

Compliance Statement

Since the establishment of JASRAC in 1939, we have consistently conducted a music copyright administration business as well as operations that promote music culture, for the purpose of contributing to the dissemination and development of music culture, based on our mission as a public-interest corporation.

Following the enactment of the Law on Management Business of Copyright and Neighboring Rights, the development of the Strategic Program on the Creation, Protection and Exploitation on Intellectual Property, full revision of the Trust Act, sweeping reform of the public-interest corporation system and others, the environment that surrounds us has changed substantially. However, no matter what environment we are placed in, we will dedicate ourselves to conduct our operations in a way that further enhances our credibility in society.

We declare that, based on our responsibility to society, we will further our contribution to the dissemination and development of music culture in Japan, and furthermore, we determine to establish a business operation structure that prioritizes compliance (adherence to laws and social norms), and a Code of Conduct that provides a basis for such structure, for the purpose of contributing to the development of culture and art both at home and abroad.

April 9, 2008

Mamoru Kato
President

Japanese Society for Rights of Authors,
Composers and Publishers

JASRAC Code of Conduct

1. We shall endeavor to disseminate and develop music culture, by protecting the rights of copyright holders of musical works, and facilitating the use of musical works.

- (1) We shall conduct fair and faithful music copyright management operations.
- (2) We shall endeavor to disseminate and develop music culture, by conducting wide-ranging operations which contribute to the promotion of music culture.
- (3) We shall endeavor to prepare an environment in which many people are able to create and enjoy culture and art.
- (4) We shall endeavor to improve the copyright system in coordination with artists and creators' organizations of the various fields.

2. In our relationship with music users, we shall conduct appropriate copyright management operations based on the form and method of the use of copyright works, and endeavor to facilitate the use of copyright works.

- (1) We shall always be aware of trends in the forms and methods of the use of copyright works, recognize the needs of such users, and conduct an appropriate management operation.
- (2) We shall endeavor to lessen the burden of clerical procedures and other burdens in relation to usage licenses.
- (3) We shall respond to inquiries and comments from music users in good faith at all times.
- (4) We shall strictly control personal information and information pertaining to usage licenses of music users.

3. In our relationship with our Members and Trustors, with an appreciation of the importance of the responsibilities entrusted with us as the trustee, we shall perform our operations in accordance with the main purposes of the entrustment, and will take every opportunity to facilitate communication.

- (1) In the management of the copyrights transferred to us and the distribution of copyright royalties, we shall perform our operations with full recognition of the responsibilities of a trustee, such as the duty of due care of a prudent manager,

the duty of loyalty and the duty of segregate management.

- (2) We shall endeavor to facilitate communications through opportunities such as the General Meetings, as well as our newsletters, website, etc.
- (3) We shall, as the trustee, accurately provide the services that are necessary upon the request of our Members and Trustors.
- (4) We shall disclose information to our Members and Trustors in an appropriate manner.

4. In our relationship with our staff, we shall respect their personalities and individualities, and we shall endeavor to build an organization which enables the staff to demonstrate their abilities, and to ensure a working environment which is safe and rewarding.

- (1) We shall endeavor to build an organization in which staff with diverse personalities and individualities can fully demonstrate their abilities.
- (2) We shall assist our staff in their career development and ability development.
- (3) We shall take into consideration the safety and health of our staff, and endeavor to ensure a working environment that is pleasant to work in both mentally and physically.
- (4) We shall facilitate communication with our staff.

5. In our relationship with society, we shall endeavor to transmit information at appropriate times, attaching importance to communication with society. On the other hand, we shall maintain healthy and appropriate relations with political and government entities, and resolutely deal with antisocial forces and organizations that threaten social order and safety. We shall also participate in activities contributing to society and environmental conservation.

- (1) We shall actively facilitate communication with society through our public relations and other activities.
- (2) We shall transmit information beneficial to society at appropriate times through our website and other channels.
- (3) We shall maintain highly transparent and appropriate relations with political and government entities.
- (4) We shall deal with the activities of antisocial forces and organizations in

cooperation with the police and others. Furthermore, we shall participate in the removal of such forces and organizations in cooperation with fellow organizations and local communities.

(5) With awareness that we are a member of our local community, we shall endeavor to interact with the local community.

(6) With recognition that environmental issues are a common theme for all of humanity, we shall endeavor to efficiently utilize and recycle resources and energy.

6. In our relationship with international copyright organizations, foreign copyright management organizations, etc., we shall not only abide by international rules, but also respect the culture and customs of the partner country, and give priority to contributing to each other's development.

(1) We shall develop relationships of mutual trust with international copyright organizations, foreign copyright management organizations and other entities through active communication.

(2) We shall further collaborate with international copyright organizations, foreign copyright management organizations and other entities to cooperate in the improvement of copyright protection and our administration systems.

7. In our daily business, we shall conduct our operations in adherence to laws and ordinances, social norms, as well as the rules and stipulations of the Society.

(1) We shall conduct our operations appropriately in adherence with the Copyright Law of Japan, the laws related to the Public-Interest Corporation system, the Trust Act, the Law on Management Business of Copyright and Neighboring Rights, the Anti-Monopoly Act and other laws and ordinances, social norms and other rules.

(2) We shall put in place an organizational structure and rules of the Society which shall serve as the basis for the fair and just conduct of our operations, as well as the protection of important business, personal, and other information.

(3) We shall maintain fair and transparent relations with our business clients.

(4) We shall strictly abstain from any exchange of gifts or entertainment for the purpose of acquiring undue profit or convenience.

8. Executive directors shall recognize as their role the realization of a compliance system, and shall put in place a highly effective organizational structure, as well as strive to disseminate the compliance system throughout the Society.

- (1) Executive directors shall exhibit the utmost level of leadership to disseminate and establish the compliance system throughout the Society.
- (2) Executive directors shall declare externally our compliance efforts through the publication of the Compliance Statement and this Code of Conduct.
- (3) Executive directors shall establish an organizational structure which will disseminate and establish the compliance system throughout the Society.
- (4) Executive directors shall put in place an internal reporting system to protect whistleblowers.
- (5) Executive directors shall continually conduct education and training with regard to compliance.
- (6) Executive directors shall continually verify and assess the dissemination and establishment of compliance.

9. Executive directors shall, if a situation arises which is in violation of this Code of Conduct, take the initiative to resolve the issue, and endeavor to investigate the causes and take preventive measures. Executive directors shall also conduct expedient and precise disclosure of information, and demonstrate accountability, and also impose strict reprimands where appropriate, including one self.

- (1) Executive directors shall endeavor to prevent situations that violate this Code of Conduct.
- (2) Executive directors shall, should situations arise that violate this Code of Conduct, promptly resolve issues and investigate the causes, and initiate appropriate measures to prevent reoccurrences.
- (3) Executive directors shall, should situations arise that violate this Code of Conduct, expediently disclose necessary information and provide explanations to society.
- (4) Executive directors shall, should situations arise that violate this Code of Conduct, and with clear accountability, conduct strict reprimands.