

Japan Equity Value + Alpha

Data as of 30 September 2021

Product Description

Japan Equity Value + Alpha is a value style product which aims to generate the majority of its alpha from stock selection with a team-based investment approach founded on rigorous corporate research by experienced in-house analysts and portfolio managers.

Key Facts

| | |
|-------------------------|--|
| Investment Style | Value |
| Strategy Inception Date | October 1996 |
| Strategy Benchmark | TOPIX (with div) |
| Performance Target | 2% - 3% p.a. above benchmark |
| Tracking Error | 3% (in principle) – 7% |
| Stock Limits | +5% of benchmark weight |
| Sector Limits | Larger of ±50% of the benchmark weight (relative) and ±5% of the benchmark weight (absolute) |
| Number of Holdings | 120 Max |
| Strategy Size | USD 2,040 million |

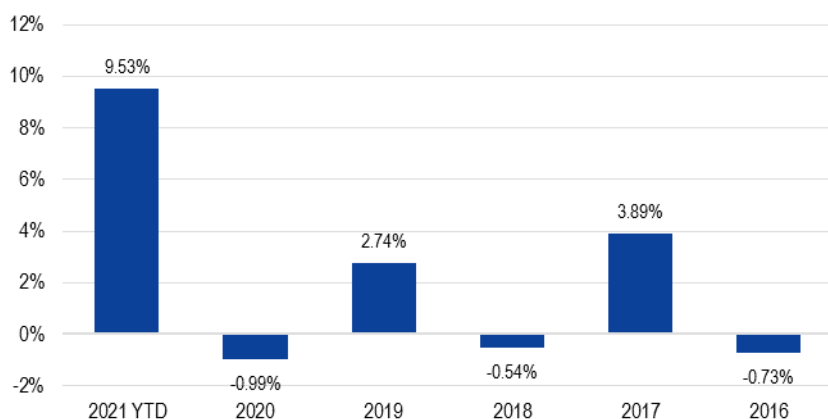
Composite Performance

| JPY basis / Gross of Fees | 1 month % | 3 month % | 1 year % | 3 years % p.a. | 5 years % p.a. | Since inception† % p.a. |
|---------------------------|------------|-----------|----------|----------------|----------------|-------------------------|
| Value + Alpha | 5.66 | 7.07 | 40.97 | 9.50 | 14.52 | 4.33 |
| TOPIX (with div) | 4.36 | 5.32 | 27.52 | 6.23 | 11.42 | 2.54 |
| Excess Return | 1.30 | 1.75 | 13.45 | 3.28 | 3.09 | 1.79 |
| Tracking Error * | N/A | N/A | 2.34 | 3.34 | 3.03 | 3.01 |
| Information Ratio | N/A | N/A | 5.74 | 0.98 | 1.02 | 0.60 |
| JPY basis / Gross of Fees | 2021 YTD % | 2020 % | 2019 % | 2018 % | 2017 % | 2016 % |
| Value + Alpha | 24.21 | 6.40 | 20.86 | -16.51 | 26.12 | -0.42 |
| TOPIX (with div) | 14.69 | 7.39 | 18.12 | -15.97 | 22.23 | 0.31 |
| Excess Return | 9.53 | -0.99 | 2.74 | -0.54 | 3.89 | -0.73 |
| Tracking Error * | N/A | 4.07 | 2.33 | 2.85 | 1.74 | 3.13 |
| Information Ratio | N/A | -0.24 | 1.18 | -0.19 | 2.24 | -0.23 |

Source: SMDAM data as at 30 September 2021. † Inception date: 1 October 1996. Benchmark: TOPIX (with div). Minor discrepancies due to rounding. * Tracking error is calculated using monthly returns.

Relative Performance

The chart reflects the relative returns of this composite on a calendar year basis and is shown in yen terms and gross of fees.



Co-Lead Portfolio Managers

Osamu KOIDE & Takuya KAMIISHI

33 & 13 years industry experience respectively

| Sector Breakdown | % |
|--------------------------------|---------------|
| Elec. Appl. & Precision Instr. | 18.38 |
| IT & Services, Others | 17.05 |
| Auto. & Transp. Equipment | 11.95 |
| Financials (Ex Banks) | 7.05 |
| Comm. & Wholesale Trade | 6.52 |
| Transportation & Logistics | 6.06 |
| Construction & Materials | 5.28 |
| Raw Materials & Chemicals | 4.75 |
| Pharmaceutical | 4.57 |
| Banks | 4.56 |
| Machinery | 3.52 |
| Foods | 3.40 |
| Real Estate | 2.95 |
| Retail Trade | 2.18 |
| Steel & Nonferrous Metals | 1.18 |
| Electric Power & Gas | 0.60 |
| Energy Resources | 0.00 |
| Total | 100.00 |

Sector breakdown based on the TOPIX-17 Series Indices classification (detailing representative account).

Source: SMDAM and FactSet Research Systems Inc. of the US, as at 30 September 2021.

Top Ten Holdings

| Top Ten Holdings | % |
|--------------------------------|--------------|
| Nippon Telegraph & Telephone | 5.42 |
| Toyota Motor Corp | 5.13 |
| Toyota Industries Corp | 4.29 |
| Mitsubishi UFJ Financial Group | 4.16 |
| Sony Group Corp | 3.85 |
| Mitsui Osk Lines Ltd | 3.84 |
| Nippo Corp | 3.68 |
| Dai-ichi Life Holdings Inc | 3.51 |
| Hitachi Ltd | 2.69 |
| Fujitsu Ltd | 2.62 |
| Total | 39.18 |

Data shown is for the representative segregated account. The organisations and/or financial instruments mentioned are for reference purposes only. The content of this material should not be construed as a recommendation for their purchase or sale.

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