

# Our Approach on Human Rights Issues

Interest and awareness of human rights issues has been growing in recent years. Human rights due diligence legislation is being or has been adopted in Europe, Americas, and other regions, and Japan has established its National Action Plan in response to the United Nations Guiding Principles on Business and Human Rights, as part of humanitarian diplomacy.

In our efforts to improve the quality of life of our customers and all other stakeholders such as our employees and people in the community, we have consciously been working on respect for human rights. We have now established the Human Rights Policy for the purpose of organising our view on human rights and making more comprehensive efforts on human rights.

## Human Rights Policy

Sumitomo Mitsui DS Asset Management UK (SMDAM UK) respects the human rights of all persons including our officers and employees, investee companies, and all those throughout our value chain to materialise our corporate vision of becoming the “Best Asset Management Firm for your Better Quality of Life.” SMDAM UK has established this Human Rights Policy to ensure the human rights for every person who could be affected by our business activities, and promote them through initiatives.

### 1. Basic Concept

We adhere to the international standards of human rights such as the International Bill of Human Rights (the Universal Declaration of Human Rights and the two Covenants), the UN Guiding Principles on Business and Human Rights, and the Ten Principles of the UN Global Compact. In addition to our compliance with the laws and regulations of the countries and regions in which we conduct business activities, when internationally recognised human rights standards and national or regional laws and regulations are in conflict, SMDAM UK honours the principles of internationally recognised human rights while respecting the laws and regulations in the nation or region.

## 2. Respect for Human Rights

We respect fundamental human rights and prohibit any discrimination or harassment based on race, nationality, gender, age, marital status, origin, religion, creed, disability, sexual orientation, gender identity or any other grounds, while we make our greatest effort to protect individuals' privacy. We also respect the fundamental rights at work and do not tolerate any form of child labour, forced labour or any other inappropriate labour practices.

## 3. Workplace Environment

We aim to foster a safe working environment where every employee can work with peace of mind and enjoy a healthy work-life balance. We also strive to continue to improve our corporate culture that allows every individual employee to maximise their potential and work with enthusiasm.

## 4. Human Rights in the Value Chain

SMDAM UK is responsible for investment advice in relation to the global equity mandates of clients based in Japan and managed by SMDAM Tokyo. Also, SMDAM UK's clients with Japanese equity mandates have the management of their portfolios delegated to the SMDAM Tokyo investment team. SMDAM UK enters into sub investment advisory/management agreements with SMDAM Tokyo.

Other suppliers may also include parties with whom SMDAM UK have entered into a distribution or similar agreement to distribute our products and services, business outsourcing contracts for investment administration and IT services and other ancillary services such as disaster recovery and business continuity, data provision and maintenance, as well as other IT and general service providers.

We fulfil our responsibility for the human rights to be upheld all along the value chain by encouraging our business partners to take appropriate actions to not violate the human rights.

## 5. Training and Education

We provide training programs for all officers and employees to raise their awareness and understand both domestic and global human rights issues, so that each individual is able to adhere to human rights in their business activities.

## 6. Human Rights Due Diligence

SMDAM UK is regulated by the Financial Conduct Authority (FCA). SMDAM (UK) is not visited regularly as we have been assessed as low risk within the FCA's risk assessment framework. SMDAM UK's business and supply chain contractual arrangements are subject to a thorough due diligence process, both before the business relationship commences and on an ongoing basis. This includes a risk assessment which takes account of the type of service to be provided, the jurisdiction of the counterparty and its regulatory status if appropriate, and any conflicts of interest which may arise.

Through this process we prevent or mitigate adverse impacts on human rights.

## 7. Grievance Mechanism and Remedies

We initiate immediate and appropriate procedures and implement necessary remedial actions whenever we encounter any adverse human rights impact caused within our business activities, and make our utmost effort to prevent recurrence. In case that we become aware of our involvement in any adverse impact caused in our value chain, SMDAM UK along with our business partners will engage in consultation with stake holders affected by our businesses activities in good faith.

In addition, SMDAM UK has a whistleblowing policy through which staff may report any concerns of malpractice without fear of recrimination.