

Client Protection Management

1. Basic Initiative Policy

Amid growing number of financial products with ever more complex mechanisms and unique characteristics, there is a strong need for financial institutions to properly and fully explain to clients the mechanisms and risks of those products and gain their understanding. It is also increasingly important that financial institutions appropriately respond to complaints and requests from clients and properly manage client information.

Under such conditions, the SuMi TRUST Group positions client protection as one of its most important management issues. To meet client expectations of and trust in the SuMi TRUST Group, SuMi TRUST Holdings established the basic policy in its Client Protection Management Rules to enable each group company to enhance client protection and convenience.

A checking system and promotion system are also developed, so the SuMi TRUST Group complies with these and carries out sincere and fair company activities. By developing these systems, the SuMi TRUST Group is promoting various initiatives to address issues and problem points and to enable appropriate action based on self-discipline.

SuMi TRUST Bank and other subsidiaries develop appropriate client protection management systems in accordance with the characteristics of their own operations, based on the basic policy established by SuMi TRUST Holdings.

2. Outline of Initiatives

(1) Management of Accountability to Clients

In providing financial products and services to clients, SuMi TRUST Holdings considers the client's knowledge, experience, assets situation and purpose of their transactions, and provides appropriate and sufficient explanations to obtain the client's understanding and consent.

SuMi TRUST Holdings does not use its dominant bargaining position in transactions with clients, for acts which harm client interests. Nor does it provide explanations which might be mistakenly considered as an abuse of the dominant bargaining position.

(2) Client Support Management

SuMi TRUST Holdings quickly responds to inquiries and complaints from clients in a sincere manner, aiming to resolve them by obtaining the client's understanding and consent as much as possible. It also works to recognize and analyze the causes of such inquiries and complaints in order to improve the operations.

(3) Client Information Management

SuMi TRUST Holdings appropriately manages client information, and when using client information jointly in the SuMi TRUST Group, SuMi TRUST Holdings complies with laws on personal information protection, guidelines on personal information protection in the financial industry, and other related laws and regulations so as to ensure appropriate use of such information.

(4) Outsourcing Management

When outsourcing its operations, SuMi TRUST Holdings carries out appropriate management, such as selection and monitoring of outsourced contractors, to ensure proper performance of operations as well as appropriate handling of clients, including appropriate management of client information.

(5) Conflict of Interest Management

The SuMi TRUST Group, in order to avoid unfairly impairing the interests of clients, manages and carries out operations properly in accordance with laws and regulations, as well as SuMi TRUST Group's Conflict of Interest Management Rules. Thus, it works to gain greater trust from clients and society.

In order to properly manage conflict of interest, SuMi TRUST Holdings has established the Compliance Department that is responsible for such management for the whole group, and has assigned General Manager of the Compliance Department as a supervisor in charge of such management. SuMi TRUST Holdings has thus developed a system to properly perform the management of conflict of interest for the whole SuMi TRUST Group, and verify the effectiveness of the system periodically and appropriately to continually improve it. It also provides periodic training and education in the SuMi TRUST Group and keeps executives and employees informed on the identification and management of transactions with the risk of conflict of interest.