

CORRESPONDENCE TABLE
WITH THE FINANCIAL SERVICES AGENCY'S "PRINCIPLES FOR CUSTOMER-ORIENTED BUSINESS CONDUCT"

Name of Financial Company		ORIX Real Estate Investment Advisors Corporation		
■ URL of the pages describing the Policy of Commitment		https://www.orix.co.jp/oria/en/customer/		
■ URL of the pages describing the Status of Commitment		https://www.orix.co.jp/oria/en/customerstatus/		
Principle		Implemented, or Not	Corresponding part of the Policy of Commitment	Corresponding part of the Status of Commitment
Principle2	[Pursuit of Customers' Best Interest] A financial company should maintain a high degree of expertise and occupational ethics, fairly and faithfully engage in its business with customers and pursue customers' best interest. A financial company should endeavor so that such business operation may be established as its corporate culture.	Impl.	Basic Policy for Customer-Oriented Business Conduct 2: Pursuit of Customers' Best Interest	Status of Commitment to Basic Policies 2: Pursuit of Customers' Best Interest
	(Note) In performing transactions with customers, a financial company should aim to secure its stable customer base and profit level through providing customer-oriented high-quality services and pursuing customers' best interest.	Impl.	Basic Policy for Customer-Oriented Business Conduct 2: Pursuit of Customers' Best Interest	Status of Commitment to Basic Policies 2: Pursuit of Customers' Best Interest
Principle3	[Appropriate Management of Conflicts of Interest] A financial company should correctly grasp the possibility of conflicts of interest with customers in transactions and, if there is such possibility, appropriately manage such conflicts of interest. A financial company should in advance establish the concrete policies of response for the management.	Impl.	Basic Policy for Customer-Oriented Business Conduct 3: Appropriate Management of Conflicts of Interest	Status of Commitment to Basic Policies 3: Appropriate Management of Conflicts of Interest
	(Note) In judging the possibility of conflicts of interest with customers in transactions, a financial company should also consider the effect caused to the transactions or business operation by the situations including the following : <ul style="list-style-type: none"> • Situation where, when the financial company sells, recommends, etc. financial instruments to customers, it receives payment of a commission, etc. from the provider of such instruments; • Situation where the financial company sells, recommends, etc. products provided by a company belonging to the same corporate group; and • Situation where the financial company or the corporate group to which it belongs has a corporate sales division and an asset management division, and the asset management division selects an enterprise with which the corporate sales division has relationship of transactions, etc., as an investee of customers' assets 	Impl.	Basic Policy for Customer-Oriented Business Conduct 3: Appropriate Management of Conflicts of Interest	Status of Commitment to Basic Policies 3: Appropriate Management of Conflicts of Interest
Principle4	[Clarification of Fees, etc.] A financial company should provide customers with detailed information of Fees and other expenses borne by customers (regardless of their names) in a manner enabling the customers to understand, including but not limited to what services the commissions and other expenses correspond to.	Impl.	Basic Policy for Customer-Oriented Business Conduct 4: Clarification of Fees, etc.	Status of commitment to Basic Policies 4: Clarification of Fees, etc.
Principle5	[Provision of Important Information in an Easy-to-Understand Manner] In recognition of the information asymmetry between a financial company and customers, a financial company should provide customers with material information concerning the sale, recommendation, etc. of financial instruments/services in a manner easy to understand, in addition to the information referred to in Principle 4 above.	Impl.	Basic Policy for Customer-Oriented Business Conduct 5: Provision of Important Information in an Easy-to-Understand Manner	Status of Commitment to Basic Policies 5: Provision of Important Information in an Easy-to-Understand Manner
	(Note1) Such material information includes the following: <ul style="list-style-type: none"> • Basic interests (return), risk of loss, etc. and transaction conditions of the financial instruments/services to be sold, recommended, etc.; • Attributes of customers which the financial company involved in the composition of financial instruments sold, recommended, etc. to customers supposes as purchasers thereof; • Reason(s) of selection of financial instruments/services which the financial company sells, recommends, etc. to customers (including the reason(s) for which the financial company considers such financial instruments/services to be in line with the customers' needs and intent); and • In the case where, with respect to financial instruments/services which the financial company sells, recommends, etc. to customers, there is the possibility of conflict of interest with a customer, the detailed information thereof (including but not limited to a commission, etc. received from a third party) and effect caused to the transactions or business operation thereby. 	Impl.	Basic Policy for Customer-Oriented Business Conduct 5: Provision of Important Information in an Easy-to-Understand Manner	Status of Commitment to Basic Policies 5: Provision of Important Information in an Easy-to-Understand Manner
	(Note2) When a financial company sells, recommends, etc. two or more financial instruments/services to a customer in a package, it should notify the customer whether or not they can be purchased separately and give the customer material information concerning the respective cases of package sale and separate sale so that the customer can compare the respective cases (Notes 2 to 5 are applied to the provision of the information concerning the commission, etc., too).	Not Applicable	Basic Policy for Customer-Oriented Business Conduct 5: Provision of Important Information in an Easy-to-Understand Manner	Basic Policy for Customer-Oriented Business Conduct 5: Provision of Important Information in an Easy-to-Understand Manner
	(Note3) A financial company should provide information to customers clearly, plainly, non-misunderstandingly and faithfully in consideration of their experience of transactions and financial knowledge.	Impl.	Basic Policy for Customer-Oriented Business Conduct 5: Provision of Important Information in an Easy-to-Understand Manner	Status of Commitment to Basic Policies 5: Provision of Important Information in an Easy-to-Understand Manner

	(Note4)	A financial company should make provision of information to customers concerning the financial instruments/services which the financial company sells, recommends, etc. to them, in a manner commensurate with the levels of complexity of such instruments, etc. and easy to understand. That is, with respect to simple and low-risk products, concise information should be provided and, with respect to complicated or high-risk products, the financial company should endeavor to provide clearer and more easy-to-understand information including a basic structure, etc. such as the relationship between risk and return, using materials intended to enable customers to compare such products to similar ones.	Impl.	Basic Policy for Customer-Oriented Business Conduct 5: Provision of Important Information in an Easy-to-Understand Manner	Status of Commitment to Basic Policies 5: Provision of Important Information in an Easy-to-Understand Manner
	(Note5)	When a financial company provides information to customers, it should classify the information in accordance with the levels of importance thereof and, emphasize information of higher importance to attract customers' attention.	Impl.	Basic Policy for Customer-Oriented Business Conduct 5: Provision of Important Information in an Easy-to-Understand Manner	Status of Commitment to Basic Policies 5: Provision of Important Information in an Easy-to-Understand Manner
Principle6	[Provision of Services Suitable to Customers] A financial company should perform the composition, sale, recommendation, etc. of financial instruments/services suitable to customers, through grasping their status of assets, experience of transactions, knowledge, purpose of transactions and needs.		Impl.	Basic Policy for Customer-Oriented Business Conduct 6: Provision of Services Suitable to Customers	Status of Commitment to Basic Policies 6: Provision of Services Suitable to Customers
	(Note1)	A financial company should note the following points in performing the sale, recommendation, etc. of financial instruments/services: ・ To consider the target amount of assets on the basis of their life plans, etc. and the appropriate ratios of the safe assets and the investment assets, after confirming customers' intent, and, based on such consideration, make specific proposals of financial instruments/services; ・ With respect to the concrete proposals of financial instruments/services, to propose beyond the framework of the applicable business law concerning those instruments/services a financial company deals in, comparing with the merits and demerits (including commissions) of similar products/services and alternative products/services; ・ To perform appropriate follow-up measures based on customers' intent, also taking account of long-term view-point, after the sale of financial instruments/services.	Impl.	Basic Policy for Customer-Oriented Business Conduct 6: Provision of Services Suitable to Customers	Status of Commitment to Basic Policies 6: Provision of Services Suitable to Customers
	(Note2)	When a financial company sells, recommends, etc. two or more financial instruments/services in package to customers, it should consider whether or not the package is suitable to customers in total.	Not Applicable	Basic Policy for Customer-Oriented Business Conduct 6: Provision of Services Suitable to Customers	Basic Policy for Customer-Oriented Business Conduct 6: Provision of Services Suitable to Customers
	(Note3)	A financial company engaging in the composition of financial instruments should specify and publish the attributes of supposed customers thereof based on the characteristics of those financial instruments and take care so that the financial instruments may be sold by financial companies engaging in the sale of them in line with such attributes of customers.	Impl.	Basic Policy for Customer-Oriented Business Conduct 6: Provision of Services Suitable to Customers	Status of Commitment to Basic Policies 6: Provision of Services Suitable to Customers
	(Note4)	When selling, recommending, etc. particularly complex or high-risk financial instruments or selling, recommending, etc. financial instruments to a group of customers susceptible to the damage by financial transactions, a financial company should examine more cautiously whether or not such sale, recommendation, etc. are appropriate in light of such characteristics of products or consumers.	Impl.	Basic Policy for Customer-Oriented Business Conduct 6: Provision of Services Suitable to Customers	Status of Commitment to Basic Policies 6: Provision of Services Suitable to Customers
	(Note5)	A financial company should endeavor so that its employees may deepen their understanding of the structures, etc. of financial instruments which they handle and positively perform provision of information to customers enabling them to obtain basic knowledge concerning financial transactions, according to their attributes.	Impl.	Basic Policy for Customer-Oriented Business Conduct 6: Provision of Services Suitable to Customers	Status of Commitment to Basic Policies 6: Provision of Services Suitable to Customers
Principle7	[Frameworks for Motivation of Executives and Employees, etc.] A financial company should establish a system of remuneration and performance evaluation, employee training system and other appropriate frameworks and governance systems which are designed to promote the activities pursuing the customers' best interest, fair treatment of customers, appropriate management of conflicts of interest, etc.		Impl.	Basic Policy for Customer-Oriented Business Conduct 2: Pursuit of Customers' Best Interest 7: Framework for Motivation of Executives and Employees, etc.	Status of Commitment to Basic Policies 2: Pursuit of Customers' Best Interest 7: Framework for Motivation of Executives and Employees, etc.
	(Note)	A financial company should inform its employees engaging in the activities to be performed under the Principles set forth herein (including the notes attached thereto) of the details of those activities and their alternative measures (if such activities are not performed) and establish the systems to support and verify the relevant performance of duties by such employees.	Impl.	Basic Policy for Customer-Oriented Business Conduct 2: Pursuit of Customers' Best Interest 7: Framework for Motivation of Executives and Employees, etc.	Status of Commitment to Basic Policies 2: Pursuit of Customers' Best Interest 7: Framework for Motivation of Executives and Employees, etc.

【Reference】	
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