

Domain	Metric	Measurement 2019	Notes	Principles (1), (3), (4), (6), (7)									
Engagement	# of meetings	677*	Nearly all meetings include some level of engagement										
	# of CEO meetings	84*											
	# of presentations	142											
	# of engagement successes	50											
	Sustainable Value Creation	<div style="display: flex; align-items: center;"> <div style="width: 15px; height: 15px; background-color: orange; margin-right: 5px;"></div> Successes: Reputation Value </div> <div style="display: flex; align-items: center;"> <div style="width: 15px; height: 15px; background-color: green; margin-right: 5px;"></div> Successes: Financial Value </div> <div style="display: flex; align-items: center;"> <div style="width: 15px; height: 15px; background-color: blue; margin-right: 5px;"></div> Successes: Business Value </div>	32	Market Communication (9), IR Improvement (8), Governance Improvement (5), etc.									
		13	Dividend Policy (3), Share Buyback & Cancellation (3), ROIC/WACC (2), etc.										
		5	M&A Strategy (3), Exit Non-core Business (2), Market Communication (1), etc.										
	<p>* Meetings with both portfolio and candidate companies. Also, includes below ESG-related engagements:</p> <table border="0"> <tr> <td>Environment</td> <td>12*</td> <td>Energy Use (1), Recycle (1)</td> </tr> <tr> <td>Social</td> <td>14*</td> <td>Training (2), Performance-Based Compensation (1), Improving Retention (1)</td> </tr> <tr> <td>Governance</td> <td>46</td> <td>Disclosure & Metrics (21), Governance Structure (19), Voting Rights (3), etc.</td> </tr> </table> <p>*Includes event key note speech and discussion related to E and S with 10 portfolio Co.</p>				Environment	12*	Energy Use (1), Recycle (1)	Social	14*	Training (2), Performance-Based Compensation (1), Improving Retention (1)	Governance	46	Disclosure & Metrics (21), Governance Structure (19), Voting Rights (3), etc.
Environment	12*	Energy Use (1), Recycle (1)											
Social	14*	Training (2), Performance-Based Compensation (1), Improving Retention (1)											
Governance	46	Disclosure & Metrics (21), Governance Structure (19), Voting Rights (3), etc.											
Events	# of Shacho-kais	1	Theme: "Is just "Good Enough" good enough? Or should you try to be great?"										
	# of CEOs participating	12											
	# of Benkyo-kais	1											
	# Executives participating	47											
Training	# of internships	2	One day to 1 week executive seminars at Taiyo's office										
	# of executives participating	9											
	# of workshops	5	Half - to one day executive seminars at portfolio companies										
	# executives participating	213											

	For	Against	Total	(1), (2), (3), (4), (5), (6), (7), (8)	
Proxy Voting	Election Directors & Auditors	189	7	196	<p>TPP has retained Institutional Shareholder Services, Inc. ("ISS") to provide proxy-related services. TPP will vote proxies in a manner consistent with the best interests of the relevant Fund/ Account and its security holders. In the event that ISS recommends a vote against management, TPP will seek further explanation from the company.</p> <p>If management provides sufficient information to support their position, TPP will vote with management. A summary of proxy results and TPP's Implementation Guide to the Japan Stewardship Code can be found on our website. Further proxy details are disclosed on our website and available to clients upon request.</p>
	Executive Compensation	5	0	5	
	Allocation of Retained Earnings	16	0	16	
	Anti-takeover Measures	0	0	0	
	Others	19	0	19	
Advisory	Total Number of Items	229	7	236	
	ISS "For Recommendation	210	6	216	
	ISS "Against" Recommendation	19	1	20	
	Total Number of Items	229	7	236	

	TPP 2019	TPX 2019	(1), (3), (4), (6), (7)	
Metrics	Market Value Change	27.0%	12.3%	
	ROIC	9.3%	6.3%	
	ROE	7.9%	7.5%	
	Analyst Coverage per Co.	6	2	
	Total Shareholder Payout Ratio	28.5%	28.9%	Total of dividend and share buyback
	OP Growth (YoY %)	-20.0%	-0.3%	Large YoY decline in 2019 on difficult comparables vs. pre-trade war demand in H1 2018.

All data median except for analyst coverage (simple average). Source: Factset, company disclosures, TSE Corporate Governance Information Service, etc.

	2019	(2), (6)	
TPP Internal	# of Conflict of Interest cases	0	
	# of Advisory Committee Mtgs.	0	
	Governance Structures - External	2	TPP has two external Advisory Committees at the firm and commingled fund level which include certain investors. See our Stewardship Implementation Guide for details.
	Governance Structures - Internal	2	TPP has two internal committees providing oversight on trading practices and valuation methodology. See our Stewardship Implementation Guide for details.

Areas to Improve:	<ul style="list-style-type: none"> - Update the report to reflect updated Stewardship guideline, including ESG (1), (6) - Updating the database to increase effectiveness as an engagement tool (1), (4), (7) - Incorporate feedback on the ESG dashboard from portfolio companies for further improvements (1), (4), (7) 	<p>Past Results:</p> <ul style="list-style-type: none"> - Updated our ESG Dashboards for all portfolio companies - Enhanced ESG disclosure in investor reports - Added in-depth "spot light" profiles about investee companies in investor reports 	<p>Japan Stewardship Code Principles</p>	<ul style="list-style-type: none"> (1) Fulfill stewardship responsibilities (2) Conflict of interests (CoI) (3) Monitor for Sustainable growth (4) Constructive engagement /dialogue (5) Policy on voting, disclosure (6) Periodic reporting (7) Engagement resources & Self-Eval'n (8) Service Providers
--------------------------	--	--	---	---