

# Starting Defined Contribution Pension (DC)

Sompo Japan DC Securities Inc. serves as a plan administrator for your DC plan on consignment from your company and assists you by providing information, etc.

Information to start a DC plan is outlined below. FAQs are shown on the back of this page. For details, please refer to each material.

<p><b>Defined Contribution Pension Plan (Corporate Type) Procedure Guidebook</b></p> <p>You can confirm an overview of your DC plan and various procedures.</p>	<p><b>Welcome to the World of Investing!</b></p> <p>You can understand the investment process step by step from starting investment to reviewing your portfolio.</p>	<p><b>Asset Allocation Worksheet</b></p> <p>You can use this worksheet as the first step to consider your investment.</p>	<p><b>Employee Matching Contribution Guidebook</b></p> <p>*Only available if matching contributions have been introduced in your plan.</p>
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## What is a Defined Contribution Pension Plan?

<p><b>Make contributions on a regular basis.</b></p> <p>Contributions are made by your employer every month.</p> <p>Tax benefits Tax-free contributions</p> <p>P.8</p>	<p><b>Invest your contributions by yourself.</b></p> <p>Receive pension assets based on your investment performance.</p> <p>Tax benefits Tax-free investment profits</p> <p>P.14</p>	<p><b>Receive benefits on and after turning age 60.</b></p> <p>Decide the distribution method and the start date of receiving benefits.</p> <p>Tax benefits Preferential tax treatment upon benefit receipt</p> <p>P.27</p>	<p><b>Transfer your assets, etc. when leaving your job.</b></p> <p>You can transfer your assets to another DC account and continue your investment.</p> <p>P.23</p>	<p><b>In principle, no early withdrawals are allowed.</b></p> <p>Early withdrawals are restricted by law to protect your important pension assets.</p> <p>P.26</p>
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**P.00** ... the page of the "Procedure Guidebook" where the details can be found.

## Your confirmation and procedures are required.

**Confirm the materials in an envelope mailed separately.**

<p><b>Notice of Opening an Account for the Defined Contribution Pension Plan</b></p> <p>Is all of your registered information correct?</p> <p>Please use the website for participants (the AnswerNet). Please log in with your ID and temporary password shown here. You can take procedures related to investment and check the latest information, Videos, etc.</p>	<p><b>Asset Allocation Sheet</b></p> <p>If enclosed, you can use this sheet to designate allocation ratios. Please submit by the deadline set by your company. If not enclosed, please designate allocation ratios on the AnswerNet as shown below.</p>
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## Designate allocation ratios for your contributions

To start investing, you need to select which investment products to purchase and designate allocation ratios to these products using the "Contribution Instructions" menu on the AnswerNet.

<p><b>AnswerNet</b></p> <p>Click here to get started with the robo-advisor assessment tool.</p>	<p><b>Designate allocation ratios based on the assessment results of the robo-advisor assessment tool.</b></p> <table border="1"> <tr> <th>Step 1 Assessment</th> <th>Step 2 Suggestion</th> <th>Step 3 Execution</th> </tr> <tr> <td> <p><b>Assessment of Risk Tolerance Level Step 4</b></p> <p>Please select which of the following items best describes you (multiple selections possible).</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> I regularly check economic news in newspapers and on the internet.</li> <li><input type="checkbox"/> I know the basics of different investment products such as equities, insurance, and fixed-income trusts.</li> <li><input type="checkbox"/> I understand the relationship between risk and return.</li> <li><input type="checkbox"/> I have invested in stocks or investment trusts.</li> </ul> <p>Assessment by answering a series of questions</p> </td> <td> <p><b>Assessment Results</b></p> <p>Expected return: 5.3%   Risk: 13.0%</p> <p>Risk tolerance level: Aggressive</p> <p>This type is suitable for those who place the highest priority on asset growth and aggressively pursue returns.</p> <p>Suggestion of investment type suitable for you</p> </td> <td> <p><b>Execution</b></p> <p>Foreign Equities: Alliance Bernstein Global Growth Opportunities (For Pensions)</p> <p>Emerging Equities: Mitsubishi UFJ DC Emerging Equities Index Fund</p> <p>Japanese Bonds: Pension Reserve Index Fund</p> <p>Execution of procedures to purchase investment products based on suggestion</p> </td> </tr> </table> <p>Even those with no investment experience can easily select investment products based on the assessment results of the robo-advisor. Follow the prompts on the screen and complete the procedures to provide investment instructions.</p>	Step 1 Assessment	Step 2 Suggestion	Step 3 Execution	<p><b>Assessment of Risk Tolerance Level Step 4</b></p> <p>Please select which of the following items best describes you (multiple selections possible).</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> I regularly check economic news in newspapers and on the internet.</li> <li><input type="checkbox"/> I know the basics of different investment products such as equities, insurance, and fixed-income trusts.</li> <li><input type="checkbox"/> I understand the relationship between risk and return.</li> <li><input type="checkbox"/> I have invested in stocks or investment trusts.</li> </ul> <p>Assessment by answering a series of questions</p>	<p><b>Assessment Results</b></p> <p>Expected return: 5.3%   Risk: 13.0%</p> <p>Risk tolerance level: Aggressive</p> <p>This type is suitable for those who place the highest priority on asset growth and aggressively pursue returns.</p> <p>Suggestion of investment type suitable for you</p>	<p><b>Execution</b></p> <p>Foreign Equities: Alliance Bernstein Global Growth Opportunities (For Pensions)</p> <p>Emerging Equities: Mitsubishi UFJ DC Emerging Equities Index Fund</p> <p>Japanese Bonds: Pension Reserve Index Fund</p> <p>Execution of procedures to purchase investment products based on suggestion</p>
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This leaflet has been prepared based on laws and regulations as of January, 2024.

**"FAQs" on the back side**

# FAQ

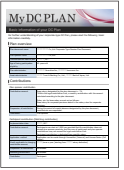
The following are frequently asked questions from newly enrolled participants in a DC plan. As for other questions related to investment, please refer to the last page of the "Welcome to the World of Investing!".



## Q1 Until when can I accumulate contributions?

A Each company sets the age at which contributions will be stopped (the age 60 or over).

[Reference My DC PLAN \(summary of plan document\) >>](#)



## Q2 What happens if I fail to designate allocation ratios for my contributions?

A Your contributions are managed in cash and cannot be invested. However, in case that an investment product called a designated investment product is presented by your company, your contributions will be invested in such an investment product after a certain period of time.

[Reference Investment Product Lineup >>](#)



## Q3 I was enrolled in pension plans before entering the company. Is there anything I need to do?

A You need to take procedures to transfer (roll over) your assets from your former pension plan. As for the details about applicable pension plans and procedures, please refer to P.17 of the "Procedure Guidebook".

## Q4 How can I correct or change information on the "Notice of Opening an Account"?

A Please contact the person in charge of a DC plan at your company so that he or she can take the necessary steps. As for any changes after contributions are stopped, please inquire at our call center (AnswerCenter).

## Q5 Am I not allowed to continue investing when contributions are stopped?

A You can continue your investment until the benefit receipt is completed and all your assets are withdrawn.

## Q6 Will I receive a notice from you when I obtain eligibility to claim benefits after the age 60?

A We will send you a notice when you obtain eligibility to claim benefits. When you receive, please decide the distribution method and the start date for receiving benefits (start by age 75).

## Q7 Do I have to receive benefits in a lump sum?

A Not only a lump-sum receipt (one-time receipt) but also periodic receipts (pension) and a combined method of lump-sum and periodic receipts are available.

## Q8 I know that I can transfer my assets when leaving my job. However, what happens if I will be self-employed or will not be employed by a company?

A Please use the individual-type DC plan (iDeCo) that individuals can join.

## Q9 What happens if I die?

A The bereaved family will receive your assets.

## Q10 What is an employee matching contribution? (Only available if an employee matching contributions have been introduced in your plan.)

A You can use the DC plan offered by your company more efficiently by making contributions on top of your company's contributions. An employee matching contribution may not be available in some companies due to contribution limits etc.

Contact Us



SOMPO JAPAN DC SECURITIES  
**AnswerCenter**



Should you have anything to clarify, please contact us.