

- (2) Provide a system to store and manage information with respect to the execution of the duties of each director of the Bank.
  - Information with respect to the execution of the duties of each director of the Bank shall be properly stored and managed based on in-house rules prescribing procedures such as document filing/storage (including electromagnetic records), storage periods, and disposal rules.
- (3) Provide rules and other systems for risk management against losses by the Bank.
  - The board of directors shall position risk management as the top-priority issue for management, develop a system for accurately ascertaining risks and carrying out proper management/operations, and strive to improve the soundness of assets and stability of earnings.
  - Establish an ALM Committee, Operational Risk Management Committee, and other groups as organizations for cross-departmental discussion and decision-making relating to various risks, and discuss and evaluate important matters relating to risk.
  - To minimize the damage and impact in an emergency situation, such as a large-scale natural disaster or a major system failure, establish an Emergency Response Manual (Contingency Plan), and put in place a crisis management system during ordinary times.
- (4) Provide a system to ensure that each director of the Bank executes their duties efficiently.
  - The board of directors shall decide important matters relating to management of the Bank and execution of duties, and shall supervise proper and efficient execution of duties by directors.
  - The board of directors shall establish rules on matters such as management organization, office organization, division of duties, and responsibilities/authority, clarify the chain of command of the Bank, establish a system for taking responsibility, and efficiently carry out duties.
- (5) Provide a system to ensure propriety of the following systems and other operations in the Bank group.
  1. Provide a system to ensure that all directors and employees of subsidiaries of the Bank execute all duties of the Bank in accordance with the law and the articles of incorporation of the Bank.
  2. Provide a system for reporting matters relating to the execution of duties by directors of the Bank's subsidiaries.
  3. Provide a system for risk management against losses by subsidiaries of the Bank.
  4. Provide a system to ensure that all directors of subsidiaries of the Bank execute their duties efficiently.
    - The Compliance Code of Conduct established by the Bank shall be the basis for the approach to compliance of the Bank's entire group, and shall be made known to all directors and employees of subsidiaries of the Bank.
    - The Bank shall receive from subsidiaries reports on certain matters relating to the execution of duties prescribed by in-house rules.
- Auditors and the Internal Audit Department shall audit the compliance and risk management situation at subsidiaries, within the scope that does not contravene laws and regulations, and shall verify the effectiveness and propriety of work.
- The supervising department for work at subsidiaries shall be the General Affairs Department, and the director in charge of the General Affairs Department shall provide overall management, while striving for information sharing and collaboration within the scope that does not contravene laws and regulations.
- (6) Establish provisions regarding personnel when requested to be assigned to assist auditors of the Bank in performing their duties, and provisions to ensure the independence from directors' influence of said personnel and the effectiveness of auditors' instructions with respect to said personnel.
  - To ensure the effectiveness of auditing work, auditors can request assignment of assisting employees. Also, independence from directors shall be ensured for employees assisting auditors in performing their duties.
  - Employees assisting auditors in performing their duties shall follow the instructions of auditors relating to their work, and shall not receive instructions from directors.
- (7) Provide a system by which directors and personnel of the Bank and directors and employees of subsidiaries, or persons who have received reports from said persons, can report to auditors, and other systems for reporting to auditors.
  - Directors and employees of the Bank and subsidiaries shall be able to report directly to auditors if a matter has been recognized to have a major impact on management, and the Internal Audit Department shall promptly report the results of internal auditing to auditors.
- (8) Provide a system to ensure that persons who make reports described in the previous item are not subject to unfair treatment as a result of making a report.
  - If a person has made such a report and for that reason been treated unfairly, there shall be strict punishment in accordance with in-house rules.
- (9) Establish provisions for policies regarding procedures for prepayment or reimbursement of costs that arise due to the execution of duties by auditors of the Bank, and for handling other costs or financial obligations that arise due to the execution of other pertinent work.
  - If auditors make a request for prepayment or reimbursement of auditing expenses, the costs or financial obligations shall be handled promptly, unless the costs or financial obligations involved in the request are deemed to be unnecessary for execution of the duties.
- (10) Provide a system to otherwise ensure the effectiveness of auditors of the Bank performing an audit.
  - Auditors shall attend the board of directors and other important meetings, and shall conduct a proper and effective audit through collaboration with directors, accounting auditors, the Internal Audit Department, and other relevant personnel.

## Privacy Policy Declaration

### Privacy Policy

At the Osaka City Shinkin Bank, the trust of our customers is our first priority. Therefore, we manage our customers' personal information with the most rigorous care and a strict commitment to privacy.

We take every precaution to ensure that the personal information we maintain is kept accurate and held in the strictest confidence.

#### I. Personal information

"Personal information" in this privacy policy refers to any information that can be used to identify a specific individual, such as name, address, date of birth or telephone number.

#### 2. Compliance

The Bank strictly complies with the Act on the Protection of Personal Information (Act No. 57 of May 30, 2003), the Act on the Use of Numbers to Identify a Specific Individual in the Administrative Procedure (Act No. 27 of May 31, 2013), Guidelines for the Protection of Personal Information in the Financial Sector and other related laws and regulations pertaining to the protection of personal information. The Bank is also committed to the constant improvement of its privacy policy, to better protect its customers' personal information.