

PRESS RELEASE
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NIKKO ASSET MANAGEMENT CO., LTD.

Nikko AM Publishes Inaugural TCFD Report

Nikko Asset Management Co., Ltd. (Nikko AM) today published its [first annual report](#) presenting activities aligned with the recommendations of the [Task Force on Climate-Related Financial Disclosures \(TCFD\)](#). This industry-led effort of the international [Financial Stability Board \(FSB\)](#) manages the physical and transition risks associated with climate change. The report analyses and presents the impact of climate change on Nikko AM's operating results and financial positions in the 2018 calendar year. The Firm committed to TCFD in August that year.

The FSB established the TCFD in 2015 to develop consistent disclosure recommendations that companies can use to inform investors, lenders and insurance underwriters about their climate-related financial risks. To date, 818 companies and organisations worldwide (including financial institutions) have committed to the TCFD, including 188 entities from Japan (as of 23 August, 2019, according to [Japan's Ministry of Economy, Trade and Industry](#)).

As a fiduciary, Nikko AM is dedicated to putting clients' interests first. The Firm's fiduciary and environmental, social, and governance (ESG) principles guide its corporate values and actions. A specialist in-house committee assesses and manages the effectiveness of Nikko AM's ESG challenges and initiatives in accordance with the [Principles for Responsible Investment \(PRI\)](#), and ensures that the Firm integrates ESG factors in its investment process while remaining engaged with companies in which the Firm invests.

Nikko AM's report focuses on the TCFD's recommendations with respect to governance, strategy, risk management, and metrics and targets. The report seeks to spotlight the Firm's efforts to reflect ESG in its operations as benchmarks for sustainable and responsible investing. .

Nikko AM Senior Corporate Managing Director Stefanie Drews explained, "As an ESG pioneer among Japanese asset management firms, we are proud to publish our first TCFD report. We are committed to the full disclosure to internal and external stakeholders about our ESG-related investment decision-making processes, as well as the progress in implementing PRI principles and the operational impact of such efforts. This allows us to better collaborate with those stakeholders to bolster our ability to analyse the impacts of climate-related risks on corporate financial positions."

Nikko AM became a PRI signatory in 2007. In September 2018, the Firm became the first asset manager headquartered in Asia* to support efforts in all four impact areas (Investor disclosure, Corporate engagement, Policy Advocacy, and Investment) under [The Investor Agenda](#) for the global investment community to address climate change. In May 2019, the Firm was among companies and financial institutions supporting TCFD recommendations that joined hands to participate in the TCFD Consortium. This entity discusses effective corporate disclosure, and endeavours to link such information to decision making at financial institutions and other organisations.

You can view details of Nikko AM's 2018 TCFD Report [here](#).

You can also visit the Firm's sustainability microsite at the link below.
<https://sustainability.nikkoam.com/>

*Based on Nikko AM research.

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About Nikko Asset Management

With US\$214 billion* under management, Nikko Asset Management is one of Asia's largest asset managers, providing high-conviction, active fund management across a range of Equity, Fixed Income, Multi-Asset and Alternative strategies. In addition, its complementary range of passive strategies covers more than 20 indices and includes some of Asia's largest exchange-traded funds (ETFs).

Headquartered in Asia since 1959, the firm represents nearly 200** investment professionals and over 30 nationalities across 11 countries. More than 300 banks, brokers, financial advisors and life insurance companies around the world distribute the company's products.

The investment teams benefit from a unique global perspective complemented by the firm's historic Asian DNA, striving to deliver consistent excellence in performance. The firm also prides itself on its progressive solution-driven approach, which has led to many innovative funds launched for its clients.

For more information about Nikko Asset Management and to access its investment insights, please visit the firm's [homepage](#).

* Consolidated assets under management and sub-advisory of Nikko Asset Management and its subsidiaries as of 31 March 2019.

** As of 31 March 2019, including employees of Nikko Asset Management and its subsidiaries.

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