

# Code of Professional Conduct

Establishment	April 1, 2013
Amendment	June 1, 2022

Since the codification of the system of Certified Pension Actuaries into law in September 1988 we, the Certified Pension Actuaries, have endeavored, in our capacity as professionals in the field of pension actuarial mathematics, to enhance the skill level and uphold the integrity of the actuarial profession, as well as to maintain and enhance the financial soundness of Employees' Pension Funds, National Pension Funds, and Defined Benefit Corporate Pension Plans by progressively improving pension actuarial services, and to contribute to accounting standards for post-employment benefits.

The increase in the importance of the social mission of pensions is focusing renewed attention on the professional functions of Certified Pension Actuaries and the public benefits involved, and is heightening the expectations of the role to be fulfilled by Certified Pension Actuaries. This Code of Professional Conduct is hereby instituted to respond to these demands by society and to uphold the trust placed in Certified Pension Actuaries as professionals in the field of pension actuarial mathematics.

## Article 1. Purpose

This Code of Professional Conduct stipulates matters to be complied with by full members, associate members, honorary members, and auxiliary members stipulated in paragraph 1 of Article 5 of the Statutes of the Japanese Society of Certified Pension Actuaries ("Member[s]").

## Article 2. Services

The services subject to this Code of Professional Conduct ("Services") shall be as follows:

- (1) Actuarial valuation services and verification services stipulated in laws and regulations for Employees' Pension Funds;
- (2) Actuarial valuation services and verification services stipulated in laws and

regulations for Defined Benefit Corporate Pension Plans;

(3) Actuarial valuation services and verification services stipulated in laws and regulations for National Pension Funds;

(4) Actuarial valuation services concerning post-employment benefits accounting; and

(5) Actuarial valuation services and verification services stipulated in laws and regulations for calculating amount equivalent to Other Plans Contribution for Defined Contribution Pension Plans.

### Article 3. Compliance Obligations

1. A Member shall comply with this Code of Professional Conduct when performing Services.

2. A Member shall be subject to the disciplinary procedures prescribed in the Statutes and the Disciplinary Regulations and, subject to the right of appeal within those rules, shall accept decisions made following formal procedures stipulated in the Statutes and the Disciplinary Regulations or decisions of the appeals panel stipulated in the Disciplinary Regulations.

3. A Member shall be familiar with the current requirements of the Code of Professional Conduct.

### Article 4. Maintenance of Confidence

1. In view of the social mission of Certified Pension Actuaries, a Member shall not act in any way that is detrimental to the integrity of Certified Pension Actuaries or the confidence placed in them.

2. A Member shall act in a manner that upholds the reputation of the actuarial profession.

3. A Member shall not engage in any advertising or business solicitation that the Member knows or should know is false or misleading.

### Article 5. Professional Services

1. A Member shall perform Services impartially and faithfully with the skills and care of an expert professional.

2. A Member shall act in such a way that the Member is able to fulfill duties as an expert professional to the general public and those requesting Services (“Clients”) as well as the Member’s employer.

3. In order to perform Services as an expert professional, a Member shall endeavor to develop professionally by such means as mutual education with

other Members.

#### Article 6. Provision of Services

1. A Member shall perform Services in cooperation with others serving the Member's Clients or employer.
2. A Member shall perform Services only if the Member is competent and appropriately experienced to do so. In addition, the Member shall endeavor to obtain all necessary information to conduct the Services requested.
3. When a Member is asked to take on Services previously provided by another Member, the Member shall consider whether it is appropriate to consult with such other Member to ensure that there are no reasons to decline taking on this new responsibility.
4. A Member shall conduct Services in accordance with the applicable standard of practice in addition to related laws and regulations, the Society's Statutes, and regulations stipulated by the Society.
5. A Member shall take into account all relevant mandatory practice-related guidance issued or endorsed by the Society, and may take into account any nonmandatory practice-related information that is so issued or endorsed.

#### Article 7. Statement of Responsibilities

1. A Member shall, in communicating the outcome of Services, identify the Client for whom the Services are made and the capacity in which the Member serves.
2. A Member shall, in communicating the outcome of Services, show clearly that the Member takes responsibility for such outcome. A Member shall indicate the extent to which the Member or other sources are available to provide the Client or employer with supplementary information and explanations about scope, methods, and data in relation to the Services performed.

#### Article 8. Conflict of Interest

A Member shall not perform Services where the Member is involved in an actual or potential conflict of interest unless the Member's ability to act fairly is unimpaired and there has been full disclosure to the Client and all principals of the actual or potential conflict of interest.

#### Article 9. Confidentiality Obligation

A Member shall not disclose to another party (unless authorized by the Client or required by the Society's disciplinary procedures, but subject to what is required by applicable laws) confidential information (meaning Client information that is not in the public domain and of which the Member becomes aware as a result of providing Services).

#### Article 10. Sources of Compensation

A Member shall disclose to the Client the sources of material compensation or income from any other source that is related to any Services provided for the Client as soon as such a source is identified.

#### Article 11. Ambiguities

1. In the event that ambiguities arise regarding the interpretation of this Code of Professional Conduct or regarding matters not provided for in this Code, a Member may request that the chairman of the Board of Directors of the Society make a decision regarding such ambiguities.
2. In the event of a request of the kind described in the preceding paragraph, the chairman shall consult the relevant committees, and after obtaining their recommendations the chairman shall make a decision based on a resolution of the Board of Directors.