles for Responsible Institutional Investors: Japan's Stewardship Code" ("the Code") to properly fulfill our stewardship responsibilities as an asset manager.

Principle 1.
Institutional investors should have a clear policy on how they fulfill their stewardship responsibilities, and publicly disclose it.

As a trusted fund manager, the Company's management philosophy is to meet the expectations of investors while contributing to the development of society and the economy by discovering the potential of companies and businesses and supporting their manifestation with all resources.

By engaging with portfolio companies in constructive "dialogue with purpose" (engagement) and building a sound relationship of trust with management, the Company will contribute to the sustainable improvement of the intrinsic corporate value of portfolio companies and meet the expectations of investors.

In addition, the Company will contribute to the development of Japan's industry and economy by collaborating with The Norinchukin Bank to build the management structure of portfolio companies and provide a variety of support, including the resolution of sustainability-related issues.

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.

The Norinchukin Bank and its financial-related group companies, including the Company, will manage transactions that may cause conflicts of interest and conduct their business appropriately so as not to unduly harm the interests of customers. Based on the Conflict of Interest Management Policy, the Company has established a strict legal compliance system, including the establishment of rules for managing conflicts of interest, so the possibility of conflicts of interest in conducting stewardship activities, including the exercise of voting rights, is limited.

Even in the event of a conflict of interest, in addition to complying with laws and regulations, the Company will manage the matter appropriately with due consideration for fairness and make decisions in good faith to ensure the maximum benefit of investors.

Principle 3.

Institutional investors should monitor portfolio companies so that institutional investors can appropriately fulfill their stewardship responsibilities and support the sustainable growth of the companies.

When selecting portfolio companies, the Company conducts due diligence in cooperation with external experts such as lawyers, certified public accountants, and tax accountants, and uses a checklist to understand various ESG-related issues, making investment decisions based on a deep understanding of the situation of portfolio companies.

After the investment, in addition to attending meetings of the Board of Directors and other meeting bodies as necessary, the Company also engages in dialogue with the management team to accurately grasp the financial and non-financial situation, and through regular monitoring meetings, the Company understands the issues of portfolio companies throughout the organization and provides necessary support to portfolio companies on an ongoing basis.

Principle 4.

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

By building a relationship of trust with the management of the portfolio companies, the Company will engage in constructive dialogue on various issues related to the portfolio companies and strive to sustainably increase corporate value from a variety of perspectives, not limited to the situation of the portfolio companies, but also ESG-related issues and the external environment. In addition, when a problem arises, the Company will strive to improve the problem by seeking a more active dialogue based on a relationship of trust with the management of the portfolio company.

In addition, if it is beneficial and necessary for effective engagement with portfolio companies, collaborative dialogue with other institutional investors is also an option.

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 the sustainable growth of portfolio companies.

The Company has clearly established a decision-making process for the exercise of shareholder voting rights and will make decisions for or against proposals in accordance with the decision-making process. In addition, when exercising voting rights, the Company will engage in constructive dialogue with portfolio companies as necessary and strive to proactively express our intentions through the exercise of voting rights.
On the other hand, the Company invests mainly in private companies through funds and will refrain from disclosing the results of the exercise of voting rights. However, the Company will conduct appropriate reporting and ensure accountability to investors in response to their requests.

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

In addition to regularly sending reports to investors, the Company also reports on the status of fund management and portfolio companies through opportunities such as holding members' meetings. The Company's stewardship activities will also be reported to investors as appropriate through the aforementioned opportunities. In consideration of confidentiality and other information management, the Company will refrain from publishing the contents of such reports.

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

In order to engage in constructive dialogue with the management of portfolio companies and contribute to the sustainable enhancement of corporate value of portfolio companies, the Company believes that it is essential for its officers and employees to have the ability to appropriately conduct stewardship activities.
In order to improve the experience, knowledge, and skills of our officers and employees as professionals, the Company will strive to improve the necessary skills by sharing case studies that lead to the enhancement of the corporate value of portfolio companies and the resolution of ESG-related issues through in-house training and monitoring meetings, as well as encouraging them to participate in external training.

On the other hand, the Company invests primarily in private companies through our fund and will refrain from disclosing the results of our self-assessment of the implementation of each principle (including guidelines) of this Code.

Principle 8.

Service providers for institutional investors should endeavor to contribute to the enhancement of the functions of the entire investment chain by appropriately providing services for institutional investors to fulfill their stewardship responsibilities.

The Company is not a service provider for institutional investors.