## Sophia School Corporation's PRI Action Policy

Established on April 1st, 2016

On November 1<sup>st</sup>, 2015, Sophia School Corporation has become a signatory to the United Nation's Principles for Responsible Investment (UN-PRI).

PRI is investors' commitment to incorporation of material ESG (Environmental, Social, Governance) issues in their investment decision-making and practice in order to achieve both long-term superior investment performance and positive social impact.

By signing the PRI, Sophia incorporates ESG issues into our investment policy aligned with the university's founding philosophy and educational principles. It is also a reflection of our commitment to the principles of the United Nations Global Compact, which we joined on May 25<sup>th</sup>, 2015.

As a signatory of the PRI, we set out "PRI Action Policy" and put the six principles into practice through direct and indirect investment in domestic and foreign assets.

|   | UN-PRI 's Principle   | Sophia School Corporation's Policy   |
|---|---|--|
| 1 | We will incorporate ESG issues into investment analysis and decision-making processes.          | Sophia School Corporation seeks to appoint high-quality ESG managers and their investment products to implement our ESG investment policy.   |
| 2 | We will be active owners and incorporate ESG issues into our ownership policies and practices.  | Sophia School Corporation seeks to be a responsible active owner by engaging with investment managers on material ESG issues and their stewardship activities.   |
| 3 | We will seek appropriate disclosure on ESG issues by the entities in which we invest.           | Sophia School Corporation holds meetings with the external managers and monitors how they incorporate ESG issues into decision-making.   |
| 4 | We will promote acceptance and implementation of the Principles within the investment industry. | Sophia School Corporation encourages external managers to engage in appropriate and efficient engagement activities with investee companies.   |
|   |   | Sophia School Corporation actively communicates and shares various aspects of sustainable investments and case studies through lectures, seminars and media.   |
| 5 | We will work together to enhance our effectiveness in implementing the Principles.              | Sophia School Corporation collaborates with other domestic and overseas signatories through the PRI japan network.   |
|   |   | Sophia School Corporation offers courses on ESG themes and provides our students with the opportunity to learn the fundamental role of finance and investment and how they relate to building the sustainable world. |
| 6 | We will each report on our activities and progress towards implementing the Principles.         | Sophia School Corporation reports on our activities on ESG issues through PRI reporting framework.   |