

# Invesco Stewardship Report 2022/2023



In our latest report, we share **key achievements** from the past year and highlight our **continuing commitment**

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# Message from President and CEO of Invesco Japan



**Hideki Sato**  
President and CEO  
Invesco Asset Management (Japan) Limited.

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It is our utmost pleasure to achieve the “purpose”, by implementing ESG investment as an investment manager and continue to contribute to promoting sustainable future of our society.

Dear all,

Invesco, as a leading asset manager, was among the first to adopt and has engaged in ESG investment activities globally for more than 30 years. We have actively promoted ESG investment, by committing to stewardship activities, including exercising voting rights led by portfolio managers and analysts.

While many different opinions on ESG investment have been exposed in recent years, there is no doubt that ESG efforts will become even more important, as we move towards a sustainable future. Resolving Environment, Society, and Governance issues are inseparable from corporates achieving sustainable growth. Executing management considering diverse stakeholders, such as customers, shareholders, employees, business partners, and local communities, is extremely important for building a sustainable society and for a sustainable expansion of corporate values. At the same time, resolving ESG issues promotes innovation and invention of new solutions. Those are major investment opportunities, and a source of sustainable economic growth and long-term expansion of corporate values. We believe that investors, by exercising ESG investments, focusing on sustainability, will ultimately lead to generating both social well-being and investment returns.

Our several surveys show that ESG investment is steadily expanding and deepening from equities into fixed income, real estate, and private equity. In addition, global regulators, including Japan, are strengthening their regulations to protect investors for promoting the expansion of ESG investment to retail investors. There is no doubt that ESG investing will become even more important, and we believe that it will lead to both the enrichment of society and investment returns.

Invesco’s global purpose is; “We exist to help people get more out of life by delivering a superior investment experience.” It is our utmost pleasure to achieve the above “purpose”, by implementing ESG investment as an investment manager and continue to contribute to promoting sustainable future of our society.

This report introduces Invesco's ESG initiatives and stewardship activities. We hope that this report will help you understand our commitment to ESG investments, our concepts and practices of stewardship activities.

# To Strengthen Japan's Investment Culture



# Our Japanese Equity Investment Approach

## Commitment to investment stewardship as a long-term active investor

For asset managers who owe a fiduciary duty, their mission is to maximize returns within the risk defined by clients' investment management guidelines (investment process). Then, we believe that the source of the investment returns ultimately comes from sustainable corporate value growth based on the competitive advantage of the business models and management strategies. We analyze and assess companies' sustainable growth potentials from various perspectives and invest in companies from a long-term perspective.

For the long-term sustainable growth, it is essential for a company to generate robust free cash flow, allocate capital to increase corporate value and capital efficiency, and implement deliberate policies to distribute capital surplus, including dividends, based on superior business models and management strategies combined with innovation, including differentiated technologies. We believe that a company's environmental, social and governance (ESG) practices and performance are vital factors ensuring the sustainability of these corporate actions. Especially, corporate governance (G) plays a critical role in promoting E (initiatives to protect and improve environments) and S (consideration and initiatives for various stakeholders, including employees). We believe that such ESG initiatives increase the sustainability of corporate value creation and, ultimately, the sustainability of the entire society. Therefore, it is the responsibility of asset managers to integrate ESG into an investment process.

Invesco takes an investor-driven ESG integration approach. We believe that this framework, where research analysts and portfolio managers with insights into investee companies carry out ESG analysis as part of their investment decisions and engage in constructive dialogue directly with companies, as necessary, secure the effectiveness of stewardship activities as an active investor. Invesco has also established systems and resources to support ESG integration globally.

The coronavirus pandemic, Russia's invasion of Ukraine and inflation have been significantly changing corporate

business environments at an accelerated pace. Instead, the reality is that these changes have already occurred and accelerated the changes underway. Many countries have already committed to achieving net-zero carbon emission to tackle climate changes, and Japan is no exception. In addition, it has become widely accepted that diversity and inclusion not only safeguards human rights and employee welfares but also fosters innovation. Those companies that appoint independent outside directors just to make up the numbers without strategic planning have lost the opportunities to leverage external insights and expertise. Besides, Japanese companies' underinvestment in human capital has posed another challenge. The idea that ESG is just regulatory requirements costing companies is wrong. We believe that ESG offers an opportunity and forms an essential element in sustained corporate value creation.

As a long-term high-conviction active investor, we invest in companies with an emphasis on ESG. If investors engage in constructive dialogue with investee companies and contribute to the long-term growth of corporate value, this appears to create a win-win situation. And we Invesco aim to achieve such long-term win-win investing.



**Daiji Ozawa, CFA**  
Chief Investment Officer (CIO), Managing Director  
Invesco Asset Management (Japan) Limited.

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**an emphasis on ESG. By engaging in constructive dialogue with investee companies and contributing to the long-term growth of corporate value, we aim to achieve long-term win-win investing.**



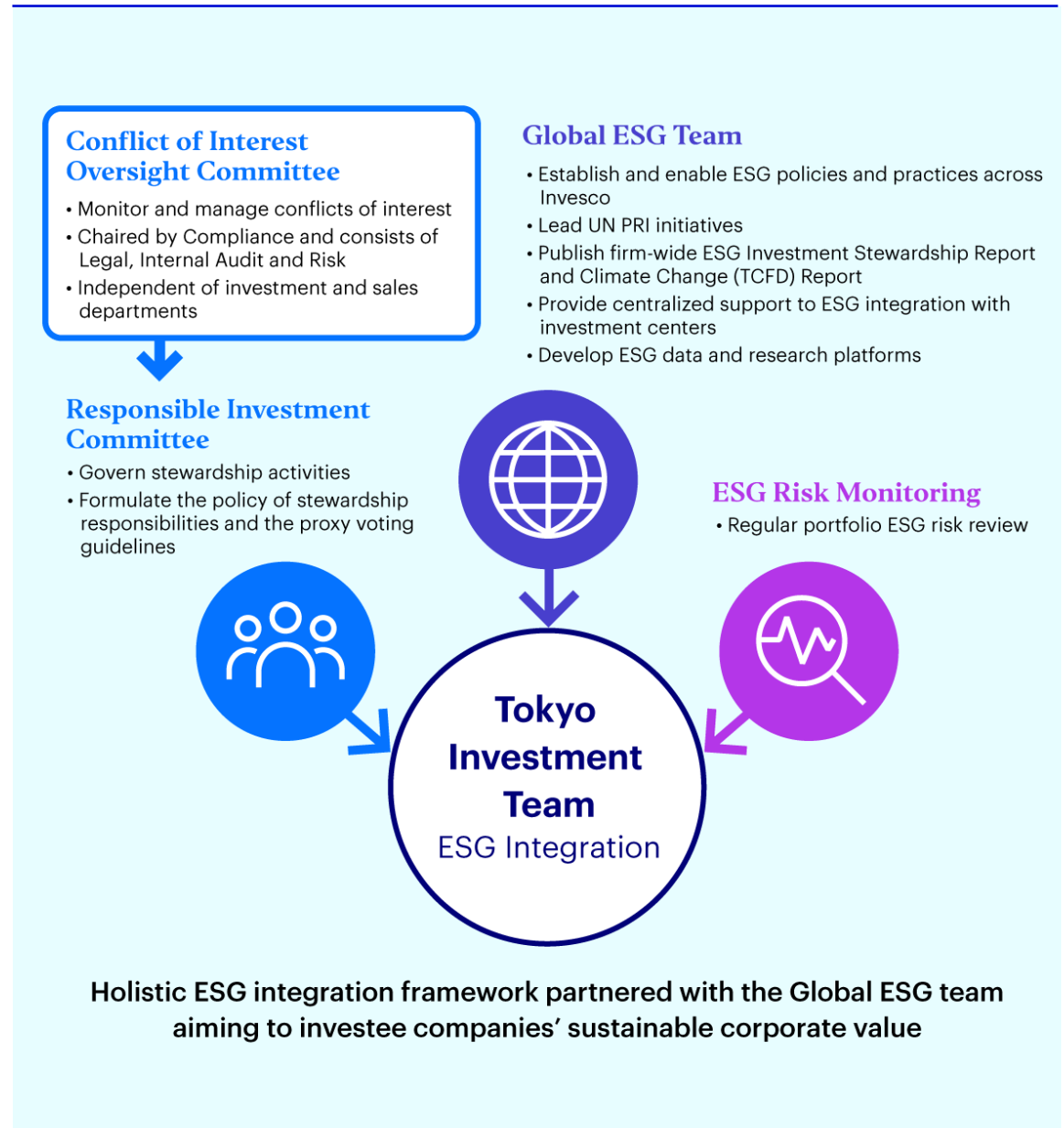
# Our Investment Stewardship Structure

To enable effective investment stewardship, Invesco Japan (hereinafter "we") has established an investor-driven ESG integration framework. Portfolio managers and research analysts, who make investment decisions for Japanese equity portfolios, take the lead in engagement with companies on a number of issues, including ESG-related issues, and make proxy voting decisions. At the same time, we have established the structure to govern stewardship activities as laid out below.

The Responsible Investment Committee governs our stewardship activities, and the Conflict of Interest Oversight Committee monitors them from conflict of Interest perspectives.

The Responsible Investment Committee consists of members, including Chief Investment Officer, as the chair, as well as Head of Compliance, Head of ESG Japan, investment professionals nominated by the chair, and other members, including persons in charge at the Client Reporting department. The committee formulates and authorizes the Policy of Stewardship Responsibilities and Invesco Japan Proxy Voting Guideline and oversees these activities. Proxy voting results and stewardship activities are reported to the Responsible Investment Committee. While our proxy voting guideline is principles for the investment team's voting decisions, depending on a proposal, the team may make an exception if the team concludes that such a decision is in the best interests of clients and beneficiaries after having constructive dialogue with the investee company. In such a case, approval of the Responsible Investment Committee shall be obtained. Meanwhile, the Compliance department reviews whether a conflict of interest is prevented and managed in stewardship and proxy voting activities, and the Conflict of Interest Oversight Committee monitors them. The Conflict of Interest Oversight Committee reports these monitoring results to the Executive Committee as well as the Invesco Proxy Advisory Committee.

The Conflict of Interest Oversight Committee, chaired by Head of Compliance, consists of Head of Administration, Head of Internal Control Management, Head of Risk Management, Head of Legal with Auditor and Internal Audit participating as observers. The committee monitors and manages a conflict of interest independently from business units, such as Sales and Investment departments. The Compliance department, a pivotal member of the Responsible Investment Committee and the Conflict of Interest Oversight Committee, has a reporting structure independent of Sales and Investment departments at Invesco. Furthermore, Internal Audit, independent of all departments, including Compliance, evaluates and improves the effectiveness of risk management, control and governance processes strengthening the management system.



# Integrating stewardship activities into the heart of our investment process

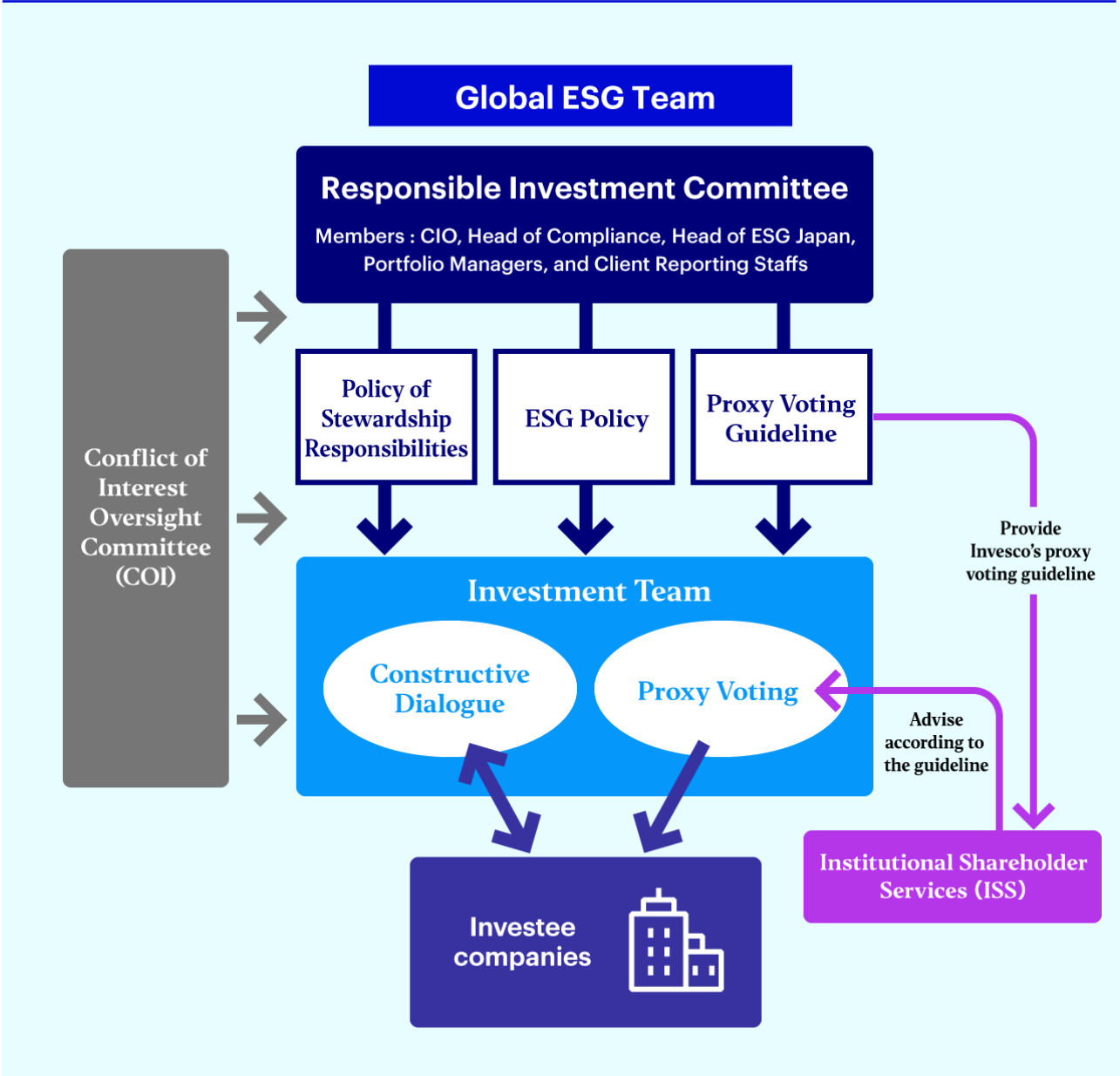


**Kaoru Kobu**  
 Head of ESG Japan  
 Invesco Asset Management (Japan) Limited.



An investor-driven approach is the essential feature of Invesco’s stewardship activities. We conduct stewardship activities to achieve the long-term growth of corporate value, a common goal between investee companies and asset managers. Corporate value is the present value of aggregated cash flow generated by corporate activities, and we focus on the cash generation power and the capital cost management capability of a company. ESG must be considered part of the cash generation power and impact corporate value from both risk and opportunities perspectives.

Meanwhile, asset managers recognize the growing demand for transparency in stewardship activities and proxy voting as these activities evolve. We aim to improve our transparency further through various opportunities, including engagement with investee companies and clients and disclosures, including this stewardship report.

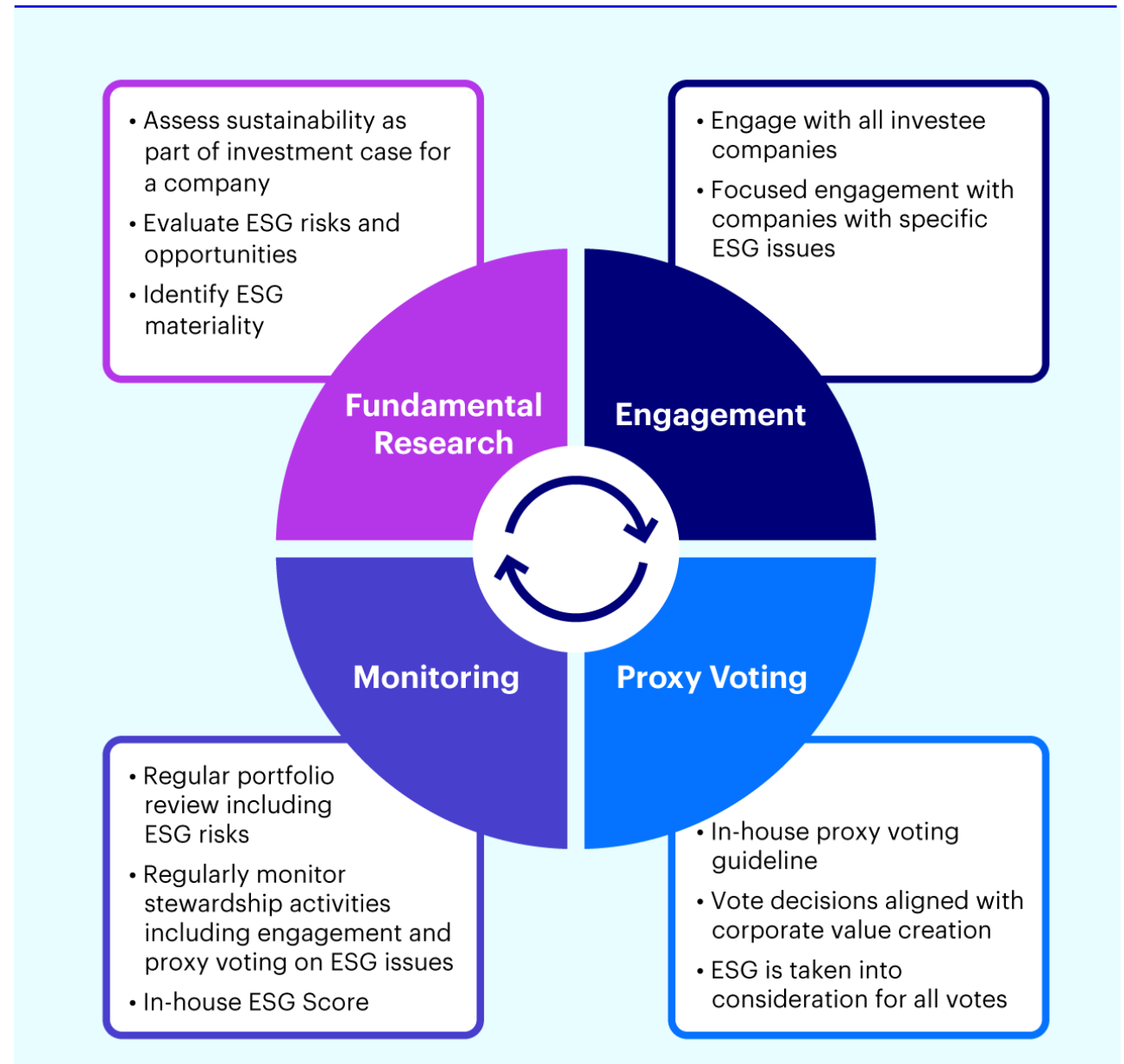


# ESG Integration and Engagement Policies

## ESG integration process

We believe that companies' ESG strategies and performance affect the sustainability of long-term corporate value growth significantly. In other words, as a long-term investor, we believe that ESG analysis plays a crucial role to strengthen conviction in investment decisions. Therefore, in making final investment decisions, we place the significance on qualitative analysis, including ESG strategies assessment, on top of fundamental research based primarily on financial information. We conduct ESG analysis based on information obtained through constructive dialogue with companies, as well as other sources, including companies' disclosures, third-party ESG research, and so on. In this process, we seek to identify the material ESG issues of each company. We do not make investment decisions solely based on ESG information but deem it one of the important factors to determine the sustainability of corporate value creation.

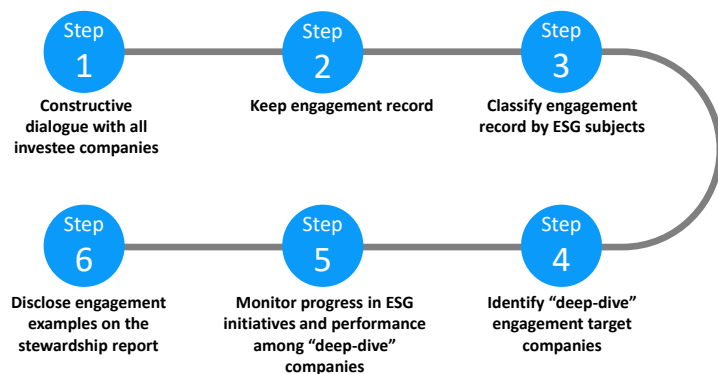
Company meetings, particularly with management, are essential in investment decision-making. As a long-term investor, our approach to company meetings focuses on sustainable corporate value growth from a long-term perspective. In a meeting, we obtain information necessary for investment decisions and have various dialogues as necessary. Such meeting information is shared and pooled within the investment team.





## Engagement policy

We believe that it is very important for portfolio managers and research analysts, who make investment decisions, to have an opportunity to engage in constructive dialogue with investee companies directly. As a long-term investor, we focus on sustainable corporate value growth, attend a company meeting from a mid to long-term perspective, obtain information necessary for investment decisions, and engage in various dialogues as necessary. Accordingly, we have many opportunities to engage in multiple constructive dialogues, including ESG strategies and performance, in usual meetings with investee companies, even though a specific agenda is not set in advance.



## ESG analysis to determine materiality

We believe that the important ESG issues (materiality) of companies and the desired approach to deal with them vary by the business environment, growth stage, and other factors. Taking into account such situations, we determine ESG materiality using in-house research combined with external resources based on information obtained through constructive dialogue with companies.

In ESG analysis, we grasp investee companies' situations from the perspectives detailed below and engage in dialogue as necessary. These items are under continuous review and updated as needed.

## E (Environment)



The global economy faces so many environmental issues, and environmental subjects have become increasingly important for global investors. While environmental issues may not be dealt with by a single company, we believe that individual companies' efforts to recognize those issues and minimize adverse impacts on the environment will lead to the sustainable growth of corporate value together with the sustainability of the entire society.

While each company faces a unique set of environmental challenges, depending on its business portfolios/regions/sizes, it must have set climate policies aligned with its business and enhance disclosure. In particular, continuous and consistent disclosure is essential. Such disclosure items include CO2 emission per revenue and policies on climate change and environmental management.

## S (Society)



For achieving the sustainable growth of corporate value, we believe transparent and effective human capital management strategies, proper labor standards, diversity policies and so on are necessary. Besides, companies must take action against social issues within the broader supply chains.

On top of compliance with laws and schemes and implementation of diversity policies, it is increasingly important to enhance disclosure. Such disclosure items include the percentage of women on the board, human rights policies and employee training programs.

## G (Governance)



Environmental and Social agenda form part of a company's management strategy, where governance plays a critical role in governing Environmental and Social policies. Accordingly, corporate governance is a critical element in achieving sustainable corporate value growth. While each company's governance structure would differ depending on its growth stage, size and so on, it is crucial to establish the structure that the board of directors mandated by shareholders determines long-term business strategies, including capital allocation, to achieve sustainable corporate value growth and oversees its execution. To do so, the board should be independent and have diversified members satisfying a skill matrix. A proper succession plan should also be in place to secure the continuity of management strategies. Furthermore, the board must lay out business strategies to reach the level of capital productivity exceeding capital cost in the long run. Besides, it is important to stimulate sustainable corporate value growth and, at the same time, deal with Environmental and Social challenges. Key governance criteria include board structure, board independence, long-term business strategies, capital policies, capital productivity targets and business ethics.

## Proprietary ESG scores

For ESG integration, we refer to proprietary ESG scores, both the investment team's local ESG scores and Invesco's global ESG Intel ratings. Global corporate ESG disclosure standards are currently in a development stage by various organizations, and listed companies need to meet such global standards. Meanwhile, the availability of disclosure information could vary depending on a company's size, growth stage, disclosure language and timing. Accordingly, we use both local and global in-house ESG scores.

The ESG scorings are primarily run using multiple third-party data and rating providers, such as Bloomberg, Sustainalytics, MSCI and Toyo Keizai. The investment team assesses both absolute and relative ESG scores. They do not make investment decisions solely based on the level of ESG ratings. Still, they think that ESG scorings help them to identify business opportunities and risks as well as areas to improve disclosure.

While we deploy third-party vendors to collect ESG information efficiently, company disclosure and engagement with investee companies are critical for our investment decision-making.

# Best Corporate Governance Practices

We believe that strengthening corporate governance structures is one of the key drivers of sustainable corporate value growth. While each company's governance structure would differ depending on its growth stage, size, challenges management faces and so on, the core elements that we believe strengthen governance structures are listed below.



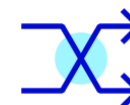
## Role of the Board of Directors

Under the Companies Act, a company may select the following structures: a company with Board of Statutory Auditors (Kansayaku), a company with Audit Committee, and a company with three Committees (Nomination, Audit and Remuneration). In any case, it is important to perform the role of the Board of Directors effectively. The Board has a duty to formulate management strategies achieving sustainable corporate value growth from a medium to long-term perspective, allocate capital efficiently, and oversee whether executive functions make appropriate decisions and implement them accordingly. Therefore, we think that the separation of executive and oversight functions is desirable. An optimal governance framework would differ depending on a company's size and growth stage. In any case, to enhance the effectiveness of the Board of Directors, a decision-making process should be transparent, and the monitoring function should be strengthened. For a mature firm, it is important to delegate management decision-making to executive functions, strengthen the monitoring functions by the Board and ensure the transparency, objectivity, and fairness of management strategies. From this perspective, we believe that a company with three Committees is a superior governance structure. Furthermore, we believe that it is desirable to appoint an independent outside director as a Chair of the Board, separating from a CEO function. Ensuring the independence of the Board of Directors is expected to make the Board's oversight function more effective and accountable.



## Board structure - skills matrix

For performing the Board of Directors effectively as described above, it is necessary to restrain the Board size optimal, stimulate discussions and establish an appropriate decision-making process. Therefore, the skills matrix of the Board of Directors, including knowledge, experience and abilities, should be defined based on the challenges faced by each company, and inside and outside directors should be appointed accordingly.



## Board diversity

For quite a while, it has been said that age, gender, nationality and background diversity creates innovation increasing energy, vigor and productivity, and the Board of Directors is no exception. The Board must have diverse views from independent outside directors to make efficient decisions increasing corporate value in a rapidly changing business environment, oversee business operations, including Plan, Do, Check and Action (PDCA) cycles, and manage various risks a company faces. Diversity must be achieved not only on the Board but also among operating managers and employees. We believe that it is about time that company management demonstrates diversity and inclusion commitment. At this stage, for Japanese companies, increasing gender diversity should be the priority. We revised our proxy voting guideline in April 2022 and have set the bar that a company must appoint at least one female director. In the coming years, 30% or above females on the Board will be an important indicator. Promoting gender diversity based on a highly transparent human resource strategy must contribute to sustainable corporate value growth and have trickle-down effects on other diversity agendas.



## Roles and competency of independent outside directors

The role of the independent outside directors is to oversee whether management makes appropriate business strategy decisions, allocates capital accordingly, safeguards minority shareholders' interests and so on. Another important role is to encourage appropriate risk-taking while also preventing management from abusing its authority and taking excessive risks. From a third party's perspective, independent outsider directors are expected to be involved in and advise on matters difficult to make appropriate judgments and evaluations only among insiders. In order to fulfill such roles, it is desirable that independent outside directors represent the majority or more of the Board of Directors and are appointed based on the skills matrix and diversity on top of independence. Besides, information sharing and training opportunities to make the right decisions should be provided. Overboarding is also an important issue. To understand a company fully and supervise it properly, we believe that the number of companies would be limited. Therefore, upon the revision to our proxy voting guidelines in April 2022, we have set four as the maximum number of listed companies or equivalent companies a board director can perform duties. While we do not have a numerical target, if a company executive serves an outside director role, the workload and time allocation should be examined. In order to determine independence and suitability, it is crucial for investors to engage with not only company executives but also independent outside directors. Furthermore, sufficient disclosure is critical to cast proxy votes in our clients' best interests. At present, we recognize that there are some cases where the content and timing of statutory disclosure, such as Notice of Annual General Meeting (AGM) and annual financial reports, is inadequate for making proxy voting decisions.



### Board independence

We believe that the Board of Directors must be as independent as possible to perform management oversight functions, ensure accountability in decision-making, and protect minority shareholder rights. In other words, in the long run, the majority of the Board should be independent outsiders. Japan's Corporate Governance Code, revised in June 2021, requires prime market-listed companies to appoint at least one-third of independent outside directors. In addition, the revision to the Companies Act, which came into effect in March 2021, mandates to designate outside directors. Accordingly, upon the revision to our proxy voting guideline in April 2022, we have set the policy that independent outside directors must account for at least one-third of the Board. We believe that board independence must be retained by appointing more independent outside directors taking the skills matrix and diversity into consideration. In the case of a listed subsidiary, including parent-subsidary listings, independent outside directors' majority is necessary to protect minority shareholder rights. When casting a proxy vote, we require independence from a subject company of an outside director nominee. Our proxy voting guideline defines independence criteria for outside directors.



### Listed subsidiaries

We believe that parent-subsidary listings raise corporate governance concerns. Therefore, it is necessary to ensure sufficient independence at the Board of Directors at a subsidiary, safeguarding minority shareholders' interests and ensuring sound management of a conflict of interest. To this end, independent outside directors must consist of at least the majority of the Board, and these directors should be independent of both the parent company and the subsidiary.



### Succession planning

Succession planning for top executives is one of the major strategic decisions, requiring the full engagement of the Board of Directors. The Nomination Committee of a company with three Committees or the arbitrary Nomination Committee under other board structures must be chaired by an independent outside director. In addition, successor development and the appointment and discharge of top executives must secure transparency and accountability. At the same time, human capital management from long-term perspectives is essential for the long-term sustainability of corporate value growth.



## Remuneration structure

It is desirable that a remuneration structure is linked with sustainable corporate value growth and motivates company executives to achieve it. The Remuneration Committee of a company with three Committees or the arbitrary Remuneration Committee under other board structures is expected to ensure transparency and objectivity of a remuneration scheme. At a Japanese company, a remuneration structure needs to provide long-term incentives by adopting equity compensation effectively and disclosing the details of the compensation scheme and the amount granted and vested.



## Capital policy and cost of capital

When developing medium to long-term management strategies for sustainable corporate value growth, a company must assess the cost of capital and implement capital allocation and balance sheet optimization, including business portfolio review, to earn returns exceeding its cost of capital over the long term. We understand that there is no single accepted figure for the cost of capital. That said, it would be a valuable guide for companies and investors to exchange their views on business strategies and capital policies and engage in constructive dialogue.



## Cross-shareholdings

Without economic rationality, cross-shareholdings, whereby companies hold minority shares in other companies for the sake of business relations, could impair capital market efficiency, have adverse impacts on corporate governance and prevent sustainable corporate value growth. From a capital cost perspective, they impede optimal capital allocation and increase the impact of stock market volatility on a company's balance sheet on top of economic cycles affecting earnings. Besides, there is the possibility that they lead to an excessive rise in "friendly" stable shareholders and anti-takeover measures. Therefore, we believe that a company must unwind cross-shareholdings, unless there are appropriate reasons, and must not hinder the sales when their shareholders intend. If it is impossible to unwind cross-shareholdings immediately, disclosures of the reasons and assessment according to Japan's Corporate Governance Code are compulsory. In addition, we believe that the proper exercise and disclosure of proxy votes combined with an ongoing reduction in cross-shareholdings are necessary. Upon the revision to our proxy voting guideline in April 2022, we have set the policy that cross-shareholdings must account for 20% or less of its net assets while we consider the industry-specific circumstances.

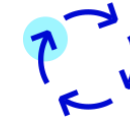
Meanwhile, cross-shareholdings play different roles in different industries. For proxy voting decisions, we conduct engagements and take into consideration such industry-specific circumstances where necessary. Besides, the increased number of companies has made progress in their future reduction plans. We think that further improvement in disclosure, including the transparency in proxy voting for cross-shareholdings, is critical.

We also keep an eye on the companies which makes other companies possess its shares. Again, these companies must not hinder the sale when their shareholders intend. Besides, we recommend that such a policy be clearly stated in a corporate governance report. Finally, we believe that business opportunities should not be conditioned by cross-shareholdings.



## ESG disclosure

Global corporate ESG disclosure standards are currently in a development stage by various organizations, and listed companies need to meet such global standards. We believe that the Board of Directors needs to commit to ESG disclosure and allocate sufficient resource to it to achieve sustainable corporate value growth.



## Initiatives to achieve a sustainable society

A company needs to take initiatives contributing to achieving a sustainable society. We consider the UN's Sustainable Development Goals (SDGs) as an opportunity to grow business in this space, which shows a direction to increase corporate value sustainably. ESG, on the other hand, is an essential element of a going concern and the sustainability of the corporate itself. In this sense, while SDGs are a top-down approach, ESG can be considered bottom-up. Therefore, sufficient disclosure of ESG and SDGs initiatives is desirable.



## Our climate change initiatives

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Invesco has been a supporter of the Task Force for Climate-Related Financial Disclosures (TCFD) and published the global Climate Change Report. Invesco also participates in Climate Action 100+ and Net Zero Asset Managers Initiative. As an asset management company, we have two responsibilities—our own efforts to curb climate change and constructive engagement with investee companies to encourage their climate-related efforts. Japan's Corporate Governance Code, which was revised in June 2021, explicitly states the importance of the TCFD or equivalent disclosure framework among listed companies. By participating in the TCFD Consortium in Japan, we strive to broaden our knowledge to utilize TCFD information in fundamental company analysis and engagement. In constructive dialogue, we voice investors' views about climate-related disclosures among listed companies. We also take part in the ESG Disclosure Study Group and advocate best disclosure practices among Japanese companies.



## Our human capital and diversity initiatives

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To achieve sustainable corporate value growth, adequate investment in and the effective deployment of human capital is crucial. On the Board of Directors, gender, nationality, career, age, and other backgrounds diversity must improve its effectiveness. Similarly, in a workplace, promoting diversity should make an organization resilient to a rapidly changing business environment as well as attract and retain the right talents. We participate in the 30% Club Japan, which is part of a global initiative aiming to achieve sustained growth in corporate value by promoting gender diversity. At this moment, we believe that increasing the ratio of female directors on the Board is one of the most effective measures to increase diversity at Japanese companies. At the same time, human capital development based on a long-term strategy, combined with the design and implementation of an accountable human resource management system, is also important for sustained growth of corporate value.



## Revision to Invesco Japan proxy voting policy

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Invesco's Policy Statement on Global Corporate Governance and Proxy Voting (Global Proxy Policy) sets forth the framework of the firm's broad philosophy and guiding principles that inform the proxy voting practices of our investors around the world. Meanwhile, we have laid down Invesco Japan Proxy Voting Guideline to satisfy Japan's Corporate Governance Code and other local laws and regulations. In accordance with the second revision to Japan's Corporate Governance Code in June 2021, we updated our proxy voting guideline in April 2022 reflecting our view on best corporate governance practices as follows:

- Independent outside directors must account for at least one-third of the Board of Directors
- At least one female director must be appointed
- Cross-shareholdings must account for 20% or less of its net assets
- The maximum number of listed companies or equivalent companies a board director can perform duties is four.

In the revision in April 2023, we set out the guideline for a virtual-only AGM that we vote for such proposals if a company establishes a sufficient structure to safeguard shareholder rights.

## Shareholder proposals

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We make voting decisions on each shareholder proposal based on thorough assessment, including legal perspectives, as to whether such a proposal contributes to the long-term growth of corporate value.

Shareholder proposals concerning ESG have been increasing. Due to the limitation on proposals which can be submitted to an AGM, shareholders often seek to amend articles of incorporation. We acknowledge that articles of incorporation should determine corporate principles without spelling out details. We give progress in companies' ESG practices and disclosure a positive consideration. At the same time, we also need to consider the impact of amendment to articles of incorporation if accepted.



# Principles for Responsible Institutional Investors (Japan's Stewardship Code) Stewardship Activities and Self-Assessment

## Policy of Stewardship Responsibilities

We are a signatory of the Japan's Stewardship Code. The Code frames our approach to contribute to the sustainable growth of corporate value and maximize the long-term returns for our clients, and at the same time fulfill our stewardship responsibilities as an institutional investor.

(Japanese Only)

<https://www.invesco.com/jp/ja/policies/stewardship-code.html>



According to the revision to Japan's Stewardship Code in March 2020, we amended the Policy of Stewardship Responsibilities in September 2020.



	Stewardship Activities	Self-Assessment
<b>Principle 1</b>	<ul style="list-style-type: none"> <li>Amended the Policy of Stewardship Responsibilities</li> </ul>	<p>We disclose the engagement policy that embraces sustainability and contributes to the sustainable growth of corporate value. We evaluate that our activities comply with the principle.</p>
<b>Principle 2</b>	<ul style="list-style-type: none"> <li>Continued to publish the Conflict of Interest Management Policy which illustrates specific cases falling under a conflict of interests</li> <li>Reported stewardship activities including proxy voting results to the Conflict of Interest Oversight Committee, ensuring rigorous conflict of interest management</li> <li>Publicly disclosed all proxy voting results and the rationales for voting decisions submitted against resolutions</li> </ul>	<p>We disclose the policies ensuring the transparency of stewardship activities, including the proxy voting records, and Invesco put in place the control framework as a global company. Therefore, we evaluate that our activities comply with the principle. Besides, Invesco is an independent asset management firm listed on the New York Stock Exchange (NYSE).</p>
<b>Principle 3</b>	<ul style="list-style-type: none"> <li>Examined investee companies' fundamentals from a medium to long-term perspective and conducted a constructive dialogue with them with a focus on sustainable corporate value growth</li> </ul>	<p>We integrate ESG as part of fundamental research from a medium to long-term perspective and conduct constructive dialogue considering sustainability led by portfolio managers and research analysts. We evaluate that our activities comply with the principles.</p>
<b>Principle 4</b>	<ul style="list-style-type: none"> <li>Revised Invesco Japan Proxy Voting Guideline in April 2022. Amended it again in April 2023.</li> <li>Emphasized constructive dialogue with investee companies in proxy voting decision-making</li> <li>Disclosed all proxy voting results and the rationales for voting decisions submitted against resolutions and communicated the rationales behind voting decisions and the premises of proxy voting activities to investee companies.</li> <li>Engaged in dialogue with a proxy advisory firm as appropriate.</li> </ul>	<p>To revise and amend Invesco Japan Proxy Voting Guideline, the investment team debates the subject from the perspective of long-term corporate value increase, taking into account regulatory and legal frameworks, such as Japan's Corporate Governance Code and Companies Act. Then, the Responsible Investment Committee authorizes them. We adopt an investor-driven proxy voting approach focusing on the sustainable growth of investee companies' value. We evaluate that our activities comply with the principle.</p>
<b>Principle 5</b>	<ul style="list-style-type: none"> <li>Published the annual Invesco Japan Stewardship Report</li> <li>Disclosed Invesco Japan Proxy Voting Guideline, the Policy of Stewardship Responsibilities, all proxy voting results and the rationales for voting decisions submitted against resolutions on the website</li> </ul>	<p>We have been improving the disclosure of stewardship activities, including this annual report. We evaluate that our activities comply with the principle.</p>
<b>Principle 6</b>	<ul style="list-style-type: none"> <li>Carried out self-assessment of stewardship activities</li> <li>Fulfilled ESG requirements and reporting, liaising with Invesco's Global ESG team</li> <li>Undertook external ESG initiatives and activities</li> <li>Established and strengthened internal systems for effective stewardship activities</li> <li>Disclosed the progress and outcomes of constructive dialogue with investee companies</li> </ul>	<p>We have been deepening our understanding of good stewardship practices and ESG issues in Japan as well as overseas. We also continue our deliberate efforts to strengthen stewardship activities and revitalize the entire investment chain. We evaluate that our activities comply with the principle.</p>
<b>Principle 7</b>		<p>Principle 8, which is applied to service providers for institutional investors, is excluded.</p>

Principle 8, which is applied to service providers for institutional investors, is excluded.

## Principle 1

**Institutional investors should have a clear policy on how they fulfill their stewardship responsibilities, and publicly disclose it.**

### Our Policy

Invesco ensures the global structures, allowing investment teams to fulfill their fiduciary duty and stewardship responsibilities. We aim to maximize the returns to our clients through the sustainable growth of investee companies' value and undertake stewardship activities as an active investor.

We have formulated and published the Policy of Stewardship Responsibilities.

With the senior management's commitment, we have been enhancing global collaboration to step up our stewardship journey.

### Fiscal Year (FY) 2022 Activities

Apr-22	"2022 UK Stewardship Code Report" was published.
Jul-22	Invesco published firm-wide "2021 ESG Investment Stewardship Report".
Dec-22	Invesco published "2021 Climate Change Report".
Jul-23	Invesco published "2022 Global TCFD Report".

### Self-Assessment

We evaluate that our activities comply with the principle in accordance with the Policy of Stewardship Responsibilities updated in 2020.

With embracing sustainability, we will continue to review and disclose our stewardship policy.

## Principle 2

**Institutional investors should have a clear policy on how they manage conflicts of interest in fulfilling their stewardship responsibilities and publicly disclose it.**

### Our Policy

Integrity, fairness, equality, and the best interests of clients are the most crucial part of our management philosophy and code of ethics. As an asset management firm, we identify, manage, record an actual or apparent conflict of interest between Invesco Japan (including directors, employees and any other persons directly or indirectly involved) and clients or between clients. If any matter falls under a conflict of interest, we shall take necessary actions, including disclosure, following our own conflict of interest management policy.

This policy applies to all business activities, and the Conflict of Interest Management Policy illustrates specific cases falling under a conflict of interest.

<https://www.invesco.com/jp/ja/policies/interest-conflict-policy.html> (Japanese only)

The Compliance department is responsible for conflict of interest management, and the Conflict of Interest Oversight Committee ensure good governance.

### FY 2022 Activities

The Conflict of Interest Oversight Committee, established in April 2018, ensured effective and systematic management of conflicts of interest. Stewardship activities, including proxy voting results and engagement with investee companies, are reported to the Conflict of Interest Oversight Committee, and the committee confirmed that there was no issue identified. Besides, the Compliance department examines whether proxy votes related to our major clients as well as distributors and custodian banks of our beneficiary certificates (fund) caused a conflict of interest.

In May 2022, we publicly disclosed all proxy voting results in FY 2021 (from April 2021 to March 2022). At the same time, we disclosed the rationales for voting decisions submitted against management proposals and shareholder resolutions to increase transparency and accountability in our voting activities.

Tsuyoshi Mochiyama

Head of Compliance and Conflict of Interest Oversight Committee Chair

"We examined reports on stewardship activities, including proxy voting results during the FY 2022 in light of any situations that gave rise to an actual or apparent conflict of interests and identified no such a case."

### Self-Assessment

We evaluate that our activities complied with the principle.

**Principle  
3**

**Institutional investors should monitor investee companies so that they can properly fulfill their stewardship responsibilities with an orientation toward the sustainable growth of the companies.**

**Principle  
4**

**Institutional investors should seek to arrive at an understanding in common with investee companies and work to solve problems through constructive engagement with investee companies.**

**Our Policy**

As a long-term investor, we emphasize sustainable corporate value growth. We conduct company meetings from a medium to long-term perspective to obtain the information for investment decision-making and engage in various dialogues as necessary. Even if a specific agenda is not established in advance, we have constructive discussions on many perspectives, including ESG strategies, in a regular company meeting.

**Our View on Engagement Outcomes**

When we have constructive dialogue on their various challenges, including ESG, with investee companies, we convey our opinions as an investor and discuss the path to achieve sustainable corporate value growth. On the other hand, it is difficult to systematically evaluate an engagement outcome, that is to say, to identify which engagement made a company take necessary action. Nonetheless, we can increase the effectiveness of engagement by sharing the engagement dialogues internally and tracking the progress.

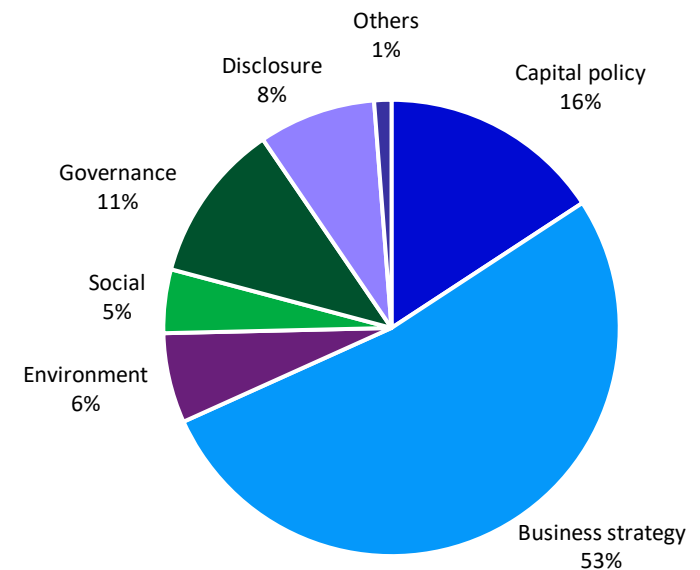
We also have multiple occasions where investee companies ask for advice on governance and disclosure. While we believe that there are many cases where our communication on best practices for listed companies from a long-term investor's perspective support a move toward betterment, it should be not appropriate to attribute such improvement solely to our engagement. Instead, the efforts of the entire investment chain contribute to the action, and we conduct stewardship activities to play an active role within the chain. In addition, constructive dialogue with a wide range of stakeholders, including regulators and industry parties concerned, is another option. We also do not rule out the possibility of participating in collective engagement as necessary.

**FY 2022 Activities**

In FY 2022, we had a one-on-one meeting with 307 companies, including both investee companies and prospects. We conducted 828 one-on-one engagements, out of which 332 were engagements with an executive director level or higher positions.

Our constructive dialogues and engagements cover various themes, including ESG. The chart below illustrates the engagement breakdown by theme in FY 2021. If we discussed multiple subjects in a meeting, we counted each subject as one engagement.

We discuss business strategies in almost all meetings. Meanwhile, the recent trend is that the percentages of environmental themes to enhance the sustainable value creation and effective risk mitigation get close to those of governance, such as board structures and the competency/independence/diversity of directors. In particular, the occasions to engage on sustainability related disclosure upon a company's request have been increasing.



**Self-Assessment**

In company engagements, we seek to identify ESG issues (materiality) on top of understanding and analyzing the situations of investee companies based on fundamental research. We track the contents and progress of engagements and share them internally.

To improve engagement quality, we leverage insights within Invesco, collect and analyze data utilizing third-party vendors and liaise with outside experts and institutional investors. Thus, we evaluate that our activities comply with the principles.

Invesco takes an investment-led engagement approach. Portfolio managers, who make final investment decisions, engage in constructive dialogue, thereby enhancing effectiveness. In addition, each portfolio manager discusses specific sustainability subjects relevant to their investment strategy.



## Examples of Engagement in FY2022

The following are examples of constructive dialogue we conducted in FY 2022.

# CASE STUDY

## Case 1: Company A



### Background

Company A appointed an independent outside director who used to work for its business partner. In addition, the company's non-financial disclosures were limited and had room to prove external evaluations/ratings.



### Progress①

As the company explained that the outside director contributed to increasing corporate value in engagements, we obtained approval of the Responsible Investment Committee and voted for the appointment. At the same time, in the meeting with the company President, we pointed out that the outside director's approval rating was not high, and the company needed to communicate it well with investors.



### Progress②

We also showed good non-financial disclosures by other companies and encouraged Company A to improve such disclosures, which carries positive implications for corporate value. The President recognized the issue. Accordingly, we introduced a good practice company which could share disclosure examples.



### Progress③

The company set up a sustainability page on its website and illustrated alignments between its business and the Sustainable Development Goals (SDGs). Furthermore, the following year's Notice of AGM included skill matrixes. Meanwhile, the rationale for the board appointment remained broadly unchanged.



### Assessment & Future Plan

We appreciated the company's attitude towards further disclosures but acknowledged room for improvement. While the company has a unique business model and high profitability, it should be aware that higher disclosure and governance standards must be achieved along with its corporate value growth. We will carry on dialogue on these issues.

## Case 2: Company B



### Background

Company B had a female statutory auditor but lacked a female director on the board.



### Progress①

We engaged on the importance of setting the bar that a company must appoint at least one female director in our proxy voting guideline according to the emphasis on diversity in Japan's Corporate Governance Code as well as from the perspective of board effectiveness.



### Progress②

In the engagement, the company confirmed that it fully acknowledged the importance of a female board director. It also explained that it took time to select a candidate but prepared for it. However, we voted against the appointment of top executives at the AGM due to limited details and disclosures.



### Progress③

We carried on the dialogues on board diversity, where the company kept updating us on internal discussions. In the following year's AUM, the company appointed its first female board director.



### Assessment & Future Plan

We thought highly of the company's board diversity awareness and female director appointment. We will carry on further dialogues on the transparency in the board director appointment process and the enhancement of board effectiveness.



## Examples of Engagement in FY2022

The following are examples of constructive dialogue we conducted in FY 2022. Case 3/4 illustrates the progress of the engagement cases from the previous year.

# CASE STUDY

## Case 3: Company C

### Background



Company C is a listed subsidiary whose parent company has a majority stake, so robust governance structures are demanded.

### Progress ①



Our proxy voting guideline set out the stricter policy for a listed subsidiary that independent outside directors must account for at least the majority of the Board of Directors. We discussed the policy and the importance of corporate governance. The company increased the number of outside directors and achieved their majority on the board at last year's AGM. At that time, the company also set up the arbitrary Nomination Committee, but it was chaired by the top executive.

### Progress ②



At this year's AGM, the company appointed an internal executive director who used to work for the parent company. As a result, outside directors were reduced to exactly half, and their share declined from the previous year.

### Progress ③



Therefore, we engaged on the deterioration of board independence. The company confirmed that its recognition for the importance of board independence remained unchanged. However, we voted against the appointment of top executives following our proxy voting guideline. In addition, we voted against the internal executive director appointment.

### Assessment & Future Plan



The company has the arbitrary Nomination Committee, but it is chaired by the top executive and has room for improvement. While its corporate governance report states that the company ensures independence from its parent company, its explanation for accepting a board director from its parent company is insufficient from a group governance perspective. Therefore, we must carry on engagements and communicate the importance of safeguarding minority shareholder rights at a listed subsidiary.

## Case 4: Company D

### Background



Company D undertook a drastic reform to restructure its business portfolios, and the effectiveness remained in question.

### Progress ①



The company aimed to achieve a drastic business reform. We discussed the risk that significant shifts in human capital management might cause confusion and distortion internally in FY 2021. The top management reiterated that despite some disruptions human capital management reform was important as a premise of business restructuring.

### Progress ②



Slow progress in its reform in the first half of FY 2022 sparked market concerns over the effectiveness of its strategy. We repeatedly engaged on its balance sheet restructuring. Through these dialogues, we confirmed the top management's commitment to improving capital policies, including an increase in shareholder return.

### Progress ③



In FY 2023, the company announced the ambitious mid-term business plan, where we confirmed that the company stepped up its reform efforts after having implemented organizational changes without suffering major setbacks.

### Assessment & Future Plan



The company has been demonstrating consistency in its business strategy. We expect the company to increase capital efficiency further thanks to a series of structural reforms, including balance sheet restructuring. We will continue to examine its progress through company engagements.

## Principle 5

**Institutional investors should have a clear policy on voting and disclosure of voting activity. The policy on voting should not be comprised only of a mechanical checklist; it should be designed to contribute to the sustainable growth of investee companies.**

### Our Policy

Casting a proxy vote is one of the important elements of stewardship activities. In general, we make voting decisions following our internally developed Invesco Japan Proxy Voting Guideline. Meanwhile, if, for example, a separately managed account has a client-directed voting policy, the client policy may prevail over our guideline. The full text of our proxy voting guideline is available on our website. We also widely share our proxy voting approach with investee companies and engage with them as necessary.

Please also refer to our Policy of Stewardship Responsibilities.

Link:  
<https://www.invesco.com/content/dam/invesco/corporate/en/pdfs/regulatory/AML-Japan-PolicyOfStewardshipResponsibilities-2019.pdf>

We strive to vote proxies on all investee companies. We make voting decisions based on whether these decisions contribute to the sustainable growth of investee companies' value, taking into account ESG perspectives, each company's situation and engagements.

We review our proxy voting guideline as appropriate to ensure that our voting policies and procedures contribute to the sustainable growth of investee companies' value. Depending on a proposal, we may make an exception after having constructive dialogue with the investee company. In such a case, approval of the Responsible Investment Committee shall be obtained.



## FY 2022 Activities

We made revisions to our proxy voting guideline in April 2022 and 2023. While Invesco has established its firm-wide global proxy policy, we have locally laid down Invesco Japan Proxy Voting Guideline. By confirming that these policies share the same principles, we emphasize the right direction in corporate governance among Japanese companies considering local laws and regulations in Japan's context.

Since May 2019, we have disclosed all proxy voting results and the rationales for voting decisions against resolutions. We continued to disclose them in May 2022 to enhance accountability and transparency. We also communicate our voting decisions directly to investee companies and work towards deepening investee companies' understanding of our approach to proxy voting.

We reported proxy voting results and stewardship activities, including company engagements, to the Conflict of Interest Oversight Committee. The committee affirmed that there were no issues falling under a conflict of interest.

The following are examples of the significant decisions which we believe enhance transparency in our proxy voting practices and contribute to constructive dialogue with investee companies.

## CASE STUDY

### Case 1

#### Agenda

Cross-shareholding

#### Process and Decision

Following our proxy voting guidelines, if a company's cross-shareholdings account for 20% or more of its net assets, we generally consider voting against the appointment of top executives. Some companies and financial institutions disclosed cross-shareholding reduction targets based on market values along with the percentage of net assets. We suspected that the hurdle of market-value-based disclosures was high and appreciated these managements' commitment to reduction. Accordingly, we generally voted for the top executive appointment in these cases upon obtaining the approval of the Responsible Investment Committee.

### Case 2

#### Agenda

Shareholder proposal for independent outside director appointment

#### Process and Decision

The cases in which shareholders request to appoint a specific independent outside director have been increasing amid a rise in shareholder proposals. We believe that outside directors should oversee management, representing all minority shareholders' interests with their independence fully ensured. Meanwhile, if we judged that an outside director candidate proposed by shareholders would contribute to the growth of corporate value after examining the shareholder's rationales, we voted for such an appointment.

## Self-Assessment

We commit stewardship activities, including investor-driven proxy voting.

Our investment professionals lead proxy voting guideline development and proxy voting decisions. Then, we communicate our proxy voting guideline and voting decisions to the investee companies, which is not limited to the period of AGM.

We use the services of a third-party proxy advisory firm, Institutional Shareholder Services (ISS). Meanwhile, we do make proxy voting decisions in light of whether or not these decisions contribute to the sustainable growth of the investee company's value based on the in-house proxy voting guideline. We also engage with a proxy advisory firm as needed and perform due diligence on its service and operation policies.

We share proxy voting results among the investment team, the Responsible Investment Committee and the Conflict of Interest Oversight Committee to avoid mechanical proxy voting and lead to sensible decisions, contributing to the sustainable corporate value growth.

Thus, we evaluate that our activities complied with the principle.

### Case 3

#### Agenda

Reduction in statutory auditors

#### Process and Decision

Following our proxy voting guidelines, in case of a decrease in statutory auditors, we consider voting against top executive reappointments as they play a critical role in strengthening governance at a company with Board of Statutory Auditors due to their full discretion and strong authority. Meanwhile, after having held dialogues, if we judged that the Board of Statutory Auditors itself and all members of the Boards of Directors and Statutory Auditors as a whole ensured independence without deteriorating governance, we voted for the top executive reappointment upon obtaining the approval of the Responsible Investment Committee.

## Proxy Voting Results in Japan

FY 2022 (from April 2022 to March 2023)

### 1. Voting statistics for management proposals

Agenda		For (A)	Against (B)	Abstain (C)	Discretion (D)	Total (E)	% of Against or Abstain B+ C/ E
Directors and Auditors Related	Appointment of Directors	1,405	231	0	0	1,636	14.1%
	Appointment of Statutory Auditors (Kansayaku)	94	31	0	0	125	24.8%
	Appointment of Accounting Auditor	4	0	0	0	4	0.0%
Compensation	Director/Auditor Remuneration (*1)	91	3	0	0	94	3.2%
	Director/Auditor Retirement Benefits	3	6	0	0	9	66.7%
Capital Policy (Excluding Articles of Incorporation Amendment)	Appropriations of Retained Earnings	117	1	0	0	118	0.8%
	Reorganization and Mergers (*2)	0	0	0	0	0	0.0%
	Anti-takeover Measures	0	1	0	0	1	0.0%
	Others (*3)	3	0	0	0	3	0.0%
Articles of Incorporation Amendment		176	1	0	0	177	0.6%
Others		2	0	0	0	2	0.0%
Total		1,895	274	0	0	2,169	12.6%

(\*1) Revision of director remuneration amounts, stock options issuance, introduction and revision of performance-linked compensation, and director bonus, etc.

(\*2) Merger, business transfer/acquisition, share exchange, share transfer, company split, etc.

(\*3) Stock repurchase program, reduction in legal reserve, third-party allotment, capital reduction, reverse stock split, class share issuance, etc.

If the same stock is held in multiple accounts, votes on the same resolution are counted as one.

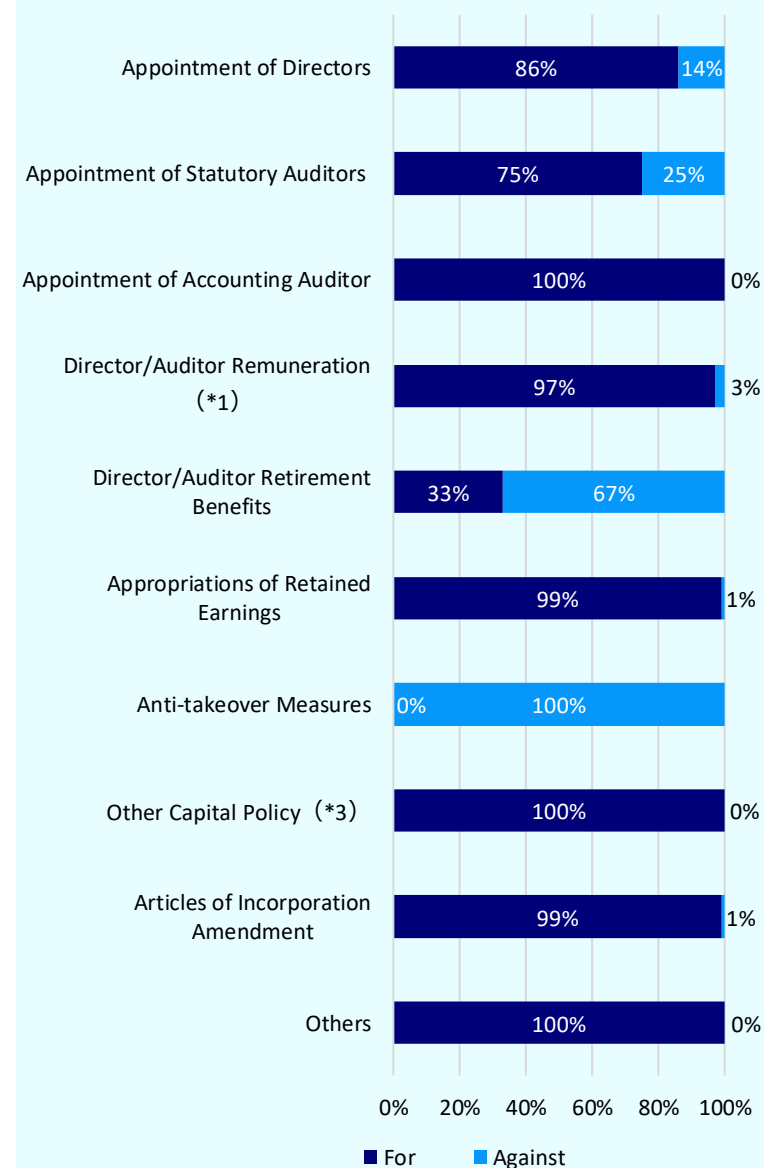
If we have "for" and "against" votes on the same resolutions, we count both as two.

### 2. Voting statistics for shareholder resolutions

	For (A)	Against (B)	Abstain (C)	Discretion (D)	Total (E)	% of Against or Abstain B+ C/ E
Total	0	15	0	0	15	100.0%

If the same stock is held in multiple accounts, votes on the same resolution are counted as one.

If we have "for" and "against" votes on the same resolution, we count both as two.



## FY 2022 Annual General Meeting Period (May and June 2023)

### 1. Voting statistics for management proposals

Agenda		For (A)	Against (B)	Abstain (C)	Discretion (D)	Total (E)	% of Against or Abstain B+ C/ E
Directors and Auditors Related	Appointment of Directors	927	102	0	0	1,029	9.9%
	Appointment of Statutory Auditors (Kansayaku)	77	24	0	0	101	23.8%
	Appointment of Accounting Auditor	1	0	0	0	1	0.0%
Compensation	Director/Auditor Remuneration (*1)	27	1	0	0	28	3.6%
	Director/Auditor Retirement Benefits	0	0	0	0	0	0.0%
Capital Policy (Excluding Articles of Incorporation Amendment)	Appropriations of Retained Earnings	71	1	0	0	72	1.4%
	Reorganizations and Mergers (*2)	1	0	0	0	1	0.0%
	Anti-takeover Measures	0	0	0	0	0	0.0%
	Others (*3)	0	0	0	0	0	0.0%
Articles of Incorporation Amendment		19	0	0	0	19	0.0%
Others		0	0	0	0	0	0.0%
Total		1,123	128	0	0	1,251	10.2%

(\*1) Revision of director remuneration amounts, stock options issuance, introduction and revision of performance-linked compensation, and director bonus, etc.

(\*2) Merger, business transfer/acquisition, share exchange, share transfer, company split, etc.

(\*3) Stock repurchase program, reduction in legal reserve, third-party allotment, capital reduction, reverse stock split, class share issuance, etc.

If the same stock is held in multiple accounts, votes on the same resolution are counted as one.

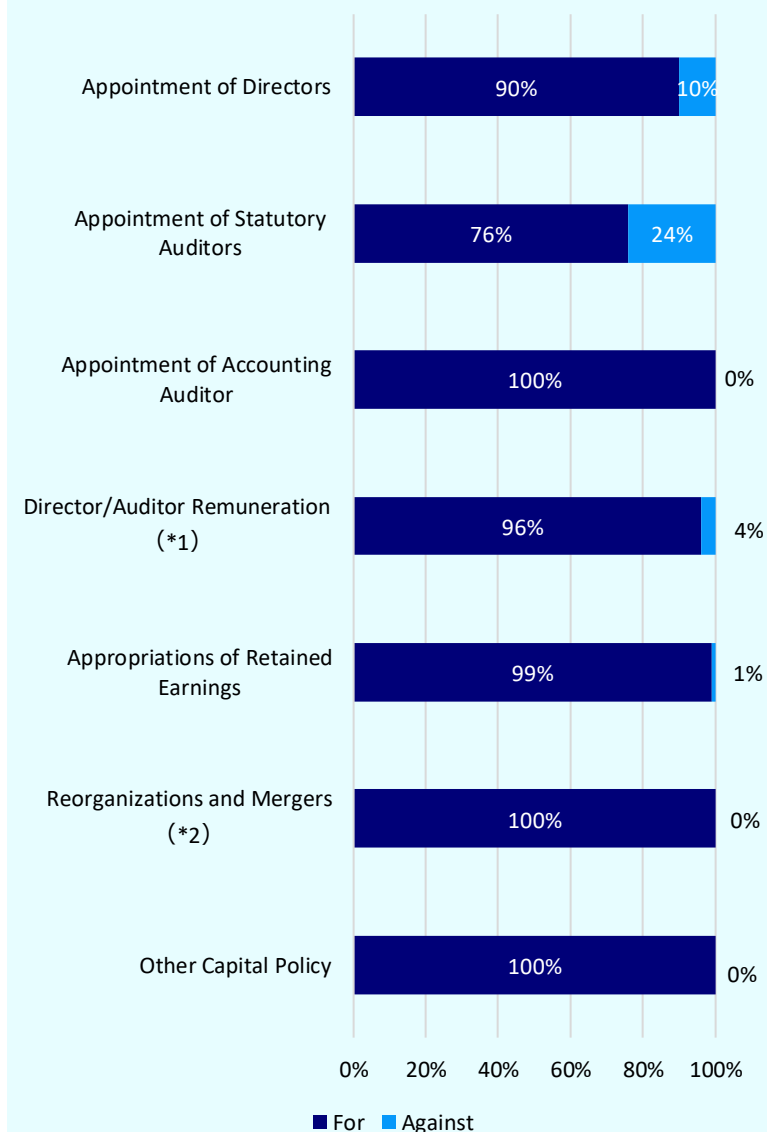
If we have “for” and “against” votes on the same resolutions, we count both as two.

### 2. Voting statistics for shareholder resolutions

	For (A)	Against (B)	Abstain (C)	Discretion (D)	Total (E)	% of Against or Abstain B+ C/ E
Total	10	33	0	0	43	76.7%

If the same stock is held in multiple accounts, votes on the same resolution is counted as one.

If we have on “for” and “against” votes on the same resolution, we count both as two.







Principle  
6

**Institutional investors in principle should report periodically on how they fulfill stewardship responsibilities, including their voting responsibilities, to their clients and beneficiaries.**

**Our Policy**

Active engagement to ensure investee companies’ sustainable value creation and growth in the long term is one of our important responsibilities as an investment manager. We disclose our stewardship activities to our clients as appropriate. We may publicly disclose information replacing individual reporting if practicable.

We strive to enhance the quality of stewardship activity disclosure. Accordingly, we publish Invesco Japan Proxy Voting Guideline, all proxy voting results and the rationales for voting decisions against resolutions on our website.

**FY 2022 Activities**

Since November 2019, we have published the Invesco Japan Stewardship Report annually, and this is the fifth issue. The Report demonstrates how we fulfill investment stewardship responsibilities, including our ESG integration approach and our view on sustainability and best practices in corporate governance, on top of engagement examples.

Invesco also published the global firm-level ESG Investment Stewardship Report and Climate Change Report.

**Self-Assessment**

We have been making efforts to enhance the transparency and accountability of our stewardship activities by publishing this report and disclosing these activities on our website. Thus, we evaluate that our activities complied with the principle.

## Principle

7

**To contribute positively to the sustainable growth of investee companies, institutional investors should develop skills and resources needed to appropriately engage with the companies and make proper judgments in fulfilling their stewardship activities based on in-depth knowledge of the investee companies and their business environment and consideration of sustainability consistent with their investment management strategies.**

### Continued Initiatives

Research analysts and portfolio managers strive to deepen their understanding of investee companies. Our remuneration structure is designed to incentivize investment professionals to acquire expertise as a long-term investor.

### FY 2022 Activities

Our stewardship activities, including proxy voting and constructive dialogue with investee companies, are governed and overseen by the Responsible Investment Committee, and conflicts of interest are monitored by the Conflict of Interest Oversight Committee. These monitoring results are also reported to the Executive Committee and the Invesco Proxy Advisory Committee. Regular activity reviews enable us to enhance the effectiveness of our stewardship activities and contribute to revitalizing the entire investment chain.

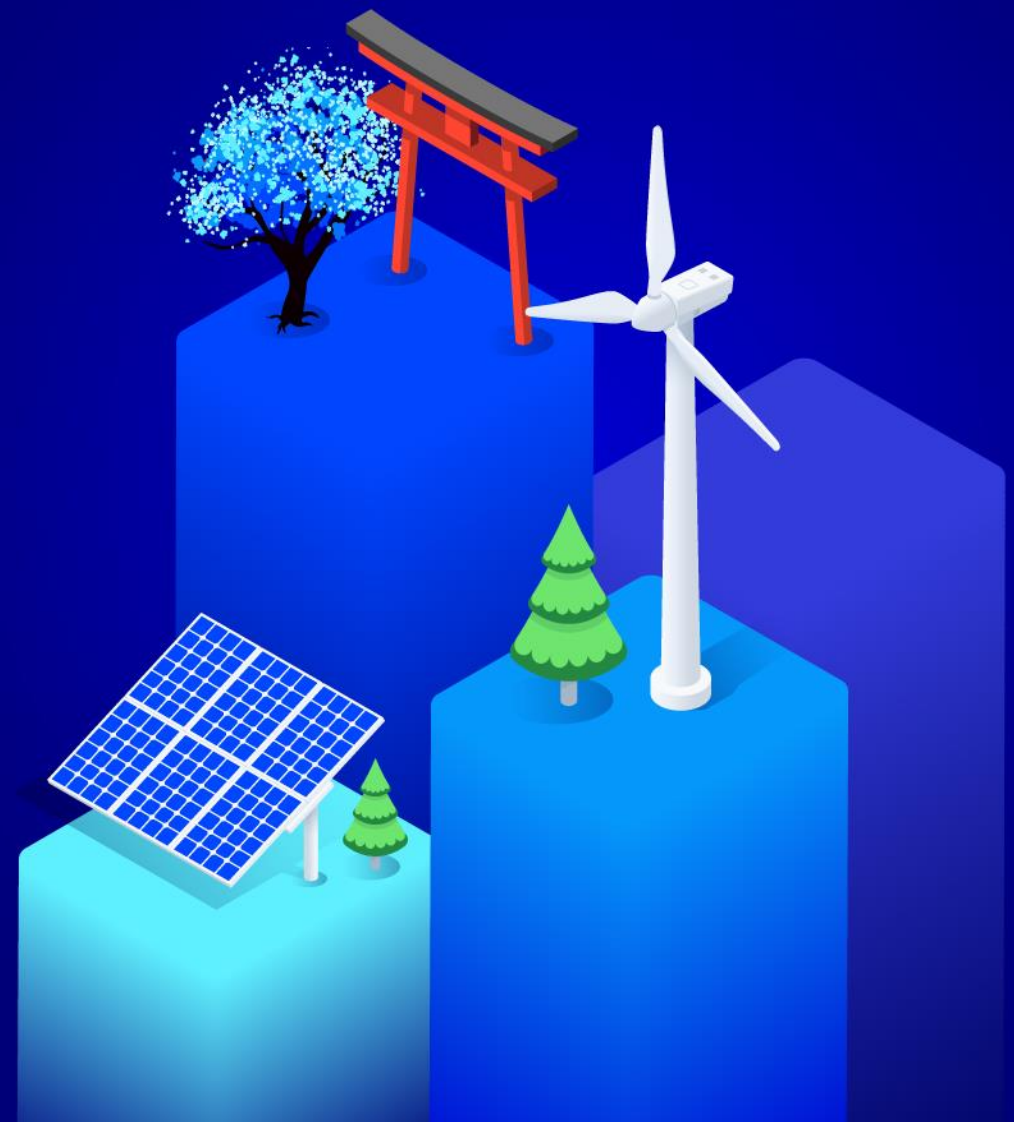
We strive to improve the knowledge and understanding of the financial industry as a whole by carrying on constructive dialogue with a multitude of stakeholders within the investment chain, including clients, domestic and overseas institutional investors and investee companies.

This stewardship report is the fifth issue since November 2019, when we started to publish it. These reports describe our engagements and significant voting decisions, which we believe contribute to constructive dialogue. This report is a tool addressing our views on best corporate governance practices and our environmental (E) and social (S) efforts and initiatives. Based on the engagement progress, we have set forth future plans to contribute to sustainable corporate value growth in the long term.

### Self-Assessment

Research analysts and portfolio managers diligently conduct bottom-up fundamental research every day with a focus on scrutinizing the sustainable corporate value growth of investee companies from a long-term perspective. To this end, Invesco Japan and Invesco have been enhancing the support systems and resources globally. We will continue to strive to contribute to the investee companies' sustainable corporate value growth through constructive dialogue in light of sustainability aligned to our investment strategies. With these firm-wide efforts strengthening in Japan as well as globally, we evaluate that our activities complied with the principle.





You can find the “Policy of Stewardship Responsibility” and “Invesco Japan Proxy Voting Guideline” from below links.

Policy of Stewardship Responsibilities (in Japanese):

<https://www.invesco.com/jp/ja/policies/stewardship-code.html>

Proxy Voting Guideline (in Japanese):

<https://www.invesco.com/jp/ja/policies/interest-conflict-policy.html>

※The above is the URL as of November 2023 and is subject to change in the future.



## Find out more

ESG information for institutional (in Japanese) :

<https://www.invesco.com/jp/ja/institutional/capabilities/esg.html>



ESG information for individual investor (in Japanese) :

<https://www.invesco.com/jp/ja/about-us/esg.html>



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# Invesco Stewardship Report 2022/2023

