

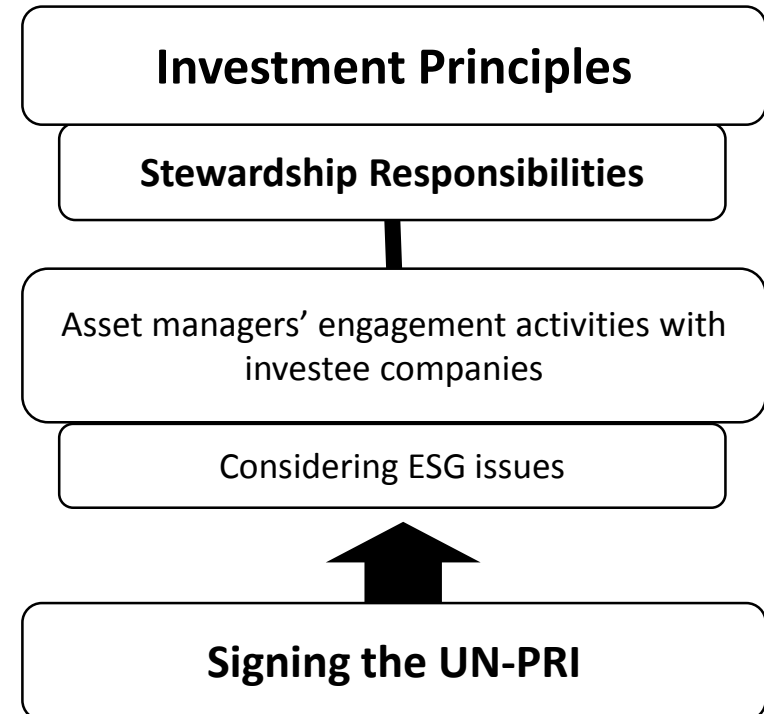
September 28th, 2015

GPIF has become a signatory to the UN-PRI.

On September 16th, 2015, the Government Pension Investment Fund has become a signatory to the United Nation's Principles for Responsible Investment (UN-PRI) to express our attitudes to ESG issues. For further details, please see the attachment.

Our basic perspective on ESG issues

- Based upon our Investment Principles, which state “By fulfilling our stewardship responsibilities, we shall continue to maximize medium- to long-term equity investment returns for the benefit of pension recipients.”, we have taken various measures in accordance with the Japan’s Stewardship Code.
- These actions reflect our understanding that it is appropriate for the pension fund to help increase in corporate value, foster sustainable growth of investee companies and enhance the medium- to long-term investment returns for the pension recipients. It is also compatible with our philosophy that investment management of the public pension fund should be conducted safely and effectively, solely for the benefit of the pension recipients from the long-term perspective.
- It is our belief that considering Environment, Social and Governance (ESG) issues properly will lead to increase in corporate value, foster sustainable growth of the investee companies, and enhance the medium- to long-term investment return for the pension recipients.
- To fulfill our stewardship responsibilities, we have decided to strengthen our commitment to ESG issues by the following ways:
 - ① We encourage external domestic and international equity managers to advance their activities for improving corporate value and fostering sustainable growth of investee companies by incorporating ESG issues in their engagement activities.
 - ② We become a signatory to the United Nation’s Principles for Responsible Investment (UN-PRI) to express our attitudes to ESG issues.
 - ③ We also continue research on whether smart beta and/or active investment incorporating ESG issues are proved to achieve excess returns, based on historical investment results.



Our action plan as a signatory to the UN-PRI

	UN-PRI	GPIF's plan
1	We will incorporate ESG issues into investment analysis and decision-making processes.	<ul style="list-style-type: none"> The GPIF, whose governing law does not permit direct equity investment, commits to ESG issues through external asset managers it employs.
2	We will be active owners and incorporate ESG issues into our ownership policies and practices.	<ul style="list-style-type: none"> The GPIF adds ESG issues to evaluation criteria for domestic and international equity managers and monitors how they properly incorporate ESG issues in their engagement activities. This new policy is written in "Operating Rules for Investment Management" and publicized. The GPIF revises "Policy for Fulfilling Stewardship Responsibilities" to express that GPIF incorporates ESG issues in its investment process properly.
3	We will seek appropriate disclosure on ESG issues by the entities in which we invest.	<ul style="list-style-type: none"> Through the engagement activities by external asset managers, the GPIF encourages investee companies to explain their ESG policies.
4	We will promote acceptance and implementation of the Principles within the investment industry.	<ul style="list-style-type: none"> The GPIF asks external asset managers whether they are signatories to the UN-PRI. The GPIF ask the signatories to report their ESG activities, and also ask the non-signatories to explain the reason for not signing.
5	We will work together to enhance our effectiveness in implementing the Principles.	<ul style="list-style-type: none"> The GPIF participates in UN-PRI's networking activities.
6	We will each report on our activities and progress towards implementing the Principles.	<ul style="list-style-type: none"> The GPIF will issue its ESG report, which is required of the UN-PRI signatories. The GPIF will disclose its ESG activities annually, including the analysis of ESG activities conducted by the external asset managers it employs.