

Anti-Money Laundering and Counter Financing of Terrorism Policy

The Resona Group is a financial group comprising Resona Bank, Limited, Saitama Resona Bank, Limited, and Kansai Mirai Financial Group, Inc. controlled by Resona Holdings, Inc., a financial holding company.

To enlarge the trust from its customers and the public, Saitama Resona Bank is strongly aware of the social responsibilities and public mission of financial institutions and defines compliance as the strict observance not only of laws and regulations but also social norms. Therefore, Saitama Resona Bank positions compliance as a key management issue and is working to implement effectively and enhance the compliance systems of Saitama Resona Bank as a whole.

To fulfil this commitment, Saitama Resona Bank has Anti-Money Laundering (“AML”) and Counter Financing of Terrorism (“CFT”) policies and procedures in place to comply with applicable laws, rules and regulations.

1 Organizational Structure

Saitama Resona Bank’s Board of Directors has responsibility for establishing effective management system to prevent money laundering and counter the financing of terrorist activities.

In order to prevent money laundering and counter the financing of terrorist activities, Saitama Resona Bank has appointed a Chief Anti Money Laundering Officer and established the Anti Money Laundering Group (the “AMLG”) within the Compliance Division.

The AMLG, which plays a key role in managing the AML/CFT program and establishing the AML/CFT policies and procedures, reports to Saitama Resona Bank’s Board of Directors.

2 Risk Identification, Assessment, and mitigation

Saitama Resona Bank identifies, assesses, and mitigates the risk of money laundering and the financing of terrorist activities at Saitama Resona Bank in an appropriate and timely manner under a risk-based approach.

3 Customer Due Diligence

Saitama Resona Bank conducts customer identification and customer due diligence commensurate with the risk of customers, including, where necessary, identification of beneficial ownership.

In addition to conducting customer due diligence as part of the onboarding process for new customers, Saitama Resona Bank conducts ongoing customer due diligence in the course of ongoing customers relationships where necessary.

Saitama Resona Bank makes efforts to exclude transactions with inappropriate customers such as those who use a false identity in the course of customer due diligence.

4 Transaction Monitoring

Saitama Resona Bank conducts transaction monitoring to prevent money laundering and counter the financing of terrorist activities.

5 Suspicious Activity Report (SAR)

Saitama Resona Bank appropriately handles and escalates “suspicious activity report” detected through transaction monitoring within Saitama Resona Bank.

Saitama Resona Bank promptly files “suspicious activity report” detected through transaction monitoring to the authorities.

6 Sanctions and Freezing Asset

Saitama Resona Bank understands the intent of applicable laws, rules and regulations concerning sanctions, and all directors and employees of Saitama Resona Bank comply with relevant policies and procedures promulgated by Saitama Resona Bank.

Saitama Resona Bank screens customers and transactions against applicable sanctions lists.

Saitama Resona Bank implements asset-freezing measures in respect of entities and individuals designated by the authorities, pursuant to applicable laws, rules and regulations concerning asset freezing.

7 Anti-Bribery & Corruption

Saitama Resona Bank understands the purpose of applicable laws, rules and regulations concerning Anti-Bribery & Corruption, and all directors and employees of Saitama Resona Bank comply with relevant policies and procedures promulgated by Saitama Resona Bank.

8 Correspondent Banking and Shell Bank

Saitama Resona Bank appropriately collects and analyzes information regarding correspondent banks, and implements appropriate risk controls in accordance with the risk of correspondent banks where necessary.

Saitama Resona Bank prohibits the establishment of relationships with shell banks.

9 Training

Saitama Resona Bank conducts regular trainings for all directors and employees in order to ensure understanding and importance of Saitama Resona Bank's AML/CFT policies and procedures and relevant laws, rules and regulations.

10 Record Keeping

Saitama Resona Bank has record keeping policies and procedures in place in accordance with applicable laws, rules and regulations.

11 IT Systems

Saitama Resona Bank makes effective use of IT systems to prevent money laundering and counter the financing of terrorist activities.

12 Data Governance

Saitama Resona Bank collects, stores and manages the necessary data properly to prevent money laundering and terrorist financing.

13 Audit

In order to ensure the effectiveness of management system to prevent money laundering and counter the financing of terrorist activities, independent auditors conduct monitoring of compliance status of Saitama Resona Bank's AML/CFT policies and procedures and applicable laws, rules and regulations within Saitama Resona Bank.