

Conflict of Interest Management Policy

Established: June 1, 2009

Revised: April 1, 2018

Mita Securities Co., Ltd.

In accordance with the regulations of the Financial Instruments and Exchange Act, Article 36, Paragraph 2, Mita Securities Co., Ltd. (hereinafter referred to as "the Company") will establish this conflict of interest management policy, in order to manage transactions appropriately that may unfairly harm the interests of the Company's client (hereinafter referred to as "the Client"), and monitor this implementation properly.

1. Conflict of Interest

Conflict of interest means a situation in which the interests between the Client and the Company, or the interests among multiple Clients to whom the Company has obligations compete or conflict each other. These conflicts of interest arise due to the diversification of services provided by financial institutions and financial transactions. Considering this situation, the Company will build an appropriate business management system and compliance system to prevent adverse effects by conflicts of interest within the Company.

2. Types of Subjected Transactions

The Company will categorize transactions that may unfairly harm the interests of the Client in connection with the Company (hereinafter referred to as "Subjected Transactions") as follows and manage them appropriately.

Type (1) Proprietary-Trading Type

Transactions with the Client to be protected.

[Transaction example]

- In case of the Company recommends or sells securities held in its proprietary account to the Client.
- In case of the Company's proprietary-dealing department is involved with the transactions of securities for which the Company receives a purchase or sale order from the Client, or the transactions of securities for which the Company knows the intention to trade related to the Client's consignment order.

- In case of the Company recommends or sells securities issued or formed by the Company or a person who has a common interest with the Company to the Client.

Type (2) Two-way Representation

Transactions that stand on the side of the Client's counterparty to be protected.

[Transaction example]

- In case of the M&A transactions contracted by both the seller and the buyer.
- In case of the Company recommends securities transactions to the Client while advising on underwriting or issuing the same securities to other clients.

Type (3) Competitive Transaction Type

Transactions with the Client's counterparties that compete with the Client to be protected.

[Transaction example]

- In case of the Company provides advice regarding M&A or funding transactions to multiple clients with whom the Company is in a competitive or rivalry relationship.

Type (4) Information Use Type

Transactions in which the Company obtains profits using non-public information of the Client to be protected.

[Transaction example]

- In case of the Company executes proprietary transactions of securities while the Company is aware of the potential information of the Client related to the securities.

Type (5) Other Transactions

Transactions do not conform to the categories (1) to (4) above and may cause a conflict of interest, etc.

[Transaction example]

- In case of the Company's employees receiving the service of gift-giving and entertainment (including non-monetary gifts) which may have an impact that conflicts with the interests of the Client.

3. Methods of Subjected Transactions Management

Regarding subjected transactions, the Company will manage the information so that it does not unfairly harm the interests of the Client in accordance with the following management methods are selected or combined according to their characteristics.

- (1) Information blockade between departments by setting up information barriers
- (2) Obtaining the Client's consent or disclosing to the Client the status of the conflict of interest
- (3) Change or discontinuation of the terms or methods of the Subjected Transactions
- (4) Terms and conditions of transactions with the Client whose interests may be harmed by the subjected transactions with the other party or change or discontinuation of the method
- (5) Monitoring of information sharing parties
- (6) Other methods that the Company deems appropriate

4. Establishment of a management system

- (1) Conflict of Interest Management Supervisor

The Company appoints the Chief Internal Control Officer as the Conflict of Interest Management Supervisor. In accordance with this conflict of interest management policy and internal rules, the person shall control the system for managing conflicts of interest.

- (2) Conflict of Interest Management Department

The Company's Compliance Department (hereinafter referred to as "the Department") is responsible for managing conflicts of interest. The Department aggregates necessary information for conflict of interest management under the direction of the Conflict of Interest Management Supervisor, and establish a conflict management system, also operate it appropriately. In addition, through training, etc., the Department will thoroughly inform a conflict of interest management system within the Company.

5. Improvements Through Verification

Based on the results of the verification of the effectiveness and appropriateness of conflict of interest management conducted by the Company's Audit Department, the Company will strive for continuous improvement. In addition, regarding the identification and categorization of the Subjected Transactions, the Company shall review periodically and as necessary.

6. The Company subjects to conflict of Interest management

Mita Securities Co., Ltd.
