

Basic Policies for Anti-Money Laundering, etc.

The Iyogin group (hereinafter “the Group”) positions the prevention of money laundering, financing of terrorism, proliferation financing, and other breach of sanctions (hereinafter “Money Laundering, etc.”) as an important management issue, taking into consideration the fact that this is a key responsibility of the Group as a financial group with a public mission, and hereby declares that as we execute business operations, we will establish internal management systems aimed at preventing Money Laundering, etc.

1. Organizational Response

- (1) The Board of Directors recognizes and understands the importance of countermeasures to prevent Money Laundering, etc., and shall take the initiative in focusing on such countermeasures.
- (2) The Group shall determine persons responsible for countermeasures to prevent Money Laundering, etc., and a department for the oversight thereof, thus establishing centralized management systems, and the Group as a whole shall tackle Money Laundering, etc., in a cross-organizational manner, based on cooperation between related departments.

2. Risk Management

- (1) The Group shall execute appropriate risk management based on a risk-based approach, including by effectively utilizing IT systems and various types of data to identify and evaluate risks related to Money Laundering, etc. and implement risk mitigation measures for each type of risk.
- (2) In bank transactions, the Group shall establish systems for preventing Money Laundering, etc., by implementing appropriate confirmation measures, etc., for foreign remittances ordered and received, export and import transactions, ship financing, and other types of transaction with overseas. The Group shall also implement appropriate transaction monitoring and screening, and establish systems for accurately detecting, monitoring, and analyzing suspicious customers and transactions.

3. Compliance with Laws and Regulations, etc., and Appropriate Customer Due Diligence Measures

The Group shall comply with various laws and regulations, etc., related to the prevention of Money Laundering, etc., and shall appropriately implement identification and verification at the time of transactions, and other necessary customer due diligence measures.

4. Suspicious Transaction Reporting and Preventive Measures Against Breach of Sanctions

Pursuant to various laws and regulations, etc., the Group shall report suspicious transactions and appropriately implement preventive measures against breach of sanctions.

5. Correspondent Bank Management

In bank transactions, the Group shall conduct regular investigations of correspondent banks, in order to verify and monitor their systems for preventing Money Laundering, etc. In addition, the Group shall not enter into or maintain correspondent banking arrangements if a correspondent bank is a shell bank, or permits transactions with shell banks.

6. Conducting Training, etc.

The Group shall conduct necessary and appropriate training, etc., for all officers and employees, in accordance with their roles, on an ongoing basis, and the Group as a whole shall take steps to enhance understanding of countermeasures to prevent Money Laundering, etc., and maintain and enhance expertise and qualifications.

7. Anti-bribery and Anti-corruption

The Group shall strive to ensure that all officers and employees acquire a high level of professional ethics, and shall prohibit bribery as well as entertainment and gift-giving, etc. that exceed a level considered reasonable under the generally accepted view by society in accordance with the purport of various laws and regulations, etc.

8. Evaluation and Improvement of Effectiveness, etc.

The Group shall regularly evaluate the effectiveness and validity of all initiatives related to the prevention of Money Laundering, etc., and take steps to strengthen the system by making improvements as necessary, including a review of management systems.