

無登録格付に関する説明書 / Explanation Regarding Unregistered Credit Ratings

If any credit ratings are contained in the material provided from us, those that have been issued by Japan Credit Rating Agency, Ltd. (JCR) or Rating and Investment Information, Inc. (R&I) are credit ratings that have been issued by a credit rating agency registered in Japan (registered credit ratings). Other credit ratings that are denoted as being unregistered are unregistered credit ratings. Before using unregistered credit ratings to make investment decisions, please carefully read “Explanation Regarding Unregistered Credit Ratings” which has been or will be sent to you separately. The contents of the above-mentioned document are available in this material.

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Explanatory Document on Unregistered Credit Rating (Moody's Ratings)

In light of fairness and transparency in the markets, a registration rule with respect to credit rating agencies has been introduced under the Financial Instruments and Exchange Law of Japan ("FIEL").

Under this rule, pursuant to FIEL, when a transaction is solicited using a credit rating issued by an unregistered rating agency, the financial instruments firm is required to notify the customer of certain matters including the unregistered status of the relevant rating and the purpose of the registration rule.

○ Purpose of registration rule

Registered rating agencies are subject to the relevant regulations, such as (i) duty of loyalty, (ii) duty to establish a control framework to prevent conflict of interests and maintain fairness in the rating process, (iii) prohibition from issuing a rating on securities that are held by the rating agency and (iv) duty of information disclosure such as establishment and publication of rating guidelines and the provision of publicly available explanatory documents. Also, they are supervised by the Financial Services Agency of Japan by means of reporting requirements, on-site inspections and orders for business improvement. Unregistered rating agencies are not subject to these regulations or supervisions.

○ Name of rating agency group

Name of rating agency group: Moody's Ratings.

Name of a registered rating agency within the group and registration No.

: Moody's Japan K.K. (Commissioner of Financial Services Agency (Rating) No. 2)

○ Manner to obtain information regarding summaries of guidelines and methods to provide credit rating

Such information is available on the website of Moody's Japan K.K.

(<https://ratings.moody.com/japan/ratings-news>) (under the section of "explanation of unregistered credit rating" in the column "Disclosure" on a page which appears by clicking the tab of "Rating Affairs").

○ Assumption, purpose and limit of credit rating

A credit rating issued by Moody's Ratings. ("Moody's") is an opinion from the time of its announcement regarding a relative credit risk in the future on a business entity, credit agreement, debt or debt-like securities. Moody's defines a "credit risk" as a risk for a business entity to be unable to perform its contractual or financial obligations by due dates and any kind of financial loss which it is expected to incur at occurrence of a default event. A credit rating does not refer to any other risks such as liquidity risk, market risk or price movement. A credit rating neither constitutes any investment or financial advice nor any recommendation for a purchase, sale or holding of any specific securities. Moody's does not, in any form or manner, either explicitly or implicitly, guarantee any accuracy, timeliness, completeness or suitability for a specific purpose concerning any rating or any other opinion or information.

Moody's conducts its credit evaluation for a credit rating based on information that is obtained from the issuer and is announced to the public. Moody's takes all necessary actions to ensure that such information has sufficient quality and its source is considered by Moody's to be reliable. However, Moody's is not an auditor and, therefore, is not always in a position to be able to conduct its own examination regarding any accuracy and validity on the information obtained in the rating process.

Although the information contained in this document was prepared, as of June 26, 2024, from an information source which we believe is reliable, we do not guarantee its accuracy or completeness. Please refer to the above-described website of Moody's Japan K.K.

Explanatory Document on Unregistered Credit Rating (S & P Global Ratings)

In light of fairness and transparency in the markets, a registration rule with respect to credit rating agencies has been introduced under the Financial Instruments and Exchange Law of Japan ("FIEL").

Under this rule, pursuant to FIEL, when a transaction is solicited using a credit rating issued by an unregistered rating agency, the financial instruments firm is required to notify the customer of certain matters including the unregistered status of the relevant rating and the purpose of the registration rule.

○ Purpose of registration rule

Registered rating agencies are subject to the relevant regulations, such as (i) duty of loyalty, (ii) duty to establish a control framework to prevent conflict of interests and maintain fairness in the rating process, (iii) prohibition from issuing a rating on securities that are held by the rating agency and (iv) duty of information disclosure such as establishment and publication of rating guidelines and the provision of publicly available explanatory documents. Also, they are supervised by the Financial Services Agency of Japan by means of reporting requirements, on-site inspections and orders for business improvement. Unregistered rating agencies are not subject to these regulations or supervisions.

○ Name of rating agency group

Name of rating agency group: S & P Global Ratings

Name of a registered rating agency within the group and registration No.:

S & P Global Ratings Japan Inc. (Commissioner of Financial Services Agency (Rating) No. 5)

○ Manner to obtain information regarding summaries of guidelines and methods to provide credit rating

Such information is available on the website of "unregistered rating information" (<https://www.spglobal.com/ratings/jp>) which appears in the upper field of the section of "library/regulation" in the website of S & P Global Ratings Japan Inc. (<https://www.spglobal.com/ratings/jp/regulatory/content/unregistered>).

○ Assumption, purpose and limit of credit rating

A credit rating issued by Standard & Poor's Rating Services ("S&P Rating Services") is an opinion from the time of its announcement regarding the creditworthiness of an issuer or specific debt in the future and it is not an indication of probability of default concerning an issuer or specific debt and does not guarantee its creditworthiness. Also, a credit rating neither constitutes any recommendation for a purchase, sale or holding of any specific securities nor indicates market liquidity or market price of the debt.

A credit rating may change because of various factors such as a change in business results or external environments and a change in performances of underlying assets or creditworthiness of a counterparty.

S&P Rating Services conducts its rating analysis based on information from sources which are considered reliable, and issues a rating only when it is considered to be based on sufficient information in terms of both quality and quantity. However, S&P Rating Services does not conduct any audit, due diligence or own examination on the information obtained from an issuer or other third parties and it does not guarantee any accuracy, completeness or timeliness concerning the information used in the rating. Furthermore, please be aware of potential risk attributable to limitation of available historical information as the case may be.

Although the information contained in this document was prepared, as of June 26, 2024, from an information source which we believe is reliable, we do not guarantee its accuracy or completeness. Please refer to the above-described website of S & P Global Ratings Japan Inc.

Explanatory Document on Unregistered Credit Rating (Fitch Ratings)

In light of fairness and transparency in the markets, a registration rule with respect to credit rating agencies has been introduced under the Financial Instruments and Exchange Law of Japan ("FIEL").

Under this rule, pursuant to FIEL, when a transaction is solicited using a credit rating issued by an unregistered rating agency, the financial instruments firm is required to notify the customer of certain matters including the unregistered status of the relevant rating and the purpose of the registration rule.

○ Purpose of registration rule

Registered rating agencies are subject to the relevant regulations, such as (i) duty of loyalty, (ii) duty to establish a control framework to prevent conflict of interests and maintain fairness in the rating process, (iii) prohibition from issuing a rating on securities that are held by the rating agency and (iv) duty of information disclosure such as establishment and publication of rating guidelines and the provision of publicly available explanatory documents. Also, they are supervised by the Financial Services Agency of Japan by means of reporting requirements, on-site inspections and orders for business improvement. Unregistered rating agencies are not subject to these regulations or supervisions.

○ Name of rating agency group

Name of rating agency group: Fitch Ratings ("Fitch")

Name of a registered rating agency within the group and registration No.:

Fitch Ratings Japan K.K. (Commissioner of Financial Services Agency (Rating) No. 7)

○ Manner to obtain information regarding summaries of guidelines and methods to provide credit rating

Such information is available under the section titled "outlines of rating policies" which appears on "regulations" section on the website of Fitch Ratings Japan K.K.

(<https://www.fitchratings.com/site/japan>).

○ Assumption, purpose and limit of credit rating

A rating of Fitch is an opinion based on the prescribed rating standards and methodologies. The rating itself does not indicate any facts and cannot be considered to be correct or incorrect. Credit ratings do not cover any risks other than credit risks; that is to say, they do not indicate any opinion with respect to fairness of market price, or market liquidity of the securities that are subject to the rating. A rating is a relative evaluation and, therefore, even though the same level of rating is given, it may not necessarily reflect any sensitive differences. A credit rating is an opinion with respect to a relative order on the probabilities of default and it is not an indication of the likelihood of default.

In its issuance and maintenance of a rating, Fitch relies on factual information from sources that are considered to be reliable, such as the issuer. Although it conducts, to a certain reasonable extent, examinations and reviews on the information, using independent sources when they are available for the securities or in the jurisdiction, it does not guarantee accuracy, completeness or timeliness of any information relied on for the rating or any results of usage thereof. If certain information is found to be false, or to contain a misleading indication, the rating related to such information may not be appropriate. Also, notwithstanding the review on the facts at the time of announcement, a rating may be affected by a future event or situation that is not anticipated at the time of the initial issuance, or at the time of the decision to set the level of the rating.

Please refer to "Definitions of Ratings and Other Forms of Opinion" in Japanese website of Fitch for detailed explanation regarding assumption, purpose and limit of credit ratings.

Although the information contained in this document was prepared, as of June 26, 2024, from an information source which we believe is reliable, we do not guarantee its accuracy or completeness. Please refer to the above-described website of Fitch Ratings.