

Fund Family Digest: Japan in 2025

Comparing the 60 largest fund families in Japan.

Morningstar

Dec. 15, 2025

Contents

- 1 Key Takeaways
- 3 Introduction
- 5 Leaderboards
- 17 Fund Family Factsheets
- 48 Appendix
- 51 Index

Daisuke Motori

Director, Manager Research, Japan
+81 3 4510-5492
daisuke.motori@morningstar.com

Bridget B. Hughes, CFA

Senior Principal, Parent Research

Alyssa Stankiewicz

Principal, Parent Research

Maciej Kowara, Ph.D.

Principal, Manager Research

Naoko Hashimoto

Senior Analyst, Manager Research, Japan

Juri Yanagi, CFA

Analyst, Manager Research, Japan

Mohit Sharma

Analyst, Manager Research, Japan

Important Disclosure

The conduct of Morningstar's analysts is governed by Code of Ethics, Personal Security Trading Policy (or an equivalent of), and Investment Research Integrity Policy. For information regarding conflicts of interest, please visit: global.morningstar.com/equitydisclosures

Executive Summary

Morningstar's Fund Family Digest helps investors evaluate the largest fund families in a region as measured by the assets they manage in open-end funds and exchange-traded funds. In its inaugural year, this edition highlights the 60 largest fund families in Japan.

This report features an abundance of Morningstar's data, ratings, and commentary. Principal among these is the Morningstar Parent Pillar rating, one of three pillars that underpins the Morningstar Medalist Rating. The Parent rating indicates Morningstar analysts' opinion of how well an asset manager stewards capital in the best interests of its investors. This includes an analysis of a firm's investment culture, business practice, and the philosophies that guide compensation and fees, among other factors. Many asset managers presented in this report are covered by Morningstar's manager research team, and the report displays their respective Parent ratings. Other firms are assigned ratings using algorithmic techniques.

The report is divided into two sections. The first section highlights the leading firms on a variety of metrics including market share, success ratio, and Morningstar Rating for funds. The second section contains a Morningstar Fund Family Factsheet for each of the 31 firms covered by Morningstar analysts.

Where appropriate, the factsheets show each firm's rank in the list of 60 firms. Most ranks indicate best to worst, using data as of Sept. 30, 2025. Otherwise, ranks indicate the largest to smallest values within the peer group, as in the case of assets under management. For more information on the methodology for calculated data points, please refer to the Appendix.

Key Takeaways

- ▶ Asset managers affiliated with major financial conglomerates continue to dominate Japan's fund market, leveraging strong domestic distribution networks.
- ▶ Global asset managers are gradually expanding their market share in Japan, driven by improved governance in fund selection, rising investor demands for global assets, and outsourcing arrangements with Japanese firms.
- ▶ Passive funds have experienced rapid growth, with the share of the total market accounted for by index funds rising from 10% in 2015 to 37% in 2025, driven by low-cost offerings and online sales channels.
- ▶ The New NISA program, launched in 2024, has significantly boosted inflows and encouraged long-term investing, with NISA accounts contributing 30% of total gross inflows.
- ▶ The Bank of Japan's large-scale ETF purchases have concentrated ETF assets among a few domestic managers, distorting market share and boosting passive AUM.
- ▶ Firms focused on low-cost index funds and those with strong global partnerships have achieved the highest organic growth rates.

- ▶ Limited transparency in the Japanese market remains a challenge, potentially affecting investor confidence and the ability to assess asset manager quality.
- ▶ Low fees are a primary driver of higher Morningstar Medalist Ratings, with passive managers like BlackRock leading due to their low-cost offerings, while active managers with higher fees tend to receive lower ratings.
- ▶ Asset managers with more focused fund lineups and fewer fund closures achieved higher success ratios, with firms such as Fidelity International and Aozora Investment Management standing out for their strong risk-adjusted performance.

Introduction

Historically, Japan's fund market has been dominated by asset management companies affiliated with major financial conglomerates. These firms have grown their fund assets under management by leveraging the sales power of their group's distributors, such as banks and securities companies. The leading asset management companies in Japan by total net assets—Nomura, Daiwa, MUFG, Sumitomo Mitsui FG, and AM One—are all affiliated with such conglomerates. This reliance on strong domestic distribution networks has posed challenges for global asset management companies, making it difficult for them to enter the market and expand their share.

In recent years, there has been a notable shift toward enhanced governance in the fund-selection process among distributors, including banks and securities firms. In response to the Financial Services Agency's fiduciary duty guidelines aimed at enhancing governance and prioritizing investor interests in the fund-selection process, distributors are increasingly seeking higher-quality, more-competitive investment products, rather than simply offering products from within their own groups. This has led to an influx of new funds employing investment strategies with long track records of strong performance and positive qualitative assessments (such as higher Morningstar Medalist ratings). As investor demand for exposure to global assets grows, global asset management companies are gradually expanding their market share in Japan by leveraging their specialized expertise in these strategies. Additionally, many Japanese asset managers outsource the management of their active funds—particularly those investing in overseas equities—to global asset managers. This arrangement enables global firms to access the robust distribution networks of Japanese asset managers, while Japanese firms can offer a broader range of strategies. It is important to note that the AUM figures in this report do not allocate AUM from these outsourcing structures to the subadvisory firms; therefore, the actual AUM figures for Japanese asset managers are likely lower than represented here. Consequently, the true share of strategies offered by global asset managers may be understated in this report.

Passive funds have traditionally charged lower management fees than active funds, making them less profitable for conventional distribution channels and resulting in a historically low market share. However, over the past decade, the share of index funds among Japan-domiciled open-end funds has grown dramatically—from approximately 10% at the end of September 2015 to 37% at the end of September 2025, nearly a fourfold increase. This rapid growth has been driven by low-cost index funds sold primarily through online intermediary channels, as investors increasingly favor digital platforms over traditional face-to-face sales. Notably, funds with extremely low trust fees, such as MUFG's "eMAXIS Slim" series, have intensified cost competition in the market. The launch of the new NISA (Japan Individual Savings Account) program in 2024 has further accelerated this trend. By expanding the tax-exempt limit and eliminating the tax-exempt period, the new NISA program has stimulated individual investors' interest in long-term asset formation and boosted overall market inflows. In 2024,

gross inflows into Japan-domiciled open-end funds for public retail investors via NISA accounted for 30% of total gross inflows, significantly contributing to market expansion.

The ETF market in Japan is in a unique position, heavily influenced by the Bank of Japan's large-scale ETF purchases from the 2010s to the early 2020s. The Bank of Japan's, or BOJ, substantial ETF holdings are concentrated among certain asset managers, such as Nomura, Daiwa, and Amova. As long as the Bank of Japan maintains these large holdings, the overall AUM share of domestic asset managers will remain significantly distorted by this factor. Active ETFs were introduced in Japan in 2023, with the first domestic ETF listed in September 2023. Signs of expansion are emerging, such as SBI's recent announcement of a partnership with AllianceBernstein to enter the active ETF market in 2026. However, as of the end of September 2025, there were only 19 listed active ETFs with total net assets of approximately JPY 65 billion—a very low level—indicating that the market is still in its early stages.

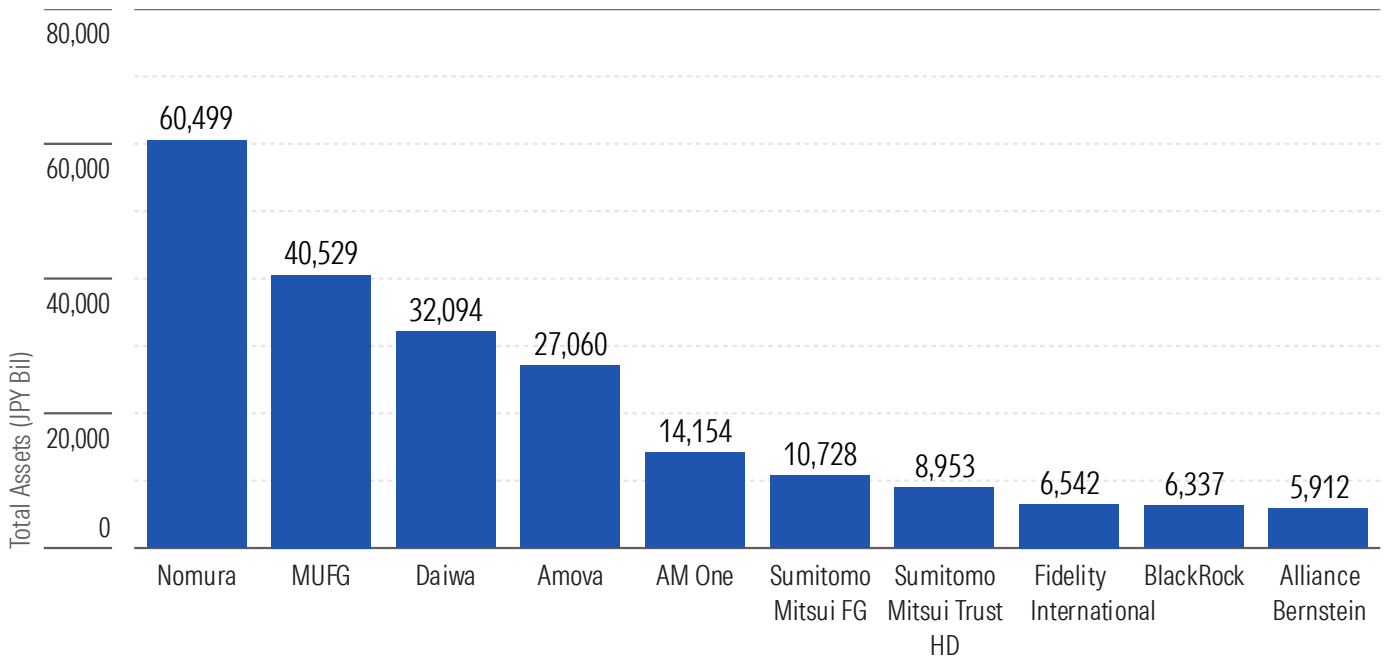
Amid these evolving trends, Morningstar's Parent ratings continue to emphasize enduring factors that remain relevant through periods of change. A firm's ability to attract, develop, and retain investment talent is crucial, as are its practices regarding key-person risk and succession planning. However, disclosure of such information is generally limited in the Japanese fund market, which may contribute to an information gap between investors and asset managers. This lack of transparency may undermine investor confidence, particularly in active funds. Morningstar analysts also assess a firm's product lineup, development, and management—including fund launches and closures—seeking evidence of a long-term, investor-focused approach. Fee practices are another important consideration. Additionally, risk-adjusted performance, as measured by success ratios, and Morningstar analysts' qualitative assessments of an asset manager's funds, are incorporated into the Parent rating. This report includes these measures to provide a comprehensive evaluation.

Leaderboards

Nomura Leads the Pack

Focusing on the top 60 firms in the Japanese fund industry, Nomura leads the market with JPY 60.5 trillion in AUM across open-end mutual funds and exchange-traded funds, of which approximately 80% are allocated to passive strategies. This high proportion of passive assets is also seen among the next three largest asset managers—MUFG, Daiwa, and Amova—each with 70%–80% of their assets in passive vehicles.

Exhibit 1 Top 10 Firms by Fund Assets



Source: Morningstar Research. Data as of Sept. 30, 2025. Includes Japan-domiciled open-end and exchange-traded funds. Excludes money market funds.

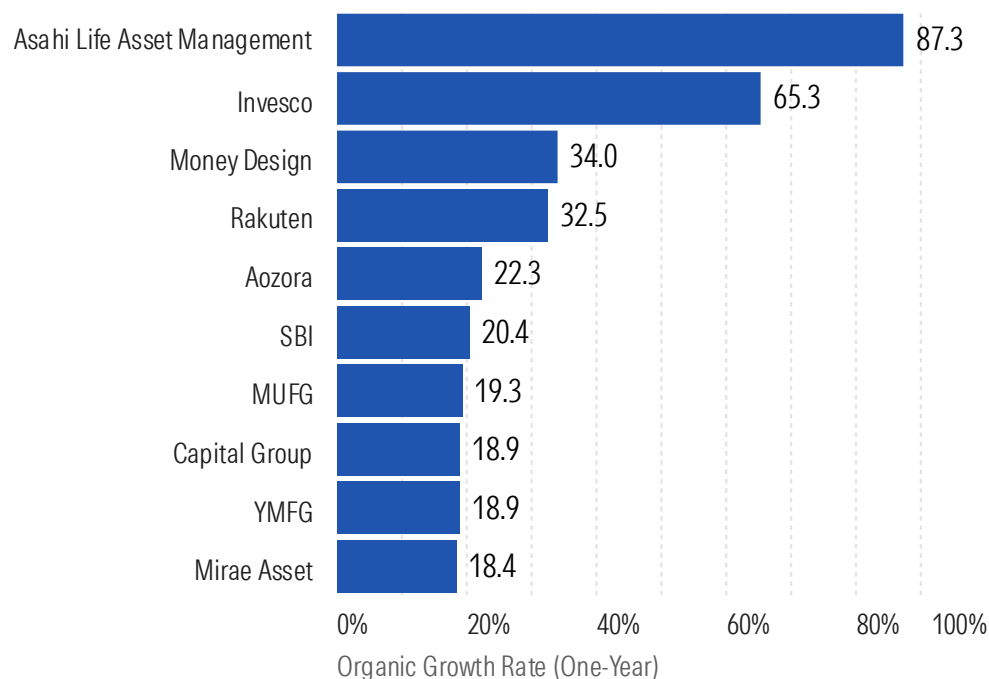
A significant factor behind these large passive shares is the BOJ's extensive ETF purchase program. As of September 2025, the BOJ holds over JPY 80 trillion in Japan equity ETFs, representing the majority of ETF assets in the market. This policy has contributed to the high concentration of passive assets among leading managers, which stems from the BOJ's decision to use passive strategies for its monetary-easing policy to ensure market neutrality. The purchase is concentrated among the four largest managers because the BOJ required sufficient AUM and liquidity to accommodate the enormous scale of its purchase program.

Asset managers affiliated with Japan’s major financial conglomerates all rank within the top 10, underscoring the significant challenge global asset managers face in accumulating assets on par with their Japanese counterparts, largely due to more-limited distribution networks.

NISA-Driven Inflows Boost Organic Growth

Over the past year, Asahi Life Asset Management posted the highest organic growth rate at 87%, driven primarily by net inflows of JPY 92 billion into one of its actively managed funds, subadvised by WCM Investment Management. US-based Invesco ranked second, as its flagship global equity fund Invesco Global Select Equity Open continues to attract individual investors who prefer monthly distributions. Money Design, a newer entrant with a decadelong history, placed third and is known for its robo-advisory service. Among the 10 largest firms, MUFG recorded a solid 19% organic growth rate, mainly due to strong inflows into its low-cost passive index funds through NISA accounts.

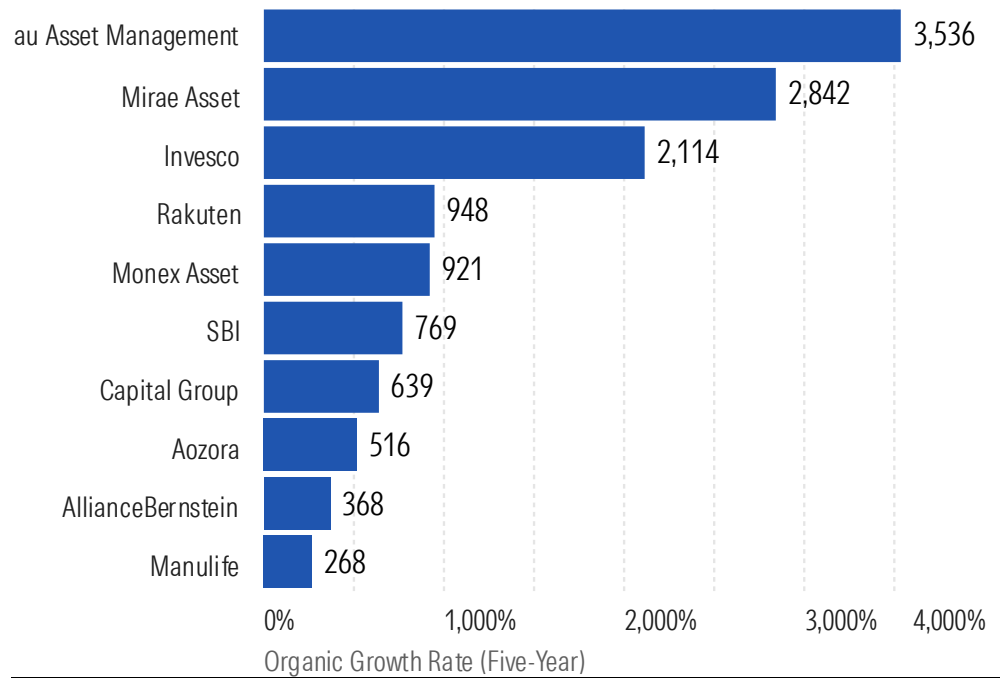
Exhibit 2 Top 10 Firms by One-Year Organic Growth Rates



Source: Morningstar Research. Data as of Sept. 30, 2025. Includes Japan-domiciled open-end and exchange-traded funds. Excludes money market funds.

Looking over a five-year horizon, the firms with a strong focus on low-cost index funds—such as au Asset Management, Mirae Asset (under the Global X brand in Japan), Rakuten, and SBI—achieved significant growth, supported by the favorable impact of NISA. Global asset managers have also shown strong momentum, with five firms ranking among the top 10 for organic growth. Capital Group and Invesco, both major players in the US market, have consistently attracted assets in Japan. Capital Group’s organic growth has increased seven times, while Invesco’s has surged more than 22 times over the past five years.

Exhibit 3 Top 10 Firms by Five-Year Organic Growth Rates



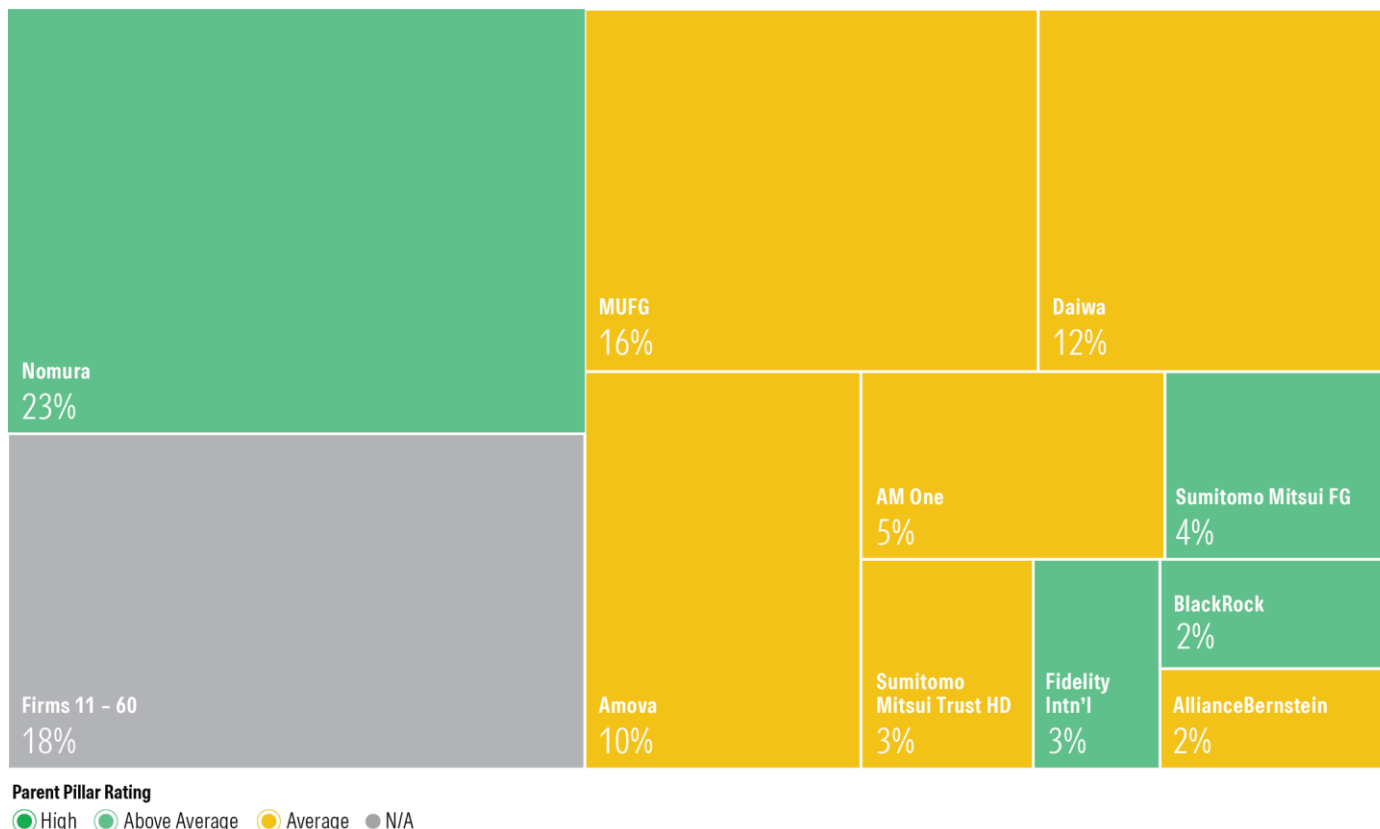
Source: Morningstar Research. Data as of Sept. 30, 2025. Includes Japan-domiciled open-end and exchange-traded funds. Excludes money market funds.

Market Concentration Remains High in the Japanese Fund Industry

The Japanese fund market continues to exhibit a high degree of concentration, with a small number of major firms dominating AUM. Nomura leads the market, holding 23% of total AUM, followed by MUFG and Daiwa. Collectively, these top three firms control just over half of the market's assets, underscoring their significant influence. This level of concentration is notable and mirrors the US market, where Vanguard, BlackRock, and Fidelity together account for approximately 50% of total AUM.¹

¹ "Fund Family Digest: US in 2025" <https://www.morningstar.com/business/insights/research/fund-family-150>

Exhibit 4 Market Concentration



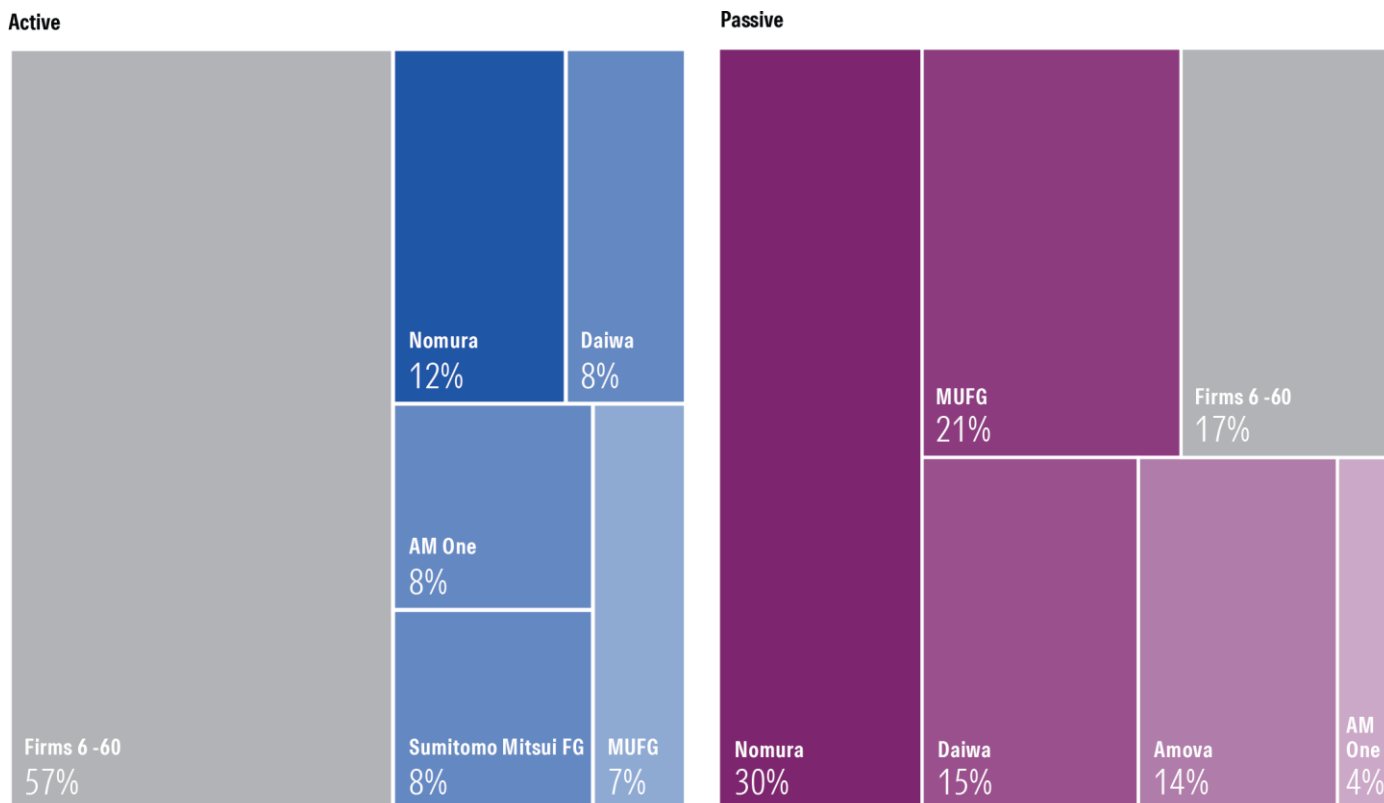
Source: Morningstar Research. Data as of Sept. 30, 2025. Includes Japan-domiciled open-end and exchange-traded funds. Excludes money market funds.

In the passive segment, concentration is even more pronounced, with the top three firms controlling around 76% of passive assets. A unique aspect of Japan’s passive fund segment is the substantial role played by the BOJ. The BOJ’s large-scale ETF purchases have significantly boosted the AUM of leading passive providers such as Nomura, Daiwa, and Amova. As a result, these firms collectively manage about 80% of passive assets, with Nomura alone accounting for 30% of passive AUM. This dynamic sets Japan apart from the US, where passive investing is dominated by a few large players like Vanguard and BlackRock, who together hold up to 66% of passive AUM, but without direct central bank involvement. MUFG’s passive share is more similar to large US players, as its growth is fueled not only by BOJ ETF purchases, but also by significantly robust retail inflows, primarily through its successful eMAXIS Slim series. In contrast, EMEA’s passive assets are distributed across a wider range of providers.²

Turning to active funds, the Japanese market is relatively more dispersed. The top five firms account for 43% of active AUM, closely aligning with the US, where the top five firms hold 46% of active assets. In EMEA, however, the active segment is much more fragmented, with the top five firms representing only 20% of active AUM. This highlights that, while Japan’s active segment is more consolidated than EMEA’s, there remains greater opportunity for smaller and niche managers to compete, especially compared with the highly concentrated passive segment.

² Fund Family Digest: Europe in 2025" <https://www.morningstar.com/business/insights/research/emea-fund-family-100>

Exhibit 5 Market Concentration: Active vs. Passive



Source: Morningstar Research. Data as of Sept. 30, 2025. Includes Japan-domiciled open-end and exchange-traded funds. Excludes money market funds.

ETFs

Although open-end funds in Japan still outnumber ETFs, firms around the world have been launching new ETFs at a greater pace than they have been open-end funds. In Japan, the BOJ's large-scale ETF purchase program provides strong motivation and support for the growth of ETFs, making this segment critical for analyzing the market. While the BOJ has recently halted gross purchases, its legacy holdings remain substantial, ensuring the BOJ's continued influence on the market.

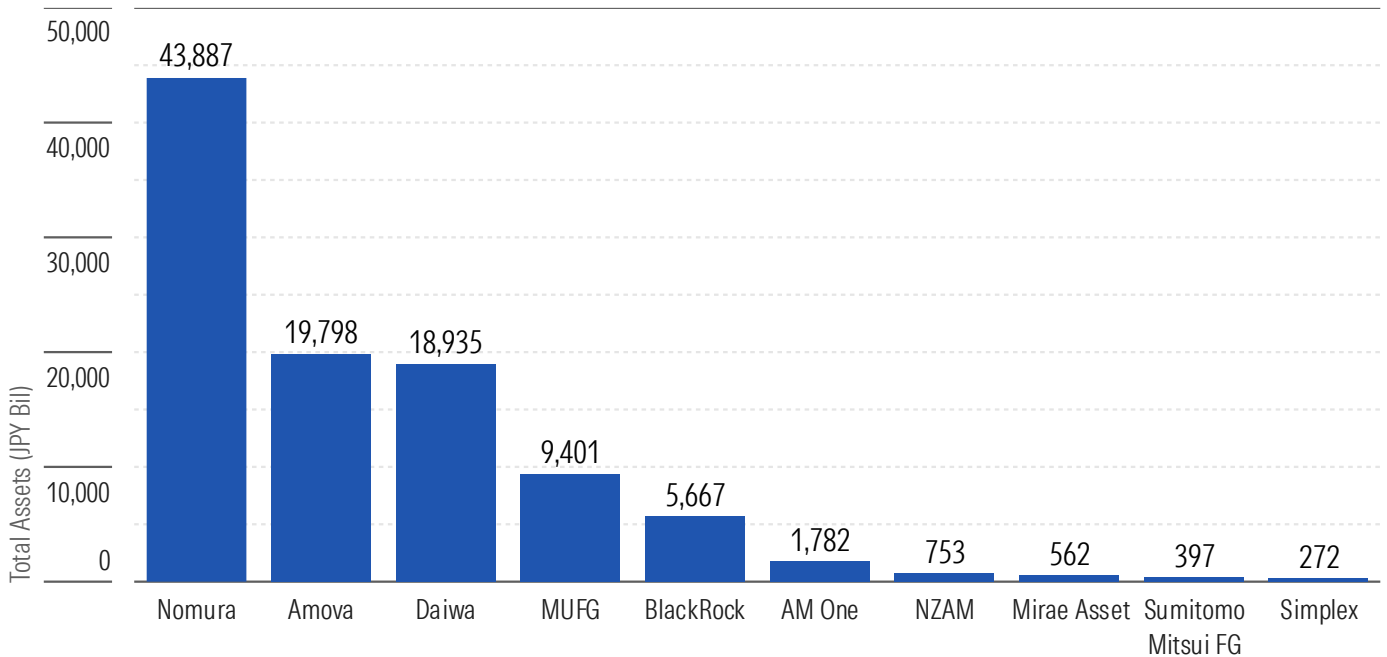
Japan's ETF market is highly concentrated, with a pronounced disparity in AUM among the leading firms. Industry leader Nomura manages JPY 43.9 trillion in ETF assets, representing approximately 72% of its total AUM, while major competitors Amova and Daiwa help dominate the landscape, each with around JPY 19-18 trillion in ETF AUM. In contrast, smaller managers, such as NZAM and Simplex, maintain comparatively modest ETF portfolios.

Structurally, the Japanese ETF market is oriented toward broad index funds—such as those tracking the Nikkei 225 or Topix—which have been successfully marketed by large firms that can leverage economies of scale to offer strategies at lower fees that smaller firms cannot easily match. Most ETF assets managed by the top firms are passive; for example, the vast majority of passive assets at both Nomura and Amova are held in ETFs.

The concentration of ETF assets among firms like Nomura, MUFG, Daiwa, and Amova is largely attributable to the BOJ's ETF purchase program over the past decade. The BOJ became the largest

purchaser of ETFs, driving significant growth in AUM for asset managers who serve as issuers and administrators of these products. Additionally, Japanese asset managers are increasingly seeking opportunities to accommodate growing retail demand for low-cost passive exposure.

Exhibit 6 Top 10 Firms by Assets in ETFs



Source: Morningstar Research. Data as of Sept. 30, 2025. Includes Japan-domiciled exchange-traded funds. Excludes money market funds.

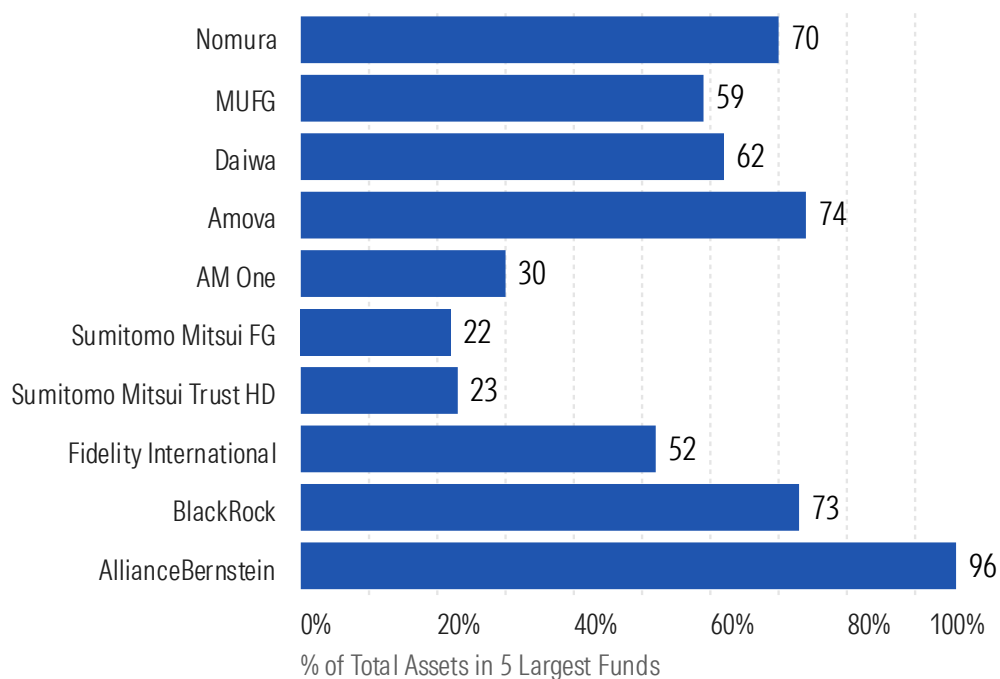
Lineup Concentration

Asset concentration is notable among most of Japan's 10 largest asset managers: Seven of them store more than 50% of their AUM in their largest five funds. Firms whose ETFs are owned by the BOJ typically report figures above 50%. Despite offering the industry's broadest lineup of more than 650 funds, Nomura, for example, has roughly 70% of AUM in its largest five funds, which include three ETFs.

US-based AllianceBernstein demonstrates even greater concentration in Japan, with 96% of AUM in the largest five of its 37 funds; those five all follow the same actively managed US growth strategy. In contrast, AM One, Sumitomo Mitsui Financial Group, and Sumitomo Mitsui Trust Holdings have lower concentrations of 22% to 30%; while that's still considerable, these firms have a more-balanced distribution of AUM across their fund offerings.

By comparison, asset concentration among top funds is generally more dispersed in the US. The three largest US asset managers—Vanguard, BlackRock, and Fidelity—hold 44%, 28%, and 29% of their AUM, respectively, in their five largest funds.

Exhibit 7 Fund Lineup Concentration Among the 10 Largest Firms

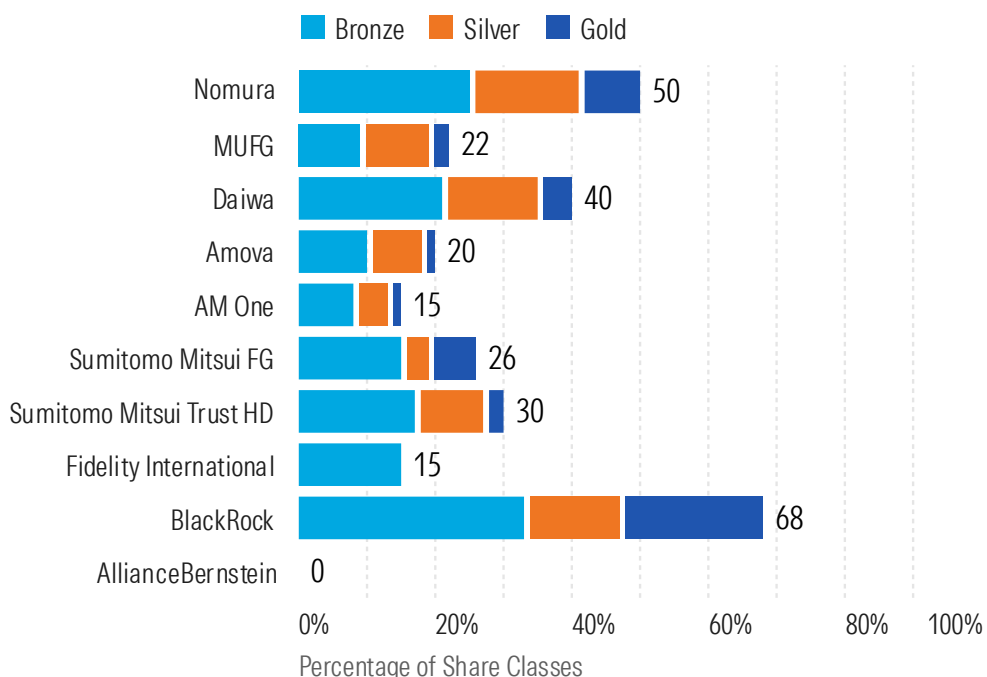


Source: Morningstar Research. Data as of Sept. 30, 2025. Includes Japan-domiciled open-end and exchange-traded funds. Excludes money market funds.

Low Fees Boost Morningstar Medalist Ratings for Blackrock

Morningstar assigns forward-looking Medalist Ratings to open-end funds, ETFs, and other investment vehicles through either an algorithmic process or analyst coverage. Funds can receive a rating of Gold, Silver, Bronze, Neutral, or Negative. Exhibit 8 shows the percentage of each firm's funds that earn higher ratings under the Medalist Rating framework.

Exhibit 8 Gold, Silver, and Bronze Morningstar Medalist Ratings Among the 10 Largest Firms



Source: Morningstar Research. Data as of Sept. 30, 2025. Includes Japan-domiciled open-end and exchange-traded funds. Excludes money market funds.

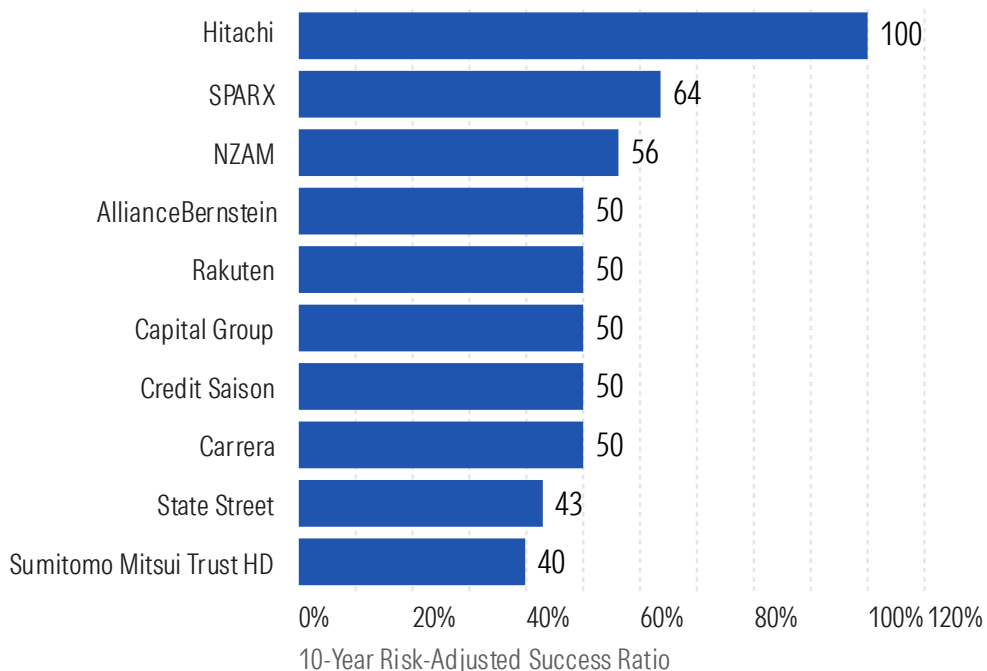
On average, among Japan’s largest 10 asset managers by AUM, approximately 30% of funds hold Morningstar Medalist Ratings of Gold, Silver, or Bronze. This is notable, as the average among the 60 largest firms is 21% of share classes receiving these higher ratings. BlackRock leads the group, benefiting from its robust iShares franchise and its ability to deliver scale-driven efficiency at a low cost. The relationship between fees and Medalist ratings is consistent across Japan, the US, and Europe, and passive managers that charge low fees tend to have stronger ratings. This is because fees are a critical and decisive component in Morningstar’s methodology, heavily influencing a strategy’s rating.

A couple of managers whose primary focus in Japan is active equity strategies, such as US-based Capital Group and boutique firm Commons Asset Management, earn higher-than-average Parent ratings, reflecting their research depth and disciplined investment cultures. These firms don’t appear in Exhibit 8 because they land outside the top 10 largest firms in Japan, but their strong Parent ratings serve as a leading indicator of quality, and they typically offer strategies with greater alpha-generation potential that earn higher Medalist ratings. Notably, High-rated Capital Group received the 2025 Morningstar Asset Manager Award in Japan for its compelling fund lineup, investor-centric ethos, and investment excellence. More than three-fourths of its share classes earn higher Medalist ratings.

The Impact of Focused Lineups on Asset Manager Success Ratios

A firm’s success ratio measures the percentage of its funds that have both survived and outperformed the median peer in their respective Morningstar Categories over a given period. Investor outcomes depend not only on a strategy’s performance but also on its ability to endure over time. Consequently, a firm’s success ratio can be negatively affected by fund mergers and liquidations. Morningstar defines success as a fund that has both survived—meaning it has not been merged or liquidated—and beaten its category median. This metric is calculated at the fund level and then aggregated to the parent level.

Exhibit 9 Top 10 Firms With the Highest Risk-Adjusted Success Ratios

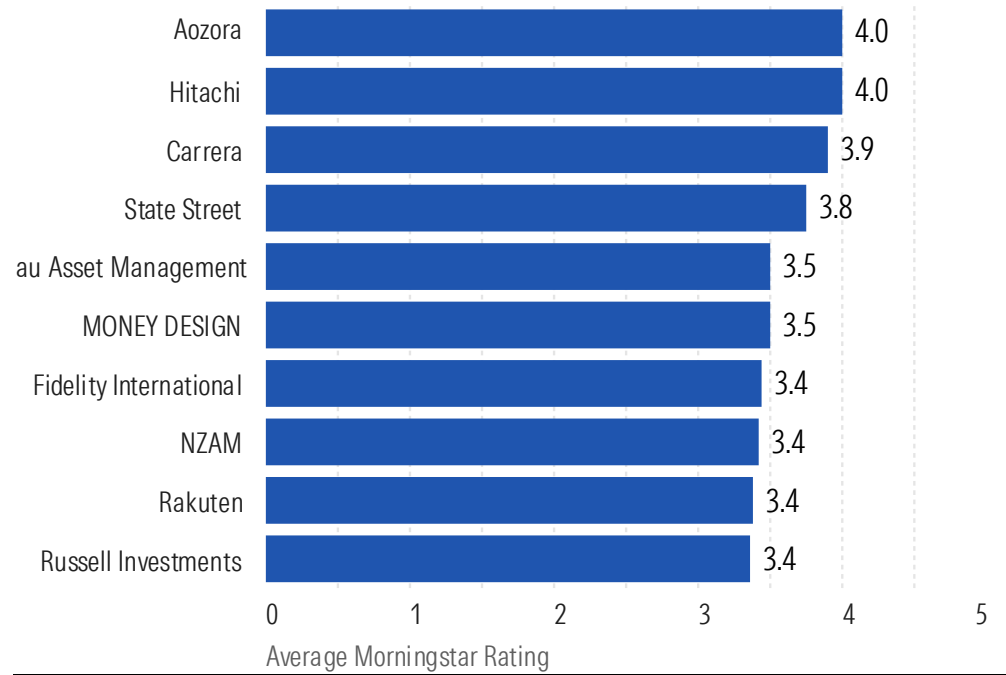


Source: Morningstar Research. Data as of Sept. 30, 2025. Includes Japan-domiciled open-end and exchange-traded funds. Excludes money market funds.

To achieve a high success ratio, an asset manager must avoid frequently launching and closing funds; firms that introduce trendy strategies only to shutter them a few years later see their overall success ratio decline. With the exception of Rakuten and Sumitomo Mitsui Trust HD, the firms highlighted above each manage fewer than 50 funds. This success highlights a strategic advantage of focus, as the 10 US firms with the highest success ratios also maintain focused lineups, often with fewer than 25 funds—substantially leaner than their Japanese counterparts.

Fidelity International Leads Morningstar Ratings Among Largest Firms

Success is an important measure of a strategy's investment performance, but investors don't just want to outperform; they want to do so by as large a margin as possible, after adjusting for risk and fees. This is where the Morningstar Rating comes in. This rating ranges from 1 star to 5 stars and indicates how well a strategy performed, on a risk-adjusted basis and net of fees, compared with peers in its Morningstar Category. The measure considers at least three years of returns and emphasizes the five-year and 10-year results as the fund ages.

Exhibit 10 Top 10 Firms With the Highest Morningstar Ratings

Source: Morningstar Research. Data as of Sept. 30, 2025. Includes Japan-domiciled open-end and exchange-traded funds. Excludes money market funds.

Across the broader market, firms that primarily offer low-cost index funds tend to achieve higher average star ratings, consistent with Morningstar's global research showing that cost is a reliable predictor of long-term investor outcomes. Passive managers benefit from low-fee offerings that support competitive performance, while firms focusing on selected, well-performing strategies—such as Fidelity International—also achieve strong results. Another example is Aozora, with an average rating of 4.0 stars, which ranks among the top performers due to a large portion of its assets being managed through partnership with Dimensional, whose systematic, rules-based active strategies have historically delivered steady, risk-adjusted returns.

Japan's Largest 60 in 2025

Exhibit 11 is a list of the largest 60 fund families in Japan. Morningstar analysts rate 31 of these firms. For analyst-rated firms, a Morningstar Fund Family Factsheet is produced as part of this report. Twenty-eight fund families receive algorithmically derived Parent ratings, which are denoted by "Q." One firm was not eligible for a Parent rating because it did not have any funds that qualified for a Morningstar Medalist Rating.

Exhibit 11 Japan Fund Families 60 (1-30)

| Parent Name | Parent Rating | Fund AUM (bil JPY) | Medalist Share Classes % | Average Morningstar Rating |
|------------------------|-----------------|-----------------------|-----------------------------|-------------------------------|
| Nomura | Above Average | 60,499 | 50 | 3.2 |
| MUFG | Average | 40,529 | 22 | 3.1 |
| Daiwa | Average | 32,094 | 39 | 3.2 |
| Amova | Average | 27,060 | 19 | 3.1 |
| AM One | Average | 14,154 | 15 | 2.9 |
| Sumitomo Mitsui FG | Above Average | 10,728 | 25 | 3.1 |
| Sumitomo Mitsui Trust | Average | 8,953 | 30 | 3.3 |
| Fidelity International | Above Average | 6,542 | 15 | 3.4 |
| BlackRock | Above Average | 6,337 | 68 | 2.9 |
| AllianceBernstein | Average | 5,912 | 0 | 3.1 |
| Rakuten | Above Average Q | 4,983 | 31 | 3.4 |
| NAM | Average Q | 4,620 | 20 | 3.0 |
| SBI | Above Average Q | 4,424 | 39 | 2.9 |
| Invesco | Average | 3,696 | 23 | 3.3 |
| Goldman Sachs | Average | 3,007 | 6 | 3.0 |
| Pictet | Above Average | 2,916 | 4 | 2.9 |
| Capital Group | High | 2,908 | 81 | 3.1 |
| Resona Group | High Q | 1,780 | 46 | 3.3 |
| Tokio Marine Asset | Average Q | 1,600 | 7 | 2.6 |
| T. Rowe Price | High | 1,550 | 50 | 2.4 |
| Rheos Capital Works | Average | 1,304 | 0 | 2.0 |
| SBI Okasan Asset | Average Q | 1,263 | 3 | 2.8 |
| NZAM | High Q | 1,105 | 54 | 3.4 |
| Credit Saison | Average Q | 988 | 0 | 2.7 |
| JPMorgan | Above Average | 868 | 39 | 3.3 |
| Amundi | Average | 827 | 6 | 3.1 |
| Eastspring Investments | Average | 783 | 0 | 3.2 |
| HSBC | Average | 692 | 5 | 2.4 |
| Mirae Asset | Average | 562 | 62 | 2.2 |
| Ichiyoshi | Below Average Q | 561 | 0 | 2.6 |

Source: Morningstar Research. Data as of Sept. 30, 2025. Includes Japan-domiciled open-end and exchange-traded funds. Excludes money market funds.

Exhibit 11 Japan Fund Families 60 (31-60)

| Parent Name | Parent Rating | Fund AUM (bil JPY) | Medalist Share Classes % | Average Morningstar Rating |
|----------------------|-----------------|-----------------------|-----------------------------|-------------------------------|
| Shinkin Central Bank | Below Average Q | 556 | 17 | 2.5 |
| Aozora | Average Q | 542 | 0 | 4.0 |
| SPARX | High | 513 | 15 | 3.3 |
| Meiji Yasuda | Low Q | 506 | 0 | 2.8 |
| Sompo Japan | Low Q | 473 | 0 | 2.7 |
| JP Group | Above Average Q | 466 | 43 | 3.1 |
| Sawakami Asset | Below Average Q | 431 | 0 | 1.0 |
| Franklin Templeton | Average | 399 | 0 | 2.7 |
| State Street | Above Average | 376 | 78 | 3.8 |
| Asahi Life Asset | Low Q | 354 | 0 | 2.6 |
| Simplex | Average Q | 309 | 11 | 2.3 |
| UBS | Average | 309 | 30 | 2.9 |
| Hitachi | Above Average Q | 252 | 100 | 4.0 |
| Deutsche Bank | Average Q | 194 | 0 | 3.2 |
| PineBridge | Average | 191 | 5 | 2.8 |
| BNY Mellon | Average | 184 | 20 | 2.9 |
| Manulife | Above Average | 175 | 22 | 2.9 |
| Monex Asset | Average Q | 157 | 0 | 3.2 |
| Schroders | Above Average | 151 | 17 | 2.7 |
| Sky Ocean Asset | Average Q | 130 | 0 | 2.6 |
| au Asset Management | Average Q | 110 | 11 | 3.5 |
| Russell Investments | Average | 103 | 0 | 3.4 |
| T&D Holdings | Below Average Q | 97 | 0 | 3.0 |
| Commons Asset | Above Average | 89 | 100 | 2.3 |
| Carrera | Below Average Q | 86 | 0 | 3.9 |
| Chibagin Asset | Below Average Q | 76 | 0 | 2.3 |
| MONEY DESIGN | Above Average Q | 72 | 38 | 3.5 |
| Capital Asset | Average Q | 54 | 0 | 1.5 |
| YMFG | Below Average Q | 52 | 0 | 2.5 |
| Kamakura | | 47 | | |

Source: Morningstar Research. Data as of Sept. 30, 2025. Includes Japan-domiciled open-end and exchange-traded funds. Excludes money market funds.

Morningstar's Fund Family Factsheets follow. 

Nomura Asset Management

| | | | Fund Assets Under Management (JPY Billion) | | | | | |
|---------------|-----------------|--------------|--|-------|----------------|--------|----------------|--------|
| Parent Rating | Above Average | | | | | | Organic Growth | |
| Rating Date | 12/6/2024 | | Total AUM | Rank | Net Flows 1-Yr | Rank | Rate 1-Yr | Rank |
| Analyst | Naoko Hashimoto | Japan | 60,499 | 1 /60 | 39.2 | 20 /60 | 0.1 | 37 /60 |

Morningstar's Parent Analysis

Nomura Asset Management, or NAM, earns an upgrade to Above Average, reflecting significant strides in product governance and investor-focused initiatives under the leadership of CEO Hiroyasu Koike since April 2021. NAM has demonstrated a clear commitment to enhancing outcomes for investors, notably through the release of its fund review report, which evaluates the quality and pricing of its funds and publicly shares the results to signal what improvements will be made. Another effort toward better transparency is the firm's public disclosure of its portfolio manager names, a practice still uncommon but becoming more prevalent among asset management firms in Japan. The firm's strategy is further underscored by the firm's intention to cut its fund lineup in half by 2030, prioritizing quality over quantity. NAM has a formula-based compensation structure aligned with the funds' performance for up to five years. This structure supports the alignment of interests with investors and enhances product quality.

NAM has a sizable investment team in Japan and is expanding its global equity team, aiming to bolster in-house expertise. In asset classes beyond its expertise, the firm has partnered with external subadvisors to good effects. By leveraging both internal and external capabilities, the firm strives to meet all client demands, rather than focusing on a selected number of core competencies. This is usually suboptimal for investors, but NAM has managed to deliver good results over the years, with the firmwide five- and 10-year success ratios consistently hitting mid-50% to 60%. Despite these positive developments, executive turnover and execution of the fund-reduction plan are areas to watch. Changes to the firm's leadership could influence ongoing initiatives and have negative impacts on investors. The ability of NAM to navigate these potential challenges will be key to sustaining its investor-friendly initiatives.

Open-End & Exchange-Traded Fund Offerings

| | % AUM | # of Funds |
|--------------|-------|------------|
| Equity | 86 | 364 |
| Fixed Income | 7 | 181 |
| Allocation | 6 | 116 |
| Alternative | 0 | 11 |
| Other | 1 | 18 |

| | % AUM | # of Funds |
|---------|-------|------------|
| Active | 20 | 532 |
| Passive | 80 | 158 |

| | % AUM | # of Share Classes |
|----------|-------|--------------------|
| Open-End | 28 | 615 |
| ETF | 73 | 75 |

Largest Funds

| | % AUM | Rank |
|---------------------------|-------|--------|
| Assets in 5 Largest Funds | 70 | 32 /60 |

| | AUM (JPY Billion) |
|--|-------------------|
| NEXT FUNDS TOPIX ETF | 26,690 |
| NEXT FUNDS Nikkei 225 ETF | 12,164 |
| NEXT FUNDS JPX-Nikkei Index 400 ETF | 1,861 |
| Nomura Foreign Eq Idx Fd MSCI-KOKUSAI DC | 1,077 |
| Nomura Nomu Wrap Fund Neutral | 626 |

Changes in Fund Lineup

| | | Rank |
|--------------------------------|------|--------|
| Funds & ETFs Launched 1-Yr (%) | 2 | 25 /60 |
| Funds & ETFs Obsolete 1-Yr (%) | 7 | 45 /60 |
| Funds & ETFs Launched 5-Yr (%) | 4 | 15 /60 |
| Funds & ETFs Obsolete 5-Yr (%) | 6 | 36 /60 |
| Open-End Funds: Avg Age (Yrs) | 13.9 | |
| ETFs: Avg Age (Yrs) | 11.1 | |

Sustainability

| | % | Rank |
|---------------------------------|----|--------|
| Funds w/ Below Avg/Low ESG Risk | 25 | 17 /60 |

Morningstar Medalist Ratings

| | % AUM | # of Share Classes |
|----------|-------|--------------------|
| Gold | 56 | 38 |
| Silver | 5 | 68 |
| Bronze | 28 | 109 |
| Neutral | 10 | 206 |
| Negative | 1 | 9 |

| | % | Rank |
|-------------------------------|----|-------|
| AUM - Gold, Silver, Bronze | 89 | 6 /60 |
| Shares - Gold, Silver, Bronze | 50 | 8 /60 |

Performance

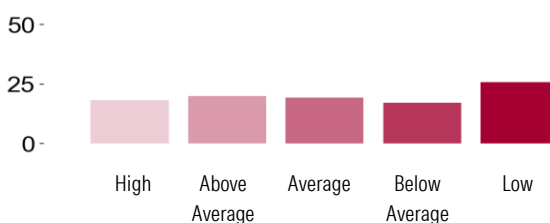
| | | Rank |
|----------------------------|-----|--------|
| Average Morningstar Rating | 3.2 | 16 /60 |



| | % | Rank |
|-----------------------|----|--------|
| Success Ratio 3-Year | 47 | 23 /60 |
| Success Ratio 5-Year | 44 | 18 /60 |
| Success Ratio 10-Year | 41 | 10 /60 |

Fee Levels

| | | Rank |
|--------------------------------|----|--------|
| Average Fee Level - Peer Group | 48 | 23 /60 |



Source: Morningstar Research. Data as of 9/30/2025 unless otherwise stated. Includes Japan-domiciled open-end and exchange-traded funds. Funds of funds are included in flows and assets calculations. Excludes mother funds and money market funds. Please see the appendix for information about the data in this report.

Mitsubishi UFJ Asset Management

| Parent Rating | | Fund Assets Under Management (JPY Billion) | | | | | | | |
|---------------|-----------------|--|--|-----------|-------|----------------|-------|----------------|-------|
| Rating Date | Average | Japan | | Total AUM | Rank | Net Flows 1-Yr | Rank | Organic Growth | Rank |
| 10/1/2024 | | | | 40,529 | 2 /60 | 5578.4 | 1 /60 | Rate 1-Yr | |
| Analyst | Naoko Hashimoto | | | | | | | 19.3 | 7 /60 |

Morningstar's Parent Analysis

Mitsubishi UFJ Asset Management, or MUAM, has built a competitive index fund range and has made progress in corporate and product governance in recent years. However, internal transformations are still underway, and the firm lacks clear expertise outside of passive funds, therefore resulting in an Average Parent rating.

MUAM is a wholly owned subsidiary of Mitsubishi UFJ Financial Group. It transitioned from being a subsidiary of Mitsubishi UFJ Trust Bank to Mitsubishi UFJ Financial Group in April 2024 to enhance management independence and corporate governance with tangible results: The firm has established a governance committee, led by external directors, which aims to strengthen supervisory oversight and enhance management transparency. CEO Sunao Yokokawa has extensive asset management experience from his long tenure at Mitsubishi UFJ Trust Bank and has led the firm since 2021. Under his leadership, MUAM is also making steady progress with initiatives such as revising investment professionals' compensation and tackling underperforming funds.

The firm has successfully expanded its market share outside the group and its assets under management, particularly through its successful index fund series, contributing to its financial stability. While Yokokawa envisions MUAM as a comprehensive, multi-boutique asset management firm, there is a gap between this vision and the company's middling in-house active investment capabilities. The firm is trying to enhance its in-house capabilities and fund range by increasing the number of investment professionals and implementing a structure that grants lead portfolio managers greater discretion over their portfolios and teams. While progress is evident, the full impact of these changes will take time to fully materialize.

This section was written in Japanese and translated into English. Since the Japanese text is the original, the Japanese text shall prevail if there is any conflict or inconsistency between these two texts.

Open-End & Exchange-Traded Fund Offerings

| | % AUM | # of Funds |
|--------------|-------|------------|
| Equity | 84 | 254 |
| Fixed Income | 5 | 170 |
| Allocation | 7 | 118 |
| Alternative | 0 | 4 |
| Other | 4 | 12 |

| | % AUM | # of Funds |
|---------|-------|------------|
| Active | 18 | 380 |
| Passive | 82 | 178 |

| | % AUM | # of Share Classes |
|----------|-------|--------------------|
| Open-End | 77 | 525 |
| ETF | 23 | 33 |

Largest Funds

| Assets in 5 Largest Funds | % AUM | Rank |
|---------------------------|-------|--------|
| | 59 | 41 /60 |

| | AUM (JPY Billion) |
|--|-------------------|
| MUAM eMAXIS Slim US Equity S&P 500 | 8,586 |
| MUAM eMAXIS Slim All Wld Eq All Country | 7,586 |
| MAXIS TOPIX ETF | 3,801 |
| MAXIS NIKKEI225 ETF | 2,800 |
| MUAM eMAXIS Slim Dev Cntrs Eq Idx ex Jpn | 1,038 |

Changes in Fund Lineup

| | | Rank |
|--------------------------------|------|--------|
| Funds & ETFs Launched 1-Yr (%) | 4 | 29 /60 |
| Funds & ETFs Obsolete 1-Yr (%) | 7 | 44 /60 |
| Funds & ETFs Launched 5-Yr (%) | 3 | 14 /60 |
| Funds & ETFs Obsolete 5-Yr (%) | 7 | 44 /60 |
| Open-End Funds: Avg Age (Yrs) | 14.1 | |
| ETFs: Avg Age (Yrs) | 7.4 | |

Sustainability

| | % | Rank |
|---------------------------------|----|--------|
| Funds w/ Below Avg/Low ESG Risk | 23 | 22 /60 |

Morningstar Medalist Ratings

| | % AUM | # of Share Classes |
|----------|-------|--------------------|
| Gold | 37 | 10 |
| Silver | 33 | 38 |
| Bronze | 3 | 36 |
| Neutral | 21 | 177 |
| Negative | 5 | 127 |

| | % | Rank |
|-------------------------------|----|--------|
| AUM - Gold, Silver, Bronze | 73 | 11 /60 |
| Shares - Gold, Silver, Bronze | 22 | 21 /60 |

Performance

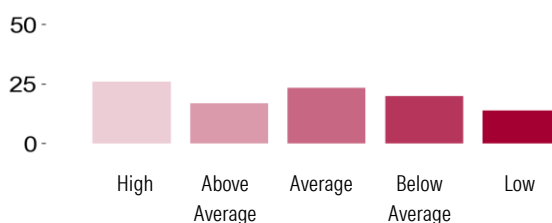
| Average Morningstar Rating | | Rank |
|----------------------------|-----|--------|
| | 3.1 | 24 /60 |



| | % | Rank |
|-----------------------|----|--------|
| Success Ratio 3-Year | 43 | 27 /60 |
| Success Ratio 5-Year | 36 | 27 /60 |
| Success Ratio 10-Year | 25 | 25 /60 |

Fee Levels

| Average Fee Level - Peer Group | | Rank |
|--------------------------------|----|--------|
| | 55 | 37 /60 |



Source: Morningstar Research. Data as of 9/30/2025 unless otherwise stated. Includes Japan-domiciled open-end and exchange-traded funds. Funds of funds are included in flows and assets calculations. Excludes mother funds and money market funds. Please see the appendix for information about the data in this report.

Daiwa Asset Management

Fund Assets Under Management (JPY Billion)

| Parent Rating | Average | | | | | | | |
|---------------|------------------------------|-----------|--------|-------|----------------|-------|----------------|--------|
| Rating Date | 3/11/2025 | Total AUM | | Rank | Net Flows 1-Yr | Rank | Organic Growth | |
| Analyst | Morningstar Manager Research | Japan | 32,094 | 3 /60 | 733.5 | 6 /60 | Rate 1-Yr | Rank |
| | | | | | | | 2.7 | 31 /60 |

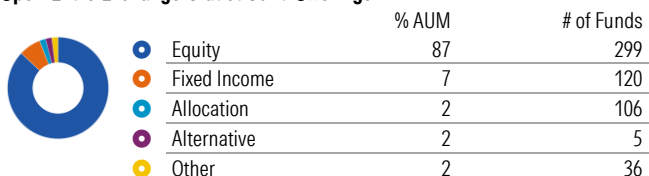
Morningstar's Parent Analysis

Daiwa Asset Management is one of Japan's largest asset managers and is a subsidiary of Daiwa Securities Group. The efforts to improve the active fund range are underway, and the competitive fees of its large passive business are offsetting some of its weaknesses. The firm unfortunately has experienced significant and ongoing turnover at both the senior leadership and investment team levels, warranting an Average Parent rating.

Daiwa Asset Management manages JPY 33 trillion (approximately USD 223 billion) in assets as of December 2024. The firm's stable history, bolstered by parent Daiwa Securities Group, provides a robust distribution network. Historically, the firm's forte was inclined toward the retail business. Daiwa AM aims to improve its institutional and overseas business through its capital and business alliance with Japan Post Insurance Co. Ltd (which holds 20% of Daiwa AM's share), announced in May 2024. Within active strategies, the firm manages Japanese equity strategies in-house, leveraging its expertise. For asset classes such as global equities and global fixed income, where the firm lacks sufficient capabilities, it appropriately partners with external managers. However, from a long-term asset-building perspective, there are some questionable products in the firm's lineup. The firm has a large presence in exchange-traded funds, too, and its large passive strategies' fee levels are competitive.

Under CEO Mikita Komatsu and CIO Hisashi Kanamori, the firm introduced commendable initiatives, including pay raises and a more team-oriented approach to investment strategy management. However, the high turnover among senior leadership casts doubts on the stability of current initiatives. The upcoming CEO transition, with Komatsu stepping down for Kei Sano in April 2025, follows a pattern of leadership changes every three years. The investment team has also experienced instability, underscoring the need for better talent retention. As Daiwa continues to navigate its leadership transition and business expansions, we will maintain a close watch on the firm's overall performance and direction.

Open-End & Exchange-Traded Fund Offerings



Largest Funds

| Assets in 5 Largest Funds | % AUM | Rank |
|---------------------------|-------|--------|
| | 62 | 40 /60 |

| | AUM (JPY Billion) |
|---|-------------------|
| iFreeETF TOPIX (Yearly Dividend Type) | 12,105 |
| iFreeETF Nikkei225 (Yearly Dividend Type) | 5,437 |
| Daiwa FW Japan Equity Select | 884 |
| Daiwa iFreeNEXT FANG+ Index | 837 |
| Daiwa FW Japan Bond Select | 727 |

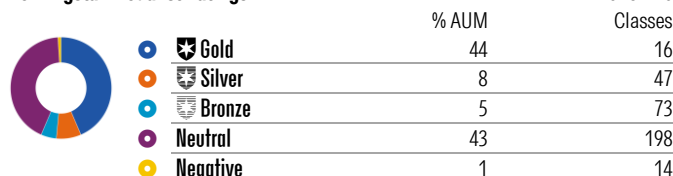
Changes in Fund Lineup

| | | Rank |
|--------------------------------|------|--------|
| Funds & ETFs Launched 1-Yr (%) | 5 | 34 /60 |
| Funds & ETFs Obsolete 1-Yr (%) | 9 | 48 /60 |
| Funds & ETFs Launched 5-Yr (%) | 6 | 26 /60 |
| Funds & ETFs Obsolete 5-Yr (%) | 6 | 42 /60 |
| Open-End Funds: Avg Age (Yrs) | 11.8 | |
| ETFs: Avg Age (Yrs) | 6.0 | |

Sustainability

| | % | Rank |
|---------------------------------|----|--------|
| Funds w/ Below Avg/Low ESG Risk | 32 | 11 /60 |

Morningstar Medalist Ratings



| | % | Rank |
|-------------------------------|----|--------|
| AUM - Gold, Silver, Bronze | 56 | 14 /60 |
| Shares - Gold, Silver, Bronze | 39 | 12 /60 |

Performance

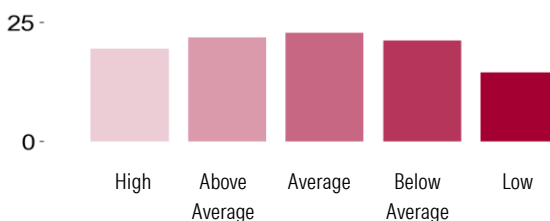
| Average Morningstar Rating | | Rank |
|----------------------------|-----|--------|
| | 3.2 | 18 /60 |



| | % | Rank |
|-----------------------|----|--------|
| Success Ratio 3-Year | 46 | 24 /60 |
| Success Ratio 5-Year | 39 | 24 /60 |
| Success Ratio 10-Year | 22 | 30 /60 |

Fee Levels

| Average Fee Level - Peer Group | | Rank |
|--------------------------------|----|--------|
| | 52 | 33 /60 |



Source: Morningstar Research. Data as of 9/30/2025 unless otherwise stated. Includes Japan-domiciled open-end and exchange-traded funds. Funds of funds are included in flows and assets calculations. Excludes mother funds and money market funds. Please see the appendix for information about the data in this report.

Amova

Fund Assets Under Management (JPY Billion)

| Parent Rating | Average | Fund Assets Under Management (JPY Billion) | | | | | Organic Growth | |
|---------------|------------------------------|--|--------|----------------|--------|-----------|----------------|--------|
| Rating Date | 4/24/2025 | Total AUM | Rank | Net Flows 1-Yr | Rank | Rate 1-Yr | Rank | |
| Analyst | Morningstar Manager Research | Japan | 27,060 | 4 /60 | -780.3 | 60 /60 | -3.3 | 41 /60 |

Morningstar's Parent Analysis

Nikko Asset Management, a subsidiary of Sumitomo Mitsui Trust Holdings, is a Japanese asset manager with global ambitions, but inconclusive product development, inconsistent performances in the fund range, and a still-settling senior leadership team result in a Parent rating of Average. We will continue to monitor developments under the new leadership and the firm's rebranding to "Amova Asset Management," effective September 2025.

President and CEO Stefanie Drews has ambitious plans to grow assets under management through both organic and inorganic means. Most recently, in November 2023, Nikko acquired a minority stake in Osmosis to expand its product lineup on the sustainable-investing front. Another key partnership is with ARK Investment Management, which we continue to view skeptically given ARK's poor risk-management practices.

Nikko AM's core competency is in Japan equities, while global fixed income remains a weak point. The firm partners with subadvisors in areas outside its expertise, and roughly half of these external partners carry positive Morningstar Parent Pillar ratings. But the firm's growth plans are still a watchpoint given its history of using "hot" themes to capture investor demand that often result in "boom and bust" performance patterns and eventually lead to product churning.

Like many Japanese asset managers, Nikko AM has experienced notable turnover within its senior management team over the years. Most recently, effective April 2025, Mark E. Stoeckle transitioned from the external board to become chief investment officer, succeeding Hiroshi Yoh, who held the role for less than three years. Additionally, Kuniyuki Shudo will be joining from the firm's parent company to succeed Yutaka Nishida as representative director and executive chairman.

Despite the turnover in senior management, there has historically been limited disruption to the investment team, and we do not expect significant changes to the firm's strategic direction at this time. Management continues to respect the autonomy of portfolio managers, allowing them to follow their individual investment processes and styles with minimal interference. The firm's Average Parent rating remains unchanged.

Open-End & Exchange-Traded Fund Offerings

| | % AUM | # of Funds |
|--------------|-------|------------|
| Equity | 92 | 161 |
| Fixed Income | 2 | 66 |
| Allocation | 5 | 48 |
| Alternative | 0 | 2 |
| Other | 1 | 15 |

| | % AUM | # of Funds |
|---------|-------|------------|
| Active | 19 | 208 |
| Passive | 81 | 84 |

| | % AUM | # of Share Classes |
|----------|-------|--------------------|
| Open-End | 27 | 254 |
| ETF | 73 | 38 |

Largest Funds

| | % AUM | Rank |
|---------------------------|-------|--------|
| Assets in 5 Largest Funds | 74 | 26 /60 |

| | AUM (JPY Billion) |
|--|-------------------|
| Amova Exchange Traded Index Fund TOPIX | 12,625 |
| Amova Exchange Traded Index Fund 225 | 5,910 |
| Amova Global Robotics Equity Fd D2Y | 585 |
| Listed Index Fund JPX-Nikkei Index 400 | 482 |
| Amova Global Robotics Equity Fd D1Y | 470 |

Changes in Fund Lineup

| | | Rank |
|--------------------------------|------|--------|
| Funds & ETFs Launched 1-Yr (%) | 5 | 32 /60 |
| Funds & ETFs Obsolete 1-Yr (%) | 2 | 31 /60 |
| Funds & ETFs Launched 5-Yr (%) | 4 | 18 /60 |
| Funds & ETFs Obsolete 5-Yr (%) | 5 | 33 /60 |
| Open-End Funds: Avg Age (Yrs) | 16.6 | |
| ETFs: Avg Age (Yrs) | 9.6 | |

Sustainability

| | % | Rank |
|---------------------------------|----|--------|
| Funds w/ Below Avg/Low ESG Risk | 14 | 37 /60 |

Morningstar Medalist Ratings

| | % AUM | # of Share Classes |
|----------|-------|--------------------|
| Gold | 2 | 3 |
| Silver | 57 | 15 |
| Bronze | 3 | 19 |
| Neutral | 34 | 108 |
| Negative | 3 | 45 |

| | % | Rank |
|-------------------------------|----|--------|
| AUM - Gold, Silver, Bronze | 62 | 12 /60 |
| Shares - Gold, Silver, Bronze | 19 | 25 /60 |

Performance

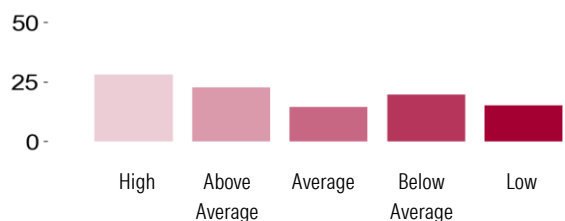
| | | Rank |
|----------------------------|-----|--------|
| Average Morningstar Rating | 3.1 | 21 /60 |



| | % | Rank |
|-----------------------|----|--------|
| Success Ratio 3-Year | 45 | 25 /60 |
| Success Ratio 5-Year | 43 | 21 /60 |
| Success Ratio 10-Year | 28 | 22 /60 |

Fee Levels

| | | Rank |
|--------------------------------|----|--------|
| Average Fee Level - Peer Group | 57 | 45 /60 |



Source: Morningstar Research. Data as of 9/30/2025 unless otherwise stated. Includes Japan-domiciled open-end and exchange-traded funds. Funds of funds are included in flows and assets calculations. Excludes mother funds and money market funds. Please see the appendix for information about the data in this report.

Asset Management One

Fund Assets Under Management (JPY Billion)

| Parent Rating | Average | | | | | | Organic Growth | |
|---------------|------------------------------|--------------|--------|----------------|------|-----------|----------------|--------|
| Rating Date | 4/21/2025 | Total AUM | Rank | Net Flows 1-Yr | Rank | Rate 1-Yr | Rank | |
| Analyst | Morningstar Manager Research | Japan | 14,154 | 5 /60 | 37.4 | 21 /60 | 0.3 | 36 /60 |

Morningstar's Parent Analysis

Asset Management One has gained scale through smaller entities joining forces and is now one of Japan's largest asset managers. While the firm has overcome some of the challenges of the integration, there are still areas of improvement in its culture, resulting in an Average Parent rating.

Owned by Mizuho Financial Group and Dai-ichi Life Holdings, AMOne merged four preexisting asset management functions into one in 2016. The investment cultures are now well-integrated, and the turnover in investment teams has been low despite previous organizational changes. Being part of a financial conglomerate, the firm enjoys the benefits of scale as well as a vast client base, which ensures stability. On the other hand, the firm has a large product range and is sometimes driven by sales-oriented principles.

So far, under the leadership of CEO Noriyuki Sugihara and CIO Takashi Maruyama, the firm has launched several initiatives that we view favorably, such as the reorganization within the investment team to centralize research and help portfolio managers to better focus on fund management. AMOne is also transparent about its compensation policy and looks equally at three- and five-year performance to calculate bonuses; this is a longer horizon than some peers. Like other Japanese asset managers, AMOne has unfortunately seen a high turnover in its executive team in the past.

The firm will undergo a CIO transition in May 2025, with Maruyama stepping down for personal reasons and being succeeded by Shigeki Muramatsu, who is currently the co-head of the investment division. While Maruyama's upcoming departure is somewhat unexpected, the two-month transition should be smooth, and we think the appointment is sensible. Given the promotion is internal and CEO Sugihara, who was heavily involved in the integration in 2016, remains in his seat, we do not anticipate significant changes to the firm's strategic direction. We will continue to monitor developments under Muramatsu's leadership. The firm's Average Parent rating remains unchanged.

Open-End & Exchange-Traded Fund Offerings

| | % AUM | # of Funds |
|--------------|-------|------------|
| Equity | 80 | 225 |
| Fixed Income | 10 | 126 |
| Allocation | 11 | 142 |
| Alternative | 0 | 0 |
| Other | 0 | 8 |

| | % AUM | # of Funds |
|---------|-------|------------|
| Active | 56 | 409 |
| Passive | 44 | 92 |

| | % AUM | # of Share Classes |
|----------|-------|--------------------|
| Open-End | 87 | 491 |
| ETF | 13 | 10 |

Largest Funds

| Assets in 5 Largest Funds | % AUM | Rank |
|---------------------------|-------|--------|
| | 30 | 58 /60 |

| | AUM (JPY Billion) |
|---|-------------------|
| AMOne Global ESG Hi Quality Gr Eq Fd UH | 1,086 |
| AMOne Tawara No Load DevCountrs Eq | 947 |
| AMOne Gbl Hi Qual Gr Eq Fd UnHdg | 884 |
| One ETF TOPIX | 666 |
| AMOne DIAM Foreign Equity Index Fund DC | 654 |

Changes in Fund Lineup

| | | Rank |
|--------------------------------|------|--------|
| Funds & ETFs Launched 1-Yr (%) | 4 | 27 /60 |
| Funds & ETFs Obsolete 1-Yr (%) | 7 | 45 /60 |
| Funds & ETFs Launched 5-Yr (%) | 3 | 13 /60 |
| Funds & ETFs Obsolete 5-Yr (%) | 6 | 40 /60 |
| Open-End Funds: Avg Age (Yrs) | 15.0 | |
| ETFs: Avg Age (Yrs) | 7.8 | |

Sustainability

| | % | Rank |
|---------------------------------|----|--------|
| Funds w/ Below Avg/Low ESG Risk | 23 | 24 /60 |

Morningstar Medalist Ratings

| | % AUM | # of Share Classes |
|----------|-------|--------------------|
| Gold | 1 | 9 |
| Silver | 28 | 18 |
| Bronze | 8 | 28 |
| Neutral | 54 | 212 |
| Negative | 9 | 99 |

| | % | Rank |
|-------------------------------|----|--------|
| AUM - Gold, Silver, Bronze | 37 | 19 /60 |
| Shares - Gold, Silver, Bronze | 15 | 28 /60 |

Performance

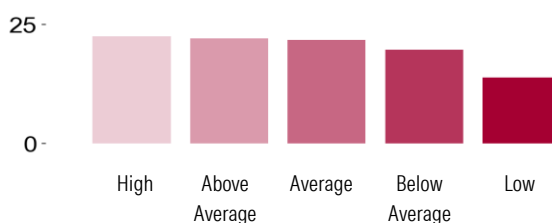
| Average Morningstar Rating | | Rank |
|----------------------------|-----|--------|
| | 2.9 | 37 /60 |



| | % | Rank |
|-----------------------|----|--------|
| Success Ratio 3-Year | 34 | 40 /60 |
| Success Ratio 5-Year | 29 | 38 /60 |
| Success Ratio 10-Year | 23 | 29 /60 |

Fee Levels

| Average Fee Level - Peer Group | | Rank |
|--------------------------------|----|--------|
| | 55 | 37 /60 |



Source: Morningstar Research. Data as of 9/30/2025 unless otherwise stated. Includes Japan-domiciled open-end and exchange-traded funds. Funds of funds are included in flows and assets calculations. Excludes mother funds and money market funds. Please see the appendix for information about the data in this report.

Sumitomo Mitsui DS Asset Management

Fund Assets Under Management (JPY Billion)

| Parent Rating | Above Average | Fund Assets Under Management (JPY Billion) | | | | | Organic Growth | |
|---------------|-----------------|--|--------|----------------|-------|-----------|----------------|--------|
| Rating Date | 2/13/2025 | Total AUM | Rank | Net Flows 1-Yr | Rank | Rate 1-Yr | Rank | |
| Analyst | Naoko Hashimoto | Japan | 10,728 | 6 /60 | 436.3 | 8 /60 | 4.8 | 26 /60 |

Morningstar's Parent Analysis

Sumitomo Mitsui DS Asset Management earns an Above Average Parent rating, bolstered by its commitment to autonomy, credible capabilities in active management, and sensible product lineup. As a Sumitomo Mitsui Financial Group subsidiary, SMDAM has thrived since the 2019 merger of Sumitomo Mitsui Asset Management and Daiwa SB Investments, expanding its reach among institutional and retail investors.

The firm is on the verge of a leadership transition. Current CEO Takashi Saruta is set to become the firm's chairman, and Wataru Ogihara will replace him in April 2025. The change is poised to be smooth and unlikely to disrupt the firm's independent and strategic course set by Saruta. Ogihara's extensive investment experience, including a tenure of over 30 years at Nomura Asset Management, coupled with two years as deputy president with Saruta at SMDAM, positions him well to lead the firm. Ogihara's appointment, following his external recruitment in April 2023, addresses prior concerns about the firm losing autonomy with a new leadership. Saruta's ongoing presence as chairman should further ensure strategic continuity, alleviating any remaining concerns.

SMDAM is fortifying its Japanese equity management and judiciously enhancing in-house capabilities, while partnering with subadvisors for areas beyond its core competencies. The firm's long-term product development approach, which shuns sales-driven tactics, is commendable, though we note that aligning investment professional compensation more closely with long-term performance could foster deeper alignment of interests with fund investors. The firm's prudent capacity management is evident in the soft closures of several small- and mid-cap equity funds following substantial asset growth, which speaks to its commitment to maintaining product quality and safeguarding investor interests.

Open-End & Exchange-Traded Fund Offerings

| | % AUM | # of Funds |
|--------------|-------|------------|
| Equity | 70 | 213 |
| Fixed Income | 20 | 76 |
| Allocation | 8 | 92 |
| Alternative | 2 | 3 |
| Other | 1 | 11 |

| | % AUM | # of Funds |
|---------|-------|------------|
| Active | 73 | 334 |
| Passive | 27 | 61 |

| | % AUM | # of Share Classes |
|----------|-------|--------------------|
| Open-End | 96 | 390 |
| ETF | 4 | 5 |

Largest Funds

| Assets in 5 Largest Funds | % AUM | Rank |
|---------------------------|-------|--------|
| | 22 | 60 /60 |

| | AUM (JPY Billion) |
|--|-------------------|
| SMDS Nikko FW Japan Bond | 548 |
| SMDS SMAM DC Foreign Equity Index Fund S | 543 |
| SMDS Global AI | 485 |
| SMDS SMBC Fund Wrap Japan Bond | 410 |
| SMDS SMAM DC TsumitateNISA AllFgn Eq Idx | 349 |

Changes in Fund Lineup

| | | Rank |
|--------------------------------|------|--------|
| Funds & ETFs Launched 1-Yr (%) | 5 | 32 /60 |
| Funds & ETFs Obsolete 1-Yr (%) | 5 | 37 /60 |
| Funds & ETFs Launched 5-Yr (%) | 5 | 22 /60 |
| Funds & ETFs Obsolete 5-Yr (%) | 7 | 46 /60 |
| Open-End Funds: Avg Age (Yrs) | 11.6 | |
| ETFs: Avg Age (Yrs) | 5.8 | |

Sustainability

| | % | Rank |
|---------------------------------|----|--------|
| Funds w/ Below Avg/Low ESG Risk | 25 | 16 /60 |

Morningstar Medalist Ratings

| | % AUM | # of Share Classes |
|----------|-------|--------------------|
| Gold | 15 | 18 |
| Silver | 11 | 11 |
| Bronze | 17 | 39 |
| Neutral | 53 | 184 |
| Negative | 4 | 15 |

| | % | Rank |
|-------------------------------|----|--------|
| AUM - Gold, Silver, Bronze | 44 | 16 /60 |
| Shares - Gold, Silver, Bronze | 25 | 19 /60 |

Performance

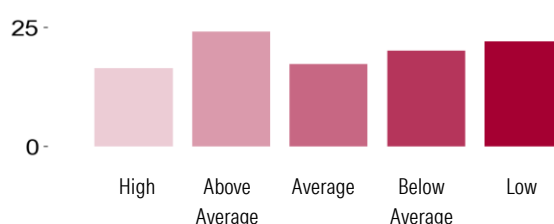
| Average Morningstar Rating | | Rank |
|----------------------------|-----|--------|
| | 3.1 | 26 /60 |



| | % | Rank |
|-----------------------|----|--------|
| Success Ratio 3-Year | 42 | 28 /60 |
| Success Ratio 5-Year | 36 | 28 /60 |
| Success Ratio 10-Year | 29 | 21 /60 |

Fee Levels

| Average Fee Level - Peer Group | | Rank |
|--------------------------------|----|--------|
| | 49 | 28 /60 |



Sumitomo Mitsui Trust Asset Management

| Parent Rating | | Fund Assets Under Management (JPY Billion) | | | | | | Organic Growth | |
|---------------|-----------------|--|--|-----------|-------|----------------|--------|----------------|--------|
| Rating Date | Average | Japan | | Total AUM | Rank | Net Flows 1-Yr | Rank | Rate 1-Yr | Rank |
| 7/11/2025 | | | | 8,953 | 7 /60 | 157.0 | 12 /60 | 2.0 | 32 /60 |
| Analyst | Naoko Hashimoto | | | | | | | | |

Morningstar's Parent Analysis

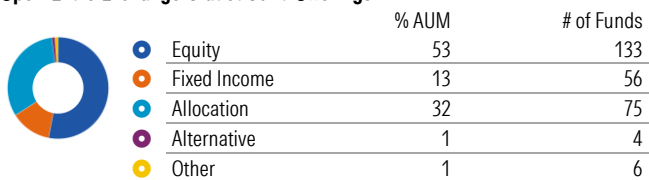
Sumitomo Mitsui Trust Asset Management earns an Average Parent rating. The firm's efforts to enhance its investment capabilities are commendable, yet the influence of the parent company remains a point of concern while the product range exhibits uneven quality.

SMTAM is a subsidiary of Sumitomo Mitsui Trust Group. The investment management function of sister company Sumitomo Mitsui Trust Bank was strategically integrated into SMTAM in October 2018, enhancing its capabilities, notably in fixed income and passive investments.

The firm is going through a leadership transition, with Takahiro Kobayashi poised to succeed Yoshio Hishida as CEO in October 2025; this appears orderly and unlikely to interrupt the firm's strategic direction. Kobayashi joined Sumitomo Mitsui Trust Bank in 2004 and spent many years focused on investment planning for entrusted assets before joining SMTAM in 2018. He has been serving as head of the corporate planning department at the firm. While Kobayashi's ability to lead in this new capacity bears watching, the orderly nature of the succession provides reassurance.

The firm has increased its portfolio manager headcount by 20% over the past five years through December 2024, while maintaining a low turnover rate of about 6%, signaling a stable and growing investment staff. The firm has been expanding its distribution network by offering products developed through pilot funds with a proven track record and seeded with internal money, which we view positively. It also offers cost-effective exchange-traded funds, including actively managed ones. However, SMTAM continues to offer several thematic niche funds that tend to be poorly utilized by investors. Efforts to build a high-quality fund range focused on long-term performance are still underway. Aligning the parent company's goals, such as asset accumulation, while preserving SMTAM's autonomy and its desire to serve investors' long-term interests remains a challenge.

Open-End & Exchange-Traded Fund Offerings



Largest Funds

| Assets in 5 Largest Funds | % AUM | Rank |
|--|-------|--------|
| | 23 | 59 /60 |
| AUM (JPY Billion) | | |
| SMTAM NextGen CommRel WidEq Strat Fd | | 551 |
| SMTAM World Economy Index | | 449 |
| SMTAM Foreign Equity SMTB Selection SMA | | 400 |
| SMTAM Domestic Bond SMTB Selection SMA | | 343 |
| SMTAM Domestic Equity SMTB Selection SMA | | 323 |

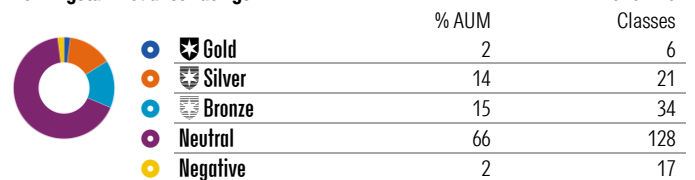
Changes in Fund Lineup

| | | Rank |
|--------------------------------|------|--------|
| Funds & ETFs Launched 1-Yr (%) | 2 | 21 /60 |
| Funds & ETFs Obsolete 1-Yr (%) | 6 | 41 /60 |
| Funds & ETFs Launched 5-Yr (%) | 4 | 19 /60 |
| Funds & ETFs Obsolete 5-Yr (%) | 5 | 31 /60 |
| Open-End Funds: Avg Age (Yrs) | 12.0 | |
| ETFs: Avg Age (Yrs) | 2.0 | |

Sustainability

| | % | Rank |
|---------------------------------|----|--------|
| Funds w/ Below Avg/Low ESG Risk | 11 | 39 /60 |

Morningstar Medalist Ratings



| | % | Rank |
|-------------------------------|----|--------|
| AUM - Gold, Silver, Bronze | 32 | 22 /60 |
| Shares - Gold, Silver, Bronze | 30 | 17 /60 |

Performance

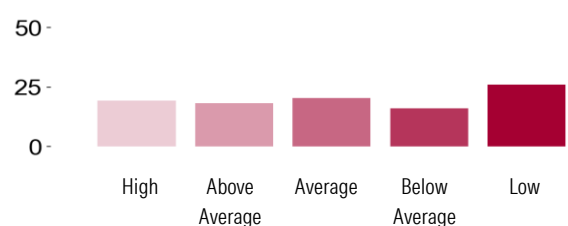
| | | Rank |
|----------------------------|-----|--------|
| Average Morningstar Rating | 3.3 | 14 /60 |



| | % | Rank |
|-----------------------|----|--------|
| Success Ratio 3-Year | 48 | 21 /60 |
| Success Ratio 5-Year | 45 | 17 /60 |
| Success Ratio 10-Year | 38 | 14 /60 |

Fee Levels

| | | Rank |
|--------------------------------|----|--------|
| Average Fee Level - Peer Group | 48 | 23 /60 |



Source: Morningstar Research. Data as of 9/30/2025 unless otherwise stated. Includes Japan-domiciled open-end and exchange-traded funds. Funds of funds are included in flows and assets calculations. Excludes mother funds and money market funds. Please see the appendix for information about the data in this report.

Fidelity International

Fund Assets Under Management (JPY Billion)

| | | | | | | | | |
|---------------|-----------------|--------------|-------|----------------|-------|-----------|----------------|--------|
| Parent Rating | Above Average | | | | | | Organic Growth | |
| Rating Date | 7/11/2025 | Total AUM | Rank | Net Flows 1-Yr | Rank | Rate 1-Yr | Rank | |
| Analyst | Giovanni Cafaro | Japan | 6,542 | 8 /60 | 737.7 | 5 /60 | 13.7 | 15 /60 |

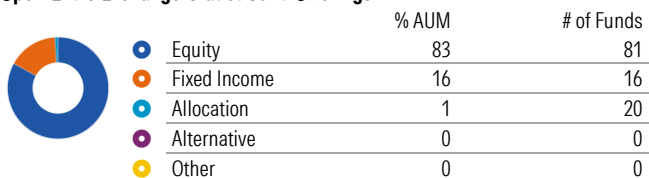
Morningstar's Parent Analysis

Fidelity International has undergone significant changes in recent years but remains well-positioned to serve its clients' interests and retains its Above Average Parent rating. Since 2024, the firm has experienced a significant reshuffling of the decks among firm and investment leadership. In March 2024, Keith Metters took the CEO reins from Anne Richards, who remains at the firm as vice chair, and in June 2024, global co-CIO Andrew McCaffery left the firm three months after Fidelity International appointed Niamh Brodie-Machura as co-CIO in charge of the equities division. Brodie-Machura, who previously spent 13 years at US-based sister firm Fidelity Investments, will co-lead the investment team alongside Andrew Wells, the head of Canada who expanded his role to include CIO duties for the firm's fixed-income, multi-asset, and private asset efforts. Most recently, Fidelity International announced that AXA Investment Managers' global fixed-income leader Marion Le Morhedec will join in September 2025 as global CIO of fixed income to replace Steve Ellis, who left the firm in March 2025.

These changes come amid a 2024-25 firmwide cost-containment effort that has led to team reductions and increased turnover, including on the investment teams. Nonetheless, in keeping with its focus on proprietary fundamental research, Fidelity International boasts one of the largest research capabilities, its key strength, with a team of just under 300, including portfolio managers and research analysts across the firm's global offices.

Strategic initiatives have been sensible, supported by the company's ownership structure, which includes a large minority stake held by the Johnson family of US-based Fidelity Investments as well as Fidelity International employees, which allows for a long-term focus. The firm has expanded its private credit capabilities and diversified its product range, including active exchange-traded funds. Fidelity Canada continues to be a strong engine of growth and holds a strong position in the domestic registered investment advisor market. There remain some discrepancies in remuneration between asset classes, but there has been an increasing alignment that is logical and broadly aligned with investors.

Open-End & Exchange-Traded Fund Offerings



Largest Funds

| Assets in 5 Largest Funds | % AUM | Rank |
|---------------------------|-------|--------|
| | 52 | 47 /60 |

| | AUM (JPY Billion) |
|---|-------------------|
| Fidelity Global Value Advantage Equity Fund | 907 |
| Fidelity US REIT Fund | 710 |
| Fidelity US High Yield Fund | 706 |
| Fidelity Japan Growth Equity | 593 |
| Fidelity Growth Opportunities Fund | 473 |

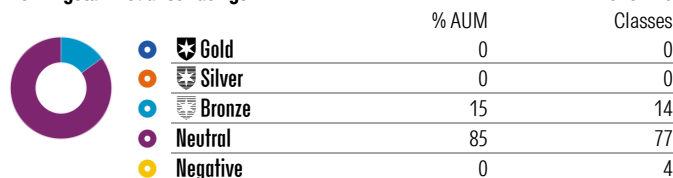
Changes in Fund Lineup

| | | Rank |
|--------------------------------|------|--------|
| Funds & ETFs Launched 1-Yr (%) | 2 | 23 /60 |
| Funds & ETFs Obsolete 1-Yr (%) | 6 | 40 /60 |
| Funds & ETFs Launched 5-Yr (%) | 7 | 31 /60 |
| Funds & ETFs Obsolete 5-Yr (%) | 4 | 28 /60 |
| Open-End Funds: Avg Age (Yrs) | 13.0 | |
| ETFs: Avg Age (Yrs) | 0.0 | |

Sustainability

| | % | Rank |
|---------------------------------|----|--------|
| Funds w/ Below Avg/Low ESG Risk | 30 | 13 /60 |

Morningstar Medalist Ratings



| | % | Rank |
|-------------------------------|----|--------|
| AUM - Gold, Silver, Bronze | 15 | 33 /60 |
| Shares - Gold, Silver, Bronze | 15 | 28 /60 |

Performance

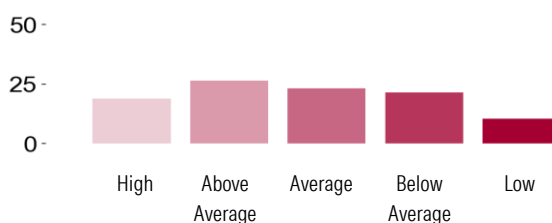
| | | Rank |
|----------------------------|-----|-------|
| Average Morningstar Rating | 3.4 | 7 /60 |



| | % | Rank |
|-----------------------|----|--------|
| Success Ratio 3-Year | 49 | 19 /60 |
| Success Ratio 5-Year | 59 | 7 /60 |
| Success Ratio 10-Year | 35 | 17 /60 |

Fee Levels

| | | Rank |
|--------------------------------|----|--------|
| Average Fee Level - Peer Group | 56 | 43 /60 |



Source: Morningstar Research. Data as of 9/30/2025 unless otherwise stated. Includes Japan-domiciled open-end and exchange-traded funds. Funds of funds are included in flows and assets calculations. Excludes mother funds and money market funds. Please see the appendix for information about the data in this report.



BlackRock/iShares

Fund Assets Under Management (JPY Billion)

| | | | | | | | | |
|---------------|---------------|--------------|-------|----------------|------|-----------|----------------|--------|
| Parent Rating | Above Average | | | | | | Organic Growth | |
| Rating Date | 1/10/2025 | Total AUM | Rank | Net Flows 1-Yr | Rank | Rate 1-Yr | Rank | |
| Analyst | Jason Kephart | Japan | 6,337 | 9 /60 | 44.1 | 19 /60 | 0.8 | 34 /60 |

Morningstar's Parent Analysis

BlackRock has raised the bar for what it means to be a truly diversified asset manager. After going on a private-asset shopping spree in 2024 to acquire infrastructure, credit, and alternative fund data capabilities, few other firms can match its breadth of offerings. It remains to be seen whether these acquisitions will be as transformative and beneficial for investors as its 2009 purchase of Barclays Global Investors, which included its now-iconic iShares brand of exchange-traded funds. BlackRock continues to earn an Above Average Parent rating.

There are reasons for optimism. CEO Larry Fink's track record of acquisitions stands out for its focus on expanding what BlackRock can offer, rather than looking to build scale. The firm has been able to deliver packaged versions of its products, like direct indexing, through its popular model portfolios for financial advisors at low costs that have made significant improvements to investor outcomes.

For hands-off investors, BlackRock's multi-asset options like its target-date strategies and once-flagship global allocation strategy are among their respective Morningstar Categories' best options.

Investors who prefer to build their portfolios can choose from dozens of low-cost building-block iShares ETFs and a robust lineup of traditional fixed-income strategies. The bond team has seen higher-than-expected turnover recently, particularly among senior leaders in Europe, but fixed-income chief investment officer Rick Rieder's ability to develop talent from its deep bench of portfolio managers and analysts inspires confidence.

Open-End & Exchange-Traded Fund Offerings

| | % AUM | # of Funds |
|--------------|-------|------------|
| Equity | 87 | 53 |
| Fixed Income | 10 | 34 |
| Allocation | 2 | 15 |
| Alternative | 0 | 0 |
| Other | 1 | 4 |

| | % AUM | # of Funds |
|---------|-------|------------|
| Active | 7 | 47 |
| Passive | 93 | 59 |

| | % AUM | # of Share Classes |
|----------|-------|--------------------|
| Open-End | 11 | 61 |
| ETF | 89 | 45 |

Largest Funds

| Assets in 5 Largest Funds | % AUM | Rank |
|---------------------------|-------|--------|
| | 73 | 28 /60 |

| | AUM (JPY Billion) |
|--|-------------------|
| iShares Core TOPIX ETF | 2,062 |
| iShares Core Nikkei 225 ETF | 1,548 |
| iShares JPX-Nikkei 400 ETF | 425 |
| iShares Core Japan REIT ETF | 402 |
| iShares 20+ Yr US Treasury Bd JPY Hedged ETF | 172 |

Changes in Fund Lineup

| | Rank |
|--------------------------------|-------|
| Funds & ETFs Launched 1-Yr (%) | 4 /30 |
| Funds & ETFs Obsolete 1-Yr (%) | 3 /35 |
| Funds & ETFs Launched 5-Yr (%) | 9 /39 |
| Funds & ETFs Obsolete 5-Yr (%) | 4 /26 |
| Open-End Funds: Avg Age (Yrs) | 12.4 |
| ETFs: Avg Age (Yrs) | 5.1 |

Sustainability

| | % | Rank |
|---------------------------------|----|--------|
| Funds w/ Below Avg/Low ESG Risk | 21 | 26 /60 |

Morningstar Medalist Ratings

| | % AUM | # of Share Classes |
|----------|-------|--------------------|
| Gold | 58 | 15 |
| Silver | 2 | 10 |
| Bronze | 28 | 24 |
| Neutral | 11 | 22 |
| Negative | 1 | 1 |

| | % | Rank |
|-------------------------------|----|-------|
| AUM - Gold, Silver, Bronze | 88 | 7 /60 |
| Shares - Gold, Silver, Bronze | 68 | 5 /60 |

Performance

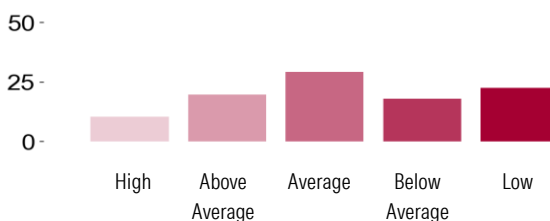
| Average Morningstar Rating | % | Rank |
|----------------------------|-----|--------|
| | 2.9 | 34 /60 |



| | % | Rank |
|-----------------------|----|--------|
| Success Ratio 3-Year | 43 | 26 /60 |
| Success Ratio 5-Year | 43 | 19 /60 |
| Success Ratio 10-Year | 41 | 11 /60 |

Fee Levels

| Average Fee Level - Peer Group | Rank |
|--------------------------------|--------|
| | 44 /17 |



Source: Morningstar Research. Data as of 9/30/2025 unless otherwise stated. Includes Japan-domiciled open-end and exchange-traded funds. Funds of funds are included in flows and assets calculations. Excludes mother funds and money market funds. Please see the appendix for information about the data in this report.

AllianceBernstein

Fund Assets Under Management (JPY Billion)

| Parent Rating | Average | | | | | | |
|---------------|---------------|-----------|-------|--------|----------------|-------|----------------|
| Rating Date | 6/7/2024 | Total AUM | | Rank | Net Flows 1-Yr | Rank | Organic Growth |
| Analyst | Jason Kephart | Japan | 5,912 | 10 /60 | 840.0 | 4 /60 | Rate 1-Yr |
| | | | | | | | Rank |
| | | | | | | | 17.3 |
| | | | | | | | 12 /60 |

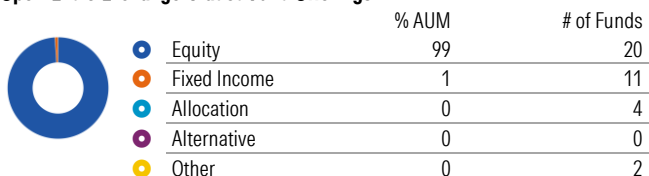
Morningstar's Parent Analysis

As AB invests in technology to improve its processes and focus on personalization, it retains an Average Parent rating.

CEO Seth Bernstein and senior leaders at the firm have prioritized investments in quantitative tools like machine learning and artificial intelligence. These tools better allow investment teams to tailor strategies to individual clients at scale. Although customization is a popular initiative among the competition, AB is already one of the largest providers of custom target-date funds in the US, and its capabilities in managing and servicing municipal-bond separate accounts have vastly improved over the past several years. For example, the firm is one of only a few that offer tax-loss harvesting for municipal-bond SMAs in the US.

AB also continues to expand its product lineup. In 2022, it acquired CarVal Investors, a private credit manager, to round out its private offerings, and it is likely to introduce private credit interval funds. AB also has been launching active ETFs since 2022, including a variety of fixed-income, a couple of equity funds, as well as an options-based and a thematic offering. Its traditional fund lineup shows some strength in large-cap growth stocks and fixed income, but performance overall has been lackluster. The US is by far its biggest market, but AB has a long history and some commercial success in the Asia-Pacific region.

Open-End & Exchange-Traded Fund Offerings



Largest Funds

| Assets in 5 Largest Funds | % AUM | Rank |
|---------------------------|-------|-------|
| | 96 | 7 /60 |

| | AUM (JPY Billion) |
|--|-------------------|
| AllianceBernstein US Gr Eq D D1M UnHdg | 3,429 |
| AllianceBernstein US Gr Eq B UnHdg | 1,811 |
| AllianceBernstein US Gr Eq C D1M Hdg | 236 |
| AllianceBernstein US Gr Eq A Hdg | 120 |
| AllianceBernstein US Gr Eq Fd B SMA/EW | 85 |

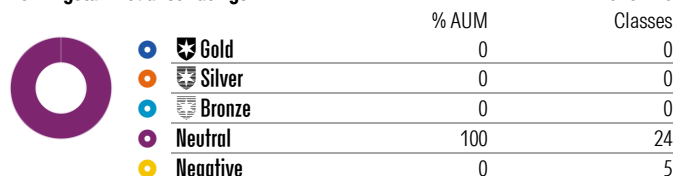
Changes in Fund Lineup

| | | Rank |
|--------------------------------|------|--------|
| Funds & ETFs Launched 1-Yr (%) | 7 | 36 /60 |
| Funds & ETFs Obsolete 1-Yr (%) | 0 | 1 /60 |
| Funds & ETFs Launched 5-Yr (%) | 15 | 50 /60 |
| Funds & ETFs Obsolete 5-Yr (%) | 3 | 22 /60 |
| Open-End Funds: Avg Age (Yrs) | 11.5 | |
| ETFs: Avg Age (Yrs) | 0.0 | |

Sustainability

| | % | Rank |
|---------------------------------|----|--------|
| Funds w/ Below Avg/Low ESG Risk | 19 | 31 /60 |

Morningstar Medalist Ratings



| | % | Rank |
|-------------------------------|---|--------|
| AUM - Gold, Silver, Bronze | 0 | 60 /60 |
| Shares - Gold, Silver, Bronze | 0 | 60 /60 |

Performance

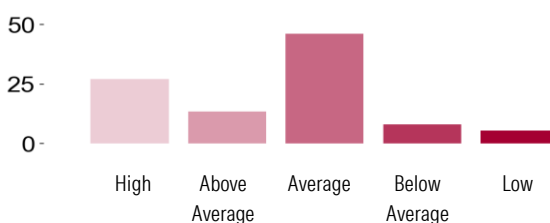
| Average Morningstar Rating | | Rank |
|----------------------------|-----|--------|
| | 3.1 | 24 /60 |



| | % | Rank |
|-----------------------|----|--------|
| Success Ratio 3-Year | 53 | 12 /60 |
| Success Ratio 5-Year | 30 | 35 /60 |
| Success Ratio 10-Year | 60 | 3 /60 |

Fee Levels

| Average Fee Level - Peer Group | | Rank |
|--------------------------------|----|--------|
| | 60 | 48 /60 |



Source: Morningstar Research. Data as of 9/30/2025 unless otherwise stated. Includes Japan-domiciled open-end and exchange-traded funds. Funds of funds are included in flows and assets calculations. Excludes mother funds and money market funds. Please see the appendix for information about the data in this report.

Invesco

Fund Assets Under Management (JPY Billion)

| Parent Rating | Average | Fund Assets Under Management (JPY Billion) | | | | | Organic Growth | |
|---------------|--------------------|--|-------|----------------|--------|-----------|----------------|-------|
| Rating Date | 12/23/2024 | Total AUM | Rank | Net Flows 1-Yr | Rank | Rate 1-Yr | Rank | |
| Analyst | Alyssa Stankiewicz | Japan | 3,696 | 14 /60 | 1445.0 | 2 /60 | 65.3 | 2 /60 |

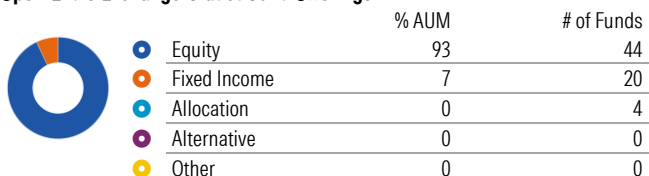
Morningstar's Parent Analysis

As new leadership makes its mark, Invesco retains its Average Parent rating.

Andrew Schlossberg succeeded longtime CEO Marty Flanagan in mid-2023. In his first 18 months, Schlossberg reconstructed the executive leadership team, reforming and elevating certain functions. Firm veterans Stephanie Butcher and Tony Wong now operate as co-heads of investments, with Butcher running the equity and multi-asset divisions and Wong overseeing fixed-income and private markets. Under Butcher's leadership, legacy teams from Invesco and OppenheimerFunds (acquired in 2019) have deepened their collaboration—for instance, Sergey Davalchenko joined in 2024 to lead the newly combined international equity division. Schlossberg also shook up leadership of key functions that support investment teams, including investment risk, operations, product, and human resources. Each of these business leaders is new to Invesco, which adds some uncertainty to the scale and pace of change.

Invesco's asset mix has changed considerably in recent years. As of November 2024, nearly two-thirds of Invesco's fund assets under management (excluding funds of funds) are in passive strategies, up from less than half three years ago. In particular, Invesco QQQ Trust has grown to more than USD 300 billion in assets because of large inflows and market returns.

Open-End & Exchange-Traded Fund Offerings



Largest Funds

| Assets in 5 Largest Funds | % AUM | Rank |
|---------------------------|-------|--------|
| | 91 | 14 /60 |

| | AUM (JPY Billion) |
|--|-------------------|
| Invesco Global Select Equity Op (Unhdg/MD) | 2,666 |
| Invesco Global Select Equity Op (Unhdg/AD) | 354 |
| Invesco DM Equity Index Op (Unhdg/SMA) | 174 |
| Invesco DM Sovereign Bond Index Op (Unhdg/SMA) | 114 |
| Invesco JGB Index Op (SMA) | 74 |

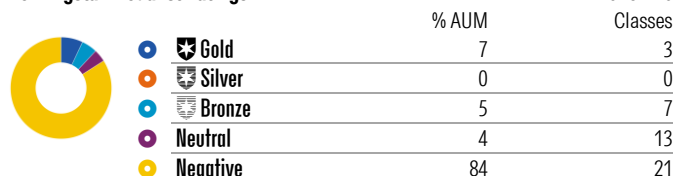
Changes in Fund Lineup

| | | Rank |
|--------------------------------|-----|--------|
| Funds & ETFs Launched 1-Yr (%) | 11 | 46 /60 |
| Funds & ETFs Obsolete 1-Yr (%) | 6 | 43 /60 |
| Funds & ETFs Launched 5-Yr (%) | 5 | 25 /60 |
| Funds & ETFs Obsolete 5-Yr (%) | 5 | 34 /60 |
| Open-End Funds: Avg Age (Yrs) | 9.2 | |
| ETFs: Avg Age (Yrs) | 0.0 | |

Sustainability

| | % | Rank |
|---------------------------------|----|--------|
| Funds w/ Below Avg/Low ESG Risk | 25 | 18 /60 |

Morningstar Medalist Ratings



| | % | Rank |
|-------------------------------|----|--------|
| AUM - Gold, Silver, Bronze | 11 | 34 /60 |
| Shares - Gold, Silver, Bronze | 23 | 20 /60 |

Performance

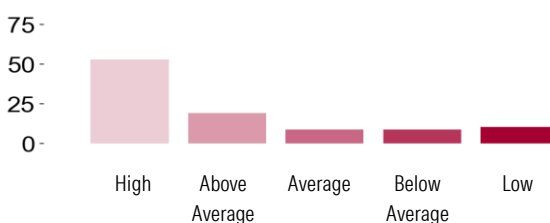
| Average Morningstar Rating | | Rank |
|----------------------------|--|--------|
| 3.3 | | 12 /60 |



| | % | Rank |
|-----------------------|----|--------|
| Success Ratio 3-Year | 54 | 11 /60 |
| Success Ratio 5-Year | 52 | 11 /60 |
| Success Ratio 10-Year | 16 | 37 /60 |

Fee Levels

| Average Fee Level - Peer Group | | Rank |
|--------------------------------|--|--------|
| 70 | | 58 /60 |



Source: Morningstar Research. Data as of 9/30/2025 unless otherwise stated. Includes Japan-domiciled open-end and exchange-traded funds. Funds of funds are included in flows and assets calculations. Excludes mother funds and money market funds. Please see the appendix for information about the data in this report.

Goldman Sachs Asset Management

| | | Fund Assets Under Management (JPY Billion) | | | | | Organic Growth | |
|---------------|------------|--|-----------|--------|----------------|--------|----------------|--------|
| Parent Rating | Average | | Total AUM | Rank | Net Flows 1-Yr | Rank | Rate 1-Yr | Rank |
| Rating Date | 2/12/2025 | | | | | | | |
| Analyst | Tom Murphy | Japan | 3,007 | 15 /60 | -124.3 | 59 /60 | -4.8 | 45 /60 |

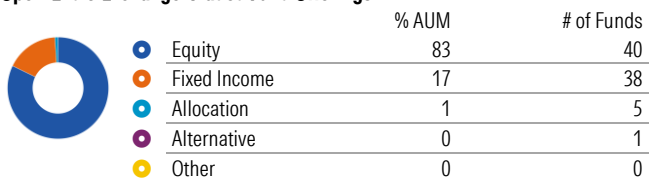
Morningstar's Parent Analysis

Goldman Sachs Asset Management continues to struggle with leadership changes and investment team turnover, supporting an Average Parent rating.

Marc Nachmann, a veteran of the firm's investment banking division, took over as global head of asset and wealth management when those units were combined in 2022. This reorganization took place less than one year after GSAM completed the acquisition of NN IP, which extended the firm's reach in Europe and capabilities in sustainable investing. In the two years since these changes, the firm has weathered significant turnover. The former co-heads of asset management left the firm after only about two years in those roles. GSAM also endured leadership departures from its fixed-income, multi-asset, equity, and risk management teams, which coincides with a steady degree of analyst departures and additions. Although the firm replaced these individuals, the scale and pace of change have been disruptive.

Under Nachmann's leadership, the firm is taking steps to bolster its approach to product development and governance. In recent years, GSAM slowed its new product launches and closed thematic funds that struggled to gain traction. It hired two senior individuals to fill new product- and strategy-related roles in 2024, and while additional expertise is a plus, it will take time for this team to make lasting improvements. Aside from bright spots in quantitative equity and municipal-bond investing, the investment capabilities struggle to stand out.

Open-End & Exchange-Traded Fund Offerings



Largest Funds

| Assets in 5 Largest Funds | % AUM | Rank |
|---------------------------|-------|--------|
| | 69 | 33 /60 |

| | AUM (JPY Billion) |
|--|-------------------|
| GS netWIN GS Technology Equity F B UnH | 1,410 |
| GS Future Technology Leaders B UH | 201 |
| GS World Shift Equity Fund B UnHdg | 163 |
| GS netWIN GS Technology Eq F A Hedged | 158 |
| GS Global Big Data Investment Strategy B UnHdg | 140 |

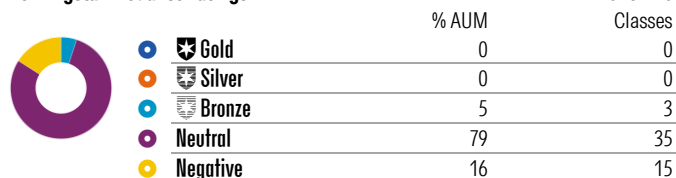
Changes in Fund Lineup

| | | Rank |
|--------------------------------|------|--------|
| Funds & ETFs Launched 1-Yr (%) | 4 | 28 /60 |
| Funds & ETFs Obsolete 1-Yr (%) | 1 | 28 /60 |
| Funds & ETFs Launched 5-Yr (%) | 6 | 26 /60 |
| Funds & ETFs Obsolete 5-Yr (%) | 5 | 31 /60 |
| Open-End Funds: Avg Age (Yrs) | 12.3 | |
| ETFs: Avg Age (Yrs) | 0.0 | |

Sustainability

| | % | Rank |
|---------------------------------|----|--------|
| Funds w/ Below Avg/Low ESG Risk | 26 | 15 /60 |

Morningstar Medalist Ratings



| | % | Rank |
|-------------------------------|---|--------|
| AUM - Gold, Silver, Bronze | 5 | 36 /60 |
| Shares - Gold, Silver, Bronze | 6 | 34 /60 |

Performance

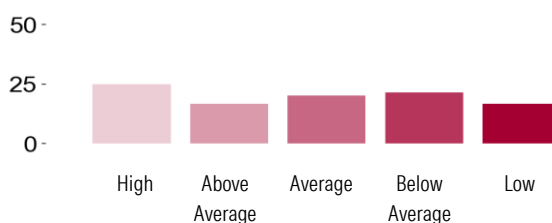
| Average Morningstar Rating | | Rank |
|----------------------------|-----|--------|
| | 3.0 | 29 /60 |



| | % | Rank |
|-----------------------|----|--------|
| Success Ratio 3-Year | 40 | 32 /60 |
| Success Ratio 5-Year | 31 | 34 /60 |
| Success Ratio 10-Year | 19 | 33 /60 |

Fee Levels

| Average Fee Level - Peer Group | | Rank |
|--------------------------------|----|--------|
| | 54 | 34 /60 |



Source: Morningstar Research. Data as of 9/30/2025 unless otherwise stated. Includes Japan-domiciled open-end and exchange-traded funds. Funds of funds are included in flows and assets calculations. Excludes mother funds and money market funds. Please see the appendix for information about the data in this report.

Pictet Asset Management

Fund Assets Under Management (JPY Billion)

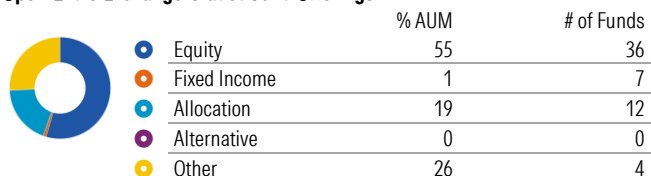
| | | | | | | | | |
|---------------|---------------------|--------------|-----------|--------|----------------|--------|--------------------------|--------|
| Parent Rating | Above Average | | | | | | | |
| Rating Date | 12/16/2024 | | | | | | | |
| Analyst | Natalia Wolfstetter | Japan | Total AUM | Rank | Net Flows 1-Yr | Rank | Organic Growth Rate 1-Yr | Rank |
| | | | 2,916 | 16 /60 | 385.4 | 10 /60 | 17.3 | 12 /60 |

Morningstar's Parent Analysis

Pictet Asset Management benefits from the stable ownership offered by Swiss private bank Pictet & Cie. Senior leadership changes tend to be rare, though they occur from time to time, such as the appointment of a new co-CEO in 2024. The fund lineup spans multiple asset classes but centers on a number of key capabilities, which include emerging-market investing and thematic funds. The latter hosts the majority of the firm's equity assets. The company was a pioneer in thematic investing in the 2000s. Its long-term orientation, careful capacity management, and disciplined investment process mitigate the risk of bad outcomes for investors, as can sometimes be the case with thematic funds chasing short-term trends of the moment.

The firm also launches new strategies prudently and has ample resources to manage them, though the fund lineup does not shine everywhere. Pictet Asset Management's multi-boutique model offers investment managers a high degree of autonomy, which encourages retention. Historically, the firm has enjoyed very stable investment teams. That said, in 2018, it suffered several significant departures in its emerging-market debt and thematic equity teams, which run some of the firm's largest strategies. The thematic team experienced another series of changes in early 2023. Higher-than-average turnover also affected the alternatives teams more recently. While this warrants monitoring, there is enough experience across the teams to alleviate key-person risk. The firm has grown its resources despite performance headwinds and outflows in some areas, most notably the thematic franchise in the past years. Since 2023, variable compensation for investment staff is tied to the performance of up to five years. Voluntary bonus deferrals into fund shares have been enabled in 2021 and have been taken up by around two-thirds of eligible employees. Both initiatives have improved alignment with fund shareholders' long-term interests. Combined with the historical stability of the firm and its long-term strategic focus, we think Pictet Asset Management deserves a Parent rating of Above Average.

Open-End & Exchange-Traded Fund Offerings



Largest Funds

| Assets in 5 Largest Funds | % AUM | Rank |
|---------------------------|-------|--------|
| | 68 | 36 /60 |

| | AUM (JPY Billion) |
|--------------------------------------|-------------------|
| Pictet Global Income Equity Fund D1M | 921 |
| Pictet Gold UnHedged | 547 |
| Pictet Gold Hedged | 177 |
| Pictet Multi-Asset Allocation | 169 |
| Pictet Golden Risk Premium | 156 |

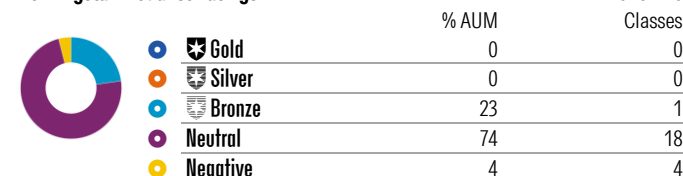
Changes in Fund Lineup

| | | Rank |
|--------------------------------|------|--------|
| Funds & ETFs Launched 1-Yr (%) | 2 | 22 /60 |
| Funds & ETFs Obsolete 1-Yr (%) | 9 | 49 /60 |
| Funds & ETFs Launched 5-Yr (%) | 5 | 22 /60 |
| Funds & ETFs Obsolete 5-Yr (%) | 8 | 49 /60 |
| Open-End Funds: Avg Age (Yrs) | 10.7 | |
| ETFs: Avg Age (Yrs) | 0.0 | |

Sustainability

| | % | Rank |
|---------------------------------|----|-------|
| Funds w/ Below Avg/Low ESG Risk | 68 | 2 /60 |

Morningstar Medalist Ratings



| | % | Rank |
|-------------------------------|----|--------|
| AUM - Gold, Silver, Bronze | 23 | 27 /60 |
| Shares - Gold, Silver, Bronze | 4 | 38 /60 |

Performance

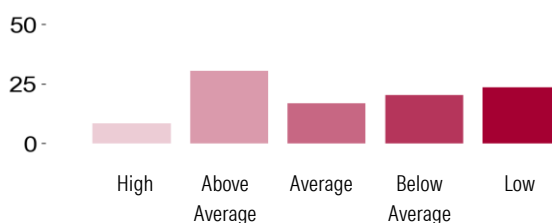
| Average Morningstar Rating | | Rank |
|----------------------------|-----|--------|
| | 2.9 | 31 /60 |



| | % | Rank |
|-----------------------|----|--------|
| Success Ratio 3-Year | 37 | 34 /60 |
| Success Ratio 5-Year | 38 | 26 /60 |
| Success Ratio 10-Year | 20 | 31 /60 |

Fee Levels

| Average Fee Level - Peer Group | | Rank |
|--------------------------------|----|--------|
| | 46 | 21 /60 |



Source: Morningstar Research. Data as of 9/30/2025 unless otherwise stated. Includes Japan-domiciled open-end and exchange-traded funds. Funds of funds are included in flows and assets calculations. Excludes mother funds and money market funds. Please see the appendix for information about the data in this report.

Capital Group

Fund Assets Under Management (JPY Billion)

| | | | | | | | | |
|---------------|---------------|--------------|-------|----------------|-------|-----------|----------------|-------|
| Parent Rating | High | | | | | | Organic Growth | |
| Rating Date | 8/21/2025 | Total AUM | Rank | Net Flows 1-Yr | Rank | Rate 1-Yr | Rank | |
| Analyst | Stephen Welch | Japan | 2,908 | 17 /60 | 400.9 | 9 /60 | 18.9 | 8 /60 |

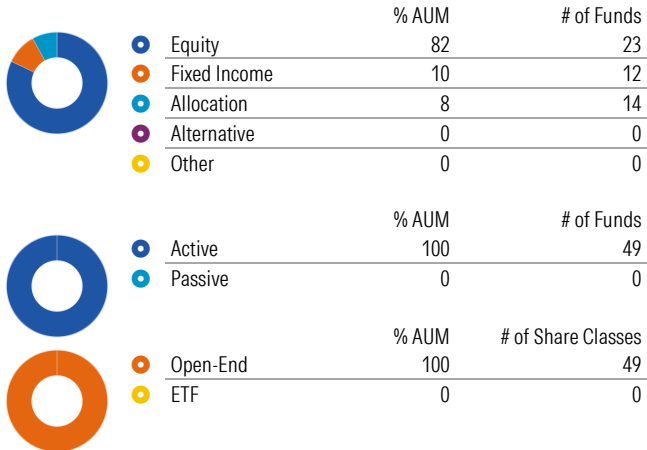
Morningstar's Parent Analysis

Capital Group's adaptability while staying true to its identity maintains its High Parent rating.

The firm is in the early stages of new but familiar leadership. Mike Gitlin, previously the head of fixed income and global trading, took over as CEO in October 2023. He replaced Tim Armour, who had been chairman and CEO since 2015. Rob Lovelace, the firm's vice chair and president, also stepped off the management committee to pave the way for new leadership. Martin Romo and Jody Jonsson, who both head up an investment subsidiary, became chairman and CIO, and vice chair, respectively. The transition demonstrated a considered succession plan and a commitment to keeping the focus on team-oriented and investor-heavy leadership.

Meanwhile, the firm has been thoughtful about other changes. Recognizing investor preferences, since early 2022, Capital has launched 24 exchange-traded funds—13 equity, 10 fixed income, and one allocation. Most of the new funds, branded under the Capital Group name, are distinct from but rhyme with some of the legacy American Funds mutual funds. The firm also launched active/passive models and public/private interval funds with industry peers that leverage its lineup. For its active/passive models, it partnered with well-respected firms such as Vanguard, BlackRock, and Schwab. For its foray into alternative investments, it teamed up with global private investment giant KKR. All these new investment options employ Capital's time-tested investment philosophy, use its hallmark multimanager system, and draw from its huge pool of seasoned investors.

Open-End & Exchange-Traded Fund Offerings



Largest Funds

| Assets in 5 Largest Funds | % AUM | Rank |
|---------------------------|-------|--------|
| | 66 | 37 /60 |

| | AUM (JPY Billion) |
|--|-------------------|
| Capital World Equity Fund | 933 |
| Capital World Equity Fund D2Y Dividend Focus | 403 |
| Capital Investment Company of America ICA | 241 |
| Capital World Equity Fund DC Tsumitate | 198 |
| Capital World Equity Fund NF | 142 |

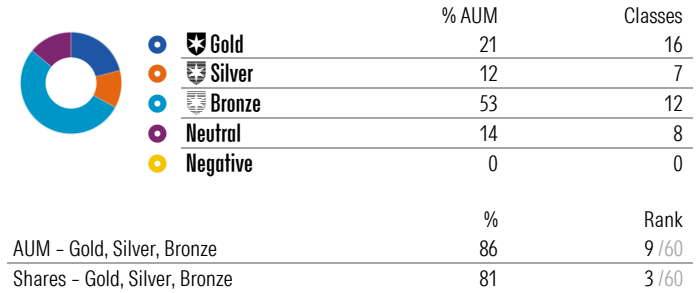
Changes in Fund Lineup

| | | Rank |
|--------------------------------|-----|--------|
| Funds & ETFs Launched 1-Yr (%) | 9 | 42 /60 |
| Funds & ETFs Obsolete 1-Yr (%) | 2 | 32 /60 |
| Funds & ETFs Launched 5-Yr (%) | 18 | 54 /60 |
| Funds & ETFs Obsolete 5-Yr (%) | 0 | 17 /60 |
| Open-End Funds: Avg Age (Yrs) | 5.9 | |
| ETFs: Avg Age (Yrs) | 0.0 | |

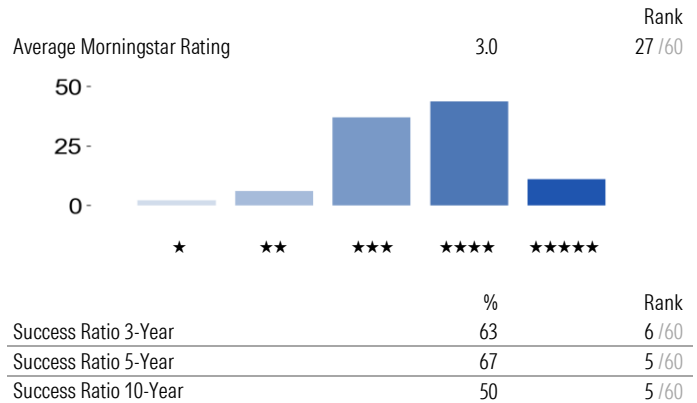
Sustainability

| | % | Rank |
|---------------------------------|---|--------|
| Funds w/ Below Avg/Low ESG Risk | 6 | 44 /60 |

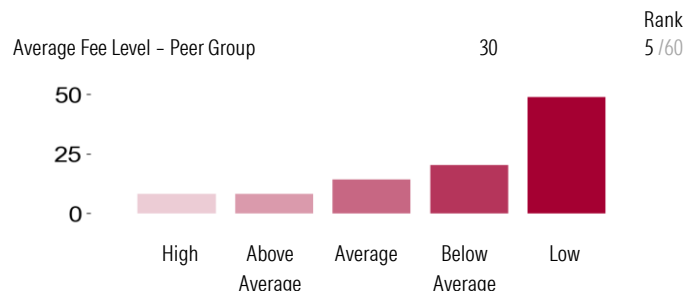
Morningstar Medalist Ratings



Performance



Fee Levels



Source: Morningstar Research. Data as of 9/30/2025 unless otherwise stated. Includes Japan-domiciled open-end and exchange-traded funds. Funds of funds are included in flows and assets calculations. Excludes mother funds and money market funds. Please see the appendix for information about the data in this report.

T. Rowe Price

| | | Fund Assets Under Management (JPY Billion) | | | | | |
|---------------|-------------|--|-------|----------------|--------|----------------|----------|
| Parent Rating | High | | | | | Organic Growth | |
| Rating Date | 6/21/2024 | Total AUM | Rank | Net Flows 1-Yr | Rank | Rate 1-Yr | Rank |
| Analyst | Adam Sabban | Japan | 1,550 | 20 /60 | -107.2 | 58 /60 | -7.7 /50 |

Morningstar's Parent Analysis

T. Rowe Price's investor-led culture, compelling investment capabilities, and strong record of talent retention and development separate it from the crowd, maintaining its High Parent rating.

Equities remain the firm's largest business unit and a key area of strength, bolstered by capable portfolio managers and a deep bench of well-regarded analysts. Most equity assets are housed in mutual funds, and although the firm was slower than some peers to diversify into other vehicles, it is making up ground with new products such as transparent exchange-traded funds. While the equity franchise has suffered outflows partly because of the growing popularity of passively managed options and competitors' active ETFs, its many appealing strategies should help it endure.

Offsetting some of the equity unit's business challenges is its highly successful multi-asset franchise, which continues to grow. That division represented one-third of the firm's roughly USD 1.5 trillion in assets under management as of March 2024. The firm's target-date offerings and tactical-allocation funds remain best in class. The fixed-income effort has some bright spots, such as municipal-bond and credit-sensitive strategies, but it hasn't delivered in others, such as in core bond. New leadership of that unit, along with increased hiring to bolster its nascent risk department, should help improve that side of the business.

Open-End & Exchange-Traded Fund Offerings

| | % AUM | # of Funds |
|--------------|-------|------------|
| Equity | 100 | 22 |
| Fixed Income | 0 | 0 |
| Allocation | 0 | 0 |
| Alternative | 0 | 0 |
| Other | 0 | 0 |

| | % AUM | # of Funds |
|---------|-------|------------|
| Active | 100 | 22 |
| Passive | 0 | 0 |

| | % AUM | # of Share Classes |
|----------|-------|--------------------|
| Open-End | 100 | 22 |
| ETF | 0 | 0 |

Largest Funds

| Assets in 5 Largest Funds | % AUM | Rank |
|---------------------------|-------|--------|
| | 79 | 24 /60 |

| | AUM (JPY Billion) |
|---|-------------------|
| T. Rowe Price US Growth Equity | 515 |
| T. Rowe Price Global Sel Gr Eq B AsstGr UH | 299 |
| T. Rowe Price US All Cap Equity | 232 |
| T. Rowe Price USVI Blue Chip Equity Fund B UH | 96 |
| T. Rowe Price Global Tech Equity Fund B UH | 76 |

Changes in Fund Lineup

| | | Rank |
|--------------------------------|-----|--------|
| Funds & ETFs Launched 1-Yr (%) | 16 | 50 /60 |
| Funds & ETFs Obsolete 1-Yr (%) | 0 | 1 /60 |
| Funds & ETFs Launched 5-Yr (%) | 23 | 56 /60 |
| Funds & ETFs Obsolete 5-Yr (%) | 0 | 1 /60 |
| Open-End Funds: Avg Age (Yrs) | 3.4 | |
| ETFs: Avg Age (Yrs) | 0.0 | |

Sustainability

| | % | Rank |
|---------------------------------|----|--------|
| Funds w/ Below Avg/Low ESG Risk | 20 | 27 /60 |

Morningstar Medalist Ratings

| | % AUM | # of Share Classes |
|----------|-------|--------------------|
| Gold | 5 | 3 |
| Silver | 30 | 4 |
| Bronze | 1 | 2 |
| Neutral | 64 | 9 |
| Negative | 0 | 0 |

| | % | Rank |
|-------------------------------|----|--------|
| AUM - Gold, Silver, Bronze | 36 | 20 /60 |
| Shares - Gold, Silver, Bronze | 50 | 8 /60 |

Performance

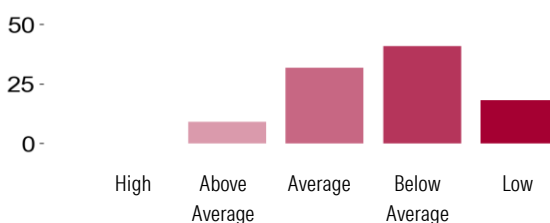
| | | Rank |
|----------------------------|-----|--------|
| Average Morningstar Rating | 2.4 | 52 /60 |



| | % | Rank |
|-----------------------|-----|---------|
| Success Ratio 3-Year | 50 | 15 /60 |
| Success Ratio 5-Year | 0 | 60 /60 |
| Success Ratio 10-Year | N/A | N/A /60 |

Fee Levels

| | | Rank |
|--------------------------------|----|--------|
| Average Fee Level - Peer Group | 35 | 10 /60 |



Source: Morningstar Research. Data as of 9/30/2025 unless otherwise stated. Includes Japan-domiciled open-end and exchange-traded funds. Funds of funds are included in flows and assets calculations. Excludes mother funds and money market funds. Please see the appendix for information about the data in this report.

Rheos Capital Works

Fund Assets Under Management (JPY Billion)

| Parent Rating | Average | | | | | | Organic Growth | |
|---------------|-----------------|--------------|-------|----------------|-------|-----------|----------------|--------|
| Rating Date | 7/3/2025 | Total AUM | Rank | Net Flows 1-Yr | Rank | Rate 1-Yr | Rank | |
| Analyst | Naoko Hashimoto | Japan | 1,304 | 21 /60 | -51.5 | 55 /60 | -4.4 | 44 /60 |

Morningstar's Parent Analysis

Rheos Capital Works earns an Average Parent Pillar rating, reflecting strengths in its long-term-oriented investment philosophy and competitive fee structure, but governance concerns and weakening of the firm's dominant strategy warrant attention.

The firm was founded in 2003 as an independent asset management firm. In 2020, SBI Holdings acquired a majority stake, making Rheos a subsidiary, and the firm was listed on the Tokyo Stock Exchange Growth Market in 2023. In April 2024, it became a wholly owned subsidiary of the SBI Group through a share transfer, under which a new holding company, SBI Rheos Hifumi Co., Ltd., was established. This transition has further stabilized the firm's financial position. However, the firm's ability to maintain its independence and focus on core strengths bears close monitoring. One area of attention is the weakening of the Hifumi strategy, which made up over 80% of assets under management as of December 2024. The strategy has seen major outflows and has struggled in recent years because of its tilt toward small- and mid-cap stocks in a market environment that favored large caps in Japan. In April 2025, the firm overhauled its investment division by appointing a new CIO and adopting a sector-based team structure to strengthen research and portfolio construction. The investment team, comprising around 20 members, has expanded under experienced leadership but the cohesion and stability of this much larger team warrant monitoring. Portfolio managers' investments in their own funds and the firm's stock option plan support long-term commitment and alignment with investors' interests, but the variable compensation is unfortunately not currently tied to fund performance. The firm's fee structure in its direct-selling platform uses a loyalty-based rebate system. This is a distinctive feature we view positively, as it encourages a long-term investment mindset while reducing costs for investors.

The firm's recent efforts to enhance the investment team and governance are also encouraging. However, CEO Hideto Fujino remains highly influential despite stepping down from the CIO role, leaving governance concerns in place. We believe it will take time to assess whether these initiatives can lead to stronger oversight and improved performance in the fund range.

Open-End & Exchange-Traded Fund Offerings

| | % AUM | # of Funds |
|--------------|-------|------------|
| Equity | 99 | 9 |
| Fixed Income | 0 | 0 |
| Allocation | 2 | 3 |
| Alternative | 0 | 0 |
| Other | 0 | 0 |

| | % AUM | # of Funds |
|---------|-------|------------|
| Active | 100 | 12 |
| Passive | 0 | 0 |

| | % AUM | # of Share Classes |
|----------|-------|--------------------|
| Open-End | 100 | 12 |
| ETF | 0 | 0 |

Largest Funds

| Assets in 5 Largest Funds | % AUM | Rank |
|---------------------------|-------|--------|
| | 92 | 11 /60 |

| | AUM (JPY Billion) |
|----------------------|-------------------|
| Rheos Hifumi Plus | 612 |
| Rheos Hifumi World + | 247 |
| Rheos Hifumi | 183 |
| Rheos Hifumi DC | 96 |
| Rheos Hifumi World | 66 |

Changes in Fund Lineup

| | | Rank |
|--------------------------------|-----|--------|
| Funds & ETFs Launched 1-Yr (%) | 0 | 1 /60 |
| Funds & ETFs Obsolete 1-Yr (%) | 0 | 1 /60 |
| Funds & ETFs Launched 5-Yr (%) | 24 | 57 /60 |
| Funds & ETFs Obsolete 5-Yr (%) | 0 | 1 /60 |
| Open-End Funds: Avg Age (Yrs) | 6.3 | |
| ETFs: Avg Age (Yrs) | 0.0 | |

Sustainability

| | % | Rank |
|---------------------------------|-----|---------|
| Funds w/ Below Avg/Low ESG Risk | N/A | N/A /60 |

Morningstar Medalist Ratings

| | % AUM | # of Share Classes |
|----------|-------|--------------------|
| Gold | 0 | 0 |
| Silver | 0 | 0 |
| Bronze | 0 | 0 |
| Neutral | 95 | 6 |
| Negative | 5 | 2 |

| | % | Rank |
|-------------------------------|---|--------|
| AUM - Gold, Silver, Bronze | 0 | 60 /60 |
| Shares - Gold, Silver, Bronze | 0 | 60 /60 |

Performance

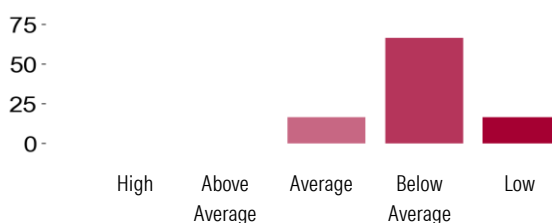
| Average Morningstar Rating | | Rank |
|----------------------------|-----|--------|
| | 2.0 | 57 /60 |



| | % | Rank |
|-----------------------|---|--------|
| Success Ratio 3-Year | 0 | 60 /60 |
| Success Ratio 5-Year | 0 | 60 /60 |
| Success Ratio 10-Year | 0 | 60 /60 |

Fee Levels

| Average Fee Level - Peer Group | | Rank |
|--------------------------------|----|-------|
| | 30 | 5 /60 |



Source: Morningstar Research. Data as of 9/30/2025 unless otherwise stated. Includes Japan-domiciled open-end and exchange-traded funds. Funds of funds are included in flows and assets calculations. Excludes mother funds and money market funds. Please see the appendix for information about the data in this report.

J.P. Morgan Asset Management

Fund Assets Under Management (JPY Billion)

| | | | | | | | | |
|---------------|--------------------|--------------|-----------|--------|----------------|--------|-----------|----------------|
| Parent Rating | Above Average | | | | | | | Organic Growth |
| Rating Date | 7/3/2024 | | Total AUM | Rank | Net Flows 1-Yr | Rank | Rate 1-Yr | Rank |
| Analyst | Alyssa Stankiewicz | Japan | 868 | 25 /60 | 29.5 | 28 /60 | 3.8 | 27 /60 |

Morningstar's Parent Analysis

Building on a solid foundation, J.P. Morgan Asset Management maintains an Above Average Parent rating.

J.P. Morgan is a well-resourced, diligent, and responsible steward of client assets. Investment teams are seasoned and stalwart, especially in equity and fixed income, the latter of which has successfully undergone substantial transformation in recent years. The firm offers competitive compensation that is aligned with fundholders and shows strong retention at senior levels of the organization. It demonstrates a culture of constant innovation and willingness to evolve. For example, J.P. Morgan recently expanded its investment committee process through which senior leaders review various teams and strategies, and it continues to develop proprietary portfolio management and risk oversight tools. Some funds still face high fee hurdles, but the firm has generally lowered expenses as it has grown.

The firm isn't without its complications. J.P. Morgan's product offering is extensive, and some areas need improvement. For instance, its multi-asset business has faced some challenges because of complex investment processes. The firm continues to build out its footprint in China, but its efforts there remain unproven. Although not every strategy is the best in its class, J.P. Morgan remains earnest in the pursuit of excellence, and investors are well-served.

Open-End & Exchange-Traded Fund Offerings

| | % AUM | # of Funds |
|--------------|-------|------------|
| Equity | 71 | 31 |
| Fixed Income | 1 | 6 |
| Allocation | 19 | 9 |
| Alternative | 0 | 0 |
| Other | 9 | 6 |

| | % AUM | # of Funds |
|---------|-------|------------|
| Active | 100 | 52 |
| Passive | 0 | 0 |

| | % AUM | # of Share Classes |
|----------|-------|--------------------|
| Open-End | 100 | 52 |
| ETF | 0 | 0 |

Largest Funds

| Assets in 5 Largest Funds | % AUM | Rank |
|---------------------------|-------|--------|
| | 58 | 42 /60 |

| | AUM (JPY Billion) |
|---|-------------------|
| JPM America Gr Equity Fund UH D1Y | 171 |
| JPM Best Income D1M | 100 |
| JPM The Japan | 85 |
| JPM Global Medical Related Equity | 77 |
| JPM America Growth Equity Fund UH D1M ExpDivOffer | 75 |

Changes in Fund Lineup

| | | Rank |
|--------------------------------|------|--------|
| Funds & ETFs Launched 1-Yr (%) | 21 | 53 /60 |
| Funds & ETFs Obsolete 1-Yr (%) | 2 | 33 /60 |
| Funds & ETFs Launched 5-Yr (%) | 7 | 30 /60 |
| Funds & ETFs Obsolete 5-Yr (%) | 12 | 55 /60 |
| Open-End Funds: Avg Age (Yrs) | 12.1 | |
| ETFs: Avg Age (Yrs) | 0.0 | |

Sustainability

| | % | Rank |
|---------------------------------|----|--------|
| Funds w/ Below Avg/Low ESG Risk | 13 | 38 /60 |

Morningstar Medalist Ratings

| | % AUM | # of Share Classes |
|----------|-------|--------------------|
| Gold | 0 | 0 |
| Silver | 18 | 8 |
| Bronze | 10 | 8 |
| Neutral | 70 | 24 |
| Negative | 3 | 1 |

| | % | Rank |
|-------------------------------|----|--------|
| AUM - Gold, Silver, Bronze | 27 | 25 /60 |
| Shares - Gold, Silver, Bronze | 39 | 12 /60 |

Performance

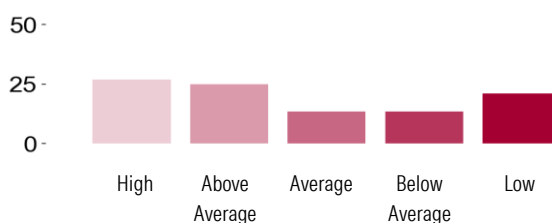
| | | Rank |
|----------------------------|-----|--------|
| Average Morningstar Rating | 3.3 | 13 /60 |



| | % | Rank |
|-----------------------|----|--------|
| Success Ratio 3-Year | 35 | 38 /60 |
| Success Ratio 5-Year | 16 | 53 /60 |
| Success Ratio 10-Year | 16 | 36 /60 |

Fee Levels

| | | Rank |
|--------------------------------|----|--------|
| Average Fee Level - Peer Group | 55 | 37 /60 |



Source: Morningstar Research. Data as of 9/30/2025 unless otherwise stated. Includes Japan-domiciled open-end and exchange-traded funds. Funds of funds are included in flows and assets calculations. Excludes mother funds and money market funds. Please see the appendix for information about the data in this report.

Amundi/Lyxor

Fund Assets Under Management (JPY Billion)

| Parent Rating | Average | | | | | | | |
|---------------|---------------|--------------|------|----------------|-------|--------------------------|------|--------|
| Rating Date | 6/2/2025 | Total AUM | Rank | Net Flows 1-Yr | Rank | Organic Growth Rate 1-Yr | Rank | |
| Analyst | Mara Dobrescu | Japan | 827 | 26 /60 | -77.1 | 56 /60 | -9.3 | 53 /60 |

Morningstar's Parent Analysis

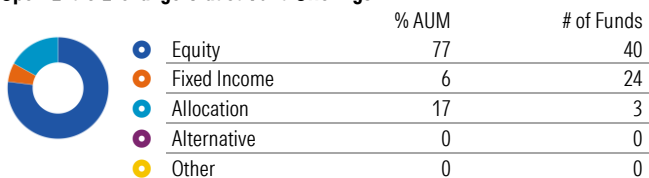
Amundi's tie-up with Victory Capital ushers a new era for its US operations.

In April 2025, Amundi and Victory Capital finalized their previously announced tie-up. As part of the deal, Amundi has taken a 26% ownership stake (and 4.9% voting rights) in publicly traded Victory Capital; in exchange, Amundi's US subsidiary (which operates under the Pioneer brand) has become an affiliate of Victory Capital. Both firms have also entered into 15-year reciprocal distribution agreements. While the move has resulted in some operational synergies and cuts in support functions, investment teams have been largely insulated from any changes, which is reassuring. Victory Capital has a history of being largely hands-off with its affiliates, which should preserve Pioneer's brand as well as its autonomy in investment decisions, resourcing, and processes.

The recent announcement comes on the heels of several other acquisitions since CEO Valérie Baudson took over in 2021. In 2022, Amundi acquired passive specialist Lyxor Asset Management and fully integrated its operations with minimal disruption. Earlier in 2024, the group also acquired Zurich-based Alpha Associates, which specializes in private equity and private debt.

In the meantime, the firm continues to face the difficult task of rationalizing its plethora active fund range. Such an initiative should ultimately benefit investors through a clearer and higher-conviction fund lineup, but it has taken time to bear fruit. Incentive structures for portfolio managers and analysts at Amundi are in line with industry norms but could be improved by giving a larger weighting to longer-term returns in bonus calculations. Finally, while its passive products are very competitively priced, we believe Amundi could do more to pass on its large economies of scale in the form of cheaper fees on its active fund range. An Average Parent rating continues to be a fair reflection of Amundi overall.

Open-End & Exchange-Traded Fund Offerings



Largest Funds

| Assets in 5 Largest Funds | % AUM | Rank |
|---------------------------|-------|--------|
| | 56 | 45 /60 |

| | AUM (JPY Billion) |
|--|-------------------|
| Amundi Mirai Teikibin | 135 |
| Amundi Nikko Legend Eagle Fund Asset Gr | 91 |
| Amundi Nikko Legend Eagle Fund D1M | 85 |
| Amundi Target Japan | 78 |
| Amundi World Value Allocation B UnHedged | 70 |

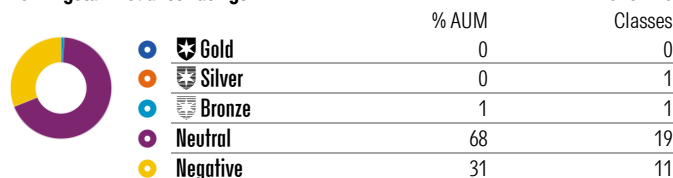
Changes in Fund Lineup

| | | Rank |
|--------------------------------|------|--------|
| Funds & ETFs Launched 1-Yr (%) | 7 | 37 /60 |
| Funds & ETFs Obsolete 1-Yr (%) | 18 | 57 /60 |
| Funds & ETFs Launched 5-Yr (%) | 3 | 12 /60 |
| Funds & ETFs Obsolete 5-Yr (%) | 8 | 50 /60 |
| Open-End Funds: Avg Age (Yrs) | 11.5 | |
| ETFs: Avg Age (Yrs) | 0.0 | |

Sustainability

| | % | Rank |
|---------------------------------|----|--------|
| Funds w/ Below Avg/Low ESG Risk | 31 | 12 /60 |

Morningstar Medalist Ratings



| | % | Rank |
|-------------------------------|---|--------|
| AUM - Gold, Silver, Bronze | 1 | 38 /60 |
| Shares - Gold, Silver, Bronze | 6 | 34 /60 |

Performance

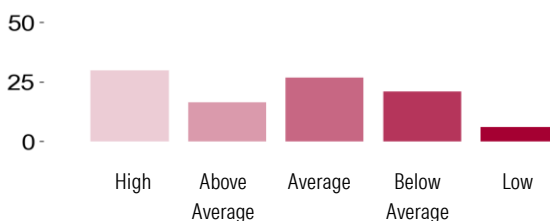
| Average Morningstar Rating | % | Rank |
|----------------------------|-----|--------|
| | 3.1 | 21 /60 |



| | % | Rank |
|-----------------------|----|--------|
| Success Ratio 3-Year | 39 | 33 /60 |
| Success Ratio 5-Year | 23 | 49 /60 |
| Success Ratio 10-Year | 8 | 44 /60 |

Fee Levels

| Average Fee Level - Peer Group | % | Rank |
|--------------------------------|----|--------|
| | 60 | 48 /60 |



Source: Morningstar Research. Data as of 9/30/2025 unless otherwise stated. Includes Japan-domiciled open-end and exchange-traded funds. Funds of funds are included in flows and assets calculations. Excludes mother funds and money market funds. Please see the appendix for information about the data in this report.

Eastspring Investments

Fund Assets Under Management (JPY Billion)

| Parent Rating | Average | Fund Assets Under Management (JPY Billion) | | | | | Organic Growth | |
|---------------|--------------|--|------|----------------|------|-----------|----------------|--------|
| Rating Date | 8/25/2025 | Total AUM | Rank | Net Flows 1-Yr | Rank | Rate 1-Yr | Rank | |
| Analyst | Claire Liang | Japan | 783 | 27 /60 | -6.1 | 41 /60 | -0.7 | 39 /60 |

Morningstar's Parent Analysis

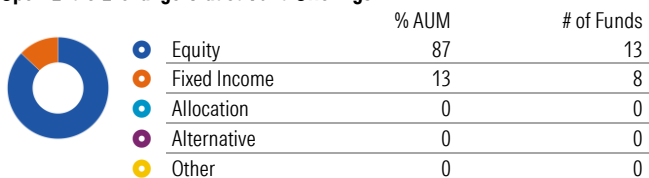
Eastspring Investments has been on a more solid footing in recent years, but ongoing senior leadership changes warrant close monitoring. The firm continues to earn an Average Parent Pillar rating.

Eastspring Investments is the wholly owned Asia-based asset management arm of insurer Prudential Plc, which is also its dominant client, accounting for 58% of Eastspring's USD 258 billion in assets under management as of the end of 2024.

Eastspring has faced continuous senior leadership changes since 2019. Most recently, Rajeev Mittal succeeded retiree Bill Maldonado as the new CEO on July 1, 2025. Maldonado joined Eastspring in August 2021 as head of equities and was appointed CEO in September 2023. Mittal has over 30 years of asset management experience in Asia and Europe and previously served as the head of Asia at Fidelity International for six years and CEO of PineBridge Asia Pacific for eight years. While his expertise in Asian markets is valuable to Eastspring's core focus, the effectiveness of his collaboration with other senior leaders, many of whom are also new to the firm, including CIO Vis Nayar, who joined in June 2024, remains to be seen. Thus far, Mittal's focus appears aligned with his predecessor's, aiming to continue to enhance investment performance and capitalize on Eastspring's existing capabilities.

Investment team stability has improved since 2023, with annual turnover sitting at around 10%, compared with nearly 20% in 2021 and 2022. The firm's efforts to promote a performance-driven culture, such as introducing alpha and tracking-error targets for each strategy and enhancing investment processes, are commendable, and we've seen improvements in near-term results across the firm's equity and fixed-income lineups.

Open-End & Exchange-Traded Fund Offerings



Largest Funds

| Assets in 5 Largest Funds | % AUM | Rank |
|---------------------------|-------|--------|
| | 83 | 18 /60 |

| | AUM (JPY Billion) |
|---|-------------------|
| Eastspring India Consumption Related Fund | 273 |
| Eastspring India Equity Open | 241 |
| Eastspring India Infra Equity | 70 |
| Eastspring India Utility Infra Bond D1M | 38 |
| Eastspring India Equity Fund D3M | 33 |

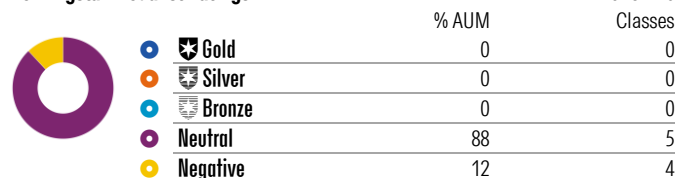
Changes in Fund Lineup

| | | Rank |
|--------------------------------|------|--------|
| Funds & ETFs Launched 1-Yr (%) | 10 | 44 /60 |
| Funds & ETFs Obsolete 1-Yr (%) | 5 | 38 /60 |
| Funds & ETFs Launched 5-Yr (%) | 5 | 22 /60 |
| Funds & ETFs Obsolete 5-Yr (%) | 7 | 46 /60 |
| Open-End Funds: Avg Age (Yrs) | 11.6 | |
| ETFs: Avg Age (Yrs) | 0.0 | |

Sustainability

| | % | Rank |
|---------------------------------|----|--------|
| Funds w/ Below Avg/Low ESG Risk | 10 | 40 /60 |

Morningstar Medalist Ratings



| | % | Rank |
|-------------------------------|---|--------|
| AUM - Gold, Silver, Bronze | 0 | 60 /60 |
| Shares - Gold, Silver, Bronze | 0 | 60 /60 |

Performance

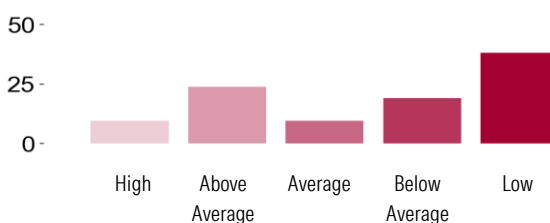
| | | Rank |
|----------------------------|-----|--------|
| Average Morningstar Rating | 3.2 | 17 /60 |



| | % | Rank |
|-----------------------|----|--------|
| Success Ratio 3-Year | 58 | 8 /60 |
| Success Ratio 5-Year | 29 | 38 /60 |
| Success Ratio 10-Year | 29 | 20 /60 |

Fee Levels

| | | Rank |
|--------------------------------|----|--------|
| Average Fee Level - Peer Group | 37 | 12 /60 |



Source: Morningstar Research. Data as of 9/30/2025 unless otherwise stated. Includes Japan-domiciled open-end and exchange-traded funds. Funds of funds are included in flows and assets calculations. Excludes mother funds and money market funds. Please see the appendix for information about the data in this report.

HSBC Global Asset Management

| | | Fund Assets Under Management (JPY Billion) | | | | | | |
|---------------|---------------|--|------|----------------|-------|----------------|------|--------|
| Parent Rating | Average | | | | | Organic Growth | | |
| Rating Date | 10/31/2025 | Total AUM | Rank | Net Flows 1-Yr | Rank | Rate 1-Yr | Rank | |
| Analyst | Mara Dobrescu | Japan | 692 | 28 /60 | -81.2 | 57 /60 | -9.8 | 54 /60 |

Morningstar's Parent Analysis

After a period of significant leadership churn from 2019 to 2021, HSBC Global Asset Management's senior management roster has largely stabilized. CEO Nicolas Moreau (who took over in 2019 after previous stints at AXA IM and DWS) and CIO Xavier Baraton (promoted into the role in 2021) have embarked on an ambitious plan to foster investment excellence.

They first revamped investment teams' compensation structures, which were previously largely discretionary and nonformulaic, but they are now more tightly linked to the performance of the funds managed, over one and three years. This has strengthened the alignment of portfolio managers' interests with those of investors, although including longer time periods, such as five years, would bring the formula closer to industry standards. The duo has also striven to increase active risk across the fund range, incentivizing portfolio managers to take higher-conviction, more-concentrated exposures, and revamping some strategies that were too benchmark-aware.

Finally, while HSBC GAM had until now kept a very diversified fund lineup spanning virtually all asset classes, geographies, and investment styles, it is gradually refocusing on a shorter list of key areas. One of these areas is thematic investing, led by Pierin Menzli, who joined in 2022 from Contrast Capital. The firm has so far launched a Metaverse strategy and a Global Circular Economy fund and has plans to continue developing thematic strategies based on a sophisticated and granular taxonomy. This pivot warrants some caution, as thematic strategies can be difficult for investors to use over the long term. In parallel, the firm has continued to launch a flurry of environmental, social, and governance strategies, which offset the number of product rationalizations elsewhere. HSBC GAM also retains a well-managed ETF and index fund business which, while growing incrementally, has so far failed to reach the scale of its large European competitors.

Overall, most of the initiatives taken over the past three years are encouraging, but they have yet to translate into significantly higher success ratios across the fund range. The firm retains its Average Parent Pillar rating for now.

Open-End & Exchange-Traded Fund Offerings

| | % AUM | # of Funds |
|--------------|-------|------------|
| Equity | 71 | 18 |
| Fixed Income | 18 | 12 |
| Allocation | 12 | 7 |
| Alternative | 0 | 0 |
| Other | 0 | 0 |

| | % AUM | # of Funds |
|---------|-------|------------|
| Active | 100 | 34 |
| Passive | 0 | 3 |

| | % AUM | # of Share Classes |
|----------|-------|--------------------|
| Open-End | 100 | 37 |
| ETF | 0 | 0 |

Largest Funds

| Assets in 5 Largest Funds | % AUM | Rank |
|---------------------------|-------|--------|
| | 71 | 31 /60 |

| | AUM (JPY Billion) |
|---|-------------------|
| HSBC India Infrastructure Equity Open | 312 |
| HSBC India Open | 115 |
| HSBC World Selection Stable Growth | 27 |
| HSBC Brazil Open | 19 |
| HSBC Global Target Yield Bond Fund 2302 QOE | 18 |

Changes in Fund Lineup

| | | Rank |
|--------------------------------|------|--------|
| Funds & ETFs Launched 1-Yr (%) | 16 | 49 /60 |
| Funds & ETFs Obsolete 1-Yr (%) | 0 | 1 /60 |
| Funds & ETFs Launched 5-Yr (%) | 8 | 36 /60 |
| Funds & ETFs Obsolete 5-Yr (%) | 6 | 38 /60 |
| Open-End Funds: Avg Age (Yrs) | 10.2 | |
| ETFs: Avg Age (Yrs) | 0.0 | |

Sustainability

| | % | Rank |
|---------------------------------|----|--------|
| Funds w/ Below Avg/Low ESG Risk | 20 | 27 /60 |

Morningstar Medalist Ratings

| | % AUM | # of Share Classes |
|----------|-------|--------------------|
| Gold | 0 | 0 |
| Silver | 1 | 1 |
| Bronze | 0 | 0 |
| Neutral | 22 | 5 |
| Negative | 77 | 16 |

| | % | Rank |
|-------------------------------|---|--------|
| AUM - Gold, Silver, Bronze | 1 | 38 /60 |
| Shares - Gold, Silver, Bronze | 5 | 36 /60 |

Performance

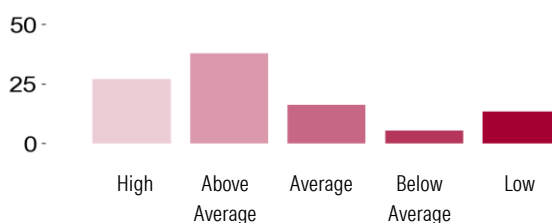
| Average Morningstar Rating | | Rank |
|----------------------------|-----|--------|
| | 2.4 | 51 /60 |



| | % | Rank |
|-----------------------|----|--------|
| Success Ratio 3-Year | 30 | 45 /60 |
| Success Ratio 5-Year | 28 | 43 /60 |
| Success Ratio 10-Year | 19 | 32 /60 |

Fee Levels

| Average Fee Level - Peer Group | | Rank |
|--------------------------------|----|--------|
| | 62 | 50 /60 |



Source: Morningstar Research. Data as of 9/30/2025 unless otherwise stated. Includes Japan-domiciled open-end and exchange-traded funds. Funds of funds are included in flows and assets calculations. Excludes mother funds and money market funds. Please see the appendix for information about the data in this report.

Mirae Asset/Global X

Fund Assets Under Management (JPY Billion)

| Parent Rating | Average | | | | | | Organic Growth | |
|---------------|---------------|--------------|------|----------------|------|-----------|----------------|--------|
| Rating Date | 10/16/2024 | Total AUM | Rank | Net Flows 1-Yr | Rank | Rate 1-Yr | Rank | |
| Analyst | Nehal Meshram | Japan | 562 | 29 /60 | 76.3 | 17 /60 | 18.4 | 10 /60 |

Morningstar's Parent Analysis

Mirae Asset Global Investments, a Korean asset manager, is a key player in the Asian financial market and a subsidiary of Mirae Asset Financial Group, founded by Hyeon Joo Park. Under Park's leadership, the firm has grown significantly, managing USD 275 billion as of July 2024, with 60% of assets based in South Korea. The firm's core mutual fund business in the Asia-Pacific region remains strong, featuring a collaborative structure, a large investment team, low manager turnover, competitive fees, and disciplined product development, supporting better stewardship practices relative to peers. However, its exchange-traded-fund business, which makes up 40% of total assets, contrasts sharply.

The firm's ETF lineup focuses largely on high-risk thematic strategies that seem gimmicky, emphasizing short-term asset-gathering. It recently faced notable challenges from executive departures, restructuring, and a reduction in its ETF lineup. However, the liquidation of 19 ETFs highlights a shift toward more commercially viable and investor-focused products, reflecting a move away from short-term asset-gathering strategies and faddish thematic offerings.

Despite leadership turnover, the firm has demonstrated resilience with strong inflows and new product success. Moreover, the cultural realignment of Global X with Mirae Asset indicates a shift toward a more formal corporate culture, consistent with Mirae's hands-on approach. Recently, Mirae initiated a management reshuffle, appointing younger leaders to vice chairperson roles as part of its succession planning strategy, aimed at ensuring long-term stability through a new generation of leadership. While transparency and responsiveness have been areas for improvement, Mirae's operational stability and commitment to growth support maintaining an Average Parent Pillar rating.

Open-End & Exchange-Traded Fund Offerings

| | % AUM | # of Funds |
|--------------|-------|------------|
| Equity | 94 | 50 |
| Fixed Income | 5 | 3 |
| Allocation | 0 | 0 |
| Alternative | 0 | 0 |
| Other | 2 | 4 |

| | % AUM | # of Funds |
|---------|-------|------------|
| Active | 0 | 0 |
| Passive | 100 | 57 |

| | % AUM | # of Share Classes |
|----------|-------|--------------------|
| Open-End | 0 | 0 |
| ETF | 100 | 57 |

Largest Funds

| Assets in 5 Largest Funds | % AUM | Rank |
|---------------------------|-------|--------|
| | 57 | 44 /60 |

| | AUM (JPY Billion) |
|---------------------------------------|-------------------|
| Global X Japan Global Leaders ETF | 109 |
| Global X US Tech Top 20 ETF | 78 |
| Global X MSCI SuperDividend Japan ETF | 59 |
| Global X Japan Semiconductor ETF | 39 |
| Global X Nasdaq 100 Covered Call ETF | 34 |

Changes in Fund Lineup

| | | Rank |
|--------------------------------|-----|--------|
| Funds & ETFs Launched 1-Yr (%) | 21 | 54 /60 |
| Funds & ETFs Obsolete 1-Yr (%) | 0 | 1 /60 |
| Funds & ETFs Launched 5-Yr (%) | 147 | 60 /60 |
| Funds & ETFs Obsolete 5-Yr (%) | 0 | 1 /60 |
| Open-End Funds: Avg Age (Yrs) | 0.0 | |
| ETFs: Avg Age (Yrs) | 2.5 | |

Sustainability

| | % | Rank |
|---------------------------------|----|--------|
| Funds w/ Below Avg/Low ESG Risk | 20 | 27 /60 |

Morningstar Medalist Ratings

| | % AUM | # of Share Classes |
|----------|-------|--------------------|
| Gold | 1 | 2 |
| Silver | 13 | 4 |
| Bronze | 8 | 7 |
| Neutral | 42 | 6 |
| Negative | 35 | 2 |

| | % | Rank |
|-------------------------------|----|--------|
| AUM - Gold, Silver, Bronze | 23 | 27 /60 |
| Shares - Gold, Silver, Bronze | 62 | 6 /60 |

Performance

| Average Morningstar Rating | | Rank |
|----------------------------|--|--------|
| 2.2 | | 56 /60 |

| | % | Rank |
|-----------------------|-----|---------|
| Success Ratio 3-Year | 27 | 47 /60 |
| Success Ratio 5-Year | 50 | 13 /60 |
| Success Ratio 10-Year | N/A | N/A /60 |

Fee Levels

| Average Fee Level - Peer Group | | Rank |
|--------------------------------|--|--------|
| 49 | | 28 /60 |

Source: Morningstar Research. Data as of 9/30/2025 unless otherwise stated. Includes Japan-domiciled open-end and exchange-traded funds. Funds of funds are included in flows and assets calculations. Excludes mother funds and money market funds. Please see the appendix for information about the data in this report.



SPARX

Fund Assets Under Management (JPY Billion)

| | | | | | | | | |
|---------------|-------------|--------------|------|----------------|-------|-----------|----------------|--|
| Parent Rating | High | | | | | | Organic Growth | |
| Rating Date | 12/11/2025 | Total AUM | Rank | Net Flows 1-Yr | Rank | Rate 1-Yr | Rank | |
| Analyst | Juri Yanagi | Japan | 513 | 33 /60 | -32.5 | 51 /60 | -6.8 /49 /60 | |

Morningstar's Parent Analysis

Sparx Asset Management is Japan's first truly independent investment firm and is a subsidiary of Sparx Group. Shuhei Abe, who is a seasoned veteran investor, founded Sparx in 1989. Its firmwide investment philosophy, encapsulated in the belief that "macro is the aggregate of micro," underpins a disciplined, bottom-up approach. Combined with a steadfast commitment to its core capabilities and prudent product extension, Sparx maintains a culture focused on achieving long-term results for investors.

Sparx oversaw more than JPY 2.1 trillion (approximately USD 14 billion) in assets as of October 2025. Japan equity strategies account for 70% of the firm's total assets under management in four offerings. Despite its domestic focus, it serves a broad client base with a substantial proportion of assets sourced from the US and Europe. Among Japan-based peers, Sparx stands out as a dedicated active Japan equity specialist with strong investment capabilities, supported by more than 20 Japan equity professionals. Many of its portfolio managers have spent most of their careers at the firm. Such stability ensures a high degree of style consistency across its strategies, even during periods of headwinds. The disciplined execution, extensive proprietary company database, and long-tenured portfolio managers support the continuity of Sparx's investment edge.

The lack of a tangible long-term succession plan for Abe remains a concern, particularly with respect to the firm's overall strategic direction. This potential issue does not extend to portfolio management, though, as Abe's involvement here is limited to the engagement strategy. Disappointingly, the firm's fees tend to be more expensive than its Japan-based peers, which contrasts with Sparx's generally investor-friendly behavior.

Open-End & Exchange-Traded Fund Offerings

| | % AUM | # of Funds |
|--------------|-------|------------|
| Equity | 100 | 19 |
| Fixed Income | 0 | 0 |
| Allocation | 0 | 0 |
| Alternative | 0 | 0 |
| Other | 0 | 0 |

| | % AUM | # of Funds |
|---------|-------|------------|
| Active | 100 | 19 |
| Passive | 0 | 0 |

| | % AUM | # of Share Classes |
|----------|-------|--------------------|
| Open-End | 100 | 19 |
| ETF | 0 | 0 |

Largest Funds

| Assets in 5 Largest Funds | % AUM | Rank |
|---------------------------|-------|--------|
| | 92 | 11 /60 |

AUM (JPY Billion)

| | |
|--|-----|
| Sparx New International B-Chip Jpn Eq Fd | 257 |
| Sparx Selected Investment Fund SMA/EW | 130 |
| Sparx Corporate Value Creation Jpn Eq Fd | 63 |
| Sparx M&S Japan | 16 |
| Sparx Selected Investment Fund DC | 10 |

Changes in Fund Lineup

| | | Rank |
|--------------------------------|------|--------|
| Funds & ETFs Launched 1-Yr (%) | 0 | 1 /60 |
| Funds & ETFs Obsolete 1-Yr (%) | 17 | 56 /60 |
| Funds & ETFs Launched 5-Yr (%) | 3 | 11 /60 |
| Funds & ETFs Obsolete 5-Yr (%) | 6 | 41 /60 |
| Open-End Funds: Avg Age (Yrs) | 12.6 | |
| ETFs: Avg Age (Yrs) | 0.0 | |

Sustainability

| | % | Rank |
|---------------------------------|----|--------|
| Funds w/ Below Avg/Low ESG Risk | 22 | 25 /60 |

Morningstar Medalist Ratings

| | % AUM | # of Share Classes |
|----------|-------|--------------------|
| Gold | 0 | 0 |
| Silver | 0 | 0 |
| Bronze | 28 | 2 |
| Neutral | 71 | 9 |
| Negative | 1 | 2 |

| | % | Rank |
|-------------------------------|----|--------|
| AUM - Gold, Silver, Bronze | 28 | 24 /60 |
| Shares - Gold, Silver, Bronze | 15 | 28 /60 |

Performance

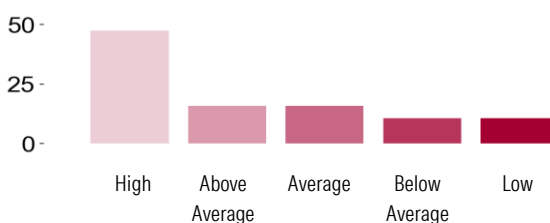
| Average Morningstar Rating | | Rank |
|----------------------------|-----|--------|
| | 3.3 | 11 /60 |



| | % | Rank |
|-----------------------|----|--------|
| Success Ratio 3-Year | 37 | 35 /60 |
| Success Ratio 5-Year | 22 | 50 /60 |
| Success Ratio 10-Year | 58 | 4 /60 |

Fee Levels

| Average Fee Level - Peer Group | | Rank |
|--------------------------------|----|--------|
| | 69 | 56 /60 |



Source: Morningstar Research. Data as of 9/30/2025 unless otherwise stated. Includes Japan-domiciled open-end and exchange-traded funds. Funds of funds are included in flows and assets calculations. Excludes mother funds and money market funds. Please see the appendix for information about the data in this report.

Franklin Templeton

Fund Assets Under Management (JPY Billion)

| Parent Rating | Average | Fund Assets Under Management (JPY Billion) | | | | | Organic Growth | |
|---------------|------------|--|------|----------------|------|-----------|----------------|--------|
| Rating Date | 4/1/2025 | Total AUM | Rank | Net Flows 1-Yr | Rank | Rate 1-Yr | Rank | |
| Analyst | Max Curtin | Japan | 399 | 38 /60 | 31.2 | 27 /60 | 8.8 | 20 /60 |

Morningstar's Parent Analysis

As Franklin Templeton continues to broaden its investment lineup in an ever-competitive industry, still-fresh changes keep its Parent rating at Average.

Franklin's acquisition strategy is well-documented. Over the years, the firm has built a house of distinct and autonomous investment teams, primarily through acquisitions; as of year-end 2024, the firm's assets under management had reached USD 1.6 trillion. Its most recent (January 2024) purchase of Putnam Investments brought greater access to the retirement channel and aided the firm in its evolution of diversifying across asset classes, distribution channels, and investment vehicles.

Like many of its competitors, the firm's commitment to alternatives is also clear. Since adding hedge fund specialist K2 Advisors in 2012, Franklin has expanded meaningfully in this domain, adding capabilities in private credit, private real estate, and private equity secondaries, all between 2019 and 2022; in doing so, the firm more than doubled its alternatives-based AUM between 2019 and 2024 to 15% of AUM from 7%.

As the firm has expanded, it has been busy. Long known for its willingness to take a largely hands-off approach with the investment teams it adds, Franklin also seems to be exerting more influence. For example, all of its public markets specialist investment managers will soon use Aladdin, BlackRock's trading and risk-management platform. Further, Franklin is collapsing the Martin Currie brand (which came with the 2020 Legg Mason acquisition) and gradually standardizing public markets portfolio-manager compensation plans. It also folded Legg Mason's quantitative multi-asset capability into its own and combined Putnam's fixed-income teams with Franklin's. None of these decisions seem ill-advised, but altogether they mark a bit of a change at the firm. Meanwhile, regulatory issues surrounding former Western Asset co-CIO and portfolio manager Ken Leech are not yet resolved, and that SIM has suffered considerable outflows in the wake of this news as well as uncharacteristic underperformance of its flagship core and core-plus bond strategies.

Open-End & Exchange-Traded Fund Offerings

| | % AUM | # of Funds |
|--------------|-------|------------|
| Equity | 65 | 15 |
| Fixed Income | 29 | 15 |
| Allocation | 6 | 1 |
| Alternative | 0 | 0 |
| Other | 0 | 0 |

| | % AUM | # of Funds |
|---------|-------|------------|
| Active | 100 | 31 |
| Passive | 0 | 0 |

| | % AUM | # of Share Classes |
|----------|-------|--------------------|
| Open-End | 100 | 31 |
| ETF | 0 | 0 |

Largest Funds

| Assets in 5 Largest Funds | % AUM | Rank |
|---------------------------|-------|--------|
| | 64 | 38 /60 |

| | AUM (JPY Billion) |
|--|-------------------|
| Franklin Templeton Aus High Dividend Equity Fund D1M | 111 |
| Franklin Templeton US High Dividend Equity Fund D1M | 47 |
| Franklin Templeton US High Dividend Equity Fund D2Y | 35 |
| Franklin Templeton US Municipal Bond Fund UH | 31 |
| Franklin Templeton Australia D1M Fund | 31 |

Changes in Fund Lineup

| | | Rank |
|--------------------------------|------|--------|
| Funds & ETFs Launched 1-Yr (%) | 0 | 1 /60 |
| Funds & ETFs Obsolete 1-Yr (%) | 11 | 51 /60 |
| Funds & ETFs Launched 5-Yr (%) | 2 | 10 /60 |
| Funds & ETFs Obsolete 5-Yr (%) | 7 | 45 /60 |
| Open-End Funds: Avg Age (Yrs) | 12.6 | |
| ETFs: Avg Age (Yrs) | 0.0 | |

Sustainability

| | % | Rank |
|---------------------------------|----|-------|
| Funds w/ Below Avg/Low ESG Risk | 41 | 5 /60 |

Morningstar Medalist Ratings

| | % AUM | # of Share Classes |
|----------|-------|--------------------|
| Gold | 0 | 0 |
| Silver | 0 | 0 |
| Bronze | 0 | 0 |
| Neutral | 49 | 11 |
| Negative | 51 | 15 |

| | % | Rank |
|-------------------------------|---|--------|
| AUM - Gold, Silver, Bronze | 0 | 60 /60 |
| Shares - Gold, Silver, Bronze | 0 | 60 /60 |

Performance

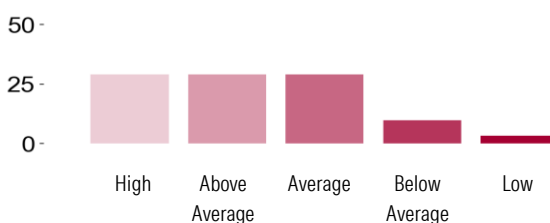
| | | Rank |
|----------------------------|-----|--------|
| Average Morningstar Rating | 2.7 | 43 /60 |



| | % | Rank |
|-----------------------|----|--------|
| Success Ratio 3-Year | 36 | 36 /60 |
| Success Ratio 5-Year | 35 | 29 /60 |
| Success Ratio 10-Year | 23 | 27 /60 |

Fee Levels

| | | Rank |
|--------------------------------|----|--------|
| Average Fee Level - Peer Group | 63 | 51 /60 |



Source: Morningstar Research. Data as of 9/30/2025 unless otherwise stated. Includes Japan-domiciled open-end and exchange-traded funds. Funds of funds are included in flows and assets calculations. Excludes mother funds and money market funds. Please see the appendix for information about the data in this report.

State Street Investment Management

Fund Assets Under Management (JPY Billion)

| | | | | | | | | |
|---------------|----------------|--------------|------|----------------|------|-----------|----------------|--------|
| Parent Rating | Above Average | | | | | | Organic Growth | |
| Rating Date | 7/16/2025 | Total AUM | Rank | Net Flows 1-Yr | Rank | Rate 1-Yr | Rank | |
| Analyst | Brendan McCann | Japan | 376 | 39 /60 | 32.4 | 26 /60 | 11.4 | 17 /60 |

Morningstar's Parent Analysis

State Street Investment Management is stepping into unproven territory with recent launches, but most of its low-cost offerings remain competitive, supporting an Above Average Parent Pillar rating.

In June 2025, State Street rebranded State Street Global Advisors to State Street Investment Management, complete with a new logo. The update maintains consistency with other State Street product lines and provides greater clarity to investors. According to State Street, the rebrand does not change the firm's investment philosophy, product strategy, or leadership.

Since taking over as the CEO in 2022, Yie-Hsin Hung has pushed the firm to move more quickly in product development. Hung hired Anna Paglia as the chief business officer in 2024 and Mark Alberici as the firm's first head of product innovation in 2025. In late 2024 and early 2025, State Street launched unique and thematic exchange-traded funds through partnerships with firms like Apollo and Galaxy Asset Management. State Street's private credit ETF is its first to include private assets in the ETF structure, and it remains to be seen how it will navigate liquidity constraints. The ETFs launched with Galaxy focus on the blockchain and digital assets.

Although some of these new strategies are riskier and more niche than the core ETFs that represent the bulk of State Street's USD 1.7 trillion in assets under management, they are backed by the firm's solid capital markets group and risk-management team. The firm is adept at handling rapid flows from short-term investors using its products as trading tools, which bodes well for its ability to manage novel liquidity challenges.

State Street continues to compete on price. Roughly 90% of its share classes carry below-average expenses, and—by the firm's estimate—fee reductions in the fourth quarter of 2023 have saved investors more than USD 60 million in costs through March 2025.

Open-End & Exchange-Traded Fund Offerings

| | % AUM | # of Funds |
|--------------|-------|------------|
| Equity | 82 | 16 |
| Fixed Income | 9 | 12 |
| Allocation | 2 | 1 |
| Alternative | 0 | 0 |
| Other | 8 | 3 |

| | % AUM | # of Funds |
|---------|-------|------------|
| Active | 1 | 3 |
| Passive | 99 | 29 |

| | % AUM | # of Share Classes |
|----------|-------|--------------------|
| Open-End | 100 | 32 |
| ETF | 0 | 0 |

Largest Funds

| | % AUM | Rank |
|---------------------------|-------|--------|
| Assets in 5 Largest Funds | 82 | 20 /60 |

| | AUM (JPY Billion) |
|--|-------------------|
| State Street US Equity Index | 162 |
| State Street DC Intl Equity Index Open | 48 |
| State Street Intl Equity Index Open | 37 |
| State Street Whole World Equity Index Fund | 34 |
| State Street Gold Fund Hedged | 27 |

Changes in Fund Lineup

| | | Rank |
|--------------------------------|-----|--------|
| Funds & ETFs Launched 1-Yr (%) | 7 | 38 /60 |
| Funds & ETFs Obsolete 1-Yr (%) | 0 | 1 /60 |
| Funds & ETFs Launched 5-Yr (%) | 9 | 41 /60 |
| Funds & ETFs Obsolete 5-Yr (%) | 3 | 25 /60 |
| Open-End Funds: Avg Age (Yrs) | 8.6 | |
| ETFs: Avg Age (Yrs) | 0.0 | |

Sustainability

| | % | Rank |
|---------------------------------|----|--------|
| Funds w/ Below Avg/Low ESG Risk | 17 | 32 /60 |

Morningstar Medalist Ratings

| | % AUM | # of Share Classes |
|----------|-------|--------------------|
| Gold | 6 | 6 |
| Silver | 48 | 4 |
| Bronze | 39 | 11 |
| Neutral | 7 | 5 |
| Negative | 0 | 1 |

| | % | Rank |
|-------------------------------|----|-------|
| AUM - Gold, Silver, Bronze | 93 | 4 /60 |
| Shares - Gold, Silver, Bronze | 78 | 4 /60 |

Performance

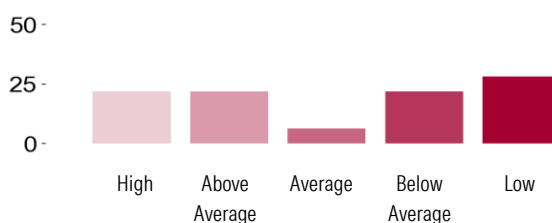
| | | Rank |
|----------------------------|-----|-------|
| Average Morningstar Rating | 3.8 | 4 /60 |



| | % | Rank |
|-----------------------|----|--------|
| Success Ratio 3-Year | 60 | 7 /60 |
| Success Ratio 5-Year | 52 | 12 /60 |
| Success Ratio 10-Year | 44 | 9 /60 |

Fee Levels

| | | Rank |
|--------------------------------|----|--------|
| Average Fee Level - Peer Group | 48 | 23 /60 |



Source: Morningstar Research. Data as of 9/30/2025 unless otherwise stated. Includes Japan-domiciled open-end and exchange-traded funds. Funds of funds are included in flows and assets calculations. Excludes mother funds and money market funds. Please see the appendix for information about the data in this report.

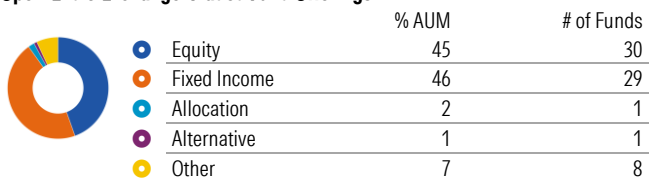
UBS Asset Management

| | | Fund Assets Under Management (JPY Billion) | | | | | Organic Growth | |
|---------------|---------------------|--|------|----------------|------|-----------|----------------|--|
| Parent Rating | Average | Total AUM | Rank | Net Flows 1-Yr | Rank | Rate 1-Yr | Rank | |
| Rating Date | 1/15/2025 | | | | | | | |
| Analyst | Natalia Wolfstetter | Japan | 309 | 41 /60 | 1.5 | 37 /60 | 0.5 /35 | |

Morningstar's Parent Analysis

UBS Asset Management is still in the process of integrating the asset-management arm of Credit Suisse after its acquisition by UBS Group in March 2023. The acquisition, while adding significant scale, poses many challenges given the breadth of the firms' franchises and plans to build out a new investment technology platform. Bringing the two groups together absorbs a lot of attention by both senior management and staff and will likely keep the firm busy until at least the end of 2026. However, we draw comfort from UBS Asset Management being on more solid footing following a strategic transformation that started more than 10 years ago. This restructuring came with elevated turnover both at the senior leadership level and within the investment divisions. Stability has returned in recent years, but it has been elevated in the former Credit Suisse AM ranks following the acquisition. UBS AM is aiming to more closely align its product offering with strategic initiatives such as private markets and alternatives, custom indexing, and Asian markets. While the acquisition has brought some complementary capabilities in the thematic equities, commodities, high yield, and leveraged loan space, which UBS AM was lacking, there was also substantial overlap elsewhere, which the firm is looking to reduce through the consolidation of its product shelf. Despite the ongoing rationalization, the combined firm continues to offer a wide range of active and passive products across traditional and alternative asset classes. The quality of the fund range is solid, though helped by a large share of passive products, which accounted for 48% of combined assets as of the end of 2024, while the active offering is of mixed quality. Portfolio managers' bonuses are linked to funds' performance of up to three years, which doesn't stand out and could be improved by considering longer time periods. Overall, UBS AM retains its Average Parent rating as we monitor investors' experience with the firm throughout the integration process.

Open-End & Exchange-Traded Fund Offerings



Largest Funds

| Assets in 5 Largest Funds | % AUM | Rank |
|---------------------------|-------|--------|
| | 41 | 54 /60 |

| | AUM (JPY Billion) |
|--|-------------------|
| UBS World Public Infrastructure Bond Currency Select JPY D1M | 43 |
| UBS Australia Bond Open D1M | 34 |
| UBS Global Equity Select Investment Fund B Managed Account | 19 |
| UBS Next Generation Technology | 18 |
| UBS China New Era Equity Fund D1Y | 11 |

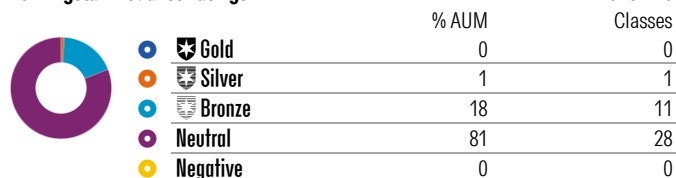
Changes in Fund Lineup

| | | Rank |
|--------------------------------|------|--------|
| Funds & ETFs Launched 1-Yr (%) | 0 | 1 /60 |
| Funds & ETFs Obsolete 1-Yr (%) | 1 | 29 /60 |
| Funds & ETFs Launched 5-Yr (%) | 7 | 29 /60 |
| Funds & ETFs Obsolete 5-Yr (%) | 4 | 28 /60 |
| Open-End Funds: Avg Age (Yrs) | 10.6 | |
| ETFs: Avg Age (Yrs) | 0.0 | |

Sustainability

| | % | Rank |
|---------------------------------|----|-------|
| Funds w/ Below Avg/Low ESG Risk | 39 | 8 /60 |

Morningstar Medalist Ratings



| | % | Rank |
|-------------------------------|----|--------|
| AUM - Gold, Silver, Bronze | 19 | 30 /60 |
| Shares - Gold, Silver, Bronze | 30 | 17 /60 |

Performance

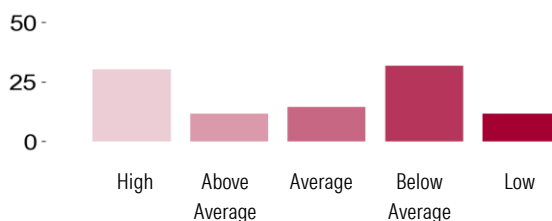
| Average Morningstar Rating | | Rank |
|----------------------------|-----|--------|
| | 2.9 | 32 /60 |



| | % | Rank |
|-----------------------|----|--------|
| Success Ratio 3-Year | 41 | 29 /60 |
| Success Ratio 5-Year | 29 | 42 /60 |
| Success Ratio 10-Year | 37 | 16 /60 |

Fee Levels

| Average Fee Level - Peer Group | | Rank |
|--------------------------------|----|--------|
| | 54 | 34 /60 |



Source: Morningstar Research. Data as of 9/30/2025 unless otherwise stated. Includes Japan-domiciled open-end and exchange-traded funds. Funds of funds are included in flows and assets calculations. Excludes mother funds and money market funds. Please see the appendix for information about the data in this report.

PineBridge

Fund Assets Under Management (JPY Billion)

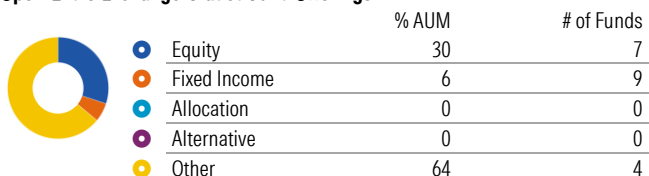
| Parent Rating | Average | Fund Assets Under Management (JPY Billion) | | | | | Organic Growth | |
|---------------|------------------------------|--|------|----------------|-------|-----------|----------------|--------|
| Rating Date | 1/21/2025 | Total AUM | Rank | Net Flows 1-Yr | Rank | Rate 1-Yr | Rank | |
| Analyst | Morningstar Manager Research | Japan | 191 | 45 /60 | -45.8 | 53 /60 | -19.4 | 59 /60 |

Morningstar's Parent Analysis

PineBridge is a diversified asset manager that managed around USD 100 billion as of September 2024. It originated as AIG's investment arm and was acquired by Pacific Century Group in 2010. On Dec. 23, 2024, MetLife Investment Management, the asset-management subsidiary of a major US-based insurer, MetLife, announced the acquisition of PineBridge, subject to regulatory approval. The transaction is expected to close in 2025, though PCG will retain PineBridge's private equity business and the Huatai-PineBridge joint venture.

MetLife IM, which specializes in public fixed income, private capital, and real estate, can benefit from PineBridge's expertise in Asian fixed income and equity, as well as global multi-asset. Nonetheless, the impact of MetLife's acquisition on PineBridge's existing team of around 230 investment professionals and product lineup remains to be seen. PineBridge's leadership has somewhat stabilized after a period of high turnover that included the arrival of CEO Gregory Ehret in 2016 and changes in chief operating, financial, technology, and risk officers between 2018 and 2020, though we noted an uptick in investment team turnover more recently. PineBridge returned to profitability in 2023, after having losses over most of the past decade. Overall, PineBridge continues to sport a Parent rating of Average.

Open-End & Exchange-Traded Fund Offerings



Largest Funds

| Assets in 5 Largest Funds | % AUM | Rank |
|---------------------------|-------|--------|
| | 91 | 14 /60 |

| | AUM (JPY Billion) |
|--|-------------------|
| PineBridge Capital Security Fund Unhedged | 68 |
| PineBridge Capital Security Fund Hedged | 51 |
| PineBridge Global Technology Infrastructure Fund | 27 |
| PineBridge Selected India Equity | 20 |
| PineBridge World Equity Open | 8 |

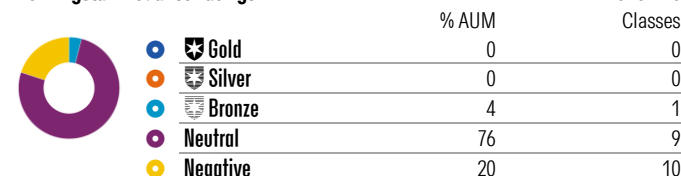
Changes in Fund Lineup

| | | Rank |
|--------------------------------|------|--------|
| Funds & ETFs Launched 1-Yr (%) | 0 | 1 /60 |
| Funds & ETFs Obsolete 1-Yr (%) | 0 | 1 /60 |
| Funds & ETFs Launched 5-Yr (%) | 4 | 19 /60 |
| Funds & ETFs Obsolete 5-Yr (%) | 12 | 56 /60 |
| Open-End Funds: Avg Age (Yrs) | 13.5 | |
| ETFs: Avg Age (Yrs) | 0.0 | |

Sustainability

| | % | Rank |
|---------------------------------|-----|---------|
| Funds w/ Below Avg/Low ESG Risk | N/A | N/A /60 |

Morningstar Medalist Ratings



| | % | Rank |
|-------------------------------|---|--------|
| AUM - Gold, Silver, Bronze | 4 | 37 /60 |
| Shares - Gold, Silver, Bronze | 5 | 36 /60 |

Performance

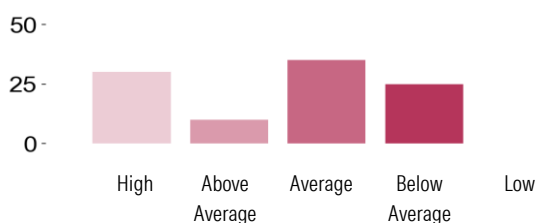
| Average Morningstar Rating | % | Rank |
|----------------------------|-----|--------|
| | 2.8 | 38 /60 |



| | % | Rank |
|-----------------------|----|--------|
| Success Ratio 3-Year | 32 | 43 /60 |
| Success Ratio 5-Year | 32 | 32 /60 |
| Success Ratio 10-Year | 16 | 38 /60 |

Fee Levels

| Average Fee Level - Peer Group | | Rank |
|--------------------------------|----|--------|
| | 59 | 47 /60 |



Source: Morningstar Research. Data as of 9/30/2025 unless otherwise stated. Includes Japan-domiciled open-end and exchange-traded funds. Funds of funds are included in flows and assets calculations. Excludes mother funds and money market funds. Please see the appendix for information about the data in this report.

BNY Investments

| | | Fund Assets Under Management (JPY Billion) | | | | | Organic Growth | | |
|---------------|--------------------|--|--|-----------|--------|----------------|----------------|-----------|--------|
| Parent Rating | Average | Japan | | Total AUM | Rank | Net Flows 1-Yr | Rank | Rate 1-Yr | Rank |
| Rating Date | 4/10/2025 | | | 184 | 46 /60 | -10.3 | 43 /60 | -6.3 | 47 /60 |
| Analyst | Alyssa Stankiewicz | | | | | | | | |

Morningstar's Parent Analysis

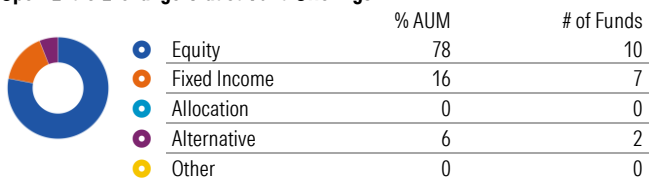
BNY Investments retains an Average Parent rating while new leadership seeks to break down silos.

The asset-management arm of diversified financial Bank of New York Mellon, BNY Investments oversaw roughly USD 1.5 trillion in long-term assets under management as of December 2024. Six wholly owned investment affiliates that oversee this pool, along with USD 400 billion money market subsidiary Dreyfus, are relatively separate from each other, but Jose Minaya wants to change that.

Minaya took over as CEO in late 2024 following nearly 20 years at Nuveen, ending his time there with more than four years as CEO. Minaya's predecessor, Hanneke Smits, kicked off the process of integrating disparate investment affiliates when she consolidated most of BNY's active fixed-income and equity capabilities into two affiliates, Insight and Newton, respectively. Minaya plans to continue this effort by integrating back-office functions and flattening the organization. Following the departure of Newton's CEO Euan Munro and co-CIO Mitesh Sheth in March 2025, the affiliate's sole CIO John Porter now reports to Minaya, and its distribution and operations teams work under their respective functional heads at BNY. Minaya had already taken on the regional heads of distribution in January 2025; previously, they reported to one global head. Additionally, BNY's wealth management division, which manages an additional USD 135 billion, now reports to Minaya following the January 2025 announcement of previous wealth head Catherine Keating's retirement.

Integrating the disparate affiliates will be no small feat as they span a broad range of asset classes and cultures. Walter Scott stands out for its research-focused approach, backed by strong retention and well-aligned compensation. On the other hand, Newton considers AUM and fund flows in remuneration, which falls shy of best practice.

Open-End & Exchange-Traded Fund Offerings



Largest Funds

| Assets in 5 Largest Funds | % AUM | Rank |
|---------------------------|-------|--------|
| | 72 | 30 /60 |

| | AUM (JPY Billion) | Rank |
|--|-------------------|------|
| BNY Mellon Mobility Innovation | 73 | |
| BNY Mellon Insight Global Credit Fund B SMA/EW | 18 | |
| BNY Mellon US Manufacturing Equity | 17 | |
| BNY Mellon Japan Revival Growth Equity Fund | 12 | |
| BNY Mellon Mid/Small Cap Growth Equity Active Fund | 11 | |

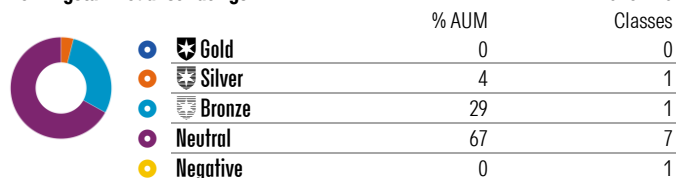
Changes in Fund Lineup

| | | Rank |
|--------------------------------|-----|--------|
| Funds & ETFs Launched 1-Yr (%) | 0 | 1 /60 |
| Funds & ETFs Obsolete 1-Yr (%) | 14 | 53 /60 |
| Funds & ETFs Launched 5-Yr (%) | 9 | 39 /60 |
| Funds & ETFs Obsolete 5-Yr (%) | 11 | 53 /60 |
| Open-End Funds: Avg Age (Yrs) | 8.2 | |
| ETFs: Avg Age (Yrs) | 0.0 | |

Sustainability

| | % | Rank |
|---------------------------------|----|-------|
| Funds w/ Below Avg/Low ESG Risk | 43 | 4 /60 |

Morningstar Medalist Ratings



| | % | Rank |
|-------------------------------|----|--------|
| AUM - Gold, Silver, Bronze | 33 | 21 /60 |
| Shares - Gold, Silver, Bronze | 20 | 23 /60 |

Performance

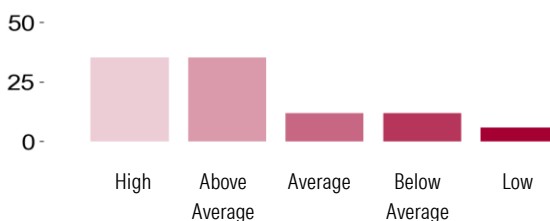
| Average Morningstar Rating | | Rank |
|----------------------------|-----|--------|
| | 2.9 | 34 /60 |



| | % | Rank |
|-----------------------|----|--------|
| Success Ratio 3-Year | 53 | 13 /60 |
| Success Ratio 5-Year | 24 | 47 /60 |
| Success Ratio 10-Year | 15 | 39 /60 |

Fee Levels

| Average Fee Level - Peer Group | | Rank |
|--------------------------------|----|--------|
| | 65 | 53 /60 |



Source: Morningstar Research. Data as of 9/30/2025 unless otherwise stated. Includes Japan-domiciled open-end and exchange-traded funds. Funds of funds are included in flows and assets calculations. Excludes mother funds and money market funds. Please see the appendix for information about the data in this report.

Manulife Investment Management

Fund Assets Under Management (JPY Billion)

| | | | | | | | | |
|---------------|------------------------------|--------------|-----------|--------|----------------|--------|----------------|--------|
| Parent Rating | Above Average | | | | | | Organic Growth | |
| Rating Date | 1/15/2025 | | Total AUM | Rank | Net Flows 1-Yr | Rank | Rate 1-Yr | Rank |
| Analyst | Morningstar Manager Research | Japan | 175 | 47 /60 | -51.4 | 54 /60 | -22.7 | 60 /60 |

Morningstar's Parent Analysis

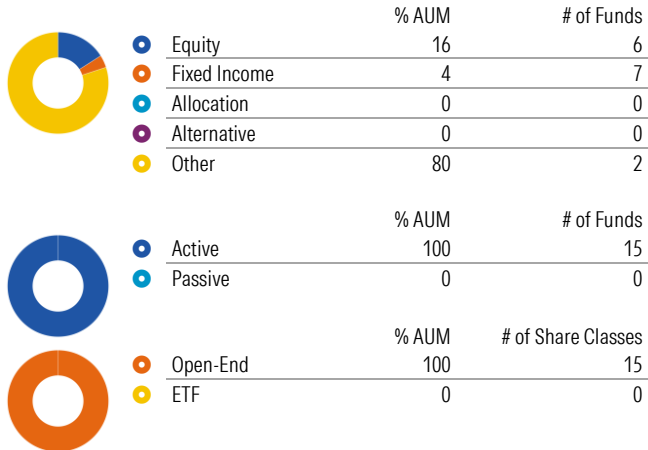
Manulife Investment Management's intentional globalization efforts expand best practices across regions and reinforce its Above Average Parent rating.

Manulife Investment Management, the asset-management arm of Canadian-based insurer Manulife Financial, has a well-established global footprint that spans four continents and managed over CAD 1 trillion in assets as of September 2024. The firm completed a significant reorganization that brought together its investment and wealth management groups into a single, global segment and established better cross-collaboration across markets. Global teams across three channels—retail, retirement, and institutional—support regional business heads to ensure that best practices are implemented in each market with a consideration for specific regional needs.

The integration identified redundancies in operational roles that led to headcount reductions in 2023 and 2024. The investment group was not immune as changes were made to address areas of weakness and improve communication across teams. Industry veteran Colin Purdie joined in December 2023 as CIO of public markets when firm veteran Chris Conkey retired, sparking continued improvements in collaboration as well as an increased focus on portfolio construction and risk management.

Manager research remains a strength with an established history of prioritizing best-in-class managers regardless of firm affiliation. Subadvisors are prominent in the firm's US-based John Hancock fund lineup, while a long-standing partnership with Mawer fills a gap in the Canadian-based shelf. In Asia, the firm primarily leverages internal teams, which have experienced some turnover but are overall solid.

Open-End & Exchange-Traded Fund Offerings



Largest Funds

| Assets in 5 Largest Funds | % AUM | Rank |
|---------------------------|-------|-------|
| | 95 | 8 /60 |

| | AUM (JPY Billion) | Rank |
|---|-------------------|------|
| Manulife Yen Hybrid Bond Income Fund D1Y | 90 | |
| Manulife Yen Hybrid Bond Income Fund D3M | 50 | |
| Manulife US Bank Equity | 13 | |
| Manulife US Bank Equity Fund Asset Growth | 7 | |
| Manulife New Global Dividend Equity D1M | 5 | |

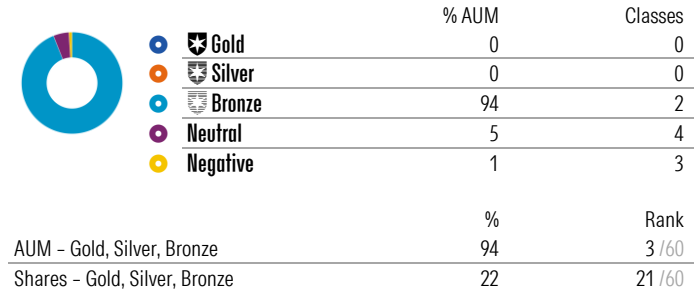
Changes in Fund Lineup

| | | Rank |
|--------------------------------|-----|--------|
| Funds & ETFs Launched 1-Yr (%) | 0 | 1 /60 |
| Funds & ETFs Obsolete 1-Yr (%) | 12 | 52 /60 |
| Funds & ETFs Launched 5-Yr (%) | 1 | 9 /60 |
| Funds & ETFs Obsolete 5-Yr (%) | 14 | 58 /60 |
| Open-End Funds: Avg Age (Yrs) | 9.3 | |
| ETFs: Avg Age (Yrs) | 0.0 | |

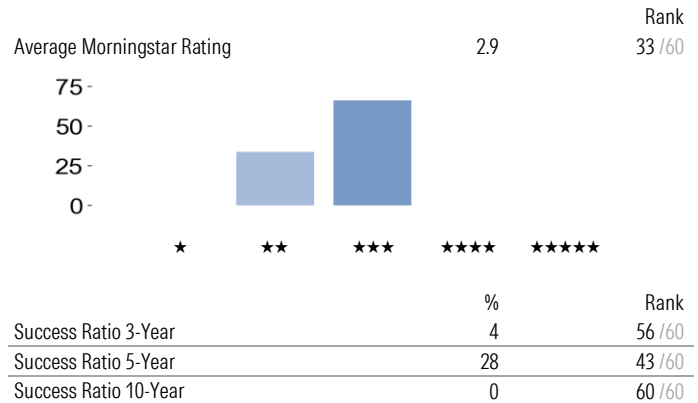
Sustainability

| | % | Rank |
|---------------------------------|-----|---------|
| Funds w/ Below Avg/Low ESG Risk | N/A | N/A /60 |

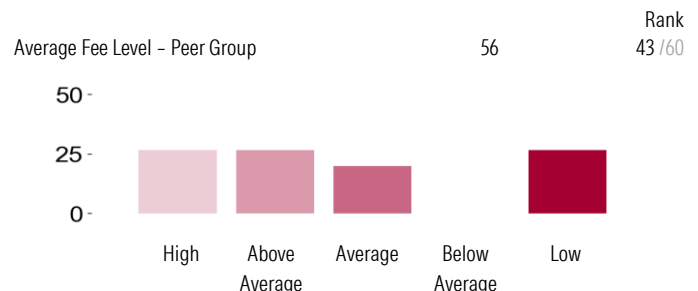
Morningstar Medalist Ratings



Performance



Fee Levels



Source: Morningstar Research. Data as of 9/30/2025 unless otherwise stated. Includes Japan-domiciled open-end and exchange-traded funds. Funds of funds are included in flows and assets calculations. Excludes mother funds and money market funds. Please see the appendix for information about the data in this report.

Schroders

Fund Assets Under Management (JPY Billion)

| | | | | | | | | |
|---------------|----------------|--------------|------|----------------|-------|-----------|----------------|--------|
| Parent Rating | Above Average | | | | | | Organic Growth | |
| Rating Date | 7/15/2024 | Total AUM | Rank | Net Flows 1-Yr | Rank | Rate 1-Yr | Rank | |
| Analyst | Lena Tsymbaluk | Japan | 151 | 49 /60 | -22.5 | 50 /60 | -14.6 | 57 /60 |

Morningstar's Parent Analysis

Schroders is a long-established and diversified asset manager in the UK, where it is listed. As of March 31, 2024, it had a total assets under management of GBP 750 billion. The firm has broad expertise across public and private markets with significant operations in Europe, Asia-Pacific, and the Americas. In terms of geographical distribution, the UK market remains dominant with 49% of the total AUM, followed by Asia at 25%, and EMEA at 14%.

The group retains its historical strengths in equities while progressively diversifying into multi-asset strategies, solutions, private assets, and alternatives. This diversification has been achieved partly through strategic acquisitions and partnerships, notably the acquisition of River and Mercantile's UK solutions business in 2021 and securing a majority interest in European renewable infrastructure manager Greencoat Capital in April 2022. Product launches have been strategic and targeted, with sustainable and private-asset funds among the key additions across 2022-24. These new offerings, such as the Global Equity Impact, Greencoat Global Renewables, and Private Equity China funds, leverage expertise gained from recent acquisitions, demonstrating Schroders' commitment to expanding its capabilities in key growth areas.

Schroders has better-than-average retention of fund managers compared with industry standards; a number of desk heads have spent their entire careers at the group. This longevity is also complemented by a strong depth of talent, facilitating effective succession planning. The company's remuneration policy is structured to encourage retention through bonus deferral. For fund managers, around 40% to 60% of variable compensation is deferred, vesting pro rata over a 3.5-year period. This approach aligns long-term interests and encourages staff retention.

The firm employs a robust, multilayered risk-management framework. A significant enhancement to this system was the adoption of BlackRock's Aladdin platform in 2017, which effectively integrated various components of the framework. The company's long-term strategic planning, influenced by its family heritage, fosters a collaborative culture. This approach contributes to high employee retention rates and delivers positive outcomes for investors.

Open-End & Exchange-Traded Fund Offerings

| | % AUM | # of Funds |
|--------------|-------|------------|
| Equity | 86 | 18 |
| Fixed Income | 12 | 2 |
| Allocation | 2 | 4 |
| Alternative | 1 | 1 |
| Other | 0 | 0 |

| | % AUM | # of Funds |
|---------|-------|------------|
| Active | 100 | 25 |
| Passive | 0 | 0 |

| | % AUM | # of Share Classes |
|----------|-------|--------------------|
| Open-End | 100 | 25 |
| ETF | 0 | 0 |

Largest Funds

| Assets in 5 Largest Funds | % AUM | Rank |
|---------------------------|-------|--------|
| | 55 | 46 /60 |

| | AUM (JPY Billion) |
|--|-------------------|
| Schroder Nihon Fund DC | 23 |
| Schroder Emerging Equity Fund Ann Div | 18 |
| Schroder Nenkin Un-yo Fd-Japanese Equity | 17 |
| Schroder Nihon Fund SMA-EW | 13 |
| Schroder DC Active - Foreign Equity | 13 |

Changes in Fund Lineup

| | | Rank |
|--------------------------------|------|--------|
| Funds & ETFs Launched 1-Yr (%) | 0 | 1 /60 |
| Funds & ETFs Obsolete 1-Yr (%) | 23 | 59 /60 |
| Funds & ETFs Launched 5-Yr (%) | 4 | 16 /60 |
| Funds & ETFs Obsolete 5-Yr (%) | 6 | 42 /60 |
| Open-End Funds: Avg Age (Yrs) | 14.9 | |
| ETFs: Avg Age (Yrs) | 0.0 | |

Sustainability

| | % | Rank |
|---------------------------------|---|--------|
| Funds w/ Below Avg/Low ESG Risk | 6 | 43 /60 |

Morningstar Medalist Ratings

| | % AUM | # of Share Classes |
|----------|-------|--------------------|
| Gold | 0 | 0 |
| Silver | 0 | 0 |
| Bronze | 31 | 3 |
| Neutral | 69 | 15 |
| Negative | 0 | 0 |

| | % | Rank |
|-------------------------------|----|--------|
| AUM - Gold, Silver, Bronze | 31 | 23 /60 |
| Shares - Gold, Silver, Bronze | 17 | 26 /60 |

Performance

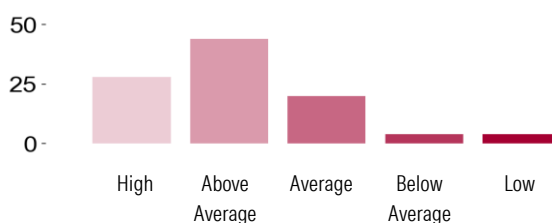
| Average Morningstar Rating | | Rank |
|----------------------------|-----|--------|
| | 2.7 | 42 /60 |



| | % | Rank |
|-----------------------|----|--------|
| Success Ratio 3-Year | 27 | 49 /60 |
| Success Ratio 5-Year | 26 | 45 /60 |
| Success Ratio 10-Year | 12 | 42 /60 |

Fee Levels

| Average Fee Level - Peer Group | | Rank |
|--------------------------------|----|--------|
| | 68 | 55 /60 |



Source: Morningstar Research. Data as of 9/30/2025 unless otherwise stated. Includes Japan-domiciled open-end and exchange-traded funds. Funds of funds are included in flows and assets calculations. Excludes mother funds and money market funds. Please see the appendix for information about the data in this report.

Russell Investments

| | | Fund Assets Under Management (JPY Billion) | | | | | Organic Growth | |
|---------------|------------------------------|--|--------|----------------|--------|-----------|----------------|--|
| Parent Rating | Average | Total AUM | Rank | Net Flows 1-Yr | Rank | Rate 1-Yr | Rank | |
| Rating Date | 12/23/2024 | 103 | 52 /60 | 1.5 | 36 /60 | 1.8 | 33 /60 | |
| Analyst | Morningstar Manager Research | Japan | | | | | | |

Morningstar's Parent Analysis

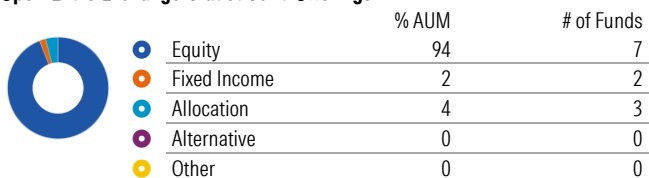
Following a few years of reshuffling, Russell Investments stays true to its core while expanding its offering and maintains an Average Parent rating.

Under private equity ownership since 2016, Russell has recently experienced some senior-level shakeups. After five years at the helm, former CEO Michelle Seitz left the firm in 2022. Zach Buchwald, formerly of BlackRock for 15 years, joined Russell in May 2023 as chairman and CEO. He isn't the only recent external hire: President and CIO Kate El-Hillow joined the firm in 2021 after 16 years at Goldman Sachs. Their surrounding staff are a mix of external hires, including Ayesha Parra, who joined in 2024 as global head of alternatives, and Russell employees, such as 21-year veteran and head of portfolio management Jon Egginis.

Despite leadership changes, Russell continues to offer a distinguished outsourced CIO service model and multimanager fund lineup, both resting on the firm's manager-selection foundation. That process often includes both external asset managers as well as an internally run sleeve through which Russell attempts to optimize the portfolio. Overall, the fund lineup has produced mixed long-term results.

The firm is investing in key areas of growth, including active exchange-traded funds and alternative funds. Majority owner TA Associates and minority shareholders will eventually divest but haven't displayed imminent signs. Employees own roughly 15% of the firm.

Open-End & Exchange-Traded Fund Offerings



Largest Funds

| Assets in 5 Largest Funds | % AUM | Rank |
|---------------------------|-------|-------|
| | 94 | 9 /60 |

| | AUM (JPY Billion) |
|--|-------------------|
| Russell Investment Foreign Equity Fund DC | 73 |
| Russell Investment Japan Equity Fund DC | 15 |
| Russell Investment World Environment Tech Fund | 4 |
| Russell Investment Global Balanced Stable/Growth | 3 |
| Russell Investment Domestic Equity Multi Manager F | 2 |

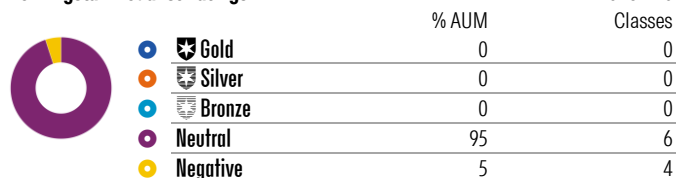
Changes in Fund Lineup

| | | Rank |
|--------------------------------|------|--------|
| Funds & ETFs Launched 1-Yr (%) | 0 | 1 /60 |
| Funds & ETFs Obsolete 1-Yr (%) | 0 | 1 /60 |
| Funds & ETFs Launched 5-Yr (%) | 0 | 1 /60 |
| Funds & ETFs Obsolete 5-Yr (%) | 3 | 23 /60 |
| Open-End Funds: Avg Age (Yrs) | 14.9 | |
| ETFs: Avg Age (Yrs) | 0.0 | |

Sustainability

| | % | Rank |
|---------------------------------|---|--------|
| Funds w/ Below Avg/Low ESG Risk | 9 | 41 /60 |

Morningstar Medalist Ratings



| | % | Rank |
|-------------------------------|---|--------|
| AUM - Gold, Silver, Bronze | 0 | 60 /60 |
| Shares - Gold, Silver, Bronze | 0 | 60 /60 |

Performance

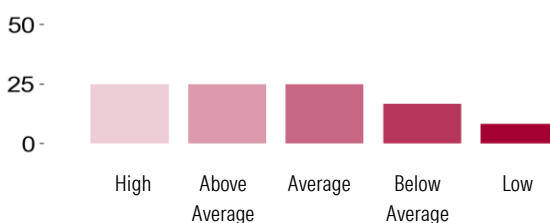
| Average Morningstar Rating | | Rank |
|----------------------------|--------|------|
| 3.4 | 10 /60 | |



| | % | Rank |
|-----------------------|----|--------|
| Success Ratio 3-Year | 67 | 3 /60 |
| Success Ratio 5-Year | 50 | 13 /60 |
| Success Ratio 10-Year | 40 | 13 /60 |

Fee Levels

| Average Fee Level - Peer Group | | Rank |
|--------------------------------|--------|------|
| 55 | 37 /60 | |



Source: Morningstar Research. Data as of 9/30/2025 unless otherwise stated. Includes Japan-domiciled open-end and exchange-traded funds. Funds of funds are included in flows and assets calculations. Excludes mother funds and money market funds. Please see the appendix for information about the data in this report.

Commons Asset Management

Fund Assets Under Management (JPY Billion)

| | | | | | | | | | |
|---------------|------------------------------|--------------|-----------|--------|----------------|--------|-----------|----------------|--|
| Parent Rating | Above Average | | | | | | | Organic Growth | |
| Rating Date | 6/27/2024 | | Total AUM | Rank | Net Flows 1-Yr | Rank | Rate 1-Yr | Rank | |
| Analyst | Morningstar Manager Research | Japan | 89 | 54 /60 | 7.3 | 34 /60 | 9.9 | 19 /60 | |

Morningstar's Parent Analysis

Commons Asset Management has developed into a solid Japanese equity house, marked by a long-term and investor-first approach. The firm earns an Above Average Parent rating.

Since the firm's establishment in 2007, Commons Asset Management's status as an independently owned private asset manager has helped it to nurture a good investment stewardship culture. Founded by nine co-founders, the majority of whom were investment team members, the firm has developed an investor-centric approach with a long-term vision. With its independent ownership structure, the firm has distributed its offerings through selected partners in addition to its direct distribution channel, resulting in a slow, yet stable growth of assets under management, which total JPY 110 billion as of April 2024. The firm only offers two main retail strategies invested in Japanese equity: Commons 30 fund and The 2020 Vision fund. Both follow a thorough, time-tested, bottom-up research process, and together with such a focus on a core competency, this sets Commons AM apart from the rest of the Japanese players, which often launch a flurry of funds to gather assets quickly, sometimes resulting in significant product churn.

Still, Commons has a few weak points. First, the firm is heavily reliant on two funds for its asset growth and profitability, which could threaten the firm should they start underperforming durably. Also, while it relies on a team approach unified around a single investment philosophy to manage the funds, the firm still concentrates lots of power into Tetsuro Ii, its CEO, chief information officer, and key portfolio manager. As a co-founder in 2007, chief information officer since 2012, and with 35 years of industry experience, Ii has been instrumental in developing the firm's good investment culture. Spreading out responsibilities, though, would lessen key-person risk. Also, given its long-term orientation, it is disappointing that Commons does not yet have a plan on how, when, and who could take on these different roles eventually.

Open-End & Exchange-Traded Fund Offerings

| | % AUM | # of Funds |
|--------------|-------|------------|
| Equity | 100 | 4 |
| Fixed Income | 0 | 0 |
| Allocation | 0 | 0 |
| Alternative | 0 | 0 |
| Other | 0 | 0 |

| | % AUM | # of Funds |
|---------|-------|------------|
| Active | 100 | 4 |
| Passive | 0 | 0 |

| | % AUM | # of Share Classes |
|----------|-------|--------------------|
| Open-End | 100 | 4 |
| ETF | 0 | 0 |

Largest Funds

| Assets in 5 Largest Funds | % AUM | Rank |
|---------------------------|-------|-------|
| | 100 | 1 /60 |

| | AUM (JPY Billion) |
|---|-------------------|
| Commons 30 | 73 |
| Commons THE 2020 Vision | 10 |
| Commons Maarui Future CoCreatn cotocoto | 3 |
| Commons 30+ Shizuoka Bank | 2 |
| | N/A |

Changes in Fund Lineup

| | | Rank |
|--------------------------------|------|--------|
| Funds & ETFs Launched 1-Yr (%) | 50 | 60 /60 |
| Funds & ETFs Obsolete 1-Yr (%) | 0 | 1 /60 |
| Funds & ETFs Launched 5-Yr (%) | 10 | 43 /60 |
| Funds & ETFs Obsolete 5-Yr (%) | 0 | 1 /60 |
| Open-End Funds: Avg Age (Yrs) | 10.0 | |
| ETFs: Avg Age (Yrs) | 0.0 | |

Sustainability

| | % | Rank |
|---------------------------------|----|--------|
| Funds w/ Below Avg/Low ESG Risk | 25 | 18 /60 |

Morningstar Medalist Ratings

| | % AUM | # of Share Classes |
|----------|-------|--------------------|
| Gold | 0 | 0 |
| Silver | 12 | 1 |
| Bronze | 88 | 2 |
| Neutral | 0 | 0 |
| Negative | 0 | 0 |

| | % | Rank |
|-------------------------------|-----|-------|
| AUM - Gold, Silver, Bronze | 100 | 1 /60 |
| Shares - Gold, Silver, Bronze | 100 | 1 /60 |

Performance

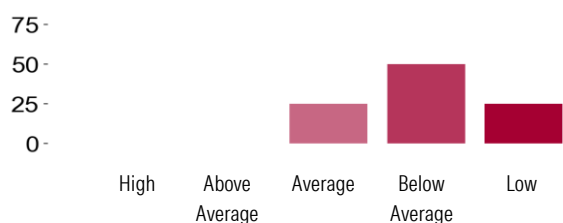
| Average Morningstar Rating | | Rank |
|----------------------------|--|--------|
| 2.3 | | 53 /60 |



| | % | Rank |
|-----------------------|----|--------|
| Success Ratio 3-Year | 33 | 41 /60 |
| Success Ratio 5-Year | 33 | 31 /60 |
| Success Ratio 10-Year | 33 | 19 /60 |

Fee Levels

| Average Fee Level - Peer Group | | Rank |
|--------------------------------|--|-------|
| 31 | | 7 /60 |



Source: Morningstar Research. Data as of 9/30/2025 unless otherwise stated. Includes Japan-domiciled open-end and exchange-traded funds. Funds of funds are included in flows and assets calculations. Excludes mother funds and money market funds. Please see the appendix for information about the data in this report.

Appendix

The appendix details data points and calculations shown in the Fund Family Factsheets. This report looks only at a firm's open-end mutual fund and exchange-traded fund offerings. Money market funds and other vehicles are excluded.

Where appropriate, the factsheets show each firm's rank within this list of 60 firms. Most ranks indicate best to worst. Otherwise, ranks indicate the largest to smallest values within the peer group, as in the case of assets under management and fund flows.

All data is as of Sept. 30, 2025, except for the Parent rating, where publication dates are noted in the factsheets.

Morningstar Ratings and Performance

Morningstar conducts due diligence on asset management firms to underpin the manager research team's view of funds offered by those firms, as expressed by the **Parent rating** and the **Morningstar Medalist Rating**, respectively.

- ▶ Parent ratings range from best to worst as follows: **High, Above Average, Average, Below Average**, and **Low**.
 - ▶ **Morningstar's Parent analysis** expounds on Morningstar's view of the extent to which a firm serves investors and supports an investing-centric culture.
 - ▶ Morningstar's Parent analysis for certain firms has been edited to fit the page. The full analysis can be found on Morningstar Managed Investment Reports and other Morningstar products.
 - ▶ **Rating Date** reflects the date of the latest Parent rating publication for a firm.
 - ▶ If the lead analyst has departed Morningstar's manager research team, then **Analyst** will read "Morningstar Manager Research."
- ▶ **Morningstar Medalist Ratings** range from best to worst as follows: **Gold, Silver, Bronze, Neutral**, and **Negative**.
 - ▶ Medalist Ratings are assigned at the share class level because fees directly affect a strategy's odds of outperforming its index.
- ▶ A firm's percentage of assets in each tier of the Morningstar Medalist Rating is shown in the chart next to its breakdown.
- ▶ The **Morningstar Rating** is a normally distributed measure of a fund's risk-adjusted return, compared with its Morningstar Category peers. Funds in the top 10% of their categories receive 5 stars; funds with the weakest performance receive 1 star. At minimum, a fund must have a three-year track record to receive a Morningstar Rating.

- ▶ A firm's average Morningstar Rating reflects the simple average of overall Morningstar Ratings for all funds it offers.
- ▶ A firm's percentage of assets in each tier of the Morningstar Rating is shown in the chart below its average rating.

The **Success Ratio** reflects the percentage of a firm's funds that both survived and outperformed over a given period.

- ▶ Funds that were live at the beginning of the period but obsoleted before its end are counted as unsuccessful.
- ▶ Funds that survived but underperformed the median peer in their respective categories after fees are counted as unsuccessful.
- ▶ Funds that launched after the beginning of the period are not included in the calculation.

Fund Assets Under Management

Each factsheet shows a firm's **Assets** and **Net Flows** for its Japan-domiciled funds. The **Organic Growth Rate** represents net flows into a firm's fund offerings during a period, divided by assets at the beginning of the period.

Open-End and Exchange-Traded Fund Offerings

This section looks at a firm's fund offerings within Japan.

- ▶ The Morningstar Category Broad Group shows a firm's split across four main asset classes: **Equity**, **Fixed Income**, **Allocation**, and **Alternatives**. **Other** includes **Convertibles**, **Commodities**, **Property**, and **Miscellaneous**.³
- ▶ **Active** and **Passive** refer to whether a fund is actively managed or tracks an index and attempts to match that index's returns.
- ▶ **Open-End** and **ETF** refer to a fund's investment type.

A firm's **5 Largest Funds** are determined by fund-level assets.

While a certain amount of product development and liquidation is necessary to serve investors, a high degree of product churn can indicate unsavory characteristics, including trend-following and launching strategies without great investment conviction.

- ▶ **Funds & ETFs Launched 1-Yr** shows the percentage of all currently live funds that were launched within the past 12 months. A higher percentage equates to a lower rank within the peer group.
 - ▶ **Funds & ETFs Launched 5-Yr** averages the percentage of all currently live funds that were launched within the past five years to arrive at an average annual rate.
- ▶ **Funds & ETFs Obsoleted 1-Yr** shows the percentage of funds that were live at the beginning of the period but obsoleted before its end. A higher percentage equates to a lower rank within the peer group.
 - ▶ **Funds & ETFs Obsoleted 5-Yr** averages the percentage of all currently live funds that were launched within the past five years to arrive at an average annual rate.
- ▶ **Oldest Fund Age** refers to a firm's oldest fund that endures to today (Sept. 30 in this case).
- ▶ The **Average Age** for open-end funds and ETFs reflects a simple average.

³ Morningstar updated its classification system and renamed it the Morningstar Category Broad Group (from the Global Broad Category Group), effective at the end of October 2025.

Fee Levels

Fee data points refer to an Average Fee Level - Peer Group.

- ▶ To determine an individual share class' fee level, its prospectus net expense ratio or, where expense ratios are unavailable, Representative Cost ex-Transaction Fee is percentile-ranked compared with Morningstar Category peers and accounting for an active or passive management style.
 - ▶ To evaluate a firm's approach to pricing, Morningstar averages each share class' individual fee-level percentile rank, resulting in the **Average Fee Level - Peer Group**.
- ▶ Each share class is assigned a quintile score that ranges from best to worst as follows: **Low, Below Average, Average, Above Average, and High**.
 - ▶ A firm's percentage of share classes in each quintile is shown in the chart below its average rating.

Sustainability

Factsheets show the percentage of a firm's funds with **Below Average** or **Low ESG Risk** exposure. This is based on the **Morningstar ESG Risk Rating**, where Low ESG Risk equates to a High ESG Risk Rating (often represented as 5 globes), and Below Average ESG Risk corresponds to an Above Average Morningstar ESG Risk Rating (4 globes).

- ▶ The Morningstar ESG Risk Rating is a quantitative measure of a portfolio's exposure to ESG risk. It does not indicate whether a fund pursues a sustainable-investing mandate.
- ▶ Only funds covered under the Morningstar ESG Risk Rating were considered here.

Index

| | |
|--------------------------|----|
| AllianceBernstein | 26 |
| AM One | 21 |
| Amova | 20 |
| Amundi | 34 |
| BlackRock | 25 |
| BNY Mellon | 43 |
| Capital Group | 30 |
| Commons Asset Management | 47 |
| Daiwa | 19 |
| Eastspring Investments | 35 |
| Fidelity International | 24 |
| Franklin Templeton | 39 |
| Goldman Sachs | 28 |
| HSBC | 36 |
| Invesco | 27 |
| JPMorgan | 33 |
| Manulife | 44 |
| Mirae Asset | 37 |
| MUFG | 18 |
| Nomura | 17 |
| Pictet | 29 |
| PineBridge | 42 |
| Rheos Capital Works | 32 |
| Russell Investments | 46 |
| Schroders | 45 |
| SPARX | 38 |
| State Street | 40 |
| Sumitomo Mitsui FG | 22 |
| Sumitomo Mitsui Trust HD | 23 |
| T. Rowe Price | 31 |
| UBS | 41 |

General Disclosure

"Morningstar" is used throughout this section to refer to Morningstar, Inc., and/or its affiliates, as applicable. Unless otherwise provided in a separate agreement, recipients of this report may only use it in the country in which the Morningstar distributor is based. Unless stated otherwise, the original distributor of the report is Morningstar Research Services LLC, a USA-domiciled financial institution.

This report is for informational purposes only, should not be the sole piece of information used in making an investment decision, and has no regard to the specific investment objectives, financial situation, or particular needs of any specific recipient. This publication is intended to provide information to assist investors in making their own investment decisions, not to provide investment advice to any specific investor. Therefore, investments discussed and recommendations made herein may not be suitable for all investors; recipients must exercise their own independent judgment as to the suitability of such investments and recommendations in the light of their own investment objectives, experience, taxation status, and financial position.

The information, data, analyses, and opinions presented herein are not warranted to be accurate, correct, complete, or timely. Unless otherwise provided in a separate agreement, neither Morningstar, Inc., nor the Research Group represents that the report contents meet all of the presentation and/or disclosure standards applicable in the jurisdiction the recipient is located.

Except as otherwise required by law or provided for in a separate agreement, the analyst, Morningstar, Inc., and the Research Group and their officers, directors, and employees shall not be responsible or liable for any trading decisions, damages, or other losses resulting from, or related to, the information, data, analyses, or opinions within the report. The Research Group encourages recipients of this report to read all relevant issue documents—a prospectus, for example—pertaining to the security concerned, including without limitation, information relevant to its investment objectives, risks, and costs before making an investment decision and, when deemed necessary, to seek the advice of a legal, tax, and/or accounting professional.

The report and its contents are not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country, or other jurisdiction where such distribution, publication, availability, or use would be contrary to law or regulation or that would subject Morningstar, Inc., or its affiliates to any registration or licensing requirements in such jurisdiction.

Where this report is made available in a language other than English and in the case of inconsistencies between the English and translated versions of the report, the English version will control and supersede any ambiguities associated with any part or section of a report that has been issued in a foreign language. Neither the analyst, Morningstar, Inc., nor the Research Group guarantees the accuracy of the translations.

This report may be distributed in certain localities, countries, and/or jurisdictions ("territories") by independent third parties or independent intermediaries and/or distributors ("distributors"). Such distributors are not acting as agents or representatives of the analyst, Morningstar, Inc., or the Research Group. In territories where a distributor distributes our report, the distributor is solely responsible for complying with all applicable regulations, laws, rules, circulars, codes, and guidelines established by local and/or regional regulatory bodies, including laws in connection with the distribution of third-party research reports.

Risk Warning

Please note that investments in securities are subject to market and other risks and there is no assurance or guarantee that the intended investment objectives will be achieved. Past performance of a security may or may not be sustained in future and is no indication of future performance. A security investment return and an investor's principal value will fluctuate so that, when redeemed, an investor's shares may be worth more or less than their original cost.

A security's current investment performance may be lower or higher than the investment performance noted within the report. Morningstar's Uncertainty Rating serves as a useful data point with respect to sensitivity analysis of the assumptions used in our determining a fair value price.

Risk Warning

Please note that investments in securities are subject to market and other risks and there is no assurance or guarantee that the intended investment objectives will be achieved. Past performance of a security may or may not be sustained in future and is no indication of future performance. A security investment return and an investor's principal value will fluctuate so that, when redeemed, an investor's shares may be worth more or less than their original cost.

A security's current investment performance may be lower or higher than the investment performance noted within the report. Morningstar's Uncertainty Rating serves as a useful data point with respect to sensitivity analysis of the assumptions used in our determining a fair value price.

- ▶ Morningstar's overall earnings are generated in part by the activities of the Investment Management and Research groups, and other affiliates, who provide services to product issuers. Morningstar does not receive commissions for providing research and does not charge issuers to be rated.
- ▶ Morningstar employees may not pursue business or employment opportunities outside Morningstar within the investment industry (including, but not limited to, working as a financial planner, an investment professional or investment professional representative, a broker/dealer or broker/dealer agent, a financial writer, reporter, or analyst) without the approval of Morningstar's Legal and, if applicable, Compliance teams.
- ▶ Certain managed investments use an index created by and licensed from Morningstar, Inc. as their tracking index. We mitigate any actual or potential conflicts of interests resulting from that by not producing qualitative analysis on any such managed investment as well as imposing information barriers (both technology and no-technology) where appropriate and monitoring by the compliance department.
- ▶ Neither Morningstar, Inc., nor the Research Group is a market maker or a liquidity provider of the securities noted within this report.
- ▶ Neither Morningstar, Inc., nor the Research Group has been a lead manager or co-lead manager over the previous 12 months of any publicly disclosed offer of financial instruments of the issuer.
- ▶ Morningstar, Inc.'s Investment Management group has arrangements with financial institutions to provide portfolio management/investment advice, some of which an analyst may issue investment research reports on. In addition, the Investment Management group creates and maintains model portfolios whose underlying holdings can include financial products, including securities that may be the subject of this report. However, analysts do not have authority over Morningstar's Investment Management group's business arrangements or allow employees from the Investment Management group to participate or influence the analysis or opinion prepared by them.
- ▶ Morningstar, Inc., is a publicly traded company (ticker: MORN) and thus a financial institution the security of which is the subject of this report may own more than 5% of Morningstar, Inc.'s total outstanding shares. Please access Morningstar, Inc.'s proxy statement, section "Security Ownership of Certain Beneficial Owners and Management," at <https://shareholders.morningstar.com/investor-relations/financials/sec-filings/default.aspx>. A security's holding of Morningstar stock has no bearing on and is not a requirement for which securities Morningstar determines to cover.

Morningstar, Inc. may provide the product issuer or its related entities with services or products for a fee and on an arm's-length basis, including software products and licenses, research and consulting services, data services, licenses to republish our ratings and research in their promotional material, event sponsorship, and website advertising.

Further information on Morningstar's conflict-of-interest policies is available at <http://global.morningstar.com/equitydisclosures>. Please note analysts are subject to the CFA Institute's Code of Ethics and Standards of Professional Conduct.

For a list of securities the Research Group currently covers and provides written analysis on, or for historical analysis of covered securities, including fair value estimates, please contact your local Morningstar office. Morningstar Research methodologies can be found at [Investor Relations | Morningstar, Inc.](#)

For current Morningstar clients, please reach out to your respective Client Success Manager for more information on how you can best leverage this research within your firm. For all others, please reach out to our business development team at dtainsidesales@morningstar.com to learn more about Morningstar's various offerings and more details about how you can leverage this research.

For recipients in Australia: This report has been issued and distributed in Australia by Morningstar Australasia Pty. Ltd. (ABN: 95 090 665 544; ASFL: 240892). Morningstar Australasia Pty. Ltd. is the provider of the general advice ("the service") and takes responsibility for the production of this report. The service is provided through the research of investment products. To the extent the report contains general advice, it has been prepared without reference to an investor's objectives, financial situation, or needs. Investors should consider the advice in light of these matters and, if applicable, the relevant Product Disclosure Statement before making any decision to invest. Refer to our Financial Services Guide for more information at <http://www.morningstar.com.au/s/fsg.pdf>.

For recipients in New Zealand: This report has been issued and distributed by Morningstar Australasia Pty Ltd and/or Morningstar Research Ltd (together "Morningstar"). This report has been prepared and is intended for distribution in New Zealand to wholesale clients only and has not been prepared for use by New Zealand retail clients (as those terms are defined in the Financial Markets Conduct Act 2013).

The information, views, and any recommendations in this material are provided for general information purposes only, and solely relate to the companies and investment opportunities specified within. Our reports do not take into account any particular investor's financial situation, objectives, or appetite for risk, meaning no representation may be implied as to the suitability of any financial product mentioned for any particular investor. We recommend seeking financial advice before making any investment decision.

For recipients in Canada: This research is not prepared subject to Canadian disclosure requirements.

For recipients in Europe: This report is distributed by Morningstar Holland B.V., a wholly owned subsidiary of Morningstar, Inc. Morningstar Holland B.V. is not required to be regulatory by the European Securities and Markets Authority for the provision of investment research data. The analyst/s involved in the creation of the report do not take into account any particular investor's financial situation, objectives, or appetite for risk, meaning no representation may be implied as to the suitability of any financial product mentioned for any particular investor. Registered address: Haaksbergweg 58, 9th Floor, 1101 BZ Amsterdam, North Holland, Netherlands.

For recipients in India: This report is issued by Morningstar Investment Research India Private Limited (formerly known as Morningstar Investment Adviser India Private Limited). Morningstar Investment Research India Private Limited is registered with SEBI as an Investment Adviser (Registration number INA000001357), as a Portfolio Manager (Registration number INP000006156) and as a Research Entity (Registration Number INH000008686). Morningstar Investment Research India Private Limited has not been the subject of any disciplinary action by SEBI or any other legal/regulatory body. Morningstar Investment Research India Private Limited is a wholly owned subsidiary of Morningstar Investment Management LLC. In India, Morningstar Investment Research India Private Limited has one associate, Morningstar India Private Limited, which provides data related services, financial data analysis, and software development. The Research Analyst has not served as an officer, director, or employee of the fund company within the last 12 months, nor has it or its associates engaged in market making activity for the fund company.

For Recipients in Hong Kong: The report is distributed by Morningstar Investment Management Asia Limited, which is regulated by the Hong Kong Securities and Futures Commission to provide investment research and investment advisory services to professional investors only. Neither Morningstar Investment Management Asia Limited, nor its representatives, are acting or will be deemed to be acting as an investment advisor to any recipients of this information unless expressly agreed to by Morningstar Investment Management Asia Limited.

For Recipients in Japan: This report is distributed by Morningstar Japan, Inc. for informational purposes only. Neither Morningstar Japan, Inc. nor its representatives are acting or will be deemed to be acting as an investment advisor to any recipients of this information.

For recipients in Korea: The report is distributed by Morningstar Korea Ltd., which has filed to Financial Supervisory Service, for informational purposes only. Neither Morningstar Korea Ltd., nor its representatives, are acting or will be deemed to be acting as an investment advisor to any recipients of this information.

For recipients in Singapore: This report is distributed by Morningstar Investment Adviser Singapore Pte Limited, which is licensed and regulated by the Monetary Authority of Singapore to provide financial advisory services in Singapore. Recipients of this report should contact their financial advisor in Singapore in relation to this report. Morningstar, Inc., and its affiliates rely on certain exemptions (Financial Advisers Regulations, Section 27(1)(e), Section 32, Band 32C) to provide its investment research to recipients in Singapore.

For recipients in the United Kingdom: This report is distributed by Morningstar UK Ltd, a wholly owned subsidiary of Morningstar, Inc. Morningstar UK Ltd. is not required to be registered nor authorized by the Financial Conduct Authority for the distribution of investment research data. The analyst/s involved in the creation of the report do not take into account any particular investor's financial situation, objectives, or appetite for risk, meaning no representation may be implied as to the suitability of any financial product mentioned for any particular investor. There are information barriers in place between Morningstar UK Ltd and Morningstar regulated entities based in the UK. Registered address: 1 Oliver's Yard 55-71 City Road London EC1Y 1HQ.

About Morningstar Manager Research

Morningstar Manager Research provides independent, fundamental analysis on managed investment strategies. Morningstar views are expressed in the form of Morningstar Medalist Ratings, which are derived through research of three key pillars—People, Process, and Parent. The Morningstar Medalist Rating is the summary expression of Morningstar's forward-looking analysis of investment strategies as offered via specific vehicles using a rating scale of Gold, Silver, Bronze, Neutral, and Negative. A global research team issues detailed research reports on strategies that span vehicle, asset class, and geography.

Medalist Ratings are not statements of fact, nor are they credit or risk ratings, and should not be used as the sole basis for investment decisions. A Medalist Rating is not intended to be nor is a guarantee of future performance.

About Morningstar Manager Research Services

Morningstar Manager Research Services combines the firm's fund research reports, ratings, software, tools, and proprietary data with access to Morningstar's manager research analysts. It complements internal due-diligence functions for institutions such as banks, wealth managers, insurers, sovereign wealth funds, pensions, endowments, and foundations. Morningstar's manager research analysts are employed by various wholly owned subsidiaries of Morningstar, Inc. including but not limited to Morningstar Research Services LLC (USA), Morningstar UK Ltd, and Morningstar Australasia Pty Ltd.

For More Information

For current Morningstar clients, please reach out to your respective Client Success Manager for more information on how you can best leverage this research within your firm.

For all others, please reach out to our business development team at dtainsidesales@morningstar.com to learn more about Morningstar's various offerings and more details about how you can leverage this research.



22 West Washington Street
Chicago, IL 60602 USA

©2025 Morningstar. All Rights Reserved. Unless otherwise provided in a separate agreement, you may use this report only in the country in which its original distributor is based. The information, data, analyses, and opinions presented herein do not constitute investment advice; are provided solely for informational purposes and therefore are not an offer to buy or sell a security; and are not warranted to be correct, complete, or accurate. The opinions expressed are as of the date written and are subject to change without notice. Except as otherwise required by law, Morningstar shall not be responsible for any trading decisions, damages, or other losses resulting from, or related to, the information, data, analyses, or opinions or their use. The information contained herein is the proprietary property of Morningstar and may not be reproduced, in whole or in part, or used in any manner, without the prior written consent of Morningstar. To license the research, call +1 312 696-6000.