

# Japan Equity Sustainable Dividend

Data as of 30 June 2023

## Product Description

The Japan Equity Sustainable Dividend strategy seeks to achieve mid-to-long term capital growth through investing primarily in equities or equities-related securities issued by Japanese companies. This product is strongly focused on consistent dividend pay-outs and utilises both quantitative valuation and qualitative analysis to create a portfolio that is actively managed with controlled risk. The strategy is focussed on total return, in particular on the sustainability of dividend payments and reaps value from the Japanese equity market through investing in stocks with consistent dividend pay outs and low risk of dividend cuts.

## Key Facts

|                                      |  |
|--------------------------------------|--|
| Investment Style                     | Quality  |
| Strategy Inception Date              | 1 March 2013   |
| Strategy Benchmark                   | Reference Index: TOPIX (with dividend)   |
| Performance Target                   | Mid-long term capital appreciation   |
| Tracking Error                       | Not set  |
| Stock Limits                         | Maximum 10% of individual stocks   |
| Sector Limits                        | Not set  |
| Number of Holdings                   | 70 – 90  |
| Strategy Size:                       | USD 695 million  |
| EU 2019/2088 SFDR Regs: Article 6    | The strategy is categorised under SFDR as Article 6  |
| EU 2020/852 Taxonomy Regs: Article 7 | The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities |
| EU 2020/852 Taxonomy Regs: Article 6 | The strategy does not apply a specific index as a reference index to attain environmental and social characteristics                           |

## Composite Performance

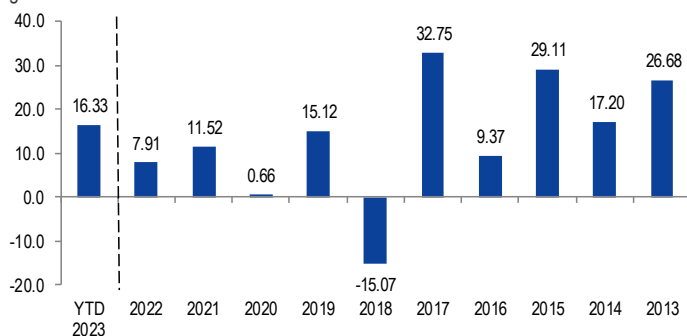
| JPY basis / Gross of Fees               | 1 month %  | 3 month % | 1 year % | 3 years % p.a. | 5 years % p.a. | Since inception† % p.a. |
|---|------------|-----------|----------|----------------|----------------|-------------------------|
| Sustainable Dividend                    | 6.52       | 11.37     | 18.07    | 16.89          | 7.79           | 13.89                   |
| Reference Index: TOPIX (with dividends) | 7.55       | 14.45     | 25.69    | 16.42          | 8.34           | 11.09                   |
| Excess Return                           | -1.03      | -3.07     | -7.61    | 0.47           | -0.55          | 2.80                    |
| Tracking Error *                        | N/A        | N/A       | 6.07     | 5.99           | 5.19           | 6.07                    |
| Information Ratio                       | N/A        | N/A       | -1.25    | 0.08           | -0.11          | 0.46                    |
| JPY basis / Gross of Fees               | YTD 2023 % | 2022 %    | 2022 %   | 2021 %         | 2020 %         | 2019 %                  |
| Sustainable Dividend                    | 16.33      | 7.91      | 7.91     | 11.52          | 0.66           | 15.12                   |
| Reference Index: TOPIX (with dividends) | 22.69      | -2.45     | -2.45    | 12.74          | 7.39           | 18.12                   |
| Excess Return                           | -6.36      | 10.37     | 10.37    | -1.23          | -6.73          | -2.99                   |

Source: SMDAM data as at 30 June 2023. † Inception date: 1 March 2013.

\* Tracking error is calculated using monthly returns. Minor discrepancies due to rounding.

## Absolute Performance

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



## Portfolio Manager

Kensuke CHIYO, CMA  
11 years industry experience

## Sector Breakdown

| Sector                         | %             |
|--------------------------------|---------------|
| IT & Services, Others          | 24.20         |
| Construction & Materials       | 9.44          |
| Pharmaceutical                 | 8.15          |
| Retail Trade                   | 8.13          |
| Banks                          | 6.99          |
| Comm. & Wholesale Trade        | 6.78          |
| Auto. & Transp. Equipment      | 6.42          |
| Financials (Ex Banks)          | 6.09          |
| Raw Materials & Chemicals      | 6.03          |
| Transportation & Logistics     | 5.85          |
| Real Estate                    | 3.43          |
| Foods                          | 2.34          |
| Machinery                      | 1.45          |
| Elec. Appl. & Precision Instr. | 1.39          |
| Electric Power & Gas           | 1.37          |
| Steel & Nonferrous Metals      | 1.25          |
| Energy Resources               | 0.69          |
| <b>Total</b>                   | <b>100.00</b> |

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 June 2023.

## Top Ten Holdings

| Company                        | %            |
|--------------------------------|--------------|
| Nippon Telegraph and Telephone | 5.54         |
| Takeda Pharmaceutical Co Ltd   | 4.63         |
| Toyota Motor Corporation       | 4.38         |
| KDDI Corporation               | 3.89         |
| Astellas Pharma Inc            | 2.66         |
| Kirin Holdings Co Ltd          | 2.34         |
| Tokio Marine Holdings Inc      | 2.28         |
| Obayashi Corporation           | 2.13         |
| Mitsubishi UFJ Financial Group | 2.08         |
| Marui Group Co Ltd             | 2.03         |
| <b>Total</b>                   | <b>31.96</b> |

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

## Contact Details

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