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November 9, 2026
The Sasakawa Peace Foundation

Acceptance of Asset Owner Principles

The Sasakawa Peace Foundation (SPF) hereby announces that it adheres to the objectives of the Asset Owner Principles and accepts the principles, which set out common principles for asset owners concerning asset management, governance, and risk management. In managing and investing its assets, SPF will conduct its operations appropriately in accordance with the following policy and approach.

Principle 1. Asset owners should take into account the best interests of beneficiaries. In doing so, they should determine the purpose of investing and then set investment targets and policies based on the purpose through an appropriate process, taking into account the economic and financial situation. The purpose of investing, targets, and policies should be reviewed as appropriately in response to changes in situations.

The purpose of SPF's asset management is to maintain and strengthen, over the long term, the financial foundation that supports the achievement of the objectives set forth in SPF's Articles of Incorporation. Taking into account the interests of beneficiaries and other stakeholders who benefit from SPF's activities, SPF's investment objective is to maintain and enhance the real value of its assets over the long term, thereby enabling SPF to carry out its activities on a sustainable basis.

Specifically, SPF's fundamental objective is to maintain and enhance the real value of its assets over the long term, without being unduly influenced by short-term market fluctuations. To achieve this objective, SPF seeks to secure stable returns within its risk tolerance. SPF also aims to earn returns that exceed inflation over the medium to long term and to increase the value of its assets.

In addition, in light of SPF's mission and values, SPF undertakes investments that take public-benefit considerations into account, while maintaining an appropriate balance between these considerations and its overall investment objectives.

SPF formulates its investment policy based on its Medium-Term Investment Plan and Annual Investment

Plan. The policy is approved by the Board of Trustees following deliberation by the Investment Committee. SPF continuously monitors its asset management activities and conducts reviews of the policy as necessary to ensure its continued appropriateness and effectiveness.

Principle 2. Asset owners need to make decisions based on their expert knowledge, in pursuing the best interests of beneficiaries. They should develop an appropriate structure, by securing talents with sufficient knowledge and experience, in order to realize the investment purpose and policies set forth by Principle 1. They should make such a structure function properly and consider using external knowledge and outsourcing when needed to receive and enhance expert knowledge.

To serve the best interests of beneficiaries and other stakeholders, SPF strives to maintain an asset management framework supported by professional expertise. Day-to-day investment activities and the selection of investment products are carried out by staff with experience in the financial sector. SPF also supports the continuous development of their knowledge and expertise through participation in external seminars and other professional development opportunities.

SPF has established an Investment Committee composed of members with relevant expertise, which is responsible for monitoring investment activities and deliberating important asset management matters. The Committee reviews proposals regarding the adoption of new investment products and changes to investment plans, which are subject to final approval by the Board of Trustees. A framework is also in place for reporting such matters to the Board of Councilors.

Furthermore, SPF engages external consultants to provide independent advice and professional opinions regarding the evaluation of investment products and the status of investment activities. Through these arrangements, SPF seeks to ensure objectivity, transparency, and professional rigor in its investment decision-making.

Principle 3. Asset owners should choose investment methods appropriately to achieve the investment targets, based on the investment policies, from the viewpoint of the interests of beneficiaries, not those of themselves or third parties. Asset owners should appropriately manage risks, including by diversifying the investment portfolio. In particular, when they entrust investment to other entities such as financial institutions, the asset owners should select the optimal investment trustee while managing conflicts of interest. The choice of investment trustee should be reviewed periodically.

In selecting investment methods, SPF places the best interests of beneficiaries and other stakeholders above the interests of SPF itself or any third party. SPF adopts diversification as a fundamental

investment principle and seeks to avoid excessive concentration of risk in any individual company or investment.

SPF endeavors to reduce investment-specific risks while appropriately managing risks arising from overall market movements. To this end, SPF avoids excessive concentration in any particular asset class, geographic region, or investment manager. In selecting investment products, SPF gives due consideration not only to expected returns but also to the characteristics of each product and its consistency with SPF's risk tolerance. In addition, SPF maintains appropriate liquidity to meet the funding requirements necessary for the continuation of its activities.

In selecting investment managers, SPF assesses their independence and suitability, drawing on the views of external consultants as appropriate. Where potential conflicts of interest may arise, SPF seeks to manage them appropriately, including by excluding the relevant individuals from deliberations or decision-making processes. SPF also seeks to ensure fairness and transparency in the selection and review of investment managers.

Principle 4. Asset owners should provide information on the status of asset management ("visualization") and engage in dialogues with stakeholders, in order to fulfill accountability to stakeholders.

To fulfill its accountability, SPF seeks to ensure appropriate disclosure of information on its asset management activities. SPF monitors its investment activities on a monthly basis and reports regularly to the Investment Committee, the Board of Trustees, and the Board of Councilors. The views and advice SPF receives through these reporting processes are appropriately reflected in its future investment policies and asset management activities.

SPF also provides information on its financial position, investment policy, and governance structure through its website, Integrated Report, and other channels to enhance transparency.

Principle 5. Asset owners should give consideration to the sustainable growth of investee companies by conducting stewardship activities by themselves or through the investment trustee, in order to achieve the investment targets for beneficiaries.

SPF maintains a highly diversified investment portfolio, which limits the extent to which it can directly engage in stewardship activities with individual investee companies. At the same time, for investments that incorporate public-benefit considerations, SPF works through its investment managers to monitor

such investments from ESG and sustainability perspectives and to encourage practices that support the sustainable growth of investee companies and the creation of social value.