

5. Company interviews

This section highlights companies that, based on the results of this project's questionnaire-based survey and deliberations in the project's planning committee, were considered to be conducting, in terms of women's advancement and improvement of corporate value, particularly advanced initiatives in relation to women's advancement within the company and the disclosure of information on women's advancement.


(1) Examples of information disclosure by companies and key components appreciated by institutional investors

First, we will look at companies considered exemplary when it comes to disclosing information related to women's advancement. The examples focus on the company's disclosure of information on women's advancement by highlighting related initiatives and approaches to information disclosure. Each company description also includes institutional investors' comments on the key points of the case.

Company name	Komatsu Ltd.	
Company profile	Business: machinery Established: 1921 Number of employees (from "CSR and Environmental Report 2018"): Consolidated group (FY 2017): 59,632 Entity itself (FY 2017): 10,465 (9,144 men, 1,321 women)	

■ Key comments from expert

 Expert
The company has been a leader in holding investment-related debriefings on ESG activities. Just like many foreign companies, it also provides easy-to-understand explanations of its CSR activities in video form. The company's reports are excellent, and both the quality and amount of published information are at a level that allows it to quickly respond to the questions and requests of institutional investors from Europe and other regions where ESG-related initiatives are common.

 Expert
The company is highly rated by several third parties, e.g. winning the IR Prime Business Award (awarded by the Japan Investor Relations Association) several times and being ranked near the top in private-sector CSR rankings.

Description of initiatives

■ The importance of understanding customer needs by taking advantage of diverse viewpoints, the desire for which underpin the promotion of women's advancement

At Komatsu, which has a global network of offices, we feel that Japan in particular has been falling behind with regard to women's advancement. With labor shortages making the situation even more acute than it used to be, the need for women to step forward is obvious. In addition, times are changing: selling quality products was not a problem in the past, but now we are shifting toward a situation in which companies have to understand customer needs in order to be successful. There is a need to look at business from a variety of viewpoints, and we believe that the views of

women will be necessary when new issues are found and solutions to these issues are to be developed.

Our initiatives related to the promotion of women's advancement initially focused on support for balancing work and childrearing. However, in the past few years, we have turned toward initiatives aimed at helping women advance even further. In addition, when setting numerical targets and conducting analysis, we found that the numbers of female employees are skewed toward specific positions. Based on this analysis, we are examining and implementing

position-specific measures, such as whether we should increase hiring or think about rotation schemes.

Furthermore, to be able to assign new work and work that involves responsibility to women as well as men, our human resources department is conducting initiatives such as work

rotation and assigning training to women.

At our company, upper management continually speaks out on promoting the advancement of women. We feel that such messaging is very important when initiatives are pushed forward.

■ Having others understand the company correctly builds trust in it

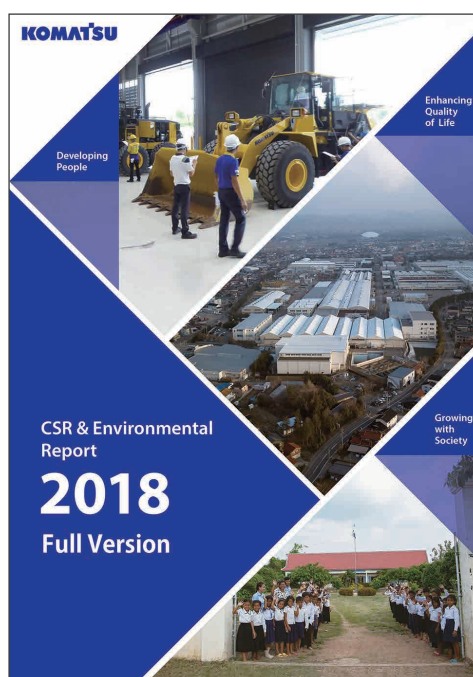
In terms of disclosing information on women's advancement, we relay information through means such as CSR reports, corporate governance reports, annual reports, videos posted on our website, and ESG meetings. We make an effort to include particularly detailed information in our CSR reports, and disclose information such as average years of service separately for men and women. Considering matters such as increasing employment mobility and industry-specific factors, numbers may assume lives of their own and evaluation based on uniform indicators such as ratios and percentages of women should be avoided, but that does not mean not disclosing them. In fact, we are actively disclosing information because we think it is more important to disclose and face questions.

We think that having an appropriate understanding of our

company through processes such as disclosure and dialogue with institutional investors increases trust in the company. The corporate value of Komatsu is the aggregate level of trust placed in us by society as a whole and all of our stakeholders, and our primary policy has long been to maximize that corporate value. It is important to properly explain both the good and the bad, removing the element of surprise. We believe that doing so heightens trust in the company, and ultimately helps the company attract talented people.

Dialogue and disclosure require manpower, but there are companies that do not have the requisite number of staff. As many of our business counterparts are small companies like that, we would like to provide support in order for them to engage in dialogue and information disclosure.

Main Programs and Measures Designed to Enhance Work-Life Balance		
Programs and Measures	Content	
Childcare support	Childcare leave program	Available for a maximum of three years from the birth of the child to the time the child enters nursery school. Also available for a maximum of three years for children up to the third year of elementary school in cases where a spouse is transferred, etc.
	Part-time work	Shortening of working hours by a maximum of three hours per day to allow for care of children up to the third grade of elementary school
	Telework program	Option to work at home in order to care for children up to the third grade of elementary school
	Allowance toward the cost of using childcare services	Allowance toward the cost of childcare for infants up to age two before entering nursery school (10,000 yen/month)
	Nursing leave	Five days for nursing care of one child up to the third grade of elementary school, and ten days for the second child onward (paid leave) Allowance granted to cover the cost of using childcare services
Care support	Family-care leave program	A maximum of three years available for employees taking care of family members (possible to take in installments)
	Part-time work	Shortening of working hours by a maximum of three hours per day (possible to take in installments)
	Telework program	Option to work at home for a maximum of three years in order to provide care for family members
	Care leave	Five days per year for attending to one family member in need of nursing care, and ten days for the second family member onward (paid leave)
Life support leave	Can be used as sick leave, pregnancy leave, childcare leave or for care of family members. An employee may add five new days of accumulated leave per year. A maximum of 40 days of unused annual leave may be accumulated. Childcare leave may be used for school events for children aged up to third	



(left) The company discloses its initiatives for promoting women's advancement, and related data, on its website and in various reports.

(right) The full "CSR & Environmental Report 2018" provides a detailed explanation of Komatsu's initiatives over almost 200 pages. A digest version and videos are also provided.

Interviewees

Ms. Urano, Director and Senior Executive Officer,
Supervising Human Resources & Education , Safety & Health Care and Corporate Communications, CSR
Mr. Kitaoka, Senior Manager, IR Group, Business Coordination Department
Mr. Ito, CSR Department
Ms. Hamade, Chief Project Manager, Diversity Promotion Human Resources Dept.

(Interview conducted on November 16, 2018)

Company name **Nidec Corporation**

Company profile **Business: electrical equipment**

Established: 1973

Number of employees

(from the Nidec corporate website, "CSR"):

Consolidated group (FY 2017): 107,554

Entity itself (FY 2017) 2,576 (2,127 men, 449 women)



■ Key comments from institutional investors



Japanese
institutional
investor

The information on initiatives for promoting women's advancement disclosed on the website is extensive, as is that related to childcare leave and support for combining work and family life. This allows us to gain a practical understanding of the company's approach to women's advancement.



Japanese
institutional
investor

The company provides detailed explanations for the theme and details of activities in each fiscal year, and discloses a wealth of information on support measures for combining work and family life, usage rates, and more.



Foreign-owned
institutional
investor

The company has implemented three systems (working from home, staggered working hours, and annual leave usable in one-hour units) and established an office for promoting women's advancement. It is striving to go beyond mere calls to action, having established a promotion office to cultivate employee awareness and corporate culture.

Description of initiatives

■ Having talented women playing active roles at the company leads to corporate growth

The reason why Nidec is focusing on women's advancement and actively developing initiatives is that we have many talented women in the company, and think that having them play active roles leads to the growth of both our company and our female employees themselves. It is a huge waste for a company if there are women who have the capabilities and the desire, but are not able to take that next step. In addition, when doing business globally, we think it is

more important to make decisions by involving people who think in a variety of ways, than to have only a select few decide on things. At one foreign company acquired by Nidec, about half of the executives are women. Having seen that reality, we realized that in order to be even more competitive internationally in the future, we need the abilities of women and other diverse human resources.

■ Information disclosure that reveals the whole picture of women's advancement initiatives

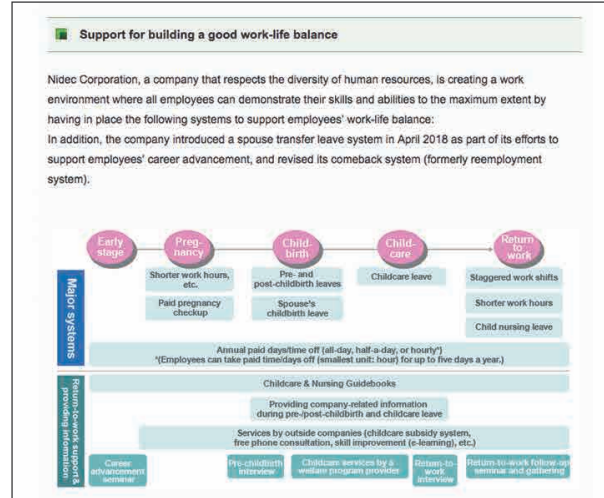
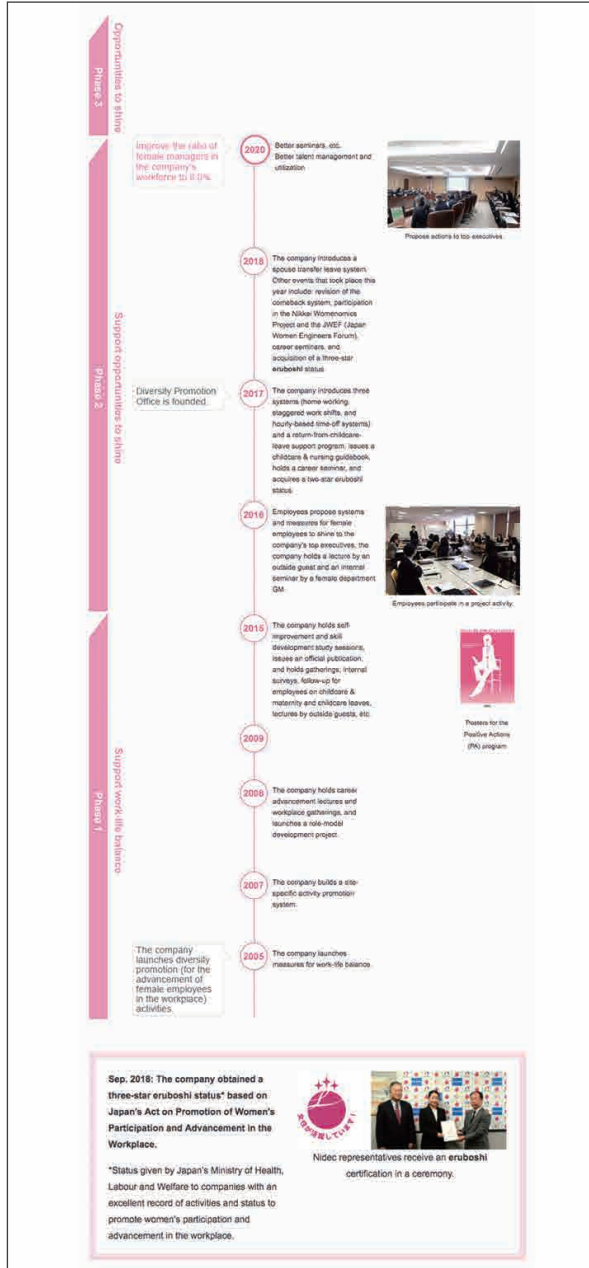
We have linked women's advancement initiatives and working-style reform. In the past our systems were focused on childrearing, but over the past few years we have shifted toward systems that allow for flexible working and systems that help our employees succeed. Furthermore, a workplace where women can succeed is obviously also one where men

can do so. In order to have superiors and people around them recognize that and other issues concerning women's advancement, our female general managers have been touring our offices to give talks, while initiatives such as holding discussion sessions involving those managers and employees have also been taken. We initiated a "Plus Career

Project” to examine suggestions for the company that would allow women to play even more active roles, and established a Diversity Promotion Office in 2017 to implement various measures.

Information related to women’s advancement, such as interviews with the head of the Diversity Promotion Office, mid- to long-term plans, related data, and the details of various initiatives, is published on our website and can be viewed by external parties. Information will not reach our

stakeholders unless it is disclosed. Our current disclosure system is the result of continued discussions between our departments and the IR & CSR Department, which is in charge of disclosing information. As having data scattered across various pages makes it difficult for the reader to understand, we have compiled everything under “ESG Data.” We thought about the structure of the website by focusing on how to accurately relay the state of the company.



- (left) In addition to past and mid- to long-term plans, numerical targets can also be viewed.
- (right) A list of initiatives and related data, such as the number of employees who have taken childcare leave, are disclosed on the same page as well.

Interviewees
 Mr. Nagayasu, General Manager, IR & CSR Promotion Department
 Ms. Izumi, IR & CSR Promotion Department
 Ms. Hirata, General Manager, Human Resources Department & Diversity Promotion Office
 Ms. Oyama, Chief, Human Resources Department & Diversity Promotion Office

(Interview conducted on November 6, 2018)

Company name **Shionogi & Co. Ltd.**

Company profile **Business: pharmaceuticals**

Established: 1919

Number of employees

(from "Shionogi Integrated Report 2018" and "Data" on the Shionogi & Co. Ltd. corporate website)

Consolidated group (FY 2017): 5,120

Entity itself (FY 2017): 3,677 (2,657 men, 1,020 women)



■ Key comments from expert and institutional investors



Expert

The company's CEO is willing to take the initiative. The CEO saying something like 'not promoting diversity is not an option' is quite significant, and it's not only upper management: there's no disconnect, because when I talk to the employees, they display the same kind of commitment.



Japanese
institutional
investor

One of the company's directors is a woman who started out in the development field of the company right after graduation, so there's diversity there. Paths for internal promotion have been established.

Description of initiatives

■ Not promoting diversity and women's advancement is not an option

About 70% of our employees are male, but the specific ratios vary by department. In our research and development departments, women make up almost 50% of employees, and most of them stay on after marrying and having children. On the other hand, the sales department is mostly male, and in the past we had several women quit before they could become managers because continuing to work in sales after giving birth was considered too tough. As a company, we would of course like our extremely talented salespeople, who are knowledgeable about our products, to keep working even after having children. That is why we established various initiatives adapted to various life events, aimed at supporting the combination of work and family life so that even women in the sales department can continue working after giving birth. Doing that, we realized that although the company offered various types of support, many women did not know

about these systems. Thinking that the systems were difficult to understand unless you asked someone who had actually used one of them, people spontaneously started sharing their experiences in our departments. As the percentage of employees leaving the company after marriage or childbirth began decreasing as a result, we find this development very beneficial.

Our view is that not promoting diversity and women's advancement is not an option. A company these days cannot survive unless it does something about these things, and not doing anything is such a waste. Talking about diversity is something we have already done repeatedly, so an awareness has naturally established itself within the company. Now our perspective is moving toward how to develop this further, how to build a good organization, and how to cultivate good managers and experts.

■ Express what you are thinking as a company in story form, as if it were a novel

We think that providing information on ESG- and CSR-related activities, including initiatives for promoting the advancement of women, to investors and our stakeholders in

story form in our annual reports is a matter of the utmost importance. Instead of going after each item one by one, we emphasize providing our company's take on specific items

within an overall story. Considering this and other matters, we made the decision a few years ago to merge our environmental report and annual report, publishing everything in the form of an integrated report instead. Our company's history goes back 140 years. Throughout that time, we have strived to relay what we think is important, and how we have changed to meet changes in society, in the form of a story that the reader can appreciate as if it were a novel.

When disclosing information, we do not exclude anything we are actually doing as redundant, and instead seek to provide proper disclosure. If you refrain from including something you are doing because you consider it too

obvious, readers, especially outside of Japan, will think that you aren't doing what you excluded in the first place. In order to have institutional investors understand, during the limited time they give you, what you are doing as a company and what your thoughts are on things, companies have to put thought into what they publish and how they make information available. We therefore put a lot of time into thinking about how to cater to the needs and satisfy the requests of institutional investors. Not providing numbers related to women's advancement, such as ratios of female employees and women in managerial positions, is obviously not an option either. The idea is to reveal everything from the start, even if some of the numbers do not look very good.



データ集

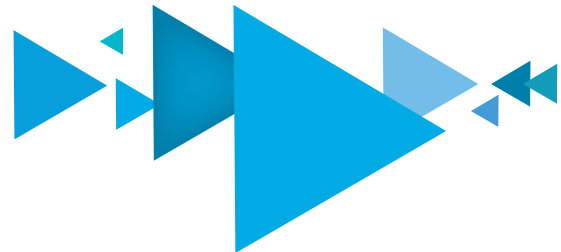
掲載項目	2017年度 (2018/3/31)	2016年度 (2017/3/31)	2015年度 (2016/3/31)	2014年度 (2015/3/31)	2013年 (2014/3/31)
従業員数	3,677人	3,911人	4,055人	4,139人	4,178人
	女性割合 27.74%	28.84%	28.78%	28.70%	28.30%
平均年齢	41.4歳	41.7歳	41.4歳	41.3歳	41.0歳
	男性 41.9歳	42.2歳	42.1歳	41.9歳	41.7歳
勤続年数	女性 40.0歳	40.6歳	39.8歳	39.6歳	39.1歳
	全体 17.3年	17.4年	17.2年	17.1年	16.9年
新卒採用数	男性 16.8年	17.1年	17.1年	17.0年	16.7年
	女性 17.4年	18.1年	17.5年	17.4年	17.0年
合計	110人	91人	99人	98人	92人
新卒採用率	男性 71人	61人	57人	57人	59人
	女性 39人	30人	42人	41人	33人
新卒3年離職率	0%	6.50%	0%	6.30%	6.40%
離職者率	1.85%	1.43%	1.35%	1.40%	1.90%

(Provided in Japanese only)

- (left) The company's approach to diversity is included in a story provided as the Message from the President in the integrated report.
- (right) Various types of employee data, from the ratio of female employees and the ratio of women in managerial positions to average age, is also disclosed.

Interviewees
 Mr. Teshirogi, President and CEO
 Mr. Kyokawa, Vice President,
 Corporate Communications Department & Secretary Office, Corporate Strategy Division
 Mr. Kamiyama, Director (IR Group),
 Corporate Communications Department, Corporate Strategy Division


(Interview conducted on November 14, 2018)



(2) Examples of companies' initiatives for the promotion of women's advancement and key components appreciated by institutional investors

From here on, we will look at companies considered to be conducting exemplary women's advancement initiatives, both in terms of actual women's advancement and improvement of corporate value. The examples focus on the details of each company's initiatives for women's advancement, and on their approaches to promoting women's advancement. Each company description also includes institutional investors' comments on the key points of the case.

Company name	Japan Petroleum Exploration Co. Ltd.
Company profile	Business: mining Established: 1970 Number of employees (from Japan Petroleum Exploration Co. Ltd.: "CSR Data Sheet (FY 2017)") Consolidated group (FY 2017): 1,788 Entity itself (FY 2017): 920 (762 men, 158 women)



■ Key comments from institutional investors



Japanese
institutional
investor

The company has released an action plan with numerical targets, which include raising the ratios of female graduate hires and women in managerial positions to three times higher than they currently are, the latter by 2020. We think this will diversify the company's workforce and enhance the sustainability of its business model in the mid-to- long term.

Description of initiatives

■ Emphasis on "activating" measures instead of "leave" measures

We are promoting diversity by focusing on three core issues: talent acquisition, increased opportunities for female employee's advancement, and working-style reform. We hire talented individuals regardless of gender, and revised HR system to convert all of our positions into career-track position(abolished clerical positions). These changes are made so that all of our employees can be successful and continue to grow as self-reliant professionals regardless of changes in their personal lives. In other words, the goals of diversity promotion are changing, moving from a stage aimed at helping women continue working to a stage where the goal is for women to be successful. We are emphasizing a way of thinking in which support is provided not by decreasing the volume of work, but by supporting our

employees' careers. In terms of practical measures, instead of not having female employees with small children go on business trips from which they will return at a late hour, we will e.g. pay out a baby-sitting allowance for such days. We also pay a childcare allowance to employees who return to work by the time their child turns one year old, and have a return-to-work system for former employees who have had to quit due to their partner having been transferred to another city. We also place emphasis on training, providing problem-solving training to women in clerical positions and leadership training to candidates for managerial positions, as well as seminars for mainly male managers on how to train female managers.

■ Changing the attitudes of male employees, who are in the majority, is key

As is common in this business, most of our employees are men—many of whom formerly subscribed to dividing work roles by gender. In the course of conducting initiatives for women's advancement, reforming the attitudes of our employees was the greatest challenge. However, our

employees' understanding of women's advancement has improved as a result of training and seminars and we feel like employees' awareness and top and middle managements' awareness have begun to change.

2016年3月31日

石油資源開発株式会社 行動計画

性別にとらわれず優秀な人材を採用し、ライフチェンジにかかわらず従業員一人ひとりがそれぞれ自律したプロフェッショナルとして活躍し成長続けられる環境を整備するため、次のとおり行動計画を策定する。

1. 計画期間
2016年4月1日～2020年12月31日
2. 目標
 - 目標1：学卒採用における女性の割合を毎年30%以上とすることを目指し、採用に係る活動内容を抜本的に見直し拡充する
 - 目標2：2020年までに女性管理職比率を2014年10月時点の3.4%の3倍に引き上げる
 - 目標3：2020年までに女性部長職を登用する

(Provided in Japanese only)



(upper) The company's action plan includes the target of increasing the ratio of women among new graduate hires to at least 30%, and that of tripling the ratio of women in managerial positions from 2014 to 2020.

(lower) For this purpose, it is promoting the training of female employees and the reform of all employees' attitudes.

Interviewees Ms. Oba, Diversity Manager, Human Resources Dept.
Ms. Yoshikawa, Manager, Media and Investor Relation Dept., IR Group
Ms. Kawauchi, Manager, Corporate Strategy Dept.

(Interview conducted on November 15, 2018)

Company name **Omron Corporation**

Company profile **Business: electrical equipment**

Established: 1948

Number of employees

(from Omron corporate website, "Major sustainability data"):

Globally (FY 2017): 36,193

Omron Group: 12,017 (9,507 men, 2,510 women)

(in Japan, includes 35 consolidated subsidiaries; FY 2017)



■ Key comments from institutional investors



The company has published an action plan for promoting women's advancement and details on support for combining work and family life from a mid- to long-term perspective, indicating how serious it is about these initiatives. The support for combining work and family life is directly connected to talent acquisition, and our evaluation is that it will result in a productivity advantage.



The company is using women's points of view to develop products and services that help solve health issues. These initiatives have resulted in brand surveys showing a visible improvement in brand recognition, as well as in increased sales. These results are described in the integrated report.

Description of initiatives

■ Diversity is the source of our company's ability to grow

Omron's business principles list "respect for all" as one of our key values, and diversity promotion has been positioned as one of the pillars of talent strategy in our VG 2.0 mid-term management plan. When we established the Diversity Promotion Group in 2012, we thought it would be important to ensure that our efforts make sense first, and **started out by explaining why promoting diversity is necessary.** The mission of Omron is to solve social issues through its business. By repeatedly explaining that in order to accomplish this, it is important for diverse individuals who subscribe to our business principles to challenge themselves, that way of thinking gradually took root within the company. We also

consider continued communication important, which is why we are taking steps such as conducting hearings with employees and repeatedly discussing issues at director meetings.

In terms of promoting women's advancement, we developed specific targets and an action plan in 2016. We are also emphasizing information disclosure, so that **external parties can gain an understanding of the extent to which our initiatives have progressed.** The information we disclose, such as data for the ratio of women in managerial positions, is strictly examined by third parties.

■ Support for women's advancement requires reform of both attitudes and systems

We are working on preparing an environment where women can be active in two axes, support for career formation and support for balancing work and family. **We have prepared in-house systems so that both men and women can overcome their life event and continue to demonstrate their strength in the company at the same time, we support female employees so that they can imagine and**

realize future carriers. As the number of women in managerial positions has been increasing little by little, we are feeling that these initiatives are bearing fruit. We are also incorporating women's points of view into the creation of new products and services, such as the "Omron-style beauty" line of products in the healthcare field.

(For reference) Record in promoting the empowerment of women	
Representative initiatives	
HR development / promotion	<ul style="list-style-type: none"> • Career development and skill development interviews • "OMRON Women Will" leadership training [2013], career training, and networking opportunities for female employees • Staff development training for employees in core management positions [2013] • Elimination of the classification of employees into main career track and clerical positions [2015] • Targets for the number of women in core management positions (5% as of the end of March 2019)
Work style reform	<ul style="list-style-type: none"> • Flextime system [1991] • System of successive holidays to be taken by each employee (5 days) [2009] • Call to leave work by 8 pm and keep overtime within 2 hours per day [2015] • Option to work from home for those with children and/or parents in need of nursing care [2017] • Satellite offices [2017] • Expansion of flexible work arrangements (employees working shortened hours, employees re-employed after retirement) [2017] • Initiatives to encourage self-development, promote health, and support personal/family lives
Workplace culture / continued employment	<ul style="list-style-type: none"> • Establishment of a diversity promotion department [2012] • In-house diversity seminars [2013] and diversity training • Awareness enhancement for the entire workplace <ul style="list-style-type: none"> - Delivery of messages from top management / introduction of role models [2013] - Seminar on elderly care issues [2015] - Participation in the "Iku Boss (managers who support working women) Alliance" [2015] • Establishment of support initiatives to achieve balance between work and family life <ul style="list-style-type: none"> [Overall] • Leave for the purpose of moving to a new home due to a spouse's job transfer, area-specific work arrangements, commuting by bullet train, return to work (career reentry initiative) • Leave for the purpose of caring for a sick/elderly family member (for family members within the second degree of kinship; paid and half-day leave also acceptable) [Pregnancy / giving birth] Leave for infertility treatment (up to 365 days, may be divided into portions), maternity leave (8 weeks before and 8 weeks after childbirth), paternity leave [Childcare] Childcare leave (until the end of March following the child's second birthday), shortened working hours for childcare purposes (until the child's graduation from elementary school), in-house daycare centers (Keihanna, Kyoto) [Care for sick/elderly family members] Leave for caring for a sick/elderly family member (up to 365 days, may be divided into portions), shortened working hours for the same purpose (until the need for care ends, may be divided into portions)
Recruitment	<ul style="list-style-type: none"> • Proactive PR activities • Mid-career recruitment of female leaders <p>*Blue text: initiatives particularly effective in promoting the empowerment of women</p>



- (upper) While various initiatives for promoting women's advancement have been developed, Omron's systems that relate to e.g. pregnancy and childbirth include maternity leave, leave intended for employees supporting their partner who is giving birth, and leave for the purpose of undergoing fertility treatment.
- (lower) Omron established two nursery facilities in the company to maintain an environment where employees can work with peace of mind while taking care of their children.

Interviewees Ms. Uemura, Manager,
Global Human Resources and Administration Headquarters, Diversity Promotion Group

(Interview conducted on November 6, 2018)

Company name **Recruit Holdings Co. Ltd.**

Company profile **Business: services**
Established: 1963
Number of employees
 (from the Recruit corporate website, "Sustainability Data"):
Entire group : 40,152
 (361 subsidiaries and affiliates; FY 2017)
Group companies in Japan : 11,726 (6,569 men, 5,157 women)
 (7 companies, including Recruit Holdings; FY 2017)



■ Key comments from institutional investors



The company has been active in promoting women to the decision-making level of management, and has also initiated 'advancement support' that incorporates diversity as a management perspective. A numerical target for the ratio of female section chiefs (at least 30% by April 2018) was set, and significant progress (from 10% in 2006 to 28% in April 2018) achieved.



Recruit's 'iction! project' supports balancing child-rearing and working by calling for employees to 'come together to build a society in which child-rearing and working are easy to combine.' The company also has several programs for cultivating female executives, and its efforts in promoting diversity contribute to its already strong corporate culture (sense of ownership, emphasis on individuals).

Description of initiatives

■ Respect for diversity is our company philosophy

Recruit has emphasized respect for diversity as its company philosophy ever since the company was established, and lists "respect for individuality" as one of its values. In other words, we understand diversity to be something that goes beyond human resources-related measures. It is part of the strong foundation on which our business stands. Each one of our business units conducts diversity promotion, and we consider bottom-up initiatives adapted to the circumstances of each business to be the method that best matches our corporate culture. We have established a Diversity Promotion Group within Recruit Co. Ltd., which is the group company overseeing our business in Japan, to review examples of successful initiatives from across our offices and further the implementation of these initiatives at other offices as well. Initiatives are thus compared to each other, which helps refine them further.

Some of our initiatives reach across department lines. One of these is the "Career Cafe 28" training project for female employees, which targets all women around the age of 28—the age at which many women start worrying about their life and career. The project provides support for things such as networking and career planning. In addition, a "manager's version" of the same project, based on the business-strategic significance of promoting women's advancement, includes training for managers on themes such as how to train young women.

As for the disclosure of information on women's advancement, we place the most emphasis on the ratio of women in managerial positions. That is because we see this ratio as a clear expression of the extent to which diverse individuals are involved in management.

■ Project development from the perspective that diversity is something that concerns everyone

The basic way of thinking that explains why we have so many projects such as “iction!,” which seek to form social attitudes, is the idea that diversity is something that concerns everyone. Promoting women’s advancement is often thought of as “something for women,” but from a diversity standpoint, it means respect for individuality and thus involves everyone. However, such a perspective is easy to lose track of, so we are striving to conduct very visible initiatives that make it

clear we are taking the concept seriously. In addition, as we would like to have respect for individuality become entrenched throughout society, not only among our employees, we are relaying information about our culture-creating initiatives outside the company as well.

Diversity concerns everyone, not only women. It is not only something for our employees, but something for our customers as well.

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- #1 CAREER
- #2 MONEY
- #3 MANAGEMENT
- #4 WORKSTYLE
- #5 JOB CREATION

(Provided in Japanese only)

Based on its vision for action, which calls for contributing to society through the business, Recruit identifies five “material matters,” including “inspiring new ways of working,” in its sustainability policy. Making use of the knowhow it has accumulated until now, Recruit is developing services and solutions capable of providing broad-based social value.

Interviewees Ms. Ito, Partner, Sustainability Promotion Department
Ms. Tomizu, Sustainability Promotion Department

(Interview conducted on November 15, 2018)

Company name **LIXIL Group Corporation**

Company profile **Business: metal products**
Established: 1949
Number of employees
 (from “Corporate Responsibility Report 2018”):
LIXIL Group (FY 2017): 70,309
In Japan (directly employed; FY 2017): 35,452 (21,436 men, 14,016 women)



■ Key comments from institutional investors



The company has clarified its commitment to the importance of diversity and established targets for KPIs such as director diversity, ratio of female hires, and training participation ratio. The company's disclosure makes it clear that diversity is very important for the business in terms of product development, and the KPIs set are effective. The data provided is assured by a third party, and its boundaries are made clear.

Description of initiatives

■ Diversity releases the energy and creativity needed to become a global leader

LIXIL Corporation, the core business company in our group, was established in 2011 as the result of a merger between five major Japanese manufacturers of building materials and equipment. At the time of the merger, our then-CEO pledged to **make the company a “global leader in the home and lifestyle industry”—a goal that requires energy and creativity.** The belief that diversity is what releases those

two elements is what drove us to really take the initiative with regard to women's advancement. As we deal in bathroom and kitchen products, which are categories familiar to many women, the idea that incorporating women's opinions would allow us to pursue further growth as a company was also a contributing factor.

■ “Commitment of the top” as the background to promoting women's advancement

We think the commitment of upper management is the reason that women's advancement has taken hold in our company. When our initiatives were just starting out, the CEO's opinion was that “we are so far behind on diversity that it has become a real problem: good ideas are more likely to emerge from diverse teams with members of various genders, ages, and backgrounds, than from homogenous teams composed only of men.” The CEO's message was always that “diversity is necessary if we want to compete internationally.” He also ordered us to come up with targets so that these things could be achieved, instead of just being talked about. **Setting targets pushed initiatives forward**

in practice.

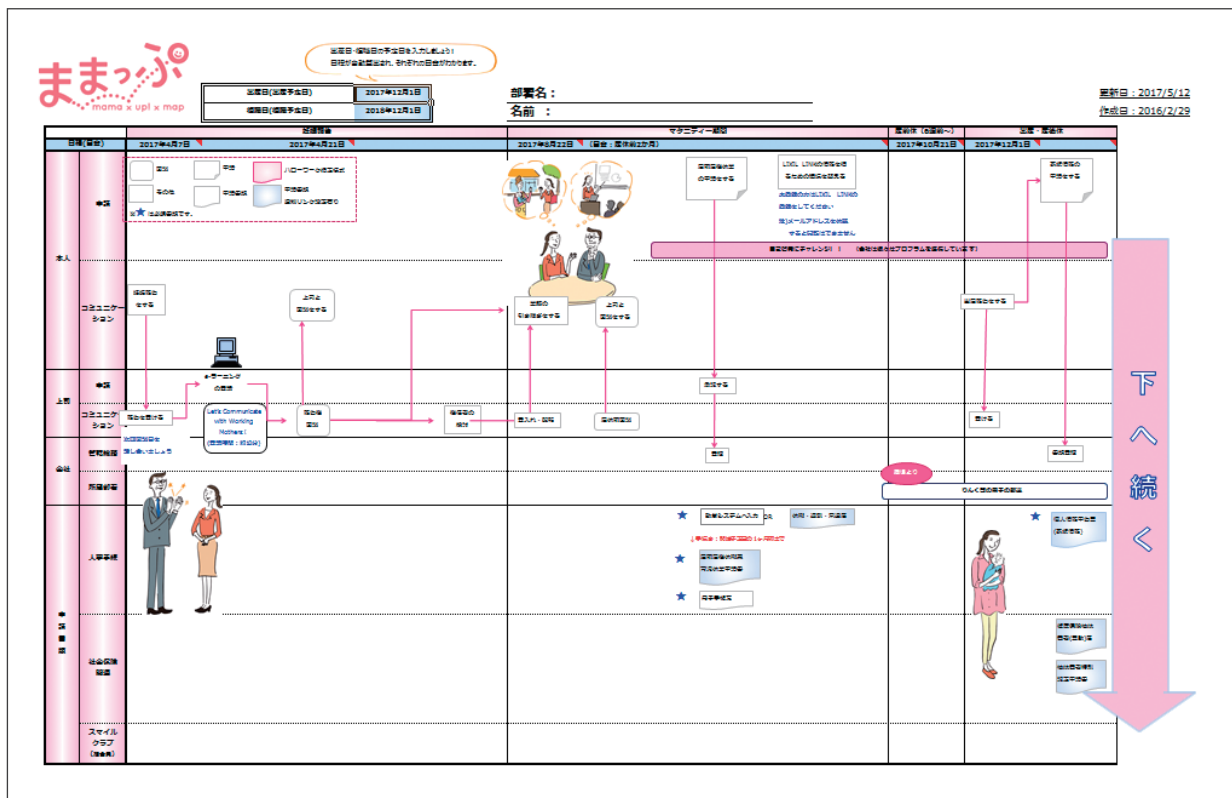
Most of our employees are male, and when the initiatives were first introduced, some were unsure about whether women really could play active roles within the company. However, the talent level of the women who entered the company through career recruitment surprised the men, the teams led by women as part of a quality improvement project achieved significant improvement results, which impacted profits, and a product developed from a female employee's point of view won a design award abroad. Achievements such as these gradually led to everyone in the company recognizing the significance of promoting women's

advancement.

In terms of specific initiatives related to women's advancement, we are taking measures to deepen communication between employee and their bosses for the purpose of shaping the careers of working mothers. For example, even if a woman wants to further her career while raising children, male bosses sometimes do not assign her challenging tasks right after coming back from childcare leave, because they think this would be too tough on her. In order for ambitious women not to be left on the sidelines, we think it is necessary for for bosses and employee to be on the same page. That is why we started the "Mamap" initiative. We are also providing training programs intended to

teach female employees to understand and enhance their own value in order to develop an awareness of furthering one's career.

We disclose information on women's advancement in the form of mid- to long-term plans and associated KPIs. This is because we think that disclosing our initiatives heightens the value of the company. Due to our diversity pledge, we have been setting numerical targets for ratio of promotion to managerial positions, hiring ratio, and training ratio across the company for some time now. We think this made the disclosure of information on women's advancement smooth for us.



(Provided in Japanese only)

The company is putting effort into supporting the formation of women's careers. "Mamap," a support tool for shaping the careers of working mothers, targets the time from the start of pregnancy to about two months after returning to work post childbirth, providing an outline map of the communication necessary between the employee and her superior during that period.

Interviewees Ms. Uto, Senior Expert, IR Office
Ms. Narita, Senior Manager, Diversity Promotion Office, HR System Planning & Operation Department

(Interview conducted on November 13, 2018)

6. Committee proposals

■ Proposals for companies

For companies, the important thing is to begin by disclosing information on women's advancement. Some companies are conducting initiatives but fail to disclose them, which makes it difficult for external parties to evaluate them appropriately. This also means that the initiatives will not have any impact on institutional investors' investment decisions. Even if a company's current numbers are low in terms of indicators related to women's advancement, it is important to first understand that this is an issue, and to present this understanding in the form of information disclosure. Disclosure methods do not need to be advanced. While the questionnaire results show that institutional investors refer to various sources of information, disclosing information as part of an integrated report appears to be desirable.

In addition, focusing only on raising the ratios of women and improving other numbers is a sure way to lose track of the true meaning of women's advancement. What matters in disclosure is not the numbers themselves, but whether the company can tell a story that includes the strategies and initiatives behind the numbers, as well as how women's advancement ties in with corporate growth. For companies that have already started disclosing information, a desirable next step is to clarify three things: the current situation and an analysis of it, what measures are being taken to deal with the current situation, and how progress in those measures is monitored and managed. Furthermore, institutional investors expect companies to tell a story of how the aforementioned measures are incorporated into management strategy, and how promoting the advancement of women makes the company more valuable. Institutional investors are experts at analyzing companies. It can be said that companies which push ahead with information disclosure can expect to engage in extremely high-level dialogue, which is akin to being presented a key to corporate growth.



■ Proposals for institutional investors

The Japanese Stewardship Code states that “asset managers should regularly conduct self-evaluations with respect to the status of their implementation of each principle, including guidance, and disclose the results toward continued improvement of their governance structures, conflicts of interest management, and stewardship activities, etc.” Some stewardship reports issued by institutional investors contain detailed descriptions of the dialogue conducted with companies, even though the actual companies may not be named. Such information is likely to become a social resource that can be used to further the growth of companies. In the questionnaire-based part of this research project, about 70% of institutional investors indicated that they use information on women’s advancement for investment decisions and in operations because they believe that such information has a long-term impact on business performance. This is further support for the significance of having stewardship reports include what positions institutional investors take when engaging in dialogue concerning diversity and women’s advancement, as well as examples of initiatives valued by institutional investors. While moving forward with the disclosure of their own activities, institutional investors should communicate the significance of disclosing actual cases to companies.

In addition, in the United Kingdom, the Financial Reporting Council (FRC) has surveyed institutional investors on the state of their stewardship code activities and evaluated the results of this survey. From the perspective of encouraging constructive dialogue, some committee members expressed the opinion that monitoring of institutional investors’ activities could be something to explore.

Furthermore, during the interviews with company representatives, some interviewees said that the types of information required by institutional investors, as well as the extent of information required, are not clear. In order to close that gap, institutional investors should inform companies of matters such as what information is required and in what forms it can be provided effectively, raising awareness at companies so that the advancement of women can be taken to an even higher level and information on women’s advancement disclosed to an even greater degree. Only a few years ago, it would have been difficult to imagine that companies previously uninterested in ESG matters would get their directors together and e.g. ask an investor to give an ESG- themed talk. The opportunity is here right now, and should not be missed.

■ Indications for policy

Finally, looking to the future and considering the costs of disclosure for companies, measures to enable more effective disclosure of information on women’s advancement, which is information necessary for institutional investors when evaluating the long-term value of a company, should be considered. For that purpose, it ought to be necessary to consider methods such as mandating companies to publish information on women’s advancement, which would first require defining minimum criteria for information useful for investors and a wide range of stakeholders.

Editors' notes

As the Cabinet Office employee in charge of this project, I had the opportunity to visit a total of 20 large institutional investors and major companies. All the institutional investors largely had the same message, namely that "Japanese companies are having hard time promoting themselves." And not only that: many companies even consider self-promotion as "embarrassing." The Japanese ideal may be that "a clever falcon hides its claws," but doing so will perhaps prevent institutional investors from evaluating companies on their merits.

When I visited one company for an interview, they told me that when the company organized a factory visit for institutional investors, one foreign analyst asked whether the company uses child labor. The company representative in charge of the visit was incensed: child labor is out of the question in Japan, and surely people do not need to say, "we do not use child labor" for others to understand that.

But what is the situation like in other countries? Child labor remains an unpleasant fact at many factories in newly developing countries. While a world without child labor is taken for granted in developed countries, that is not always the case elsewhere. Precisely for that reason, things that seem obvious must be made clear or, in the extreme, some investors may get the impression that a company is trying to hide its use of child labor if such information is not disclosed.

On another note, some companies feel that they cannot disclose their ratio of women in managerial positions because it is too low. While their reasoning is that negative numbers should not be disclosed, such an approach may result in a undesirable evaluation in the eyes of institutional investors. When evaluating a company, institutional investors have only the information disclosed by that company. Therefore, what a company discloses and how it does are the only sources of information on a company's approach to and understanding of its issues. "No disclosure," thus, leads to the impression that the company is uninterested. Disclosing negative numbers and presenting future initiatives let stakeholders see what the company is paying attention to and how it intends to act going forward. Institutional investors also do not base their evaluations solely on numbers. Instead, they think of numbers in the context of companies' growth stories.

Many Japanese companies seem to find it difficult to disclose and promote things that are seemingly obvious, and to disclose problematic parts as they are. This might prevent them from being evaluated on their merits, which is a significant waste, and can even be a business loss.

As the purpose of my visits this time was to collect information about companies' admirable initiatives, almost all of the companies I visited were ones that actively promote themselves. However, what sets these companies apart from other companies is how they connect the act of disclosure with corporate growth. Strategic disclosure, through the process of dialogue with institutional investors and other stakeholders, leads to the emergence of issues that the company has to face. Approaching such issues makes it possible for companies to grow stronger. Perhaps disclosure is an efficient way to acquire an external viewpoint for companies.

By describing the thoughts of institutional investors and highlighting approaches to advanced disclosure, both of which I had the opportunity to witness first-hand during this project, I hope this report will contribute to building bridges, between companies and institutional investors.

Aya Aoki, Policy Researcher

As part of this research project, I had the opportunity to conduct face-to-face interviews with a total of 41 individuals, who represented 13 institutional investors and 7 companies.

One experience during the project changed my view of institutional investors. One of the investors I interviewed told me that when conducting dialogue with a company, they give the company presentation materials that include topics such as "why we like this company," "how this company can grow," and "this is what we hope your company will become." To be able to give convincing presentations, they spend their days working to understand companies' business models and modes of operation. That is when I got the impression that institutional investors truly walk hand in hand with companies.

Before getting involved with this project, I imagined that institutional investors were in intense conflict with management, demanding job cuts and other rationalization measures—that they were, "scary." However, my impression changed completely during the course of the interviews, as the institutional investors were soft-spoken and shared with me their thoughts on the companies they invest in, as described above.

In the interviews with company representatives, I was impressed by a female interviewee who, with a smile on her face, described how she had faced difficulties within her company when promoting women's advancement. That company has been promoting the advancement of women for seven years now, but persuading its employees when setting numerical targets for women's advancement was a challenge. She first conducted minute discussions among its management, and then relayed management's thoughts by having the person go from office to office convincing employees. Although she must have found the task extremely hard at the time, she was now able to laugh about it—and thereby once again reminded me of the significance of promoting women's advancement.

I could not have felt this way if I had not met with the people I did directly and listened to them speak. I suppose the same is true for the relationship between companies and institutional investors: there are things you can only learn by meeting face to face and conducting effective dialogue.

I hope this report will lead to companies committing even more strongly to disclosing information, to institutional investors acquiring an interest in the information disclosed by companies, and to effective dialogue between the two sides.

Ryo Kawasaki, Administrative Trainee

Gender Equality Bureau, Cabinet Office, Government of Japan

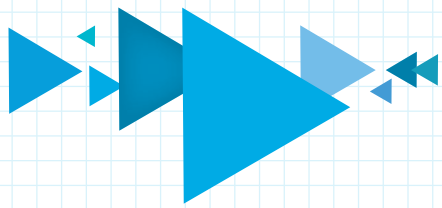
1-6-1 Nagata-cho, Chiyoda-ku, Tokyo 100-8914, Japan.

TEL +81-3-5253-2111

The full report for this research project:

http://www.gender.go.jp/english_contents/30esg_research.html

Research project on ESG investors' usage of information on women's advancement (2018)"
was entrusted to Deloitte Touche Tohmatsu LLC



Appendix

Research on ESG Investors' Usage of Information on Women's Advancement Questionnaire Result

【Overview of the Questionnaire】

(1) Research Objective

This survey is conducted to analyze the usage of information on women's advancement by institutional investors in ESG investment.

(2) Target

This survey targets 227 institutional investors who have signed to follow "Principles for Responsible Institutional Investors 'Japan's Stewardship Code'." We received response from 119 companies (response rate of 52.4%).

As of April 5th, 2018, we have sent to: 6 Trust Banks, 162 Asset Management Companies, 22 insurance companies, 30 pension funds, and 7 others (227 in total).

(3) Method

The survey was sent by email or mail.

(4) Survey Period

August to September, 2018

(5) Survey Composition

I. The state of ESG investment and use of information on women's advancement in ESG investment.....	2
II. Reasons for using information on women's advancement	5
III. Details of how to use information on women's advancement and where to find them .	7
IV. Engagement using information on women's advancement	11
V. Company initiatives for women's advancement that investors value.....	-
VI. Disclosure of information on women's advancement	12
VII. Respondent details	13

Since individual company names were included in the answers, we refrain from disclosing the section, "V. Company initiatives for women's advancement that investors value." However, those companies which we gained approval to disclose will be introduced in the main report.

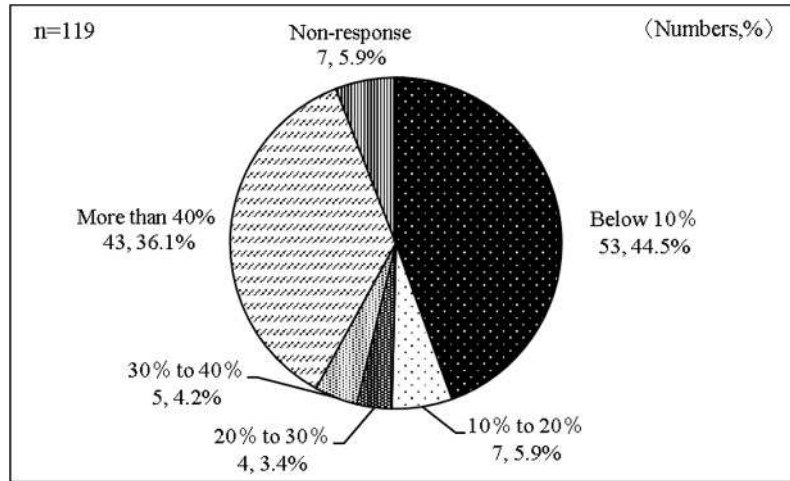
【The result of Questionnaire】

I. The state of ESG investment and use of information on women’s advancement in ESG investment

The percentage of ESG investment in AUM

With respect to ESG investment in AUM, 53 answered “below 10%,” 43 answered “more than 40%” and 7 answered “10% to 20%.”

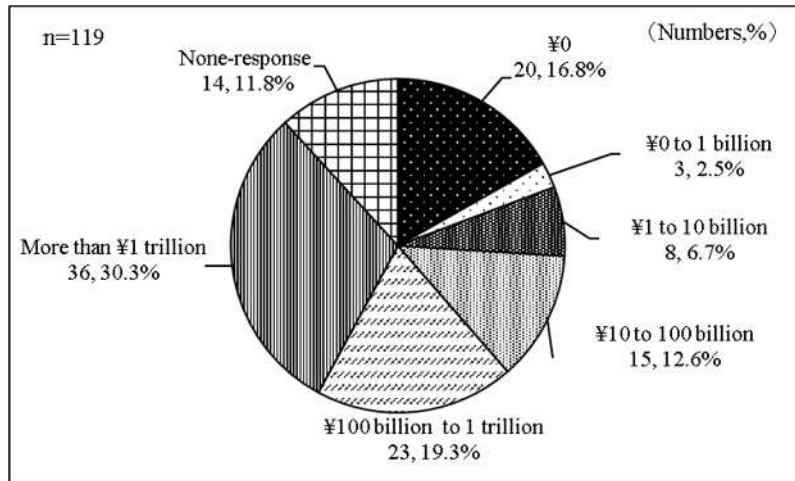
Graph 1



AUM of ESG investment

With respect to AUM of ESG investment, 36 answered “more than 1 trillion yen,” 23 answered “100 billion yen to 1 trillion yen,” and 20 answered “zero.”

Graph 2

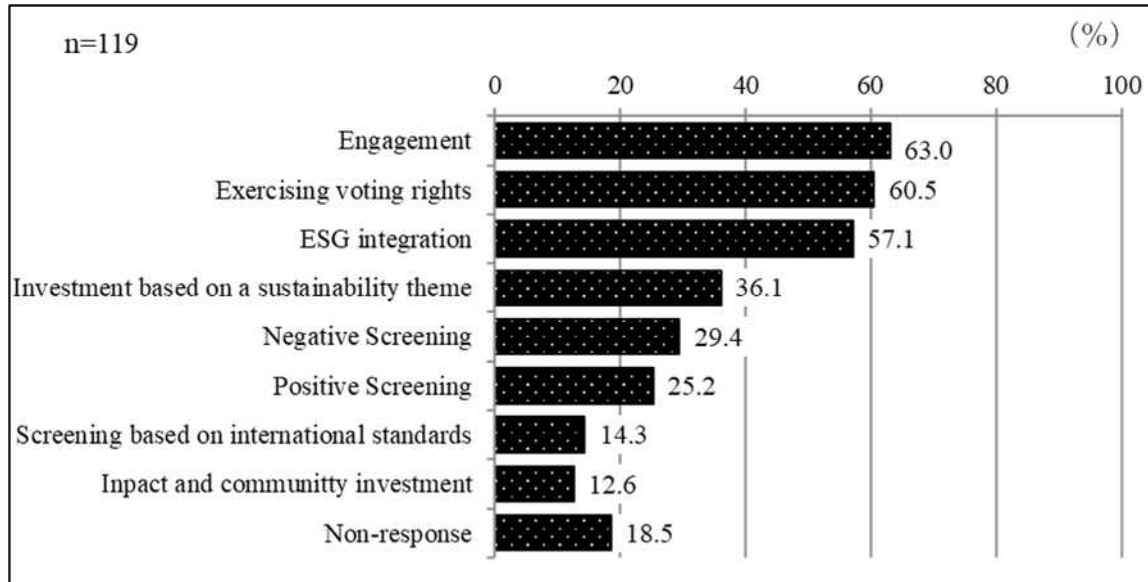


Note: Out of 20 companies which answered “zero,” 9 answered that they have more than 1 members specializes in ESG investment. This could be considered that respondents might sought ESG investment in narrow definition.

The methods of ESG investment (multiple answers allowed)

With respect to method of ESG investment, 75 answered “Engagement,” 72 answered “Exercising voting right,” and 68 answered “ESG integration.”

Graph 3



(Reference: Classification by the Japan Sustainable Investment Forum, a nonprofit organization)

“Engagement”, “Exercising voting rights”

Employing shareholder power to influence corporate behavior through direct corporate engagement filing or co-filing shareholder proposals, and proxy voting that is guided by comprehensive ESG guidelines.

“ESG integration”

ESG integration: Explicit consideration of environmental, social and governance factors in the investment decision-making process.

“Investment based on a sustainability theme”

Sustainability themed investment: Strategy that addresses specific sustainability issues such as renewable energy/clean technology and agriculture.

“Negative screening”

The exclusion from a fund or portfolio of certain sectors, companies or practices based on specific ESG criteria

“Positive (best in class) screening “

Investment in sectors, companies or projects selected from a defined universe for positive ESG performance relative to industry peers.

“Screening based on international standards”

Screening of investments based on compliance with international norms and standards such as those issued by OECD, ILO, UNICEF.

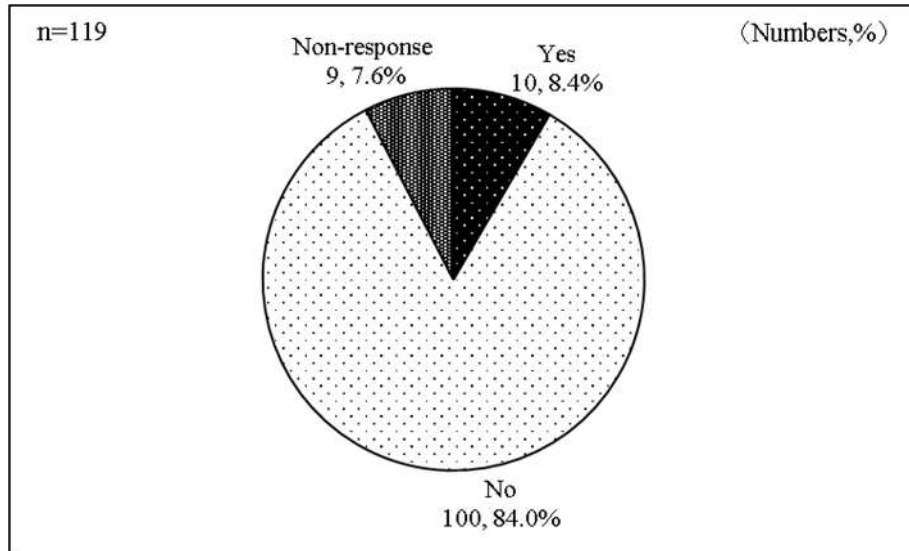
“Impact and community investment”

Targeted investments, typically made in private markets, aimed at solving social, environmental, community problems.

Managing fund specialized in women’s advancement

100 answered they have not managed fund specialized in women’s advancement and 10 answered that they do manage such fund.

Graph 4



Usage of information related to women’s advancement (narrative form)

There are comments for example that investors utilize information on women’s advancement as part of ESG integration and as reference to the voting and engagement even if they do not use for investment decisions directly.

Comments which investors mentioned for usage of information related to women’s advancement:

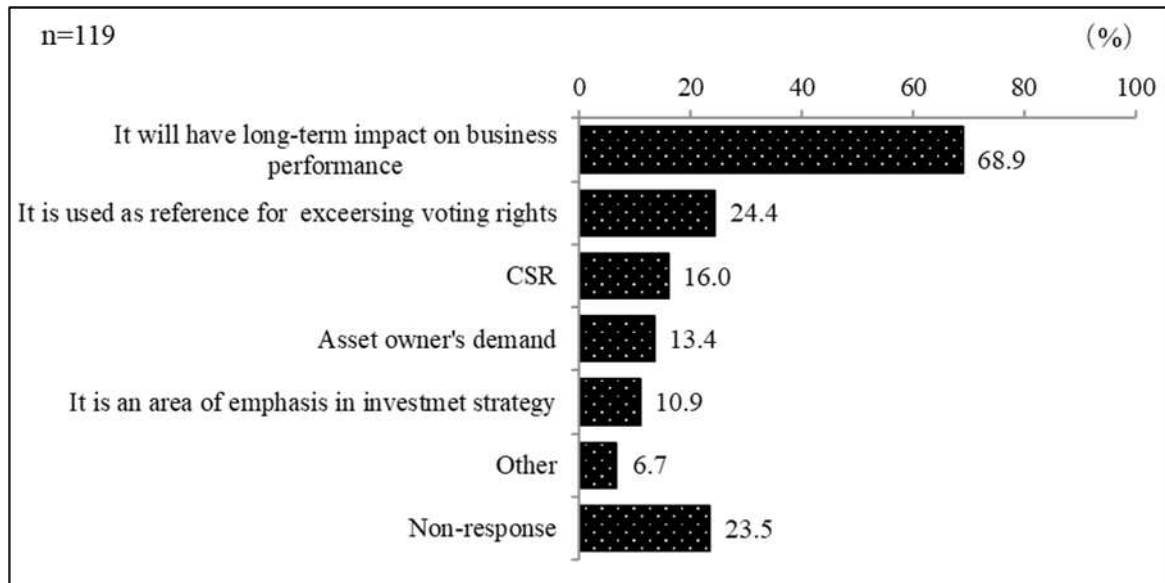
- We consider information on women’s advancement in ESG integration and positive screening.
- We do not have any standard value to female ratio, but we consider the fact when we engage and exercise voting right.
- We consider that information in credit analysis.
- In negative screening, we have criteria for employee satisfaction, which indirectly evaluate women’s advancement.
- If women’s advancement is important for company’s value creation, we ask for conducting measures and disclosing information in the engagements.
- We do not have any official decision made, but some analysts make reference to such information. etc

II. Reasons for using information on women's advancement

Reasons for using information on women's advancement (multiple answers allowed)

For reasons using information on women's advancement, 82 answered "because such information has a long-term impact on business performance," 29 answered "it used as reference to exercising voting rights," and 19 answered "for CSR."

Graph 5



Others :

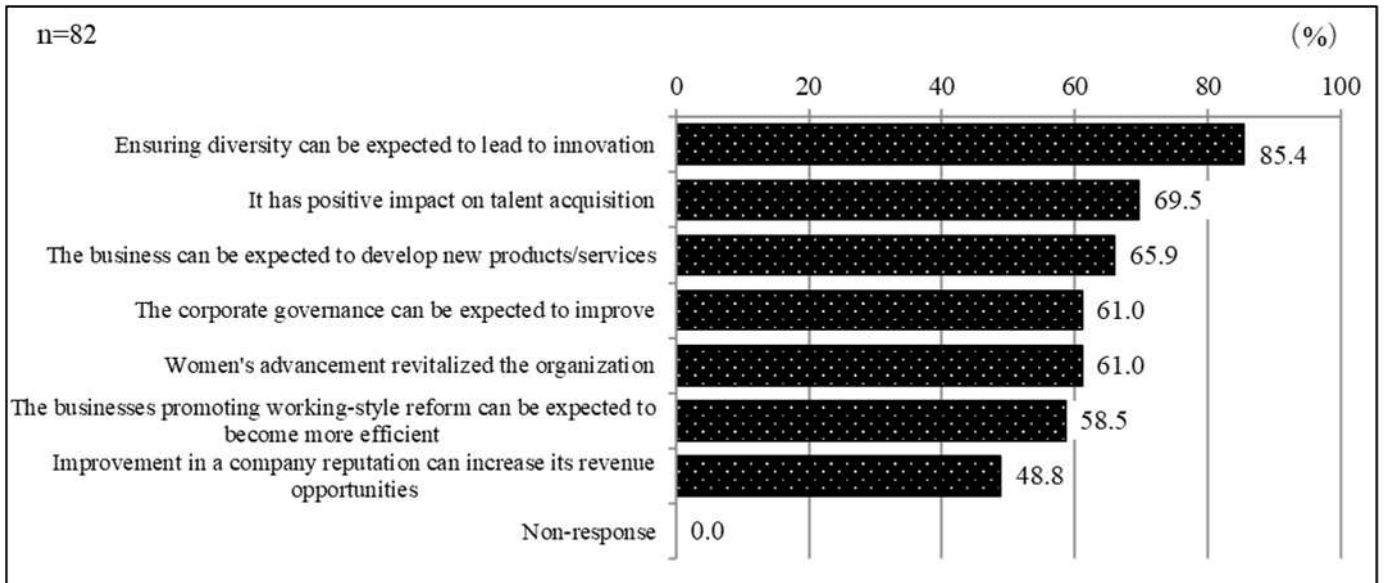
- It is related to management's wide perspective, flexibility, receptivity, Adaptability to changes.
- Diversity, including gender, race, nationality, age is important.
- We utilize this information to check if the company places right people to right place regardless of the gender.
- We assume that it will create higher returns in a long-term, and we expect that will raise the standard of Japanese stock market overall. etc

Reasons for thinking women’s advancement has as impact on business performance

(multiple answers allowed)

With respect to reasons for thinking women’s advancement has an impact on business performance, 70 answered “ensuring diversity can be expected to lead to innovation,” 57 answered “it has impact on talent acquisition,” and 54 answered “the business can be expected to develop new products/services.”

Graph 6



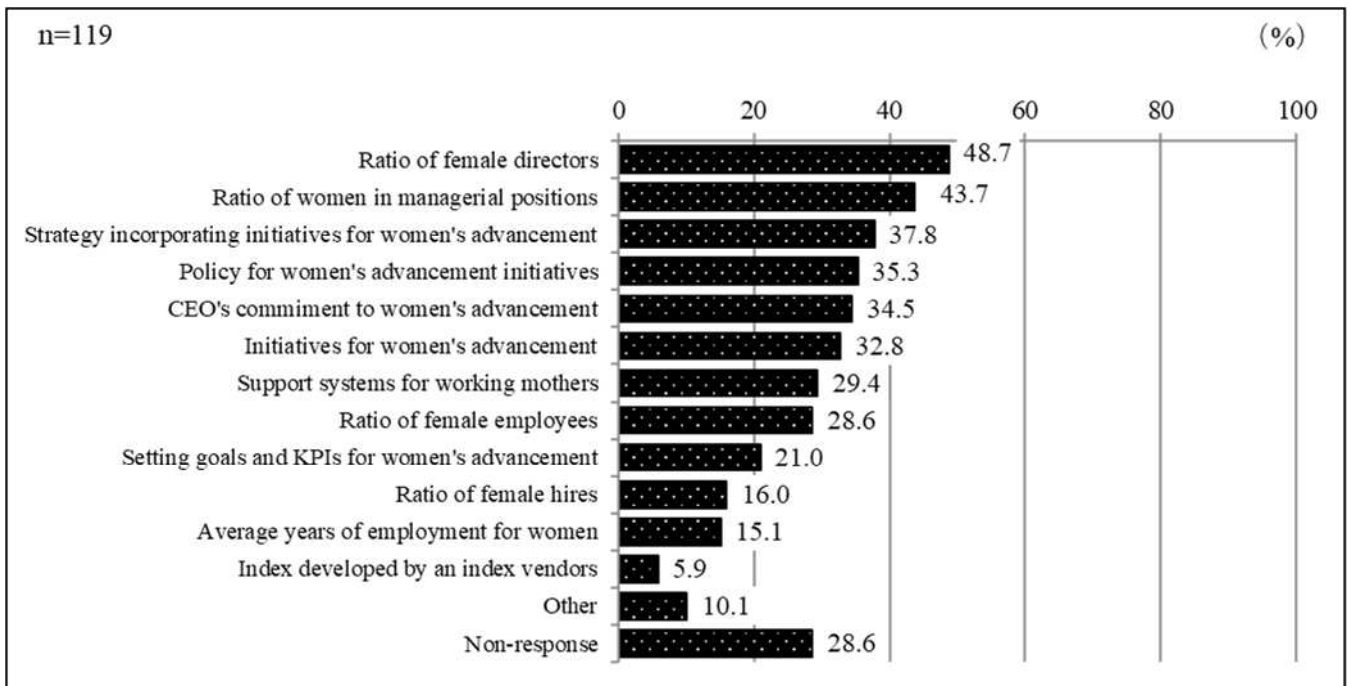
Note: This question is asked to those answered “it has a long-term impact on business performance” in previous question.

III. Details of how to use information on women’s advancement and where to find them

Type of information on women’s advancement that investors use (multiple answers allowed)

With respect to kind of information that investors use, 58 answered “ratio of female directors,” 52 answered “ratio of women in managerial positions,” and 45 answered “strategy incorporating initiatives for women’s advancement.”

Graph 7



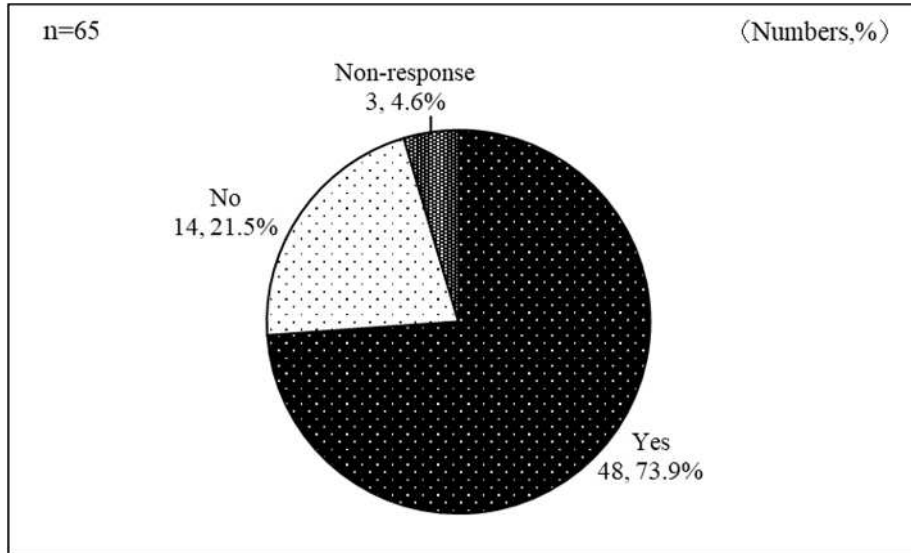
Others:

- HR strategy
- Pay gap
- ESG report from consulting firm
- Pledged to Women’s Empowerment Principles “WEPs”
- Commitment to gender diversity in board composition and refreshment/recruitment stated in Nominating/Corporate Governance Committee Charters, including time bound targets and progression tracking mechanisms
- etc

Whether investors take past data into account

With respect to whether investors take past data, 48 answered “Yes,” and 14 answered “No.”

Graph 8

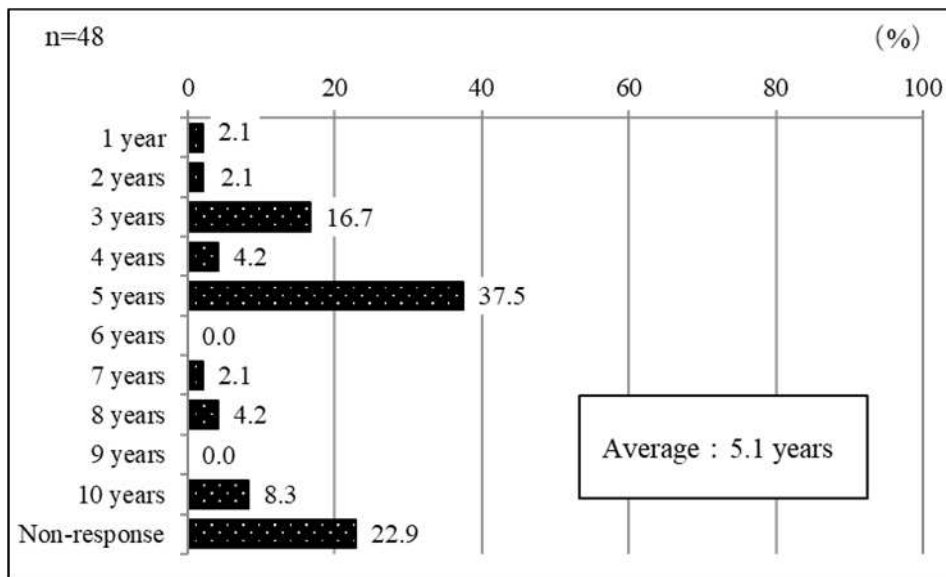


Note: This question is asked to those who answered “ratio of female hires,” “ratio of female employees,” “ratio of women in managerial positions,” “ratio of female directors” in the previous question.

Number of years that investors take into account

For number of years that investors take into account, 18 answered “5 years,” and average was 5.1 years.

Graph 9

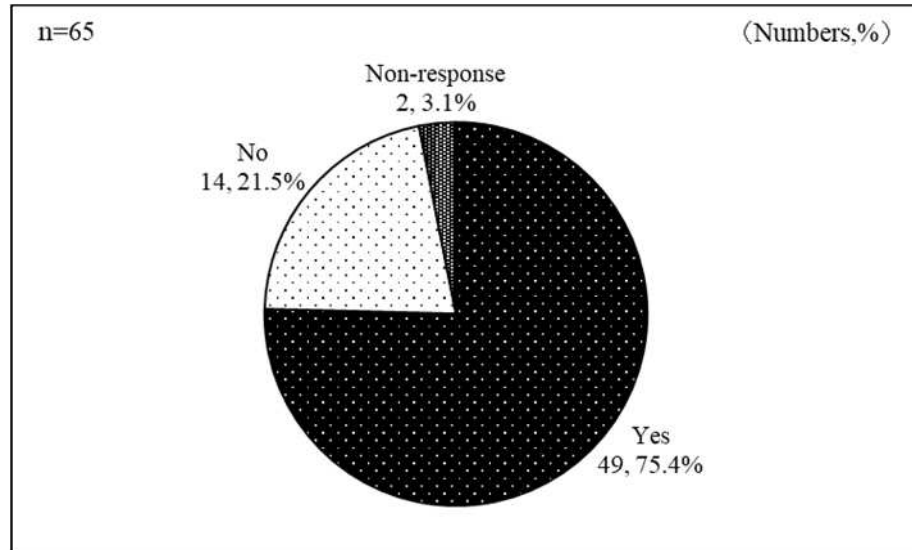


Note: This question is asked to those who answered “Yes” in the previous question.

Whether investors consider the future disclosure of mid-term KPI

With respect to whether investors consider the future disclosure of mid-term KPI, 49 answered “Yes,” and 14 answered “No.”

Graph 10

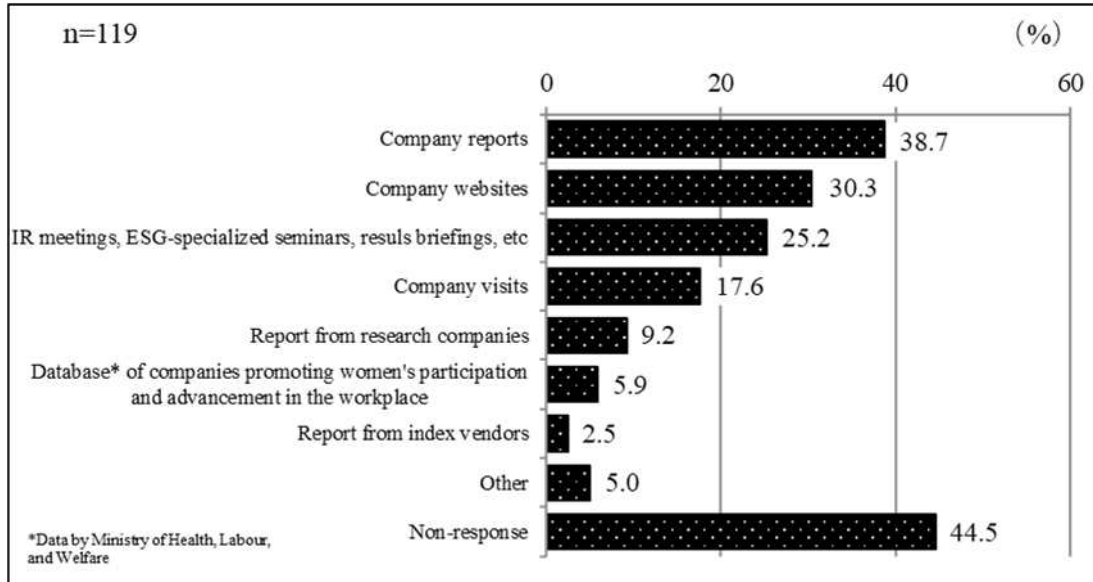


Note: This question is asked to those who answered “ratio of female hires,” “ratio of female employees,” “ratio of women in managerial positions,” “ratio of female directors” in the previous question.

How/where to find information on women’s advancement (multiple answers allowed)

With respect to how/where to find information on women’s advancement, 46 answered “company reports,” 36 answered “company websites,” and 30 answered “IR meetings, ESG-specialized meetings, etc.”

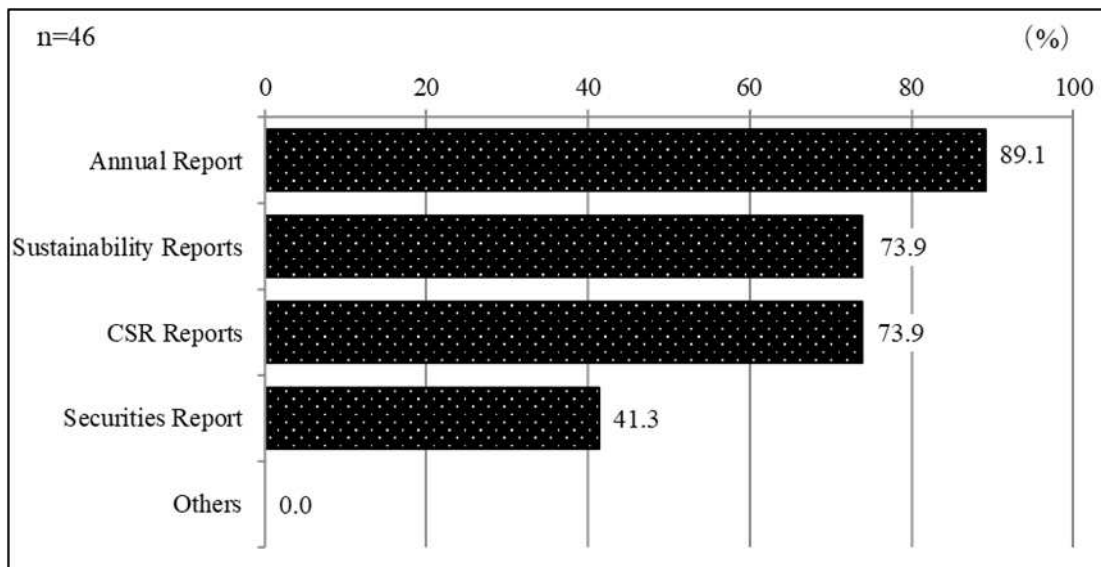
Graph 11



Type of company report investors use (multiple answers allowed)

With respect to type of company report investors use, 41 answered “annual report,” 34 answered “sustainability report,” and “CSR report,” and 19 answered “securities report.”

Graph 12



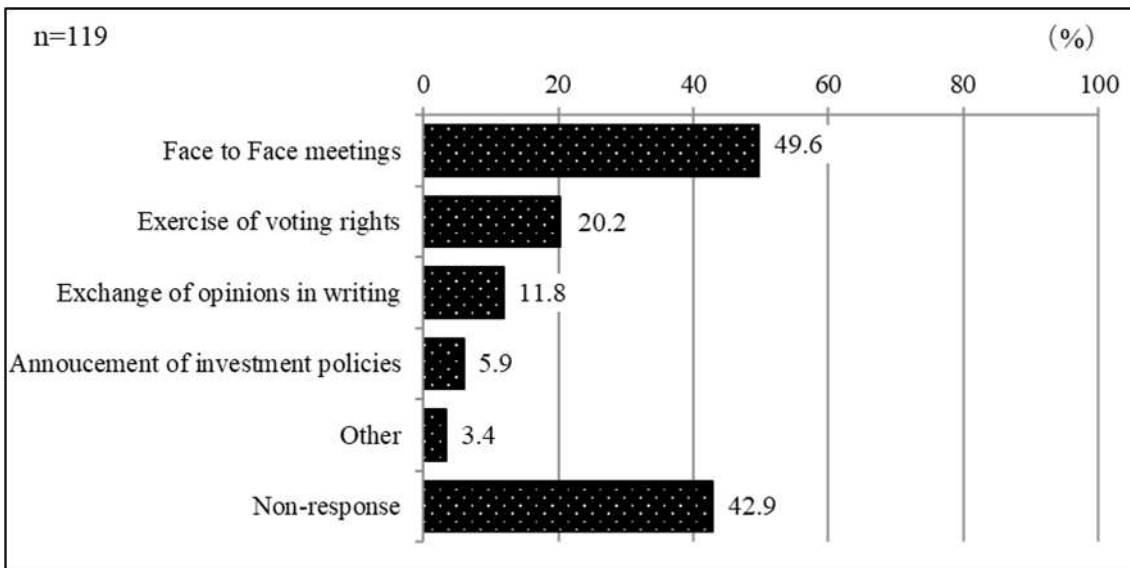
Note: This question is asked to those who answered “company reports” in the previous question.

IV. Engagement using information on women’s advancement

Types of engagement using information on women’s advancement (multiple answers allowed)

With respect to types of engagement, 59 answered “face to face meeting,” 24 answered “exercise of voting rights,” 14 answered “exchange of opinions in writing.” It is considerable that 51 which were “non-response,” include companies that do not utilize the information on women’s advancement, and asset owners which do not directly make engagement.

Graph 13



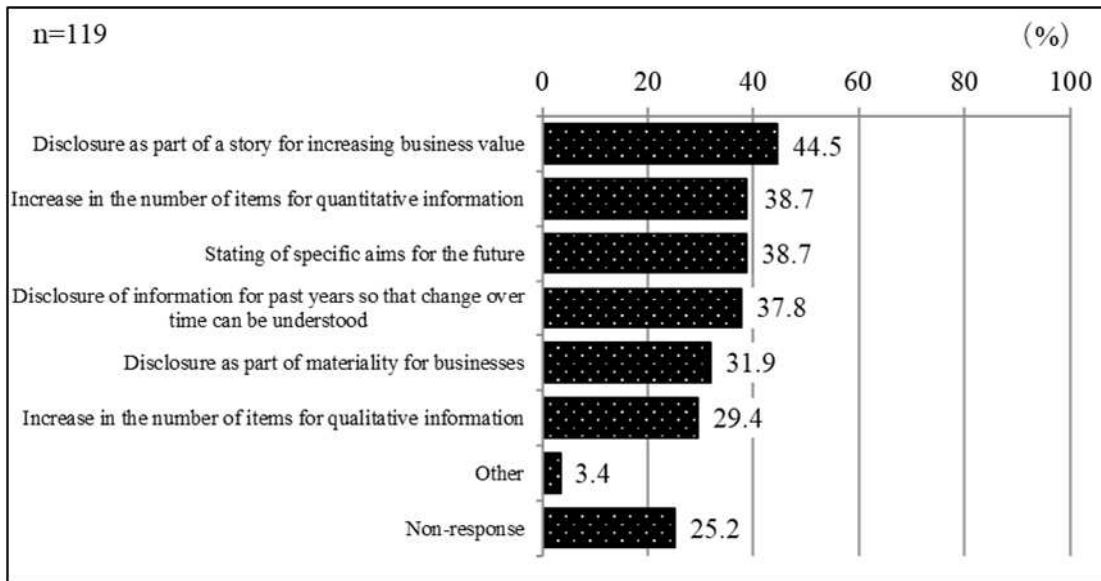
V. Company initiatives for women’s advancement that investors value (closed)

VI. Disclosure of information on women’s advancement

Disclosure of information on women’s advancement which investors hope (multiple answers allowed)

With respect to disclosure of information on women’s advancement which investors hope, 53 answered “disclosure as part of a story for increasing value,” 46 answered “increase in the number of items for quantitative information” and “stating specific aims for the future,” and 45 answered “disclosure of information for past years so that change over time can be understood.”

Graph 14



Other:

- Disclosure of information that women’s advancement has causal relationship to the business growth.

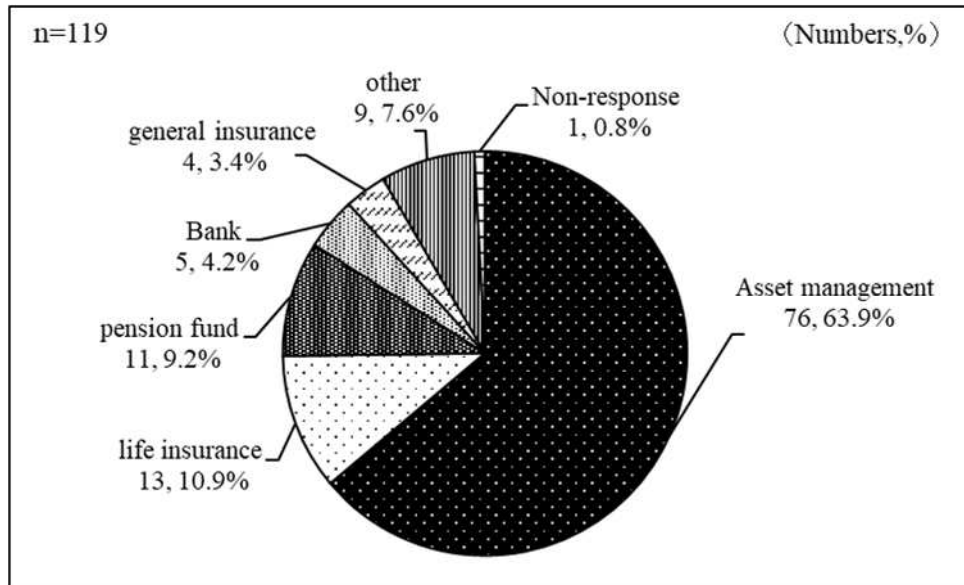
- Specific items which investors mentioned for quantitative information :
- ratio of women on board
 - number and ratio of female employee, managerial positions, executive positions in consolidated basis
 - measures for women’s advancement including training opportunities, and receptivity of diversity in managerial level (commitment to such measures.)
 - pay gap, average employee tenure etc
- Specific items which investors mentioned for qualitative information :
- CEO’s commitment to diversity, measures for gender equality and vision for the future.
 - organization structure that supports gender diversity, and proper effect measurement
 - evaluation for director’s appropriateness etc

VII. Respondent details

Organization

With respect to organization that respondents belong to, 76 answered “asset management,” 13 answered “life insurance,” and 11 answered “pension fund.”

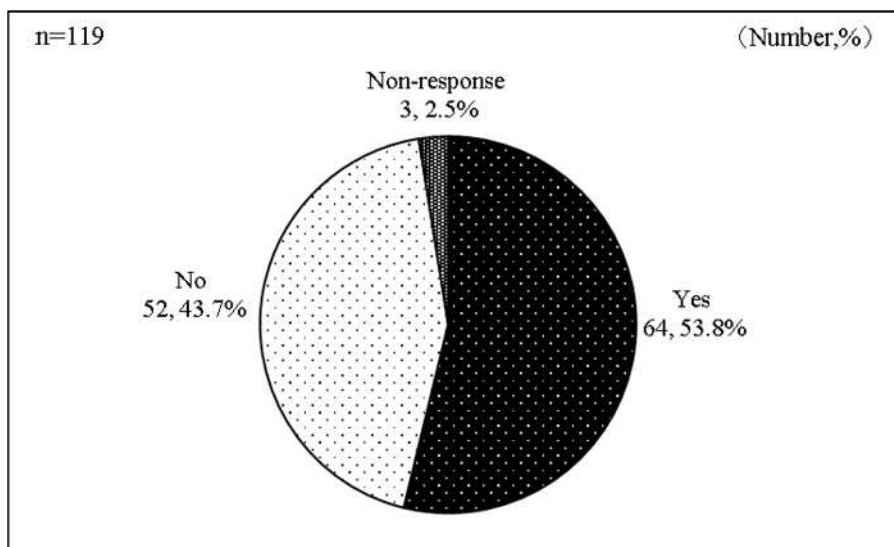
Graph 15



Whether organization signed to an international network of institutional investors such as PRI and ICGN

There 64 companies which signed to PRI, ICGN, or other international networks, and 52 which do not belong to any.

Graph 16

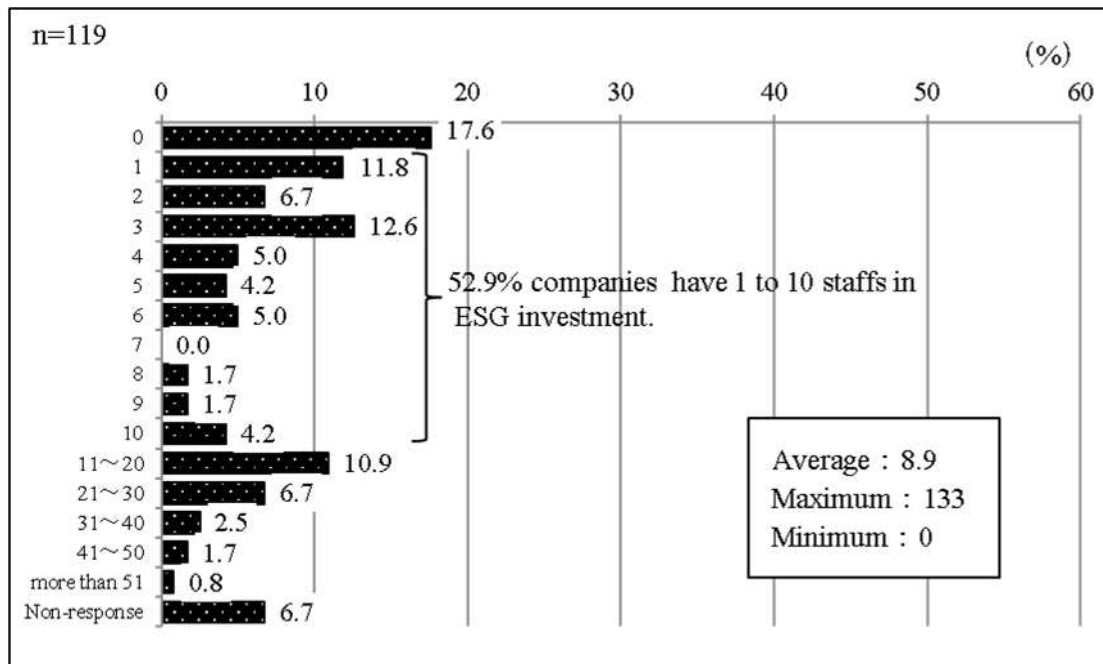


Number of staff who work for ESG investment

With respect to number of staff who work for ESG investment, 21 answered “0 staff,” 15 answered “3 staffs,” and 14 answered “1 staff,” where average was 8.9 personnel.

52.9% companies have 1 to 10 staffs in ESG investment.

Graph 17



Note: There are 21 companies that answered “0 staff” in this question, and out of 21, 6 gave specific answer to AUM of ESG investment. This is considerable that those 6 might answered this question in narrow definition of “ESG staff,” those who are fully-committed to this section.

【(For reference) The questionnaire Form】

I. The state of ESG investment and use of information on women’s advancement in ESG investment

- In this questionnaire, “ESG investment” is defined as investment in which ESG information is, in any shape or form and to any extent, used when making investment decisions.
- If you are not an institutional investor (proxy advisory firms etc.), please skip to Question 7.

Q1. What percentage of your company’s investments are ESG investments?

Please select one response from the choices below and write the corresponding number in the box on the right.

1. Less than 10 percent
2. 10 to 20 percent
3. 20 to 30 percent
4. 30 to 40 percent
5. More than 40 percent

Q1-1. Please give a rough balance for your company’s ESG investments. (Please write a number in the box below.)

	JPY 100 million
--	--------------------

Q2. Which of the following management methods* for ESG investments does your company use?

Please select any number of responses from the choices below and write the corresponding numbers in the box on the right.

1. ESG integration
2. Positive (“best in class”) screening
3. Investment based on a sustainability theme
4. Impact and community investment
5. Use of voting rights (active ownership)
6. Engagement
7. Negative screening
8. Screening based on international standards

*This classification follows that of the Japan Sustainable Investment Forum, a nonprofit organization

Q3. Please give a brief description of how you use evaluations related to diversity in ESG investment. (Please write your answer in 1-2 lines in the box below.)

E.g. negative screening, ESG integration, use of voting rights, management specialized in women’s advancement, etc.

Q4. Please give a brief description of how you use evaluations related to women’s advancement in ESG investment.
(Please write your answer in 1-2 lines in the box below.)

E.g. negative screening, ESG integration, use of voting rights, management specialized in women’s advancement, etc.

Q5. Does your company manage a fund specialized in information on initiatives businesses are taking to heighten the participation of women in the workplace and information on working-style reforms and other measures premised on promoting women’s advancement (referred to as “information on women’s advancement” below)?

Please select one response from the choices below and write the corresponding number in the box on the right.

- 1. Yes
- 2. No

(Please answer Q5-1 if you chose “Yes” in Q5)

Q5-1. Please give a brief description of the fund. (Please write your answer in 1-2 lines in the box below.)

Q6. Going forward, how do you plan to use information on women’s advancement in your stewardship activities?
Please answer briefly. (Please write your answer in 1-2 lines in the box below.)

Note: You can give your personal opinion instead of citing company policy or other official sources.

E.g. will use for voting decisions, will exclude businesses not doing enough for women’s advancement as investment candidates, etc.

II. Reasons for using information on women’s advancement for investment decisions and in operations

Respondents other than institutional investors (proxy advisory firms etc.) may start from here (Q7)

Q7. What are your reasons for using information on women’s advancement for investment decisions and in operations?

Please select any number of responses from the choices below and write the corresponding numbers in the box on the right.

1. Asset owner (customer) demand for it is growing
2. Desire to make a social contribution
3. Such information has a long-term impact on business performance
4. It is an area of emphasis in our investment strategy
5. It is used as reference material for voting decisions
6. Other → (please describe: _____)

(Please answer Q7-1 if you chose “3. Such information has a long-term impact on business performance” in Q7.)

Q7-1. Why do you think that information on women’s advancement has an impact on business performance?

Please select any number of responses from the choices below and write the corresponding numbers in the box on the right.

1. Because it can have a positive impact on talent acquisition
2. Because ensuring diversity can be expected to lead to innovation
3. Because the business can be expected to develop new products/services
4. Because businesses promoting working-style reform can be expected to become more efficient
5. Because improvement in a company’s reputation can increase its revenue opportunities
6. Because corporate governance can be expected to improve
7. Because women’s advancement revitalizes the organization

III. Details of information on women’s advancement used, and how to use such information

Q8. What kinds of information on women’s advancement do you use in investment and operations?

Please select any number of responses from the choices below and write the corresponding numbers in the box on the right.

1. Ratio of female hires
2. Ratio of female employees
3. Average years of employment for women (or both men and women)
4. Ratio of women in managerial positions
5. Ratio of female directors
6. Management strategy incorporating initiatives for women’s advancement (management vision, management policy)
7. Policy for women’s advancement initiatives
8. Commitment of upper management to the promotion of women’s advancement
9. Initiatives for women’s advancement (employee training on women’s advancement, career training for women, mentoring systems, etc.)
10. Support systems for combining work with raising children and other life events
11. Numerical goals for women’s advancement, with progress toward these goals affecting the performance evaluation of upper and middle management
12. Index developed by an index vendor
13. Other (please describe: _____)

(Please answer Q8-1 if you chose one or more of “1. Ratio of female hires,” “2. Ratio of female employees,” “3. Average years of employment for women, or both men and women,” “4. Ratio of women in managerial positions,” or “5. Ratio of female directors” in Q8.)

Q8-1. Do you take data for the past into account?

Please select one response from the choices below and write the corresponding number in the box on the right.

1. Yes → (How many years back do you look? _____ years)
2. No

(Please answer Q8-2 if you chose one or more of “1. Ratio of female hires,” “2. Ratio of female employees,” “3. Average years of employment for women, or both men and women,” “4. Ratio of women in managerial positions,” or “5. Ratio of female directors” in Q8.)

Q8-2. Do you consider the future disclosure of mid-term KPIs important?

Please select one response from the choices below and write the corresponding number in the box on the right.

1. Yes
2. No

Q9. How/where do you obtain information on women’s advancement?

Please select three of the most suitable responses from the choices below and write the corresponding numbers in the box on the right.

1. Visits to companies
2. Company seminars (results briefings, IR meetings, ESG-specialized seminars, etc.)
3. Company websites
4. Company reports (annual reports, securities reports, etc.)
5. Consulting and research companies
6. Index vendors
7. Ministry of Health, Labour and Welfare database (Database of Companies Promoting Women's Participation and Advancement in the Workplace)
8. Other → (please describe: _____)

(Please answer Q9-1 if you chose “4. Company reports” in Q9.)

Q9-1. What reports do you use to obtain information?

Please select any number of responses from the choices below and write the corresponding numbers in the box on the right.

1. Annual reports (Integrated reports)
2. Securities reports
3. Sustainability reports
4. CSR reports

IV. Engagement using information on women’s advancement (purposeful dialogue)

Q10. What type(s) of engagement using information on women’s advancement have you conducted within the past year?

Please select any number of responses from the choices below and write the corresponding numbers in the box on the right.

1. Face-to-face exchange of opinions
2. Exchange of opinions in writing
3. Active communication of investment policy etc. to businesses
4. Use of voting rights
5. Other → (please describe: _____)

V. Company initiatives for women's advancement you value as an institutional investor

Q11. Please give a few brief examples of companies' initiatives for women's advancement that you value from the perspectives of women's advancement and increasing business value. (Multiple answers allowed. Please write your answers in 1-2 lines in the boxes below.)

1	Initiative:
	Reasons you value it:
2	Initiative:
	Reasons you value it:
3	Initiative:
	Reasons you value it:

VI. Businesses' disclosure of information on women's advancement

Q12. What are your hopes for businesses' disclosure of information on women's advancement?

Please select any number of responses from the choices below and write the corresponding numbers in the box on the right.

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1. Increase in the number of items for which quantitative information is disclosed → (specific items, if any: _____)
2. Increase in the number of items for which qualitative information is disclosed → (specific items, if any: _____)
3. Disclosure of information for past years so that change over time can be understood
4. Stating of specific aims for the future
5. Disclosure as part of materiality for businesses
6. Disclosure as part of a story for increasing business value
7. Other → (please describe: _____)

Q13. Please give a few examples of companies' disclosure of information on women's advancement that you value from the perspectives of women's advancement and increasing business value. (Multiple answers allowed. Please write your answers in 1-2 lines in the boxes below.)

1	Disclosure example:
1	Reasons you value it:
2	Disclosure example:
2	Reasons you value it:
3	Disclosure example:
3	Reasons you value it:

VII. Respondent details

Q14. What is your organization?

Please select one response from the choices below and write the corresponding number in the box on the right.

1. Asset management/ Investment advisory company
2. Pension fund
3. Life insurance company
4. Non-life insurance company
5. Bank
6. Proxy advisory firm
7. Other (please describe: _____)

Q15. Is your organization a signatory to an international network of institutional investors committed to the establishment of mid-to long-term management, such as PRI or ICGN?

Please select one response from the choices below and write the corresponding number in the box on the right.

1. Yes
2. No

Q16. How many employees in your organization handle work related to ESG investment? (Please write a number in the box below.)

As the secretariat may contact you for reasons such as to confirm that the answers you have provided are not misinterpreted or misunderstood, we ask that you please provide your contact information below.

Name of Organization			
Department		Title	
Name		Telephone	
Email			

This is the end of the questionnaire. Thank you for responding!

Target

(Institutional investors who have signed to follow “Principles for Responsible Institutional Investors ‘Japan’s Stewardship Code’”.
(As of April 5th, 2018))

[227 total]

Trust Banks(6)

1	Mitsubishi UFJ Trust and Banking Corporation
2	Mizuho Trust & Banking Co., Ltd.
3	Resona Bank, Limited.
4	Sumitomo Mitsui Trust Bank, Limited
5	The Nomura Trust and Banking Co., Ltd.
6	The Norinchukin Trust and Banking Co.,Ltd.

Asset Management Companies (162)

1	Aberdeen Investment Management K.K.	21	BFC Asset Management Co., Ltd.	41	Dalton Capital (Japan) Inc.
2	Acadian Asset Management (Japan)	22	BlackRock Japan Co., Ltd.	42	DBJ ASSET MANAGEMENT CO.,LTD
3	ACA Inc	23	BNP Paribas Asset Management Japan Limited.	43	Deutsche Asset Management (Japan) Limited
4	ACA InnovativInvestmentManagementInc.	24	BNY Mellon Asset Management Japan Limited.	44	Dimensional Fund Advisors LP
5	AllianceBernstein Japan Ltd.	25	Brandes Investment Partners,LP	45	DSM Capital Partners LLC
6	Allianz Global Investors Japan Co., Ltd.	26	Capital Asset Management Co.,Ltd	46	Eastspring Investments Limited
7	Alphagen Capital Limited	27	Capital International K.K.	47	Eastspring Investments (Singapore) Limited
8	Amundi Japan Ltd.	28	Carrera Asset Management Co.,Ltd.	48	Effissimo Capital Management Pte Ltd
9	Ant capital partners Co.Ltd	29	Cartica Management, LLC	49	FIL Investments (Japan) Limited
10	Aozora Investment Management Co.,Ltd.	30	Chibagin Asset Management Co.,Ltd.	50	Fivestar Asset Management CO.,LTD
11	Arabesque Asset Management Ltd.	31	Chugin Asset Management Company, Limited.	51	FOUR SEASONS ASIA INVESTMENT Pte. Ltd.
12	Ark Totan Alternative Co., Ltd.	32	Comgest Asset Management Japan Ltd.	52	Franklin Templeton Investments Japan Limited
13	ASAHI LIFE ASSET MANAGEMENT CO.,LTD.	33	Comgest S.A.	53	Fukoku Capital Management, Inc.
14	Astmax Asset Management, Inc.	34	Commons Asset Management , Inc .	54	GAMCO Investors, Inc.
15	Asset Management One Co., Ltd.	35	Création Capital, Inc.	55	GCI Asset Management, Inc
16	Asuka Asset Management Co., Ltd.	36	Daiwa Asset Management Co.Ltd.	56	GMO LLC.
17	AXA Investment Managers Japan Ltd.	37	Daiwa Fund Consulting Co.Ltd.	57	Goldman Sachs Asset Management Co.,Ltd.
18	Baillie Gifford & Co	38	Daiwa SB Investments Ltd.	58	Goldman Sachs Asset Management International
19	Barclays Funds and Advisory Japan Limited	39	Daiwa Securities Co. Ltd.	59	Goldman Sachs Asset Management, L.P.
20	Bayview Asset Management Co., Ltd.	40	Dalton Investments LLC	60	Goldman Sachs (Asia) LLC

Asset Management Companies (162)

61	Groupe La Francaise	96	MFS Investment Management K.K.	131	SBI Asset Management Co., Ltd.
62	GS Investment Strategies LLC	97	Milestone Asset Management Co.,Ltd	132	Schroder Investment Management (Japan) Limited
63	Harris Associates L.P.	98	Milestone Turnaround Management Co., LTD.	133	SEIRY U Asset Management Ltd.
64	HC Asset Management Co., Ltd.	99	Misaki Capital Inc.	134	Senshu Ikeda Investment Management Co.,Ltd.
65	Henderson Global Investors Limited	100	Mitsubishi UFJ Kokusai Asset Management Co.,	135	Shinkin Asset Management Co., Ltd.
66	Henderson Global Investors (Japan) Limited	101	Morgan Stanley Investment Management	136	Shinsei Investment Management Co., Ltd
67	Henderson Global Investors (Singapore) Limited	102	MU Investments Co., Ltd.	137	Shiozumi Asset Management Co., Ltd.
68	Henderson Investment Management Limited	103	Muzinich & Co., Inc.	138	Simplex Asset Management Co., Ltd.
69	Hermes Fund Managers Limited	104	Natixis Investment Managers Japan Co.,Ltd.	139	Sompo Japan Nipponkoa Asset Management Co.,Ltd.
70	Hibiki Path Advisors Pte Ltd	105	Neuberger Berman East Asia Limited	140	SPARX Asset Management Co., Ltd.
71	Horizon Capital Management S.A.	106	Nezu Asia Capital Management Limited	141	State Street Global Advisors (Japan) Co., Ltd.
72	Ichigo Asset Management, Ltd.	107	Nikko Asset Management Co.,Ltd.	142	Strategic Capital, Inc.
73	Ichiyoshi Asset Management Co., Ltd.	108	Nippon Value Investors KK	143	Sumitomo Mitsui Asset Management Company,Limited
74	Indus Capital Partners, LLC	109	Nissay Asset Management Corporation	144	Sumitomo Mitsui Trust Asset Management Co.,Ltd.
75	Inflection Point Capital Management Co., Ltd	110	Nomura Asset Management Co.,Ltd.	145	LP Taiyo Pacific Partners LP
76	Invesco Asset Management (Japan) Limited	111	Nomura Funds Research and Technologies Co.,Ltd.	146	Tiburon Partners LLP
77	JAFCO Co., Ltd.	112	Norinchukin Value Investmenrs Co.,Ltd.	147	TOKAI TOKY O ASSET MANAGEMENT CO.,LTD.
78	Japan Asia Asset Management Co.,Ltd.	113	Norinchukin Zenkyoren Asset Management Co.,Ltd.	148	Tokio Marine Asset Management Co., Ltd.
79	JP Asset Management Co.,Ltd.	114	Oasis Management Company Ltd.	149	TORANOTEC ASSET MANAGEMENT LTD.
80	JPMorgan Asset Management (Japan) Limited	115	Okasan Asset Management Co., Ltd.	150	T&D Asset Management Co., Ltd.
81	Jupiter Asset Management Limited	116	Orbis Investment Management Limited	151	T.Rowe Price International Limited Tokyo Branch
82	J-Will Asset Management Co., Ltd.	117	Pelargos Capital B.V.	152	UBS Asset Management (Japan) Ltd.
83	Kabouter Management, LLC	118	Pictet Asset Management (Japan) Ltd.	153	Vanguard Investments Japan, Ltd.
84	Kamakura Investment Management Co.,Ltd.	119	PineBridge Investments Japan Co., Ltd.	154	Vontobel Asset Management, Inc.
85	Kohlberg Kravis Roberts & Co. L.P.	120	Portfolia Inc.	155	Walter Scott & Partners Limited
86	Kusunokimasashige LLC	121	Principal Global Investors (Japan) Ltd.	156	Wellington Management Japan Pte Ltd.
87	Lazard Japan Asset Management K.K.	122	PGIM Japan Co., Ltd.	157	WERU INVESTMENT CO., LTD.
88	Legal & General Investment Management	123	Resona Asset Management Co., Ltd	158	Whiz Partners Inc.
89	Lindsell Train Limited	124	Rheos Capital Works Inc.	159	William Blair International Limited
90	Lyxor Asset Management	125	Robeco Japan Company Limited	160	William Blair Investment Management, LLC
91	Manulife Asset Management (Japan) Limited	126	Ruffer LLP	161	WM Partners
92	Man Group Japan Limited	127	Russell Investments Japan Co., Ltd.	162	Yuki Management & Research Co., Ltd.
93	Marathon Asset Management LLP	128	SAISON ASSET MANAGEMENT CO.,LTD.		
94	Martin Currie Investment Management Ltd	129	Sarasin & Partners LLP		
95	Meiji Yasuda Asset Management Company Ltd.	130	Sawakami Asset Management Inc.		

Pension funds (30)

1	Aioi Nissay Dowa Pension Fund	11	Mitsubishi UFJ Trust and Banking Corporation Pension Fund	21	Pension Fund Association
2	MUFG Bank Pension Fund	12	Mitsui Sumitomo Insurance Pension Fund	22	Pension Fund Association for Local Government Officials
3	California Public Employees' Retirement System (CalPERS)	13	Mizuho Pension Fund	23	Railway Pension Trustee Company Limited
4	Eisai Pension Fund	14	Mutual Benefit Association for Tokyo Metropolitan Government Employees	24	Resona Pension Fund
5	Farmers Pension Fund	15	National Federation of Mutual Aid Associations for Municipal Personnel	25	SECOM Pension Fund
6	Federation of National Public Service Personnel Mutual Aid Associations	16	National Mutual Insurance Federation of Agricultural Cooperatives	26	Sumitomo Mitsui Banking Corporation Pension Fund
7	Fourth Swedish National Pension Fund (AP4)	17	National Pension Fund Association	27	Sumitomo Mitsui Trust Bank Pension Fund
8	Government Pension Investment Fund	18	Organization for Small & Medium Enterprises and Regional Innovation, JAPAN	28	The Mutual Aid Association of Prefectural Government Personnel
9	Japan Mutual Aid Association of Public School Teachers	19	Organization for Workers' Retirement Allowance Mutual Aid	29	The Promotion and Mutual Aid Corporation for Private Schools of Japan
10	Japan Police Personnel Mutual Aid Association	20	Panasonic Pension Fund	30	University of California

Insurance companies (22)

1	Aflac Life Insurance Japan Ltd.	11	MetLife Insurance K.K.	21	The Prudential Life Insurance Company, Ltd.
2	Aioi Nissay Dowa Insurance Co., Ltd.	12	MITSUI LIFE INSURANCE COMPANY LIMITED	22	Tokio Marine & Nichido Fire Insurance Co., Ltd.
3	Asahi Mutual Life Insurance Company	13	Mitsui Sumitomo Insurance Company, Limited		
4	AXA Life Insurance Co., Ltd.	14	NIPPON LIFE INSURANCE COMPANY		
5	DAIDO LIFE INSURANCE COMPANY	15	Sompo Japan Nipponkoa Insurance Inc.		
6	Fukoku Mutual Life Insurance Company	16	Sony Life Insurance Co., Ltd.		
7	Fukokushinrai Life Insurance Company, Limited	17	SUMITOMO LIFE INSURANCE COMPANY		
8	Japan Post Insurance Co., Ltd.	18	Taiyo Life Insurance Company		
9	Manulife Life Insurance Company	19	The Dai-ichi Life Insurance Company, Limited		
10	Meiji Yasuda Life Insurance Company	20	The Gibraltar Life Insurance Co., Ltd.		

Others (Proxy advisory firms etc.) (7)

1	Development Bank of Japan Inc.
2	Glass Lewis & Co.
3	Governance for Owners Japan KK
4	Hermes Equity Ownership Services
5	Institutional Shareholder Services Inc.
6	Mercer Japan Ltd.
7	Towers Watson Investment Services K.K.