

## Compliance system

### Compliance Structure

The Company has designated the Group Risk Management Division to oversee compliance and manage the status of compliance for the entire Group.

Every fiscal year, the division formulates a Group Compliance Program, a concrete action plan for compliance, and conducts appropriate compliance risk management for the entire Group.

In addition, the Group Risk Compliance Meeting and the Group Risk Compliance Committee hold meetings regularly and as needed, to confirm that the Group is properly practicing compliance, and to deliberate and give instructions regarding the compliance system. The Group Risk Compliance Committee reports to the Board of Directors on the content of their deliberations.

### Internal Reporting System

The Company has established a whistleblowing system for the entire Group. In order to detect and correct compliance violations early on, the Company and other Group companies have each set up whistleblowing contact points.

In addition to internal contact points, we are working to enhance and improve our whistleblowing system via designated external lawyers as contact points for reporting and consultation.

We have appointed a Chief Whistleblowing Officer as the general manager of the whistleblowing system, and are working to raise awareness of the whistleblowing system among officers and employees throughout the Group, while engaging in efforts to enhance the system.

In line with revisions to the Whistleblower Protection Act, we are also developing internal regulations to make it easier for officers and employees to use the internal reporting system.

### Customer Protection

The Company has established a Group-wide “Customer Protection Management Policy,” and is striving to protect customers and improve convenience for the whole Group. The Juroku Bank and Juroku TT Securities have planned and announced a “Customer-oriented Business Operation Policy,” and are working to further improve the quality of their products and services from a customer-oriented perspective.

The “Customer Protection Management Policy” is aimed at protecting customers and improving convenience through the following measures.

- (1) Giving appropriate explanations and providing information on products and services to customers
- (2) Appropriately handling customer requests, consultations, inquiries, complaints, etc.
- (3) Appropriately managing customer information
- (4) Appropriately managing outsourced business
- (5) Appropriately managing conflicts of interest in order to prevent unduly infringement on the interests of customers

### Designated dispute resolution organization

The Juroku Bank has concluded a basic agreement for the execution of procedures with the following designated dispute resolution organization. By involving a neutral and fair third-party

organization, we are appropriately responding to the financial ADR system, which are procedures intended for simple and swift dispute resolution without resorting to litigation.

## Customer Information Management

The Company recognizes the secure management of customer information as one of its most important issues.

We are fully aware of various risks such as leakage and loss of information to external parties with regard to customer information acquired by each group company. As such, we have established the “Information Security Management Rules” to ensure proper handling of customer information, and also disclose a

“Personal Information Protection Policy” (Privacy Policy).

Based on these regulations, we have appointed a Chief Information Officer as the general manager of the protection of information assets, and designated responsible divisions according to the type of information assets, as efforts to protect information assets more effectively.

## Initiatives to Prevent Money Laundering, etc.

There is a growing threat of international terrorism, and fund transfers by criminal organizations and terrorists are spreading and becoming international. As such, there is stronger international demand for financial institutions to prevent money laundering and financing of terrorism.

### ■ Risk management system

We have positioned the prevention of money laundering and financing of terrorism as a top management issue, and we have built an effective risk management system and are working to further enhance it.

### ■ Risk assessment documents

We identify and assess risks we are facing associated with money laundering and financing of terrorism, and plan “documents prepared by specified companies (risk assessment documents),” in order to implement mitigation measures commensurate with the risks.

### ■ Training for officers and employees

We continuously implement training for officers and employees, so that they can gain deeper knowledge and understanding regarding measures against money laundering and financing of terrorism, and improve their expertise and adaptability according to the roles of various divisions.

### ■ Audits on compliance status

The Audit Division conducts internal audits from an independent perspective on a regular basis and as necessary. Based on the results of these audits, we strive to further improve our systems.

## Stakeholder Engagement

The Group emphasizes engagement with all stakeholders. We have progressed from taking action “for” our stakeholders to acting “with” them.

In our “Group management philosophy,” we set the “Engagement Cycle” as our Code of Conduct, with the aim of taking on the challenges faced by our customers and local communities, and resolving them together.