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(Securities Code: 8551)

June 2, 2021

To Shareholders with Voting Rights:

Masamichi Ishizuka
Director and President
The Kita-Nippon Bank, Ltd.
6-7, Chuodori 1-chome, Morioka,
Iwate, Japan

**NOTICE OF CONVOCAION OF
THE 117TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

You are cordially invited to attend the 117th Annual General Meeting of Shareholders of the Kita-Nippon Bank, Ltd. (the “Bank”). The meeting will be held in the manner described below.

If you are unable to attend the meeting on the day of the meeting, you can exercise your voting rights in writing by submitting the Voting Rights Exercise Form, or via the Internet. In that case, please review the Reference Documents for the General Meeting of Shareholders below and exercise your voting rights by no later than 5:10 p.m. on Thursday, June 24, 2021 Japan time.

- 1. Date and Time:** Friday, June 25, 2021 at 10:00 a.m. Japan time
- 2. Place:** 3F, Large Meeting Room, Head Office of the Bank, 6-7, Chuodori 1-chome, Morioka, Iwate, Japan
- 3. Meeting Agenda:**
 - Matters to be reported:**
 1. The Business Report and the Non-consolidated Financial Statements for the Bank’s 117th Fiscal Year (from April 1, 2020 to March 31, 2021)
 2. The Consolidated Financial Statements for the Bank’s 117th Fiscal Year (from April 1, 2020 to March 31, 2021) and the results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Board of Corporate Auditors
 - Proposals to be resolved:**
 - Proposal No. 1:** Appropriation of Surplus
 - Proposal No. 2:** Partial Amendments to the Articles of Incorporation
 - Proposal No. 3:** Election of Eight (8) Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)
 - Proposal No. 4:** Election of Four (4) Directors Serving as Audit and Supervisory Committee Members
 - Proposal No. 5:** Establishment of the Amount of Remuneration for Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)
 - Proposal No. 6:** Establishment of the Amount of Remuneration for Directors Serving as Audit and Supervisory Committee Members
 - Proposal No. 7:** Determination of Remuneration for Granting Restricted Stock to Directors (Excluding Outside Directors and Directors Serving as Audit and Supervisory Committee Members)

4. Exercise of Voting Rights:

(1) Exercise of Voting Rights in Writing (by mail)

Please indicate your vote for or against the proposals on the enclosed Voting Rights Exercise Form and return it so that the Bank receives it by no later than 5:10 p.m. on Thursday, June 24, 2021 Japan time.

(2) Exercise of Voting Rights via the Internet

Please read the “Procedures for Exercise of Voting Rights via the Internet” on page 4 (in Japanese), access the voting website for smartphones or the Bank’s designated voting website (<https://www.e-sokai.jp>), and indicate your vote for or against the proposals following the instructions on the screen by no later than 5:10 p.m. on Thursday, June 24, 2021 Japan time.

(3) Handling of Duplicate Voting

If you exercise your voting rights both in writing (by mail) and via the Internet, regardless of the dates on which the votes are received, only the vote placed via the Internet is deemed valid.

If you exercise your voting rights more than once via the Internet, only the last vote is deemed valid.

End of Notice

◎ When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk of the Bank’s head office on the day of the meeting for confirmation.

◎ The following items, in accordance with laws and regulations, and Article 16 of the Articles of Incorporation of the Bank, are published on the Bank’s website (<https://www.kitagin.co.jp/>) and are thus omitted from this notice.

(Business Report)

- 1) Matters related to the Bank’s share subscription rights and others
- 2) System to ensure appropriateness of business operations

(Non-consolidated Financial Statements)

- 3) Non-consolidated Statement of Changes in Net Assets
- 4) Notes to Non-consolidated Financial Statements

(Consolidated Financial Statements)

- 5) Consolidated Statement of Changes in Net Assets
- 6) Notes to Consolidated Financial Statements

Accordingly, the Business Report, the Non-consolidated Financial Statements and the Consolidated Financial Statements attached to this notice are part of the documents that have been audited by the Corporate Auditors for the preparation of the Audit Report and by the Accounting Auditor for the preparation of the Accounting Audit Report.

◎ Please note that, if there are any corrections to the Reference Documents for the General Meeting of Shareholders, Business Report, Non-consolidated Financial Statements, and Consolidated Financial Statements, the corrected documents will be posted on the Bank’s website (<https://www.kitagin.co.jp/>).

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Matters

Proposal No. 1: Appropriation of Surplus

In order to prepare for changes in the business environment surrounding financial institutions, paying heed to internal reserves to strengthen management structure while also taking into account the continuous provision of stable dividends to shareholders and the business results of this fiscal year in a comprehensive manner, the following payout is proposed.

1. Matters concerning year-end dividends
 - (1) Type of dividend property
Cash
 - (2) Matters concerning the allotment of dividend property and the total amount
25 yen per share of common stock of the Bank
The total amount of dividends 211,249,900 yen
 - (3) Effective date of distribution of surplus
Monday, June 28, 2021
2. Other matters concerning the appropriation of surplus
 - (1) Item and amount of surplus to be decreased
Retained earnings brought forward 1,100,000,000 yen
 - (2) Item and amount of surplus to be increased
General reserve 1,100,000,000 yen

[Reference for Proposals No. 2 through 7]

The Bank would like to transition to a company with an audit and supervisory committee for the purpose of further enhancing its corporate governance system and further increasing its corporate value. As Proposals No. 2 through 7 presented on pages 5 to 24 of this notice are all proposals related to the transition, in proposing these, the Bank would like to provide an outline of a company with an audit and supervisory committee and explain the reasons why the Bank is transitioning from a company with a board of corporate auditors to a company with an audit and supervisory committee.

■ Outline of a company with an audit and supervisory committee

- A company with an audit and supervisory committee is a stock company that has audit and supervisory committee members, but it may not have corporate auditors or a board of corporate auditors.
- The audit and supervisory committee must consist of three (3) or more directors serving as audit and supervisory committee members, and the majority of them must be outside directors. In addition, while the term of office of directors other than directors serving as audit and supervisory committee members is one (1) year, the term of office of directors serving as audit and supervisory committee members is two (2) years.
- Directors serving as audit and supervisory committee members have voting rights at the board of directors' meetings, and are involved in decision-making in general on business execution (except for matters on which the decisions are delegated to directors), including determination of proposals for the election and dismissal of directors, and selection and dismissal of representative directors. Audit and supervisory committee members also have the authority to express opinions at general meetings of shareholders regarding the election, dismissal, and remuneration of directors other than directors serving as audit and supervisory committee members. In these respects, audit and supervisory committee members and an audit and supervisory committee have stronger supervisory functions compared to corporate auditors and a board of corporate auditors.
- A company with an audit and supervisory committee may delegate all or part of decisions on important business execution to directors by a resolution by the board of directors, in the case that its articles of incorporation stipulate so. This enables delegated directors to make business decisions promptly and execute business flexibly. Meanwhile, it enables the board of directors to strengthen its supervisory functions over business executives, etc.

■ Reasons for the transition

By transitioning to a company with an audit and supervisory committee, the Bank will give directors serving as audit and supervisory committee members (including multiple outside directors) voting rights at the board of directors' meetings and strive to strengthen the audit and supervisory functions over the board of directors and business executives. Through the effort to further enhance its corporate governance system, the Bank will work to enhance its corporate value.

■ Proposals No. 2 to 7

In order to transition to a company with an audit and supervisory committee, it is necessary to amend the Articles of Incorporation. The Bank thus proposes the amendments in Proposal No. 2 "Partial Amendments to the Articles of Incorporation."

In addition, at a company with an audit and supervisory committee, it is necessary to elect directors, distinguishing between directors other than directors serving as audit and supervisory committee members and directors serving as audit and supervisory committee members. The Bank thus proposes election of Directors other than Directors serving as Audit and Supervisory Committee Members in Proposal No. 3 and election of Directors serving as Audit and Supervisory Committee Members in Proposal No. 4.

Furthermore, at a company with an audit and supervisory committee, the amount of remuneration, etc. for directors must also be determined distinguishing between directors other than directors serving as audit and supervisory committee members and directors serving as audit and supervisory committee members. The Bank thus proposes to establish the amount of remuneration, etc. for Directors other than Directors serving as Audit and Supervisory Committee Members in Proposal No. 5, to establish the amount of remuneration, etc. for Directors serving as Audit and Supervisory Committee Members in Proposal No. 6, and to determine remuneration for granting restricted stock to Directors (excluding Outside Directors and Directors serving as Audit and Supervisory Committee Members) in Proposal No. 7.

Proposal No. 2: Partial Amendments to the Articles of Incorporation

1. Reasons for the proposal

The Bank will transition to a company with an audit and supervisory committee, in order to engage in raising corporate value through the further enhancement of corporate governance. Accordingly, the Bank proposes to amend its Articles of Incorporation as necessary for this transition, including the establishment of new provisions concerning the Audit and Supervisory Committee and Audit and Supervisory Committee Members, and the deletion of provisions concerning the Board of Corporate Auditors and Corporate Auditors.

The numbering of the Articles are amended as necessary based on these amendments.

2. Details of the amendments

The details of the amendments are as follows.

(The amended sections have been underlined.)

Current Articles of Incorporation	Proposed Amendments
Chapter 1. General Provisions	Chapter 1. General Provisions
Articles 1 - 3 (Omitted)	Articles 1 - 3 (Unchanged)
(Organs)	(Organs)
Article 4 The Bank shall have the following organs, in addition to the General Meeting of Shareholders and Directors.	Article 4 The Bank shall have the following organs, in addition to the General Meeting of Shareholders and Directors.
1. Board of Directors	1. Board of Directors
2. <u>Corporate Auditors</u>	2. <u>Audit and Supervisory Committee</u>
3. <u>Board of Corporate Auditors</u>	(Deleted)
4. <u>Accounting Auditor</u>	3. <u>Accounting Auditor</u>
Article 5 (Omitted)	Article 5 (Unchanged)

Current Articles of Incorporation	Proposed Amendments
Chapter 2. Shares	Chapter 2. Shares
Articles 6 - 12 (Omitted)	Articles 6 - 12 (Unchanged)
Chapter 3. General Meeting of Shareholders	Chapter 3. General Meeting of Shareholders
Articles 13 - 14 (Omitted)	Articles 13 - 14 (Unchanged)
(Chairperson)	(Chairperson)
Article 15 The Director and President shall chair the General Meeting of Shareholders.	Article 15. The Director and President shall chair the General Meeting of Shareholders.
Where an accident renders the Director and President unable to perform these duties, they shall be performed by another Director according to an order designated in advance, by resolution of the Board of Directors.	Where an accident renders the Director and President unable to perform these duties, they shall be performed by another Director according to an order designated in advance, by resolution of the Board of Directors.
Articles 16 - 18 (Omitted)	Articles 16 - 18 (Unchanged)
Chapter 4. Directors and the Board of Directors	Chapter 4. Directors and the Board of Directors, <u>and the Audit and Supervisory Committee</u>
(Number of Directors)	(Number of Directors)
Article 19 The number of Directors of the Bank shall not exceed twelve (12).	Article 19 The number of Directors <u>(excluding Directors serving as Audit and Supervisory Committee Members)</u> of the Bank shall not exceed twelve (12).
(Newly added)	<u>2) The number of Directors serving as Audit and Supervisory Committee Members shall not exceed five (5).</u>

Current Articles of Incorporation	Proposed Amendments
<p>(Election)</p> <p>Article 20 Directors of the Bank shall be elected by the General Meeting of Shareholders.</p> <p>2) - 3) (Omitted)</p>	<p>(Election)</p> <p>Article 20 Directors <u>serving as Audit and Supervisory Committee Members, and other Directors</u>, shall be elected <u>separately</u> by the General Meeting of Shareholders.</p> <p>2) - 3) (Unchanged)</p>
<p>(Term of Office)</p> <p>Article 21 The term of office of Directors shall expire at the conclusion of the Annual General Meeting of Shareholders pertaining to the final fiscal year ending within <u>two (2) years</u> from the date when they were elected.</p> <p>(Newly added)</p> <p>2) <u>The term of office of a Director who was elected as a substitute or an additional Director shall be up to the expiry of the term of office of <u>other incumbent</u> Directors.</u></p> <p>(Newly added)</p>	<p>(Term of Office)</p> <p>Article 21 The term of office of Directors <u>(excluding Directors serving as Audit and Supervisory Committee Members)</u> shall expire at the conclusion of the Annual General Meeting of Shareholders pertaining to the final fiscal year ending within <u>one (1) year</u> from the date when they were elected.</p> <p>2) <u>The term of office of Directors serving as Audit and Supervisory Committee Members shall expire at the conclusion of the Annual General Meeting of Shareholders pertaining to the final fiscal year ending within two (2) years from the date when they were elected.</u></p> <p>3) <u>The term of office of a Director who was elected as a substitute Director serving as an Audit and Supervisory Committee Member shall be up to the expiry of the term of office of <u>the retiring</u> Director serving as an Audit and Supervisory Committee Member.</u></p> <p>4) <u>Resolutions regarding the election of substitute Directors serving as Audit and Supervisory Committee Members, elected in accordance with the provisions of Article 329, Paragraph 3 of the Companies Act, shall be effective until the commencement of the Annual General Meeting of Shareholders pertaining to the final fiscal year ending within two (2) years after the date when the election was made.</u></p>

Current Articles of Incorporation	Proposed Amendments
<p>(Board of Directors)</p> <p>Article 22 (Omitted)</p> <p>2) Matters concerning the Board of Directors shall be governed by the Board of Directors Regulations established by the Board of Directors.</p> <p>Article 23 (Omitted)</p> <p>(Convocation of Meetings of the Board of Directors)</p> <p>Article 24 Notice of the convocation of meetings of the Board of Directors shall be dispatched to each Director <u>and Corporate Auditor</u> at least three (3) days prior to the date of the meeting.</p> <p>However, this notice period may be shortened as necessary in the case of an emergency.</p> <p>2) Meetings of the Board of Directors may be held without completing this convocation procedure, where consent is given by all Directors <u>and Corporate Auditors</u>.</p> <p>(Newly added)</p>	<p>(Board of Directors)</p> <p>Article 22 (Unchanged)</p> <p>2) Matters concerning the Board of Directors shall be governed by <u>laws, regulations and the Articles of Incorporation, as well as</u> by the Board of Directors Regulations established by the Board of Directors.</p> <p>Article 23 (Unchanged)</p> <p>(Convocation of Meetings of the Board of Directors)</p> <p>Article 24 Notice of the convocation of meetings of the Board of Directors shall be dispatched to each Director at least three (3) days prior to the date of the meeting.</p> <p>However, this notice period may be shortened as necessary in the case of an emergency.</p> <p>2) Meetings of the Board of Directors may be held without completing this convocation procedure, where consent is given by all Directors.</p> <p><u>(Notice of Convocation of Meetings of the Audit and Supervisory Committee)</u></p> <p><u>Article 25 Notice of the convocation of meetings of the Audit and Supervisory Committee shall be dispatched to each Audit and Supervisory Committee Member at least three (3) days prior to the date of the meeting. However, this notice period may be shortened as necessary in the case of an emergency.</u></p>

Current Articles of Incorporation	Proposed Amendments
<p>Article <u>25</u> (Omitted)</p> <p>(Newly added)</p> <p>(Representative Director and Directors with Special Titles)</p> <p>Article <u>26</u> (Omitted)</p> <p>2) The Directors with special titles, referred to in the previous paragraph, are selected from among the Directors by resolution of the Board of Directors. The Director and President represents the Bank.</p> <p>3) (Omitted)</p>	<p><u>2) Meetings of the Audit and Supervisory Committee may be held without completing this convocation procedure, where consent is given by all Audit and Supervisory Committee Members.</u></p> <p>Article <u>26</u> (Unchanged)</p> <p><u>(Delegation of Authority to Directors)</u></p> <p><u>Article 27 The Bank may delegate decisions on important business execution (except for matters prescribed in the Items of Article 399-13, Paragraph 5 of the Companies Act) to a Director or Directors, by resolution of the Board of Directors, in accordance with the provisions of Article 399-13, Paragraph 6 of the Companies Act.</u></p> <p>(Representative Director and Directors with Special Titles)</p> <p>Article <u>28</u> (Unchanged)</p> <p>2) The Directors with special titles, referred to in the previous paragraph, are selected from among the Directors <u>(excluding Directors serving as Audit and Supervisory Committee Members)</u> by resolution of the Board of Directors. The Director and President represents the Bank.</p> <p>3) (Unchanged)</p>

Current Articles of Incorporation	Proposed Amendments
(Newly added)	<u>(Audit and Supervisory Committee)</u> <u>Article 29 Matters concerning the Audit and Supervisory Committee shall be governed by laws, regulations and the Articles of Incorporation, as well as by the Audit and Supervisory Committee Regulations established by the Audit and Supervisory Committee.</u>
Article <u>27</u> (Omitted)	Article <u>30</u> (Unchanged)
(Newly added)	<u>(Full-time Audit and Supervisory Committee Members)</u> <u>Article 31 The Audit and Supervisory Committee may select by its resolution full-time Audit and Supervisory Committee Members from among the Audit and Supervisory Committee Members.</u>
<u>Chapter 5. Corporate Auditors and the Board of Corporate Auditors</u>	(Deleted)
<u>(Number of Corporate Auditors)</u> <u>Article 28 The number of Corporate Auditors of the Bank shall not exceed five (5).</u>	(Deleted)
<u>(Election)</u> <u>Article 29 Corporate Auditors of the Bank shall be elected by the General Meeting of Shareholders.</u> <u>2) The election referred to in the previous paragraph shall require the attendance of shareholders who hold, in aggregate, not less than one-third (1/3) of the voting rights of all shareholders who are eligible to exercise voting rights.</u>	(Deleted)

Current Articles of Incorporation	Proposed Amendments
<p><u>(Term of Office)</u></p> <p><u>Article 30 The term of office of Corporate Auditors shall expire at the conclusion of the Annual General Meeting of Shareholders pertaining to the final fiscal year ending within four (4) years from the date when they were elected.</u></p> <p><u>2) The term of office of a Corporate Auditor elected as a substitute for a Corporate Auditor who retires before the expiry of his or her term of office, shall be up to the term of office of the retiring Corporate Auditor.</u></p>	<p>(Deleted)</p>
<p><u>(Board of Corporate Auditors)</u></p> <p><u>Chapter 31 The Board of Corporate Auditors shall be composed of Corporate Auditors.</u></p> <p><u>2) Matters concerning the Board of Corporate Auditors shall be governed by the Board of Corporate Auditors Regulations established by the Board of Corporate Auditors.</u></p>	<p>(Deleted)</p>
<p><u>(Convocation of Meetings of the Board of Corporate Auditors)</u></p> <p><u>Article 32 Notice of the convocation of meetings of the Board of Corporate Auditors shall be dispatched to each Corporate Auditor at least three (3) days prior to the date of the meeting. However, this notice period may be shortened as necessary in the case of an emergency.</u></p> <p><u>2) Meetings of the Board of Corporate Auditors may be held without completing this convocation procedure, where consent is given by all Corporate Auditors.</u></p>	<p>(Deleted)</p>
<p><u>(Full-time Corporate Auditor)</u></p> <p><u>Article 33 The Board of Corporate Auditors may select by its resolution full-time Corporate Auditors.</u></p>	<p>(Deleted)</p>

Current Articles of Incorporation	Proposed Amendments
<p><u>(Agreements to Limit the Liability of Corporate Auditors)</u></p> <p><u>Article 34 The Bank may enter into agreements with Corporate Auditors to limit their liability for damages under Article 423, Paragraph 1 of the Companies Act, in accordance with the provisions of Article 427, Paragraph 1 of the Companies Act. The limit of liability for damages under the said agreements shall be the minimum amount stipulated by laws and regulations.</u></p> <p>Chapter <u>6</u>. Accounting Auditor</p> <p>Articles <u>35</u> - <u>36</u> (Omitted)</p> <p>Chapter <u>7</u>. Accounting</p> <p>Articles <u>37</u> - <u>40</u> (Omitted)</p> <p>(Newly added)</p>	<p>(Deleted)</p> <p>Chapter <u>5</u>. Accounting Auditor</p> <p>Articles <u>32</u> - <u>33</u> (Unchanged)</p> <p>Chapter <u>6</u>. Accounting</p> <p>Articles <u>34</u> - <u>37</u> (Unchanged)</p> <p><u>Supplementary Provisions</u></p> <p><u>(Provisional Measures Concerning Agreements to Limit the Liability of Corporate Auditors)</u></p> <p><u>Agreements to limit the liability of Outside Auditors (including former Outside Auditors) for damages stipulated in Article 423, Paragraph 1 of the Companies Act arising from actions taken before the conclusion of the 117th Annual General Meeting of Shareholders shall be treated in accordance with the provisions of Article 34 of the Articles of Incorporation before amendment made by resolution of the said General Meeting of Shareholders.</u></p>

Proposal No. 3: Election of Eight (8) Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)

The Bank will transition to a company with an audit and supervisory committee on condition that Proposal No. 2 “Partial Amendments to the Articles of Incorporation” is approved and passed. Consequently, the term of office of all the nine (9) Directors will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the election of eight (8) Directors (excluding Directors serving as Audit and Supervisory Committee Members) is proposed.

This Proposal shall come into effect on condition that the amendments to the Articles of Incorporation proposed in Proposal No. 2 “Partial Amendments to the Articles of Incorporation” come into effect.

Candidates for Directors (excluding Directors serving as Audit and Supervisory Committee Members) are as follows:

No.	Name	Current position at the Bank	Attendance at Board of Directors' meetings
1	Reappointment Yasunori Sato	Director and Chairman	100% (12/12)
2	Reappointment Masamichi Ishizuka	Director and President	100% (12/12)
3	Reappointment Tatsuya Sato	Senior Managing Director	100% (12/12)
4	Reappointment Hiroshi Shimomura	Managing Director	100% (12/12)
5	Reappointment Outside Director Independent Director Kaichi Murata	Outside Director	91% (11/12)
6	Reappointment Tadashi Hamataira	Director	100% (12/12)
7	Reappointment Yuta Koderu	Director	100% (10/10)
8	New appointment Outside Director Independent Director Masato Komura	—	—

No.	Name (Date of birth)	Career summary (Positions, responsibilities and significant concurrent positions)	Number of shares of the Bank held
1	Yasunori Sato (Feb. 11, 1945)	Apr. 1968 Joined the Bank	24,100 shares
		Jun. 1995 Director, Manager of General Affairs Division	
		Jun. 1997 Managing Director	
	<u>Reappointment</u>	Apr. 1999 Director and President	
		Jun. 2017 Director and Chairman (to present)	
	[Reason for Nomination as Candidate for Director] Mr. Yasunori Sato possesses the abundant experience, broad insight, and sufficient social credibility to manage a bank in an accurate, fair, and efficient manner, as he has been administering overall management since his appointment as Director and President in April 1999 and as Director and Chairman in June 2017, and therefore the Bank proposes his election as Director.		
	[Special Interests] There are no special interests between candidate Yasunori Sato and the Bank.		
2	Masamichi Ishizuka (Apr. 18, 1960)	Apr. 1984 Joined the Bank	13,700 shares
		Jun. 2007 Director, Branch Manager of Sendai Branch and Head of Sendai Loan Center	
		Apr. 2008 Director, Branch Manager of Sendai Branch	
	<u>Reappointment</u>	May 2009 Director	
		Jun. 2009 Managing Director	
		May 2011 Managing Director, Manager of Business Management Division	
		Apr. 2013 Managing Director	
		Jun. 2015 Senior Managing Director	
		Feb. 2020 Director and President (to present) (In charge of Internal Audit Division and Digital Strategy Office)	
	[Reason for Nomination as Candidate for Director] Mr. Masamichi Ishizuka has abundant operational experience at Head Office and branches, and possesses the abundant experience, broad insight, and sufficient social credibility to manage a bank in an accurate, fair, and efficient manner, as he has been demonstrating leadership at Head Office and branches since his appointment as Director in June 2007 and administering overall management since his appointment as Director and President in February 2020, and therefore the Bank proposes his election as Director.		
	[Special Interests] There are no special interests between candidate Masamichi Ishizuka and the Bank.		

No.	Name (Date of birth)	Career summary (Positions, responsibilities and significant concurrent positions)			Number of shares of the Bank held
3	Tatsuya Sato (Feb. 4, 1959) <u>Reappointment</u>	Apr.	1981	Joined the Bank	11,700 shares
		Jun.	2009	Director, Manager of Personnel Division	
		Jun.	2012	Managing Director, Manager of Personnel Division	
		Oct.	2012	Managing Director	
		Apr.	2013	Managing Director, Manager of Risk Management and Assessment Division	
		Apr.	2015	Managing Director	
		Jun.	2015	Senior Managing Director (to present) (In charge of Fund Investment Division and Computer Systems and Operations Division)	
[Reason for Nomination as Candidate for Director] Mr. Tatsuya Sato possesses the knowledge, experience, and social credibility required to manage a bank in an accurate, fair, and efficient manner, as he has been demonstrating leadership in supervising the personnel and compliance divisions since his appointment as Director in June 2009, and therefore the Bank proposes his election as Director.					
[Special Interests] There are no special interests between candidate Tatsuya Sato and the Bank.					
4	Hiroshi Shimomura (Nov. 22, 1966) <u>Reappointment</u>	Apr.	1990	Joined the Bank	4,200 shares
		Oct.	2008	Manager of Secretariat	
		Apr.	2012	Branch Manager of Mizusawa Branch	
		Apr.	2015	Manager of Corporate Planning Division	
		Jun.	2017	Director, Manager of Corporate Planning Division	
		Apr.	2019	Director, Manager of Business Management Division	
		Oct.	2020	Managing Director, Manager of Business Management Division (to present) (In charge of Business Management Division and Corporate Planning Division)	
[Reason for Nomination as Candidate for Director] Mr. Hiroshi Shimomura has abundant operational experience at Head Office and branches, and possesses the knowledge, experience, and social credibility required to manage a bank in an accurate, fair, and efficient manner, as he has been serving as a manager in the corporate planning and business management divisions since his appointment as Director in June 2017, and therefore the Bank proposes his election as Director.					
[Special Interests] There are no special interests between candidate Hiroshi Shimomura and the Bank.					

No.	Name (Date of birth)	Career summary (Positions, responsibilities and significant concurrent positions)		Number of shares of the Bank held
5	Kaichi Murata (Mar. 6, 1941) <div>Reappointment</div> <div>Outside Director</div> <div>Independent Director</div>	Apr. 1963	Joined Hitachi, Ltd.	3,900 shares
		Jun. 1997	Director, General Manager of Finance Department of Hitachi, Ltd.	
		Apr. 1999	Senior Managing Director, General Manager of Finance Department of Hitachi, Ltd.	
		Jun. 2001	President and Representative Director of Hitachi Capital Corporation (currently Mitsubishi HC Capital Inc.)	
		Jun. 2006	Honorary Advisor of Hitachi, Ltd.	
		Apr. 2008	Director of Meiji University	
		Jun. 2011	Director of the Bank (to present)	
<div>[Reason for Nomination as Candidate for Outside Director and Expected Role]</div> <div>After retiring as Senior Managing Director of Hitachi, Ltd., Mr. Kaichi Murata served as President and Representative Director of Hitachi Capital Corporation. To utilize his knowledge and experience, etc., fostered at a core financial company of the Hitachi group in the management of the Bank from a wide perspective, the Bank proposes his election as Outside Director.</div>				
<div>[Term of Office]</div> <div>Mr. Kaichi Murata has served as Outside Director for ten (10) years as of the conclusion of this General Meeting of Shareholders.</div>				
<div>[Special Interests and Independence]</div> <div>There are no special interests between candidate Kaichi Murata and the Bank.</div>				
6	Tadashi Hamataira (Sep. 11, 1964) <div>Reappointment</div>	Apr. 1983	Joined the Bank	3,700 shares
		Oct. 2004	Branch Manager of Minami-Oodori Branch	
		Apr. 2008	Deputy Manager of Business Management Division	
		Apr. 2014	Branch Manager of Honcho Branch	
		Apr. 2017	Manager of Credit Supervision Division	
		Jun. 2019	Director, Manager of Credit Supervision Division	
		Apr. 2021	Director, assigned to President (to present) (In charge of Credit Supervision Division and Risk Management and Assessment Division)	
<div>[Reason for Nomination as Candidate for Director]</div> <div>Mr. Tadashi Hamataira has abundant operational experience at Head Office and branches, and possesses the knowledge, experience, and social credibility required to manage a bank in an accurate, fair, and efficient manner, as he has been serving as a manager in the credit supervision division since his appointment as Director in June 2019, and therefore the Bank proposes his election as Director.</div>				
<div>[Special Interests]</div> <div>There are no special interests between candidate Tadashi Hamataira and the Bank.</div>				

No.	Name (Date of birth)	Career summary (Positions, responsibilities and significant concurrent positions)	Number of shares of the Bank held			
7	Yuta Kodera (Jun. 6, 1968) <div>Reappointment</div>	Apr. 1991 Joined The Long-Term Credit Bank of Japan, Limited (currently Shinsei Bank, Limited)	1,500 shares			
		Sep. 2007 Joined The Sumitomo Trust and Banking Co., Ltd. (currently Sumitomo Mitsui Trust Bank, Limited)				
		May 2020 Joined the Bank, Adviser to Corporate Planning Division				
		Jun. 2020 Director, Manager of Corporate Planning Division (to present)				
[Reason for Nomination as Candidate for Director] Mr. Yuta Kodera has long years of experience in the financial industry and deep insight into laws and regulations applicable to banks and corporate management as well as financial market transactions and risk management operation both inside and outside Japan. He possesses the knowledge, experience, and social credibility required to manage a bank in an accurate, fair, and efficient manner, as he has been serving as a manager in the corporate planning division since his appointment as Director in June 2020, and therefore the Bank proposes his election as Director						
[Special Interests] There are no special interests between candidate Yuta Kodera and the Bank.						
8	Masato Komura (Jul. 12, 1947) <div>New appointment</div> <div>Outside Director</div> <div>Independent Director</div>	Apr. 1971 Joined Meiji Yasuda Life Insurance Company	— shares			
		Jul. 1997 Director, General Manager, Finance Division of Meiji Yasuda Life Insurance Company				
		Apr. 1998 Director, Deputy General Manager, Tokyo Marketing Headquarters of Meiji Yasuda Life Insurance Company				
		Apr. 1999 Director, General Manager, Group Pension Management Division of Meiji Yasuda Life Insurance Company				
		Apr. 2000 Executive Managing Director of Meiji Yasuda Life Insurance Company				
		Jan. 2004 Senior Executive Director, General Manager, Asset Management Division of Meiji Yasuda Life Insurance Company				
		Jun. 2006 Representative Director and Chairman of Towa Kosan, Ltd.				
		Jun. 2007 Director and Senior Executive Officer, General Manager, CSR Promotion Division of SANKI ENGINEERING CO., LTD.				
		Jun. 2014 Full-time Audit & Supervisory Board Member of SANKI ENGINEERING CO., LTD.				
		Jun. 2018 Director of SANKI ENGINEERING CO., LTD.				
		Jun. 2020 Full-time Advisor of SANKI ENGINEERING CO., LTD. (to present)				
		(Significant concurrent position) Full-time Advisor of SANKI ENGINEERING CO., LTD.				
		[Reason for Nomination as Candidate for Outside Director and Expected Role] Mr. Masato Komura has long been involved in investment management business at financial institutions and served as a director of several companies. To utilize his abundant experience and broad insight fostered in his career in the management of the Bank from a wide perspective, the Bank proposes his election as Outside Director.				
		[Special Interests] There are no special interests between candidate Masato Komura and the Bank.				

- (Notes) 1. Mr. Kaichi Murata has been notified as an Independent Director to the Tokyo Stock Exchange. Mr. Masato Komura will also be notified as an Independent Director to the Tokyo Stock Exchange.
2. Regarding Liability Limitation Agreements with Outside Directors
The Bank has entered into a liability limitation agreement with Mr. Kaichi Murata in accordance with Article 427, Paragraph 1 of the Companies Act (the “Act”) and the Articles of Incorporation to limit his liability for damages under Article 423, Paragraph 1 of the Act. The amount of his liability under the agreement is the minimum liability amount stipulated by laws and regulations in

cases where his actions were made in good faith and no gross negligence is found.

If this Proposal is approved and passed, the Bank intends to continue the said agreement. In addition, the Bank intends to enter into the same agreement with Mr. Masato Komura if elected.

3. The Bank has concluded a directors and officers liability insurance contract with an insurance company, and each candidate will be insured under the said insurance contract. Please refer to page 17 of the Business Report (in Japanese) for an outline of the content of the said insurance contract.

The Bank intends to retain the contract with the same terms and conditions at the time of renewal.

Proposal No. 4: Election of Four (4) Directors Serving as Audit and Supervisory Committee Members

The Bank will transition to a company with an audit and supervisory committee on condition that Proposal No. 2 “Partial Amendments to the Articles of Incorporation” is approved and passed. Accordingly, the election of four (4) Directors serving as Audit and Supervisory Committee Members is proposed.

This Proposal has been approved by the Board of Corporate Auditors.

This Proposal shall come into effect on condition that the amendments to the Articles of Incorporation proposed in Proposal No. 2 “Partial Amendments to the Articles of Incorporation” come into effect.

Candidates for Directors serving as Audit and Supervisory Committee Members are as follows:

No.	Name	Current position at the Bank	Attendance at Board of Directors’ meetings
1	New appointment Koki Ishikawa	Full-time Corporate Auditor	100% (10/10)
2	New appointment Outside Director Independent Director Yoshiharu Shibata	Outside Auditor	100% (12/12)
3	New appointment Outside Director Independent Director Koji Ogasawara	Outside Auditor	100% (12/12)
4	New appointment Outside Director Independent Director Akira Tsuda	—	—

No.	Name (Date of birth)	Career summary (Positions, responsibilities and significant concurrent positions)	Number of shares of the Bank held
1	Koki Ishikawa (Jul. 16, 1962)	Apr. 1981 Joined the Bank Apr. 2006 Branch Manager of Kuji Branch May 2009 Branch Manager of Shiogama Branch Apr. 2013 Manager of Credit Supervision Division Apr. 2017 Manager of Internal Audit Division Jun. 2020 Full-time Corporate Auditor (to present)	900 shares
	New appointment		
	[Reason for Nomination as Candidate for Director serving as Audit and Supervisory Committee Member] Mr. Koki Ishikawa has been involved in branch management for many years and has also been involved in Head Office operations as Manager of Credit Supervision Division and Manager of Internal Audit Division, and has abundant experience in business duties and management as well as the knowledge and experience required to accurately, fairly, and efficiently audit the business execution by Directors. As improvements to corporate governance and enhancements to audit functions are needed, the Bank expects that its audit structure will be strengthened through making use of the candidate's experience and knowledge and has therefore nominated him as a candidate for Director serving as Audit and Supervisory Committee Member.		
	[Special Interests] There are no special interests between candidate Koki Ishikawa and the Bank.		
2	Yoshiharu Shibata (Feb. 24, 1941)	Jun. 1977 President and Representative Director of DAIICHI SHOJI CO., LTD. (to present) Jun. 2004 Corporate Auditor of the Bank (to present) (Significant concurrent position) President and Representative Director of DAIICHI SHOJI CO., LTD.	600 shares
	New appointment		
	Outside Director		
	Independent Director		
	[Reason for Nomination as Candidate for Outside Director serving as Audit and Supervisory Committee Member and Expected Role] Mr. Yoshiharu Shibata has abundant experience and broad insight gained through his many years as a corporate executive. The Bank expects him to continue to give beneficial opinions and advice regarding the Bank's management and audit the conformity and adequacy of the execution of the Directors' duties in light of laws and regulations as well as the Articles of Incorporation in an objective and neutral manner, and has therefore nominated him as a candidate for Outside Director serving as Audit and Supervisory Committee Member.		
	[Term of Office] Mr. Yoshiharu Shibata has served as Outside Auditor for seventeen (17) years as of the conclusion of this General Meeting of Shareholders.		
	[Special Interests and Independence] While the Bank has business transactions such as loans with DAIICHI SHOJI CO., LTD., Mr. Yoshiharu Shibata fulfills the Independence Criteria established by the Bank.		

No.	Name (Date of birth)	Career summary (Positions, responsibilities and significant concurrent positions)	Number of shares of the Bank held
3	Koji Ogasawara (Jun. 12, 1944)	Oct. 1984 President and Representative Director of SUPERMARKET MARUICHI Co., Ltd. (currently MARUICHI Co., Ltd.)	15,300 shares
	New appointment	Jun. 2011 Corporate Auditor of the Bank (to present)	
	Outside Director	Oct. 2012 Chairman and Representative Director of SUPERMARKET MARUICHI Co., Ltd. (currently MARUICHI Co., Ltd.) (to present)	
		(Significant concurrent position)	
	Independent Director	Chairman and Representative Director of MARUICHI Co., Ltd.	
	[Reason for Nomination as Candidate for Outside Director serving as Audit and Supervisory Committee Member and Expected Role]		
	Mr. Koji Ogasawara has abundant experience and broad insight gained through his many years as a corporate executive. The Bank expects him to continue to give beneficial opinions and advice regarding the Bank’s management and audit the conformity and adequacy of the execution of the Directors’ duties in light of laws and regulations as well as the Articles of Incorporation in an objective and neutral manner, and has therefore nominated him as a candidate for Outside Director serving as Audit and Supervisory Committee Member.		
[Term of Office]			
Mr. Koji Ogasawara has served as Outside Auditor for ten (10) years as of the conclusion of this General Meeting of Shareholders.			
[Special Interests and Independence]			
While the Bank has business transactions such as loans with MARUICHI Co., Ltd., Mr. Koji Ogasawara fulfills the Independence Criteria established by the Bank.			

No.	Name (Date of birth)	Career summary (Positions, responsibilities and significant concurrent positions)	Number of shares of the Bank held
4	<p>Akira Tsuda (Jun. 15, 1944)</p> <p>New appointment</p> <p>Outside Director</p> <p>Independent Director</p>	<p>Apr. 1968 Nomura Securities Co., Ltd.</p> <p>Dec. 1987 Director of Nomura Securities Co., Ltd.</p> <p>Jun. 1989 Managing Director of Nomura Securities Co., Ltd.</p> <p>Jun. 1996 Representative Director and Senior Managing Director of Nomura Securities Co., Ltd.</p> <p>Jun. 1997 Representative Director and Senior Managing Director of Japan Associated Finance Co., Ltd. (Currently JAFCO Group Co., Ltd.)</p> <p>Apr. 1999 Representative Director and Executive Vice President of Japan Associated Finance Co., Ltd.</p> <p>May 2002 Director and Chairman of Nomura Investor Relations Co., Ltd.</p> <p>Jun. 2003 Executive Chairman of Nomura Investor Relations Co., Ltd.</p> <p>Jun. 2005 Representative Director and President of Nippon Venture Capital Co., Ltd.</p> <p>Jun. 2005 Director of Hitachi Capital Corp. (Currently Mitsubishi HC Capital Inc.)</p> <p>Jun. 2009 Audit and Supervisory Board Member of Torishima Pump Mfg. Co., Ltd.</p> <p>Aug. 2009 Director of Takara Printing Co., Ltd. (currently TAKARA & COMPANY LTD.) (to present)</p> <p>Jun. 2015 Director of Torishima Pump Mfg. Co., Ltd. (to present)</p> <p>Apr. 2018 Chairman of Japan Compliance Promotion Association (to present)</p> <p>(Significant concurrent positions)</p> <p>Director of TAKARA & COMPANY LTD.</p> <p>Outside Director of Torishima Pump Mfg. Co., Ltd.</p> <p>Chairman of Japan Compliance Promotion Association</p>	— Shares
<p>[Reason for Nomination as Candidate for Outside Director serving as Audit and Supervisory Committee Member and Expected Role]</p> <p>Mr. Akira Tsuda has abundant experience and broad insight cultivated through serving as a director at multiple companies for many years and administering venture investment businesses. The Bank expects him to monitor the management of the Bank objectively based on his experience and insight, which will assist the Bank with its effort to further strengthen its corporate governance. The Bank also expects that the functions of the Board of Directors will be strengthened from the perspective of its diversity. The Bank has therefore nominated him as a candidate for Outside Director serving as Audit and Supervisory Committee Member. Based on these, the Bank judges that it is best if he audits the conformity and adequacy of the execution of the Directors' duties in light of laws and regulations as well as the Articles of Incorporation in an objective and neutral manner as Outside Director serving as Audit and Supervisory Committee Member.</p>			
<p>[Special Interests and Independence]</p> <p>While the Bank has business transactions such as business consignment with Takara Printing Co., Ltd., a subsidiary of TAKARA & COMPANY LTD., Mr. Akira Tsuda fulfills the Independence Criteria established by the Bank.</p>			

(Notes) 1. Messrs. Yoshiharu Shibata and Koji Ogasawara have been notified as Independent Corporate Auditors to the Tokyo Stock Exchange. Mr. Akira Tsuda will be notified as Independent Directors to the Tokyo Stock Exchange.

2. Regarding Liability Limitation Agreements with Outside Directors

The Bank has entered into a liability limitation agreement with each of Messrs. Yoshiharu Shibata and Koji Ogasawara in accordance with Article 427, Paragraph 1 of the Companies Act (the "Act") and the Articles of Incorporation to limit their liabilities for damages under Article 423, Paragraph 1 of the Act. The amount of their liabilities under the agreements is the minimum liability amount stipulated by laws and regulations in cases where their actions were made in good faith and no gross negligence is found.

If this Proposal is approved and passed, the Bank intends to continue the said agreement. In addition,

the Bank intends to enter into the same agreement with Mr. Akira Tsuda if elected.

3. The Bank has concluded a directors and officers liability insurance contract with an insurance company and each candidate will be insured under the said insurance agreement. Please refer to page 17 of the Business Report (in Japanese) for an outline of the details of the said insurance contract. The Bank intends to retain the contract with the same terms and conditions at the time of renewal.

Proposal No. 5: Establishment of the Amount of Remuneration for Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)

The maximum amount of remuneration for Directors of the Bank was resolved as 200 million yen per year (including a maximum of 10 million yen for Outside Directors; however, this does not include salary paid as an employee to Directors concurrently serving as employees) at the 109th Annual General Meeting of Shareholders held on June 21, 2013, and remains unchanged to date.

The Bank will transition to a company with an audit and supervisory committee on condition that Proposal No. 2 “Partial Amendments to the Articles of Incorporation” is approved and passed.

Consequently, in conjunction with the transition to a company with an audit and supervisory committee, in order to newly establish the amount of remuneration for Directors (excluding Directors serving as Audit and Supervisory Committee Members), the Bank proposes that current provisions regarding the amount of remuneration for Directors be abolished and the maximum amount of remuneration for Directors (excluding Directors serving as Audit and Supervisory Committee Members) be 200 million yen per year (including a maximum of 10 million yen for Outside Directors; however, this does not include salary paid as an employee to Directors concurrently serving as employees), taking into consideration various circumstances, including the economic climate.

If this Proposal is approved and passed, at the meeting of the Board of Directors to be held after the conclusion of this General Meeting, the Bank plans to change the persons eligible from “Directors” to “Directors (excluding Directors serving as Audit and Supervisory Committee Members)” in the policy for determining details of remuneration, etc. for individual Directors presented on page 15 of the Business Report (in Japanese), to correspond with the details approved in this Proposal.

This Proposal determines a remuneration limit for Directors (excluding Directors serving as Audit and Supervisory Committee Members) within a reasonable range, taking into consideration the economic climate, the size of the Bank, the number of Directors, the level of remuneration at other companies, etc. In addition, as mentioned above, the Bank plans to amend the policy for determining details of remuneration, etc. for individual Directors. In order to determine details of remuneration, etc. for individual Director in line with the amended policy, the Bank judges that this Proposal is necessary and reasonable.

If Proposal No. 2 “Partial Amendments to the Articles of Incorporation” and Proposal No. 3 “Election of Eight (8) Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)” are approved and passed as proposed, the Bank will have eight (8) Directors (excluding Directors serving as Audit and Supervisory Committee Members) (including two (2) Outside Directors).

This Proposal shall come into effect on condition that the amendments to the Articles of Incorporation proposed in Proposal No. 2 “Partial Amendments to the Articles of Incorporation” come into effect.

Proposal No. 6: Establishment of the Amount of Remuneration for Directors Serving as Audit and Supervisory Committee Members

The Bank will transition to a company with an audit and supervisory committee on condition that Proposal No. 2 “Partial Amendments to the Articles of Incorporation” is approved and passed.

Consequently, in conjunction with the transition to a company with an audit and supervisory committee, the Bank proposes that the maximum amount of remuneration for Directors serving as Audit and Supervisory Committee Members be 60 million yen per year, taking into consideration the duties and responsibilities of Directors serving as Audit and Supervisory Committee Members.

This Proposal determines a remuneration limit for Directors serving as Audit and Supervisory Committee Members within a reasonable range, taking into consideration the responsibilities of Directors serving as Audit and Supervisory Committee Members, the level of remuneration for Directors (excluding Directors serving as Audit and Supervisory Committee Members), etc. Therefore, the Bank judges that this Proposal is necessary and reasonable.

If Proposal No. 2 “Partial Amendments to the Articles of Incorporation” and Proposal No. 4 “Election of Four (4) Directors Serving as Audit and Supervisory Committee Members” are approved and passed as

proposed, the Bank will have four (4) Directors serving as Audit and Supervisory Committee Members (including three (3) Outside Directors).

This Proposal shall come into effect on condition that the amendments to the Articles of Incorporation proposed in Proposal No. 2 “Partial Amendments to the Articles of Incorporation” come into effect.

Proposal No. 7: Determination of Remuneration for Granting Restricted Stock to Directors (Excluding Outside Directors and Directors Serving as Audit and Supervisory Committee Members)

The maximum amount of remuneration paid for granting restricted stock to Directors (excluding Outside Directors) of the Bank was resolved as 60 million yen per year at the 115th Annual General Meeting of Shareholders held on June 25, 2019 and remains unchanged to date. The Bank will transition to a company with an audit and supervisory committee on condition that Proposal No. 2 “Partial Amendments to the Articles of Incorporation” is approved and passed.

Consequently, pursuant to the provisions of Article 361, Paragraphs 1 and 2 of the Companies Act, the Bank proposes to pay remuneration for granting restricted stock to Directors (excluding Outside Directors and Directors Serving as Audit and Supervisory Committee Members; hereinafter, “Eligible Directors”), separately from the amount of remuneration for Directors (excluding Directors serving as Audit and Supervisory Committee Members) (a maximum of 200 million yen per year; including a maximum of 10 million yen for Outside Directors) proposed in Proposal No. 5, in order to give Eligible Directors an incentive to sustainably enhance the corporate value of the Bank and promote further shared interests with shareholders.

In view of the objectives presented above, the Bank judges that granting restricted stock under this Proposal is reasonable.

Under this Proposal, remuneration shall be paid for granting restricted stock to Eligible Directors as monetary claims (“monetary remuneration claims”), and the total maximum amount thereof shall be 60 million yen per year, taking into consideration various circumstances, including the economic climate. In addition, the specific timing of payment and allocation to each Eligible Director shall be determined by the Board of Directors. However, the Bank shall not pay remuneration for granting restricted stock to Outside Directors and Directors serving as Audit and Supervisory Committee Members.

Furthermore, the above amount of remuneration shall not include salary paid as an employee to Directors concurrently serving as employees.

At present, the Bank has seven (7) Directors who will be eligible for remuneration for granting restricted stock, but if Proposal No. 2 “Partial Amendments to the Articles of Incorporation” and Proposal No. 3 “Election of Eight (8) Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)” are approved and passed as proposed, the Bank shall have six (6) Eligible Directors.

In addition, pursuant to a resolution of the Board of Directors of the Bank, Eligible Directors shall pay all monetary remuneration claims paid to them under this Proposal as property contributed in kind and shall receive shares of common stock of the Bank by issuance or disposal, and the total maximum number of shares of common stock of the Bank to be issued or disposed of in this way shall be 35,000 shares per year (however, if, on or after the date this Proposal is approved and passed, a share split (including a gratis allotment of common stock of the Bank) or consolidation of shares is conducted in regard to the Bank’s common stock, or other circumstances arise whereby an adjustment is required to the total number of shares of the Bank’s common stock to be issued or disposed of as restricted stock, the total number of shares shall be adjusted within a reasonable range).

Furthermore, the amount to be paid for each share shall be determined by the Board of Directors, within a range of amount that is not particularly advantageous to the Eligible Directors who will receive the shares of common stock, based on the closing price of the Bank’s common stock on the Tokyo Stock Exchange on the business day before the date of each resolution by the Board of Directors (if there are no trades on that day, the closing price on the most recent preceding trading day). In addition, when issuing or disposing the Bank’s common stock in this way, the Bank shall conclude a restricted stock allotment agreement (the “Allotment Agreement”) with Eligible Directors including the following content.

This Proposal shall come into effect on condition that the amendments to the Articles of Incorporation proposed in Proposal No. 2 “Partial Amendments to the Articles of Incorporation” come into effect.

(1) Transfer restriction period

Eligible Directors shall not be able to transfer, create security interests on, or otherwise dispose (the “transfer restrictions”) of shares of the Bank’s common stock allotted as a result of the Allotment Agreement (the “Allotted Shares”) for a period of 30 years under the Allotment Agreement (the “transfer restriction period”).

(2) Removal of transfer restrictions

The provisions of the above item (1) notwithstanding, the Bank shall remove transfer restrictions on all Allotted Shares when the transfer restriction period ends, on the condition that the Eligible Director continuously served in the position of Director, Executive Officer, Corporate Officer who does not serve concurrently as a Director, Corporate Auditor, employee, Adviser, Counselor, or other equivalent position in the Bank during the transfer restriction period. However, if the Eligible Director resigns or retires from any position as defined in the below item (3) before the expiration of the transfer restriction period owing to the expiration of his or her term of office, death, or other justifiable reason as defined in the following item (3), the Bank shall reasonably adjust the number of Allotted Shares on which to remove transfer restrictions and the timing of the removal of transfer restrictions, as necessary. In addition, the Bank shall automatically acquire any Allotted Shares whose transfer restrictions have not been removed, without consideration, immediately after the removal of transfer restrictions in accordance with the provisions above.

(3) Treatment at resignation or retirement

If an Eligible Director resigns or retires from his or her position as Director, Executive Officer, Corporate Officer who does not serve concurrently as a Director, Corporate Auditor, employee, Adviser, Counselor, or other equivalent position in the Bank before the expiration of the transfer restriction period, the Bank shall automatically acquire the Allotted Shares, without consideration, excluding cases when the resignation or retirement was due to the termination of his or her term of office, death, or other justifiable reason.

(4) Treatment in the event of organizational restructuring, etc.

The provisions of the above item (1) notwithstanding, if, during the transfer restriction period, a merger agreement under which the Bank will become a non-surviving company, share exchange agreement or share transfer plan under which the Bank will become a wholly owned subsidiary, or other item related to an organizational restructuring, etc. is approved at the General Meeting of Shareholders of the Bank (however, this shall be the Board of Directors of the Bank if the organizational restructuring, etc. does not require approval at the General Meeting of Shareholders of the Bank), the Bank shall remove transfer restrictions ahead of the effective date of the organizational restructuring, etc. on a number of Allotted Shares reasonably determined taking into consideration the period from the start of the transfer restriction period until the day the organizational restructuring, etc. is approved, by resolution of the Board of Directors of the Bank. In addition, in the cases stipulated above, the Bank shall automatically acquire any Allotted Shares whose transfer restrictions have not been removed, without consideration, immediately after the removal of transfer restrictions.

(5) Other matters

Other matters related to the Allotment Agreement shall be determined by the Board of Directors of the Bank.

(Reference)

Independence Criteria for Outside Officers

In cases where the results of the Bank's investigation of a reasonably possible scope determine that an Outside Officer does not fall under any of the following, said Outside Officer shall be judged to be independent.

1. An officer or employee of the corporate group consisting of the Bank and its subsidiaries (hereinafter the "Group")
2. A major shareholder with 5% or greater stake of the Bank, or its executive officers (Note 1)
3. A business partner whose sum of transactions with the Group exceeds 2% of the consolidated sales volume of that business partner's group in the most recent fiscal year, or its executive officers
4. An individual who, as of the end of the most recent fiscal year, has transactions with the Bank in the form of deposits or loans and the remaining balance of such deposits and loans with whom exceeds 1% of the Group's consolidated total assets, or its executive officers
5. A consultant, accounting professional, or legal professional who receives over 10 million yen in a year in monetary or other compensation from the Group aside from officer's compensation (If the legal entity or association that he/she belongs to receives compensation that meets this criterion, the same shall apply to him/her.)
6. An individual who has fallen under any of the above items 1 through 5 in the past 10 years
7. A close relative of an individual who has fallen under any of items 1 through 6 (a spouse or relative within the second degree)

(Note 1)

"Executive officers" refer to executive officers as stipulated in Article 2, Paragraph 3, Item 6 of the Ordinance for Enforcement of the Companies Act and includes not only executive directors but employees as well.