

## Japan Code of Conduct – Alignment Statement

Morningstar Sustainalytics is a leading global provider of ESG research and ratings, and its 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.

Morningstar Sustainalytics typically services relevant markets, including Japan, via local entities and affiliates. We welcome the efforts, led by IOSCO and regulators in different jurisdictions, including the Financial Services Agency (FSA), to promote the transparency and quality of ESG ratings. We believe the current FSA Code of Conduct (the Code) provides a meaningful framework for ESG rating providers servicing the Japanese clients to demonstrate their respective measures designed to promote transparency, quality and independence of ESG ratings, adequacy of resources, management of conflicts of interest, confidentiality, and engagement with research targets. The Code now operates under a comply or explain framework, and as of June 2025 has been endorsed by 28 ESG Evaluation and Data Providers. The above-mentioned pillars are further outlined below, reflecting our approach to alignment in principle with the FSA Code of Conduct with respect to our ESG Risk Ratings offering in Japan.

### I. Quality

We maintain processes designed to determine our ESG Risk Ratings based on sufficient and relevant information, either collected from the relevant content providers, or collected from the research targets, in line with the applicable methodology. We also maintain processes designed to produce ESG Risk Ratings that are independent, consistent, and of quality. We only use publicly available information in order to determine our ESG Risk Ratings.

### II. Human Resources Development

We strive to attract, retain, and develop the relevant human resources to determine our ESG Risk Ratings, and we place emphasis on the selection and training of our personnel to maintain the quality of our ESG Risk Ratings. Additionally, we strive to employ the necessary systems designed to enable the performance of our activities.

### III. Independence and Managing Conflicts of Interests

We have implemented policies and procedures designed to identify, address and manage actual, potential and perceived conflicts of interest that may impair the independence of our ESG Risk Ratings. Such policies and procedures include but are not limited to provisions designed to prevent relevant personnel from engaging in transactions and/or interactions that may appear to create a conflict of interest.

### IV. Transparency

Our relevant methodology is designed to be responsive to the principles contemplated in the FSA Code of Conduct.

In line with FSA Code of Conduct transparency principle, we maintain a dedicated website section, where relevant information regarding our ESG Risk Rating is made available, including a description of the relevant methodology and our public endorsement of the Code, all of which can be found [here](#).

### V. Confidentiality

We have implemented policies and procedures designed to effectively protect any type of confidential information that might be shared with Morningstar Sustainalytics during the course of its business. We are dedicated to ensuring any type of confidential information that is provided to us is appropriately protected and used only in accordance with the purposes it has been provided for.

## VI. Engagement with Research Targets

We deploy 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 client. Where and if applicable, we provide research targets with relevant information regarding the data collection process timelines.

If and where applicable, we welcome factual feedback from research targets and strive to correct factual errors in the deliverables in line with the methodology.