

## System for Customer Protection and Finance Facilitation

The Bank works proactively to improve customer protection and convenience, while providing customers with appropriate and adequate explanations from a perspective of finance facilitation, such as management consultation, instruction and so forth.

The Bank facilitates lending and management improvement/business restructuring services in the region, working actively to provide detailed service based on a sufficient understanding of the facts and characteristics of customers and to facilitate finance.

### Consultation and Complaint System

Our systems respond appropriately to customers' consultation requests and complaints, and we listen carefully to customers' feedback and requests to make improvements.

At the same time, we have put into place a system for solving problems that arise in consultations about complaints, such as those related to changes in loan terms and conditions.

We aim to further improve our reception framework so that corporate customers and individual business owners, as well as customers who have taken out home loans, can easily consult with the Bank of Kyoto about new funding needs or existing banking relationships.

In the event that a customer is not satisfied with our proposed solution for their complaint, we also have a financial ADR (Alternative Dispute Resolution) system for resolving disputes from a fair and neutral standpoint.

With respect to the financial ADR system, we aim to respond quickly, fairly and appropriately to customers' complaints, and by entering basic agreements for procedural execution with the Japanese Bankers Association and the Trust Companies Association of Japan, which are designated dispute resolution organizations.

## System for Anti-Money Laundering/Countering the Financing of Terrorism

In recent years, there have been mounting calls worldwide regarding Anti-Money Laundering/Countering the Financing of Terrorism (AML/CFT), particularly amid ongoing globalization. The Bank has acknowledged AML/CFT as a critical management issue for ensuring business adequacy, and is strengthening related systems.

Specifically, the Bank has created the Anti-Money Laundering/Countering the Financing of Terrorism Committee, headed by the manager in charge of preventing money laundering, to centrally manage and directly respond to

problems related to AML/CFT measures.

To take action in this regard, the Bank has positioned its Risk Management Division as the organization in charge of AML/CFT measures by working with other divisions in terms of identifying and assessing AML/CFT risks currently faced by the Bank, and then putting in place measures to mitigate these risks.

As a basic policy for AML/CFT, the Bank has created and publicly released its Anti-Money Laundering/Countering the Financing of Terrorism Policy.

### Anti-Money Laundering/Countering the Financing of Terrorism Policy

The Bank of Kyoto Group establishes the governance structure and sets the policies, procedures and approaches in order to comply with all legal and regulatory requirements and obligations to implement appropriate Anti-Money Laundering/Countering the Financing of Terrorism (AML/CFT) measures for ensuring business adequacy.

1. Management Policy
2. Organizational Framework
3. Risk-Based Approach
4. Customer Due Diligence
5. Sanctions and Asset Freezing
6. Reporting of Suspicious Transactions
7. Correspondent Banking Due Diligence
8. Training
9. Monitoring and Testing