

Compliance

The Group strongly recognizes that the trust and confidence of its customers and society are the cornerstones of its existence and considers it of utmost importance to engage in corporate activities based on a high sense of mission and ethics in order to practice Our Mission and achieve Our 10-year Vision. From this perspective, in order to share fundamental values and ethics for compliance and reflect them in business, we have established the Mitsubishi HC Capital Group Code of Ethics and Conduct and various policies related to compliance as guidelines for Group officers and employees.



Compliance management framework

Our Chief Compliance Officer (CCO) supervises the Group’s compliance management framework. Under the leadership of the CCO, the Legal & Compliance Department plans and manages the internal framework and provides guidance and supervision to each division and Group company, as well as guidance on the correction of compliance violations. In the event that a compliance violation is brought to light, our basic response policy is for the Legal & Compliance Department to ensure prompt reporting to management, the fulfilling of corporate social responsibility, and the prevention of further harm and recurrences.

Compliance management framework



Compliance efforts

To ensure compliance with the Code of Ethics and Conduct, we have prepared a compliance manual with more specific and easy-to-understand explanations, which is available on the Company intranet for all Group officers and employees to access at any time for ongoing education. Furthermore, we continuously conduct integrity training to share the importance of integrity (maintain the highest standards of ethics and constantly return to the basics), which is an Action Principle of our Group, with all Group officers and employees.

Compliance-related awareness and education

With regard to the various business laws for which the Group is registered and licensed, the Company provides individual training and measures the level of understanding. In addition, the Group provides yearly education on the Code of Ethics and Conduct and other priority items related to compliance and anti-corruption. In addition to training, we conduct periodic monitoring using compliance awareness surveys and self-checks to measure the level of understanding and confirm that understanding has penetrated throughout the Company.

Main education content	• Various business laws	Money Lending Business Act, Installment Sales Act, Financial Instruments and Exchange Act, etc.
	• Priority items related to compliance and anti-corruption	Anti-bribery, compliance with antitrust laws, prevention of fraud, prevention of insider trading, prevention of transactions with anti-social forces, prevention of money laundering, personal information protection, the Whistleblower Protection Act, security export control, understanding of anti-harassment, etc.

Compliance

Whistleblowing system

The Group has set up a compliance hotline system as a whistleblowing system for officers, employees, etc. to report and consult about misconduct and related issues (any real or suspected violation of laws, regulations, internal rules, or the Code of Ethics by officers, employees, etc. including corruption).

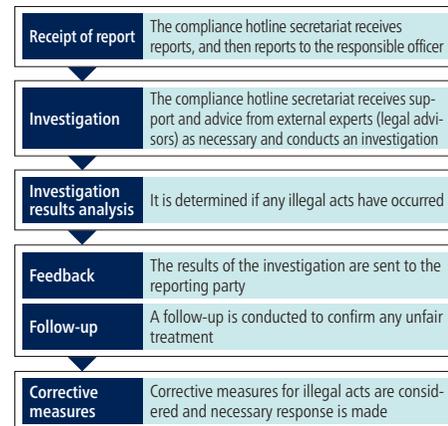
The compliance hotline system provides multiple points of contact within and outside the Company where officers, employees, etc. (including those already retired) can report and consult without hesitation and may do so anonymously. Departments and persons in charge that receive reports and consultations are obligated to maintain confidentiality, and officers and employees who report or consult about misconduct or related issues shall receive no disadvantageous treatment whatsoever due to such reporting or consulting.

What can be reported or consulted

Any of the following acts engaged in by officers, employees, etc. in violation or suspected of being in violation of laws, regulations, internal rules, or the Code of Ethics:

- Acts affecting the protection of customer interests
- Acts impacting the protection of the environment
- Acts affecting fair competition, such as violations of antitrust laws
- Acts related to provision of bribes or other illegal benefits to government officials and the like both in Japan and overseas
- Other inappropriate acts in violation of laws, regulations, rules, or social justice

Response after receiving a report/consultation



In the event that a compliance violation is brought to light through a hotline or other means, we ensure prompt reporting to management, the fulfillment of corporate social responsibility, and the prevention of further harm and recurrences. In addition, after analyzing the content of hotline reports, we strive to deepen employee education and foster compliance awareness.

Principles for Money-Laundering Prevention

The Group has established the Principles for Money-Laundering Prevention and is striving to enhance its structure and system to prevent money-laundering and terrorist financing and eliminate any trade relationship with persons (individuals and entities) subject to sanctions, which violates economic sanctions of the United Nations, international organizations, and individual countries.

 Please visit our website for details of the Principles for Money-Laundering Prevention.

TOPICS

Integrity training in our Group

The Group has practiced Our Mission and is promoting various initiatives speedily from new perspectives, not simply staying on conventional paths, for the achievement of Our 10-year Vision.

In this process, in order for officers, employees, etc., to make right decisions and take right actions, we need to share with the Group's officers and employees that it is important to behave based on integrity (maintain the highest standards of ethics and constantly return to the basics), not just ensuring compliance. Therefore, we continuously conduct integrity training (for conduct risk and workplace bullying), in which employees consider what integrity is, what they should do to practice integrity, etc. as their own issues through discussions on actual cases occurred in the Company.

