Sustainalytics Japan Inc. ("Sustainalytics Japan") is part of Morningstar Sustainalytics, a leading global provider of ESG research and ratings. Morningstar Sustainalytics’s core business is producing research and ESG-related risk assessments across 20,000 companies worldwide. Morningstar Sustainalytics provides a variety of securities-level ESG-focused research and ratings to institutional investors, primarily asset managers, asset owners, other financial market participants, but also directly to corporate clients. Through a separate business unit, called Sustainable Corporate Solutions (SCS), companies and other research targets can license their own ratings. The SCS business unit also offers second party opinions on green, social, and other sustainable bond issuances, based on bond framework assessments.

Sustainalytics Japan welcomes the efforts, led by IOSCO and regulators in different jurisdictions, to promote the transparency and quality of ESG ratings. The current FSA Code of Conduct provides a meaningful framework for ESG rating providers to demonstrate their respective measures designed to support transparency, quality, resources, management of conflicts of interest, confidentiality, and engagement with research targets. The above-mentioned pillars are further outlined below and reflect Sustainalytics Japan’s approach in light of the FSA Code of Conduct.

**Transparency**
Sustainalytics Japan’s methodologies are designed in a manner that is aligned with the principles contemplated in the FSA's Code of Conduct, and typically include the purpose, scope and approach of our services and deliverables, information regarding the assessment processes, and the general nature of sources of data relevant to our products and services.

In line with FSA’s Code of Conduct transparency principle, Sustainalytics Japan maintains dedicated website sections, where relevant information regarding products and services is made available. Where consistent with intellectual property rights’ protection, Sustainalytics Japan makes the relevant methodologies available. Where such disclosure is impractical due to intellectual property concerns, Sustainalytics Japan may make the relevant methodology available upon request, under a confidentiality agreement.

Interested parties can request additional information by contacting Sustainalytics Japan.

**Quality**
Sustainalytics Japan maintains processes designed to ensure that its research is based on sufficient and relevant information, either publicly available, collected from its content providers, or collected from the research targets, in line with applicable methodologies.

Sustainalytics Japan strives to maintain a culture of operational excellence across the company. To this end, Sustainalytics Japan maintains, on an on-going basis, processes designed to ensure that its research is independent, consistent, of quality and continuously improved.

**Resources**
Sustainalytics Japan strives to attract, retain, and develop the relevant human resources to carry out its research, and places significant emphasis on the selection and training of its personnel to maintain the quality of its research. Additionally, Sustainalytics Japan strives to employ the necessary systems designed to enable the performance of its activities.

**Management of Conflicts of Interests**
Sustainalytics Japan maintains conflict management policies, procedures and organizational and technical measures designed to manage potential conflicts of interest, both institutional and personal, and to avoid entering into commercial relationships or performing its operational functions in a manner that might jeopardize the company’s
integrity and research independence. Research personnel compensation is not directly tied to specific commercial or research outcomes. For more information, please consult the Governance documents, available here: https://www.sustainalytics.com/governance-documents.

Confidentiality
Generally, Sustainalytics Japan bases its research on publicly available or disclosable information. However, in limited circumstances for certain products and services, Sustainalytics Japan may also accept confidential information from the research targets. Research targets are informed of the types of information that they may share with Sustainalytics Japan based on the type of research that is performed. Where applicable, Sustainalytics Japan deploys measures designed to facilitate the handling of confidential information in an appropriate manner, including contractual undertakings and system separation measures.

Engagement with Research Targets
Sustainalytics Japan deploys measures designed to facilitate the equal treatment of clients, prospects, and research targets. Research processes are designed to be applied consistently, in line with the relevant methodologies, regardless of whether the research target is also a Sustainalytics Japan client. Where and if applicable, Sustainalytics Japan provides research targets with relevant information regarding its data collection process timelines.

If and where applicable, Sustainalytics Japan welcomes factual feedback from research targets and aims to correct factual errors in its deliverables, in line with its own methodologies. Furthermore, Sustainalytics Japan maintains dedicated points of contact where interested parties can send any queries.

For more information, contact: JapanCoCinquiries@sustainalytics.com

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