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(Securities Code: 8385)
June 4, 2020

To Shareholders with Voting Rights:

Kenji Miyoshi
President
THE IYO BANK, LTD.
1, Minami-Horibata-cho,
Matsuyama-shi, Ehime, Japan

NOTICE OF CONVOCATION OF THE 117TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

You are hereby informed that the 117th Annual General Meeting of Shareholders of THE IYO BANK, LTD. (the “Bank”) will be held for the purposes as described below.

In light of preventing the infection and spread of the new coronavirus, we request you to exercise your voting rights in advance as much as possible in writing or via the Internet, etc. (pages 3-5), and strongly encourage you to refrain from attending this Annual General Meeting of Shareholders regardless of your health conditions.

Please review the Reference Documents for the General Meeting of Shareholders (described hereinafter) and exercise your voting rights by Thursday, June 25, 2020 at 5:30 p.m. Japan time.

- 1. Date and Time:** Friday, June 26, 2020 at 10:00 a.m. Japan time (The reception desk opens at 9 a.m.)
- 2. Place:** 4F Hall, Head Office of the Bank
1, Minami-Horibata-cho, Matsuyama-shi, Ehime
- 3. Meeting Agenda:**
Matters to be reported:
 1. The Business Report and Non-consolidated Financial Statements for the Bank’s 117th Fiscal Year (from April 1, 2019 to March 31, 2020)
 2. Consolidated Financial Statements for the Bank’s 117th Fiscal Year (from April 1, 2019 to March 31, 2020) and results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Committee

Proposals to be resolved:

<Propositions by the Company (Proposals 1 and 2)>

Proposal No. 1: Election of Six (6) Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)

Proposal No. 2: Election of One (1) Director (Audit and Supervisory Committee Member)

<Propositions by the Shareholders (Proposals 3 and 4)>

Proposal No. 3: Dismissal of Three (3) Directors (Excluding Director Serving as Audit and Supervisory Committee Members)

Proposal No. 4: Dismissal of One (1) Director (Audit and Supervisory Committee Member)

Proposals 3 and 4 are propositions by a shareholder (1 shareholder), and the Board of Directors objects to each of these Proposals.

End

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- ◎ When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
 - ◎ The following matters are posted on the Bank's website in accordance with laws and regulations and Article 15 of the Bank's Articles of Incorporation, and are not provided with this Notice of Convocation.
 - 1) Items regarding the Bank's stock acquisition rights of the Business Report
 - 2) Systems for Ensuring the Properness of Business Activities and Outline of the Operation of the Systems of the Business Report
 - 3) Non-consolidated Statement of Changes in Net Assets
 - 4) Notes to the Non-consolidated Financial Statements
 - 5) Consolidated Statement of Changes in Net Assets
 - 6) Notes to the Consolidated Financial Statements

As a result, the attached documents of this Notice of Convocation are a subset of the Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements that were audited during preparation of the Accounting Auditor's Report by the Accounting Auditor and the Auditor's Report by the Audit and Supervisory Committee.

- ◎ Any revisions to the Business Report, the Non-consolidated Financial Statements, Consolidated Financial Statements, and the Reference Documents for the General Meeting of Shareholders, will be posted on the Bank's website

The Bank's website: <https://www.iyobank.co.jp/>

Reference Documents for the General Meeting of Shareholders

Proposals and References

Propositions by the Company (Proposals 1 and 2)

Proposals 1 to 2 are propositions by the Company.

Proposal No. 1: Election of Six (6) Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)

The term of office of all five (5) Directors (excluding Directors Serving as Audit and Supervisory Committee Members; the same applies throughout this proposal) will expire at the close of this Annual General Meeting of Shareholders. Accordingly, the election of six (6) Directors is proposed, an increase by one (1) in order to further strengthen the management system.

The Audit and Supervisory Committee has reviewed this proposal, and pursuant to the provisions of the Companies Act, there are no particular matters of note to be stated.

The candidates for Directors are as follows:

No.	Name			Current positions in the Bank
1	Iwao Otsuka	Male	Reelection	Chairman (Representative Director)
2	Kenji Miyoshi	Male	Reelection	President (Representative Director)
3	Kenji Takata	Male	Reelection	Senior Managing Director (Representative Director)
4	Tetsuo Takeuchi	Male	Reelection	Managing Director, CIO
5	Haruhiro Kono	Male	Reelection	Managing Director, Manager, Branch Banking Group
6	Kensei Yamamoto	Male	Newly elected	Managing Executive Officer, General Manager, Head Office, Business Department

Reelection: Candidate for reelected Director

Newly elected: Candidate for newly elected Director

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Bank held
1	<p>Iwao Otsuka (April 7, 1952)</p> <p>[Male] [Reelection]</p> <p>Term of office as Director: 13 years (at the close of this General Meeting)</p> <p>Attendance at Board of Directors meetings: 14/14 (100%)</p>	<p>April 1976 Joined the Bank July 1995 Manager, Human Resources Division August 1998 General Manager, Gunchu Branch July 2000 General Manager, Kochi Branch June 2003 General Manager, Oita Branch August 2006 General Manager, Human Resources Division June 2007 Director, General Manager, Human Resources Division June 2008 Director, General Manager, Head Office, Business Department June 2010 Managing Director, General Manager, Branch Banking Group June 2011 Senior Managing Director June 2012 President April 2020 Chairman (current position)</p> <p>[Responsibilities] Risk Management Division</p> <p>[Significant concurrent positions] Chairman, Ehime Industrial Promotion Foundation Chairman, the Matsuyama Corporation Association Chairman, the Ehime Corporation Association Chairman, the City of Matsuyama Chamber of Commerce & Industry Chairman, the Ehime Prefectural Federation of Chambers of Commerce and Industry</p>	24,370 shares
<p>Reasons for selection as a candidate for Director: Mr. Iwao Otsuka was involved in the overall management for many years and has a wealth of experience as President of the Bank, and has deep knowledge of overall operations of banks. By utilizing these experiences and insights as Director, the Bank has judged that he is a person that can continue to contribute to the improvement of corporate value of the Bank over the medium- to long-term, and has selected him as a candidate for Director.</p> <p>Other matters of note regarding the candidate for Director: The Bank conducts ordinary finance transactions between the Ehime Industrial Promotion Foundation, the Matsuyama Corporation Association, the Ehime Corporation Association, the City of Matsuyama Chamber of Commerce & Industry, and the Ehime Prefectural Federation of Chambers of Commerce and Industry, where Mr. Iwao Otsuka has significant concurrent positions.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Bank held
2	<p>Kenji Miyoshi (December 18, 1959)</p> <p>[Male] [Reelection]</p> <p>Term of office as Director: 3 years (at the close of this General Meeting)</p> <p>Attendance at Board of Directors meetings: 14/14 (100%)</p>	<p>April 1982 Joined the Bank</p> <p>March 2004 General Manager, Tsubaki Branch</p> <p>August 2006 Acting General Manager, Hiroshima Branch</p> <p>August 2009 General Manager, Osaka Kita Branch</p> <p>August 2012 General Manager, Funds Operation & Securities Division</p> <p>June 2014 Executive Officer, General Manager, General Planning Division</p> <p>June 2015 Managing Executive Officer, General Manager, General Planning Division</p> <p>June 2016 Managing Executive Officer, Deputy General Manager, Branch Banking Group</p> <p>June 2017 Managing Director</p> <p>June 2019 Senior Managing Director</p> <p>April 2020 President (current position)</p> <p>[Responsibilities] General Secretariat Tokyo Representative Office Internal Audit Division</p> <p>[Significant concurrent positions] Chairman, Ehime Bankers Association</p>	13,900 shares
<p>Reasons for selection as a candidate for Director: Mr. Kenji Miyoshi has a wealth of operational experience as General Manager of sales branches, in the financial market division, the planning division, and the sales division, etc., and is well-versed in the operations of banks. Additionally, he has executed the corporate management in a precise, fair, and efficient manner as the President of the Bank, and by utilizing this wealth of experiences and insights as Director, the Bank has judged that he is a person that can continue to contribute to the improvement of corporate value of the Bank over the medium to long term, and has selected him as a candidate for Director.</p> <p>Other matters of note regarding the candidate for Director: Mr. Kenji Miyoshi is the Chairman of the Ehime Bankers Association, and the Bank conducts ordinary finance transactions with said Association.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Bank held
3	<p>Kenji Takata (November 15, 1955)</p> <p>[Male] [Reelection]</p> <p>Term of office as Director: 10 years (at the close of this General Meeting)</p> <p>Attendance at Board of Directors meetings: 14/14 (100%)</p>	<p>April 1978 Joined the Bank</p> <p>February 1998 Manager, Loan Division No. 1</p> <p>July 2000 Acting General Manager, Osaka Branch</p> <p>July 2003 General Manager, Mishima Branch</p> <p>August 2006 General Manager, Oita Branch</p> <p>August 2008 General Manager, Business Planning & Promotion Division</p> <p>June 2010 Director, General Manager, Business Planning & Promotion Division</p> <p>June 2012 Director, General Manager, Head Office, Business Department</p> <p>June 2014 Managing Director</p> <p>June 2016 Managing Director, General Manager, Branch Banking Group</p> <p>April 2018 Managing Director</p> <p>June 2018 Senior Managing Director (current position)</p> <p>[Responsibilities] General Affairs Division Credit Division Ship Finance Division Consumer Loan Center Corporate Consulting Division Loan Management Office Mortgage Valuation Office Customer Satisfaction Enhancement Office</p>	23,700 shares
<p>Reasons for selection as a candidate for Director: Mr. Kenji Takata has a wealth of operational experience as General Manager of sales branches and in the sales division and the credit division, etc., and is well-versed in the operations of banks. By utilizing this wealth of experiences and insights as Director, the Bank has judged that he is a person that can continue to contribute to the improvement of corporate value of the Bank over the medium to long term, and has selected him as a candidate for Director.</p> <p>Other matters of note regarding the candidate for Director: There are no special interest relationships between Mr. Kenji Takata and the Bank.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Bank held
4	<p>Tetsuo Takeuchi (July 18, 1957)</p> <p>[Male] [Reelection]</p> <p>Term of office as Director: 8 years (at the close of this General Meeting)</p> <p>Attendance at Board of Directors meetings: 14/14 (100%)</p>	<p>April 1980 Joined the Bank</p> <p>August 1999 Manager, Head Office, Business Department</p> <p>August 2001 Manager, Human Resources Division</p> <p>July 2005 General Manager, Fukuoka Branch</p> <p>February 2008 Acting General Manager, Systems Development Division</p> <p>August 2009 General Manager, Systems Development Division</p> <p>June 2011 Director, General Manager, Systems Development Division</p> <p>June 2015 Managing Executive Officer, General Manager of Systems Development Division</p> <p>June 2016 Managing Director, CIO (current position)</p> <p>[Responsibilities] General Planning Division Public Relations & CSR Office Human Resources Division Operations Management Division Systems Development Division International Division Funds Operation & Securities Division Compliance Division</p> <p>[Significant concurrent positions] Director, Audit and Supervisory Committee Member, Daiki Axis Co., Ltd.</p>	12,100 shares
<p>Reasons for selection as a candidate for Director: Mr. Tetsuo Takeuchi has a wealth of operational experience as General Manager of sales branches, and in the business administration division, the systems development division, and the personnel division etc., and is well-versed in the operations of banks. Additionally, he served as Director from June 2011 to June 2015 and appropriately fulfilled his responsibilities. By utilizing this wealth of experiences and insights as Director, the Bank has judged that he is a person that can continue to contribute to the improvement of corporate value of the Bank over the medium to long term, and has selected him as a candidate for Director.</p> <p>Other matters of note regarding the candidate for Director: 1. There are no special interest relationships between Mr. Tetsuo Takeuchi and the Bank. 2. In line with the transition to a Company with Audit and Supervisory Committee in June 2015, Mr. Tetsuo Takeuchi retired from Director and was appointed Managing Executive Officer.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Bank held
5	<p>Haruhiro Kono (October 26, 1958)</p> <p>[Male] [Reelection]</p> <p>Term of office as Director: 6 years (at the close of this General Meeting)</p> <p>Attendance at Board of Directors meetings: 13/14 (92.9%)</p>	<p>April 1981 Joined the Bank</p> <p>July 2002 General Manager, Ushibuchi Branch</p> <p>July 2004 General Manager, Kure Branch</p> <p>August 2007 General Manager, Mitsuhama Branch</p> <p>August 2009 General Manager, Okayama Branch</p> <p>June 2012 Director, General Manager, Business Planning & Promotion Division</p> <p>June 2014 Director, General Manager, Niihama Branch</p> <p>April 2015 Director, General Manager, Niihama Group; General Manager, Niihama Branch</p> <p>June 2015 Managing Executive Officer, General Manager, Niihama Group; General Manager, Niihama Branch</p> <p>June 2017 Managing Director</p> <p>April 2018 Managing Director, General Manager, Branch Banking Group (current position)</p> <p>[Responsibilities] Branch Banking Group (Corporate & Retail Banking Planning Division, Consulting Business Division, Online Business Division and Regional Vitalization Division) Financial Market Business Office</p>	17,760 shares
<p>Reasons for selection as a candidate for Director: Mr. Haruhiro Kono has a wealth of operational experience as General Manager of sales branches and in the sales division, etc., and is well-versed in the operations of banks. Additionally, he served as Director from June 2012 to June 2015 and appropriately fulfilled his responsibilities. By utilizing this wealth of experiences and insights as Director, the Bank has judged that he is a person that can continue to contribute to the improvement of corporate value of the Bank over the medium to long term, and has selected him as a candidate for Director.</p> <p>Other matters of note regarding the candidate for Director: 1. There are no special interest relationships between Mr. Haruhiro Kono and the Bank. 2. In line with the transition to a Company with Audit and Supervisory Committee in June 2015, Mr. Haruhiro Kono retired from Director and was appointed Managing Executive Officer.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Bank held
6	<p>Kensei Yamamoto (December 26, 1962)</p> <p>[Male] [Newly elected]</p> <p>Term of office as Director: –</p> <p>Attendance at Board of Directors meetings: –</p>	<p>April 1985 Joined the Bank</p> <p>February 2005 Manager, Human Resources Division</p> <p>February 2007 Manager, Business Planning & Promotion Division</p> <p>February 2011 General Manager, Honmachi Branch</p> <p>August 2013 General Manager, Solution Business Division</p> <p>May 2015 General Manager, Yawatahama Group; General Manager, Yawatahama Branch</p> <p>June 2015 Executive Officer, General Manager, Yawatahama Group; General Manager, Yawatahama Branch</p> <p>June 2017 Managing Executive Officer, Deputy General Manager, Branch Banking Group; General Manager, Corporate & Retail Banking Planning Division; General Manager, Business Support Center, Corporate & Retail Banking Planning Division</p> <p>August 2018 Managing Executive Officer, General Manager, Head Office, Business Department (current position)</p>	5,400 shares
<p>Reasons for selection as a candidate for Director: Mr. Kensei Yamamoto has a wealth of operational experience as General Manager of sales branches and in the sales division, etc., and is well-versed in the operations of banks. By utilizing this wealth of experiences and insights as Director, the Bank has judged that he is a person that can contribute to the improvement of corporate value of the Bank over the medium- to long-term, and has selected him as a candidate for Director.</p> <p>Other matters of note regarding the candidate for Director: There are no special interest relationships between Mr. Kensei Yamamoto and the Bank.</p>			

Proposal No. 2: Election of One (1) Director (Audit and Supervisory Committee Member)

The term of office of one (1) Director (Audit and Supervisory Committee Member) will expire at the close of this Annual General Meeting of Shareholders. Accordingly, the election of one (1) Director (Audit and Supervisory Committee Member) is proposed.

We have obtained the approval of the Audit and Supervisory Committee for this proposal.

The candidate for Director (Audit and Supervisory Committee Member) is as follows:

Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Bank held
<p>Junko Miyoshi (December 8, 1947)</p> <p>[Female] [Reelection] [Outside] [Independent]</p> <p>Term of office as Director (Audit and Supervisory Committee Member): 4 years (at the close of this General Meeting)</p> <p>Attendance at Board of Directors meetings: 14/14 (100%)</p> <p>Attendance at Audit and Supervisory Committee meetings: 15/15 (100%)</p>	<p>October 1986 August 1987</p> <p>Joined Ability Center inc. Representative Senior Managing Director, Ability Center inc.</p> <p>October 1990 June 2016</p> <p>President and Representative Director, Ability Center inc. Director (Audit and Supervisory Committee Member), the Bank (current position)</p> <p>June 2018</p> <p>Chairman, Ability Center inc. (current position)</p> <p>[Significant concurrent positions] Chairman, Ability Center inc.</p>	<p>6,200 shares</p>

Reasons for selection as a candidate for Outside Director:
Ms. Junko Miyoshi has a wealth of experience and wide insights as a founding manager in the temporary staffing industry, and the Bank expects to receive appropriate suggestions on securing legality and appropriateness regarding decision-making of business execution from the viewpoint of monitoring and supervision of management. Additionally, the Bank has judged that she will make significant contributions to the promotion, etc., of diversity including providing opportunities for women, and has selected her as a candidate for Director.

Other matters of note regarding the candidate for Director:

1. There are ordinary finance transactions between the Bank and Ability Center inc., where Ms. Junko Miyoshi serves as Chairman. Additionally, although the Group concluded a temporary staffing agreement with Ability Center inc., the amount of the transactions is less than 2 % of the Bank' ordinary revenue and the companies' net sales, and she satisfies the standards of independence for Outside Directors of the Bank (page 12).
2. The Bank concluded a liability limitation agreement with her based on Article 427, Paragraph 1 of the Companies Act. If Ms. Junko Miyoshi is reappointed as Director (Audit and Supervisory Committee Member), the Bank plans to continue the liability limitation agreement with her. The limit of liability for Directors (Audit and Supervisory Committee Members) under said agreement is the minimum liability amount stipulated by laws and regulations.
3. The Bank registered Ms. Junko Miyoshi as an Independent Director (Outside Director) with Tokyo Stock Exchange, Inc. If this proposal is approved and Ms. Junko Miyoshi is reappointed as Director (Audit and Supervisory Committee Member), the Bank plans to continue the registration as an Independent Director (Outside Director) with the Exchange.

Reelection: Candidate for reelected Director
 Outside: Candidate for Outside Director
 Independent: Candidate for Independent Director for notification to Tokyo Stock Exchange, Inc.

(Reference)

Composition of the Audit and Supervisory Committee after election (plan)

Name			Current positions in the Bank, significant concurrent positions
Shiro Hirano	Male		Director (Audit and Supervisory Committee Member) (Standing)
Kaname Saeki	Male	Outside Independent	Director (Audit and Supervisory Committee Member) Representative Director and Chairman, IYOTETSU Group Co., Ltd. Representative Director and Chairman, Matsuyama Development Co., Ltd. President and Representative Director, Matsuyama Kanko Golf Co., Ltd.
Takeshi Ichikawa	Male	Outside Independent	Director (Audit and Supervisory Committee Member) President, Matsuyama Chuo Law Office
Yasunobu Yanagisawa	Male	Outside Independent	Director (Audit and Supervisory Committee Member) President, Okayama University of Science, Kake Educational Institution
Junko Miyoshi	Female	Outside Independent	Director (Audit and Supervisory Committee Member) Chairman, Ability Center Inc.
Keiji Joko	Male	Outside Independent	Director (Audit and Supervisory Committee Member)

Outside: Outside Director or candidate for Outside Director

Independent: Independent Directors for notification to Tokyo Stock Exchange, Inc.

* The term of office of Directors (Audit and Supervisory Committee Members) is two (2) years. Mr. Shiro Hirano, Mr. Kaname Saeki, Mr. Takeshi Ichikawa, Mr. Yasunobu Yanagisawa, and Mr. Keiji Joko were elected and assumed office at the 116th Annual General Meeting of Shareholders held in June 2019.

(Reference) Standards of Independence for Outside Directors of the Bank

In the event that none of the following items apply, the Board of Directors will judge that the Outside Director in question possesses independence. Additionally, even in the event that the following items formally apply, under the condition that an explicit explanation is made regarding the reasoning for why the person is suited as an Independent Director, judgment may be made that the Outside Director in question possesses independence.

1. A party that is a business executor (an Executive Director, Executive, Manager, or other employee of a company; an Officer, Director, or employee of another corporation or organization that executes business; or a party that executes business in a position similar to the above; the same applies hereinafter) of the Bank or a group company of the Bank (parent company, subsidiary, or affiliated company; the same applies hereinafter) or was a business executor within 10 years prior to appointment
2. A party that holds the Bank as a major transaction partner (to which (1) or (2) below apply) or a business executor thereof
 - (1) Borrowings from the Bank are highest, and, its borrower classification is debtor under caution or lower, etc., causing it to be dependent on the Bank due to lack of a substitute regarding fund procurement
 - (2) Regarding ordinary commercial transactions other than borrowings, the amount of transactions with the Bank is in excess of 2% of net sales (if a business executor of multiple companies, etc., then net sales of each company) of said transaction partner
3. A major transaction partner (transactions approximately in excess of 2% of ordinary revenue of the Bank) of the Bank or a business executor thereof
4. A party (attorney, certified public accountant, tax accountant, or other consultant) that receives remuneration over a certain amount other than officer remuneration (10 million yen per annum or 2% of total revenue of said organization on average over the past three fiscal years, whichever amount is higher) from the Bank, or a party affiliated with said organization
5. A business executor of an organization that receives donations over a certain amount (10 million yen per annum or 2% of total revenue of said organization on average over the past three fiscal years, whichever amount is higher) from the Bank.
6. A party to which 2 to 5 above applied within 5 years prior to appointment
7. A spouse or relative to within the second degree or a person sharing livelihood with a party to which the following applies
 - (1) An important business executor (Executive director, Executive Officer, General Manager, or a party that conducts important business similar to the above; the same applies hereinafter) of the Bank or a group company of the Bank
 - (2) Of parties to which 2 to 5 above apply, a party that can be considered an important business executor

End

Propositions by the Shareholders (Proposals 3 and 4)

Proposals 3 and 4 are propositions by a shareholder. The number of voting rights held by the proposing shareholder (1 shareholder) is 310.

In the “Reasons for the Proposition” of each proposal, in addition to the fact that some corporate entities are referred to by using fictitious names, the original propositions submitted by the proposing shareholder have been stated without any changes in written expressions, perception of facts, and such, except for changes in the editorial format for presentation.

About Propositions by the Shareholders

The Companies Act recognizes the shareholders’ right to make a proposition when certain requirements are met. Regarding such propositions, excluding the case where they violate laws and regulations or the Articles of Incorporation, regardless of their contents, the Company is obligated to publish the propositions.

In this instance, the Company has received propositions from a shareholder (1 shareholder). In consideration of the above, the Company has decided to publish all of the shareholder’s propositions.

Proposal No. 3: Dismissal of Three (3) Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)

1. Contents of the Proposition

- (1) The dismissal of Senior Managing Director, Mr. Kenji Takata, is proposed.
- (2) The dismissal of Managing Director, Mr. Haruhiro Kono, is proposed.
- (3) The dismissal of Managing Director, Mr. Tetsuo Takeuchi, is proposed.

2. Reasons for the Proposition

- (1) Reasons for the dismissal of Senior Managing Director, Mr. Kenji Takata
 - a. He caused a great deal of damage to shareholders by the significant decline in share price without later recovery therefrom. The price was in the 600 yen range in March 2019. A low price of 392 yen was recorded in March 2020. He demonstrates no awareness of his role as a corporate officer to focus on earnings and cost reductions.
 - b. His sense of management is such that he is not facing the current situation in which Iyo Bank's earning capacity continues to weaken. His view is that regional banks can still continue to thrive without changes, as was the case in the past. An obvious example of this is the alliance with Yamaguchi Bank, which lags behind Ehime Bank. By focusing only on the Shikoku Alliance, which is hard hit by a population decline and an economic downturn, there are no future prospects for Iyo Bank.
 - c. Company A in Kochi City had no returns from 2012 to 2016. It recorded a single-year profit in 2017. No returns in 2018. In addition, its inventory of assets showed that the company's liabilities exceeded its assets for three consecutive years from 2016 to 2018, including 2017 when it recorded a single-year profit. He took no effective measures in response to the results and positions shown in the financial statements.
 - d. With regard to the loan to Company A in Kochi City, he approved an increase in the amount of loan by approximately 4 billion yen on March 18, 2019 through a certain agent, despite difficulty in collecting on the loan.
- (2) Reasons for the dismissal of Managing Director, Mr. Haruhiro Kono
 - a. The ROA and core business net income decreased and profits continue to fall. Iyo Bank's utilization of its total assets is regarded as not appropriate.
 - b. Even with the share price slump, he showed no sign of making any efforts to increase the market capitalization of Iyo Bank in view of the slump in the share price and the low dividend payout.
 - c. Company A in Kochi City had no returns from 2012 to 2016. It recorded a single-year profit in 2017. No returns in 2018. In addition, its inventory of assets showed that the company's liabilities exceeded its assets for three consecutive years from 2016 to 2018, including 2017 when it recorded a single-year profit. Despite being a corporate officer of the Bank for the reason that he is well-versed in the operations of banks, he did not take any effective measures in response to the results and positions shown in the financial statements.
 - d. With regard to the loan to Company A in Kochi City, he approved an increase in the amount of loan by approximately 4 billion yen on March 18, 2019 through a certain agent, despite difficulty in collecting on the loan. He displayed no sound management vision to reduce bad debt.
- (3) Reasons for the dismissal of Managing Director, Mr. Tetsuo Takeuchi
 - a. Judging from the earnings forecast for the current fiscal year, he is simply accepting that the Shikoku region is suffering from a population decline and economic downturn; he lacks any awareness of crisis management; he shows no sign of working to reduce costs. He displays absolutely no vision for the future management of the Bank.
 - b. A slump in the share price that shows no sign of ending foretells the future. This is a dire situation where nothing can be done to halt the decrease in shareholders' capital.
 - c. Company A in Kochi City had no returns from 2012 to 2016. It recorded a single-year profit in 2017. No returns in 2018. In addition, its inventory of assets showed that the company's liabilities exceeded its assets for three consecutive years from 2016 to 2018, including 2017 when it recorded a single-year profit. He did not take any effective measures in response to the results and positions shown in the financial statements. And there are absolutely no signs of him making any effort to reduce costs.

- d. He is not capable of contributing to the improvement of the medium- to long-term corporate value of Iyo Bank. Core business profits are in a downtrend, and there were no signs of him utilizing his wealth of operational experience in the personnel division to tackle the issues. To date, he has shown no plans of integrating branches or cutting expenses.

The Board of Directors' Opinion on Proposal 3

The Board of Directors **objects to this Proposal.**

Since assuming the offices, Director, Senior Managing Director Mr. Kenji Takata, Managing Director, Mr. Haruhiro Kono, and Managing Director, Mr. Tetsuo Takeuchi have utilized their wealth of operational experiences and insights for the determination of important matters and the supervision of business execution, and they have done their utmost to improve the medium- to long-term corporate value of the Group, and have amply fulfilled their responsibilities.

Proposal No. 4: Dismissal of One (1) Director (Audit and Supervisory Committee Member)

1. Contents of the Proposition

The dismissal of Director (Audit and Supervisory Committee Member) Mr. Kaname Saeki is proposed.

2. Reasons for the Proposition

The most important role of an Auditor is to provide strict oversight of borrowers who harm the interests of shareholders, and to provide strict advice to Directors. Failing to fulfill that role, we have the case of the financial statements of Company A in Kochi City which harm the interests of shareholders. No returns from 2012 to 2016. A single-year profit in 2017. No returns in 2018. In addition, its inventory of assets showed that the company's liabilities exceeded its assets for three consecutive years from 2016 to 2018, including 2017 when it recorded a single-year profit. Despite the fact that his duties included the obligation to examine their financial statements, this duty cannot be said to have been fulfilled. There has been absolutely no advice on cost effectiveness, including cutting expenses and integrating branches. In addition, his functions to be "innovative" and "strict" as a Director who is a member of the Audit and Supervisory Committee have not in any way been fulfilled.

The Board of Directors' Opinion on Proposal 4

The Board of Directors **objects to this Proposal.**

Since he assumed office as Director (Audit and Supervisory Committee Member), Director (Audit and Supervisory Committee Member), Mr. Kaname Saeki has a wealth of experience and wide insights as a corporate manager, and we are receiving appropriate suggestions from the viewpoint of securing legality and appropriateness regarding decision-making of business execution as well as monitoring and supervision of management, and he has amply fulfilled his responsibilities.