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Securities identification code: 8369

June 1, 2021

To our shareholders:

Nobuhiro Doi

President

**The Bank of Kyoto, Ltd.**

700, Yakushimae-cho, Karasuma-dori,

Matsubara-Agaru, Shimogyo-ku, Kyoto, Japan

## **NOTICE OF THE 118TH ORDINARY GENERAL MEETING OF SHAREHOLDERS**

The 118th Ordinary General Meeting of Shareholders of The Bank of Kyoto, Ltd. (the “Bank”) will be held as described below.

In light of the need to take appropriate countermeasures to prevent the spread of the novel coronavirus (COVID-19) infection, the Bank has decided to hold the meeting on a smaller scale as in the previous year.

In order to prevent the spread of infection, we prioritize the safety of our shareholders and encourage you as far as possible to exercise your voting rights for this General Meeting of Shareholders by postal mail or via the Internet in advance, and we ask that you refrain from attending the General Meeting of Shareholders in person.

Please indicate your approval or disapproval of the proposals after reviewing the attached Reference Documents for the General Meeting of Shareholders, and return it by postal mail or the Internet to reach us no later than 5:00 p.m. on Monday, June 28, 2021 (Japan Standard Time).

### **Meeting Details**

**1. Date and Time:** Tuesday, June 29, 2021 at 10:00 a.m. (Japan Standard Time)  
(Reception will open at 9:00 a.m.)

**2. Venue:** 7th floor Hall, Head office of the Bank  
700, Yakushimae-cho, Karasuma-dori, Matsubara-Agaru, Shimogyo-ku, Kyoto, Japan

**Same as last year, the number of seats prepared will be significantly reduced at this year’s venue, in order to broaden the space between seats to prevent the spread of infection. Due to this, when seats are full you may be asked to refrain from entering the venue even if you come to attend the meeting.**

**Also, gifts will not be offered to the shareholders at the venue. We appreciate your understanding in advance.**

### 3. Purposes:

#### Items to be reported:

1. Business Report and Non-Consolidated Financial Statements for the 118th Term (from April 1, 2020 to March 31, 2021)
2. Consolidated Financial Statements, as well as the results of audit of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board for the 118th Term (from April 1, 2020 to March 31, 2021)

#### Items to be resolved:

- Proposal 1:** Appropriation of surplus
- Proposal 2:** Election of eight (8) Directors
- Proposal 3:** Election of three (3) Audit & Supervisory Board Members
- Proposal 4:** Determination of remuneration for granting restricted shares to Directors

#### [Exercise of Voting Rights by Postal Mail]

Please indicate your approval or disapproval of each proposal in the enclosed Voting Rights Exercise Form and return it by postal mail no later than 5:00 p.m. on Monday, June 28, 2021 (Japan Standard Time).

#### [Exercise of Voting Rights via the Internet]

Please refer to “the Information About Exercising Voting Rights via the Internet” on the attached sheet and access the Voting Rights Exercise Site: <https://evote.tr.mufg.jp/>. (Japanese only) Follow the instructions on the screen and indicate approval or disapproval of each proposal no later than 5:00 p.m. on Monday, June 28, 2021 (Japan Standard Time).

In addition, any expenses incurred when using the Voting Rights Exercise Site (Internet connection fees, communications fees to telecommunications carriers, etc.) shall be borne by the shareholder.

#### [Handling of Duplicate Voting]

If you vote both in writing on the Voting Rights Exercise Form and via the Internet, only your vote placed via the Internet will be valid.

In addition, if you submit your vote more than once via the Internet, only the last vote will be valid.

## Reference Documents for the General Meeting of Shareholders

### Items to be Resolved and Reference Documents

#### Proposal 1: Appropriation of surplus

Based on our policy of continuing stable payment of dividends to shareholders and strengthening our business base by retaining sufficient internal reserve, it is proposed that payment of year-end dividend and appropriation of surplus be conducted as follows:

Based on our policy of maintaining return of profits to shareholders, while taking into consideration the performance in the fiscal year under review and the business environment in the future, it is proposed that a year-end dividend for the fiscal year ended March 31, 2021 be ¥30 per share. Including the interim dividend of ¥30 per share paid in December 2020, annual dividend amounts will total ¥60 per share.

In addition, with regard to other appropriation of surplus, the Bank proposes to make a separate reserve for the purpose of strengthening its management structure as follows.

#### 1. Matters related to year-end dividends

(1) Type of dividend property	Cash
(2) Allocation of dividend property to shareholders and total amount thereof	¥30 per common share of the Bank Total amount of dividends:¥2,268,190,770
(3) Effective date of distribution of dividends of surplus	June 30, 2021

#### 2. Matters related to other appropriation of surplus

(1) Item of surplus to be increased and amount of increase thereof	General reserve: ¥10,000,000,000
(2) Item of surplus to be decreased and amount of decrease thereof	Retained earnings brought forward: ¥10,000,000,000

#### (Reference) Basic policy for the return of profit to shareholders

Dividend payout ratio	Aim for a payout ratio of 30% of net income based on stable dividends
(Dividend payout ratio for the fiscal year ended March 31, 2021)	(30%)

**Proposal 2:** Election of eight (8) Directors

The terms of office of all nine (9) Directors will expire at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, the Bank is decreasing the number of Directors by one (1) to improve the efficiency of the management system, and it proposes the election of eight (8) Directors, including three (3) Outside Directors.

The candidates for Directors are as follows:

No.	Name			Current position in the Bank	Attendance at Board of Directors meetings	Expertise			
						Corporate management	Financial industry	Finance and accounting/Economy	IT and systems
Reelection 1	Nobuhiro Doi		Male	President	12/13 (92%)	○	○		
Reelection 2	Masaya Anami		Male	Senior Managing Director	13/13 (100%)	○	○		
Reelection 3	Toshiro Iwahashi		Male	Managing Director	13/13 (100%)	○	○		
Reelection 4	Mikiya Yasui		Male	Managing Director	13/13 (100%)	○	○		
Reelection 5	Hiroyuki Hata		Male	Managing Director	13/13 (100%)	○	○		
Reelection 6	Junko Otagiri	Outside Independent	Female	Director (Outside Director)	12/13 (92%)			○	
Reelection 7	Chiho Oyabu	Outside Independent	Female	Director (Outside Director)	10/10 (100%)			○	
New election 8	Eiji Ueki	Outside Independent	Male			○			○

\* The above list does not represent all of the candidates' knowledge.

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Bank)	Number of the Bank's shares owned	
1	Nobuhiro Doi (April 25, 1956)	Apr. 1980	Joined the Bank	7,200
		June 2007	Director, General Manager, Personnel Division	
June 2008	Managing Director			
June 2010	Managing Director, General Manager, Head Office Business Department			
June 2012	Managing Director			
June 2015	President (present position)			
<p>[Reasons for selection as Director candidate] Nobuhiro Doi served as Director in charge of business management, risk management, personnel affairs, and others. He has served as President since June 2015 and sufficiently fulfills his duties and responsibilities. The Bank believes that Doi has knowledge and experience being able to exercise business management of the Bank in an appropriate, fair, and efficient manner.</p>				
2	Masaya Anami (March 27, 1962)	Apr. 1985	Joined the Bank	4,600
		June 2012	Director, General Manager, Corporate Banking Division	
Apr. 2013	Director, General Manager, Business Support Division			
June 2015	Managing Director			
June 2017	Senior Managing Director, General Manager, Business Headquarters			
June 2020	Senior Managing Director (present position) In charge of Business Headquarters			
<p>[Reasons for selection as Director candidate] Masaya Anami served as Manager in charge of sales and served as Director in charge of sales. He has served as Senior Managing Director since June 2017 and sufficiently fulfills his duties and responsibilities. The Bank believes that Anami has knowledge and experience being able to exercise business management of the Bank in an appropriate, fair, and efficient manner.</p>				
3	Toshiro Iwahashi (December 12, 1961)	Apr. 1986	Joined the Bank	4,600
		June 2014	Director, Sanjo Branch Manager	
June 2015	Director, General Manager, Credit Examination Division			
June 2016	Managing Director, General Manager, Head Office Business Department			
June 2018	Managing Director (present position) In charge of Treasury & Investment Division, General Secretariat, Human Resources and General Affairs Division, Kyoto Banking College			
<p>[Reasons for selection as Director candidate] Toshiro Iwahashi served as Manager in charge of business management, sales and credit examination. He has served as Managing Director since June 2016 and sufficiently fulfills his duties and responsibilities. The Bank believes that Iwahashi has knowledge and experience being able to exercise business management of the Bank in an appropriate, fair, and efficient manner.</p>				
4	Mikiya Yasui (February 8, 1965)	Apr. 1987	Joined the Bank	3,760
		June 2015	Executive Officer (commissioned General Manager of Personnel Division)	
June 2017	Director			
June 2018	Managing Director, General Manager, Head Office Business Department (present position)			
<p>[Reasons for selection as Director candidate] Mikiya Yasui served as Manager in charge of business management, sales and personnel. He has served as Managing Director since June 2018 and sufficiently fulfills his duties and responsibilities. The Bank believes that Yasui has knowledge and experience being able to exercise business management of the Bank in an appropriate, fair, and efficient manner.</p>				

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Bank)	Number of the Bank's shares owned	
5	Hiroyuki Hata (April 16, 1963)	Apr. 1987	Joined the Bank	4,940
		June 2016	Executive Officer (commissioned General Manager of Risk Management Division)	
Feb. 2017	Executive Officer (commissioned General Manager of Productivity Innovation Headquarters Secretariat)			
June 2018	Director, General Manager of Productivity Innovation Headquarters Secretariat			
June 2019	Managing Director (present position) In charge of Innovation & Digital Strategy Division, Business Administration Division, Operations Support Division, Systems Division			
[Reasons for selection as Director candidate] Hiroyuki Hata served as Manager in charge of business management, sales, risk management and personal. He has served as Managing Director since June 2019 and sufficiently fulfills his duties and responsibilities. The Bank believes that Hata has knowledge and experience being able to exercise business management of the Bank in an appropriate, fair, and efficient manner.				
6	Junko Otagiri (June 24, 1952)	Apr. 1987	Assistant Professor, Junior College of Economics, Shiga University	1,300
		Apr. 1993	Assistant Professor, Faculty of Economics, Shiga University	
Apr. 1998	Professor, Faculty of Economics, Shiga University			
June 2017	Director, the Bank (present position)			
Apr. 2018	Professor Emeritus, Shiga University (present position)			
[Reasons for selection as Outside Director candidate and overview of expected roles] Junko Otagiri has served as Outside Director since June 2017 and sufficiently fulfills her duties and responsibilities. As a university professor with cost accounting and managerial accounting as her main research field, Otagiri has professional and extensive knowledge about her research field and other areas. The Bank would like to have Otagiri continue to utilize her knowledge for the management of the Bank. After her election, the Bank expects her to provide valuable advice from her independent position as an Outside Director, utilizing her expert knowledge as a Professor Emeritus at a university. Even though Otagiri has never been involved in corporate management, she has adequately carried out her duties as Outside Director since taking office of Outside Director of the Bank.				
7	Chiho Oyabu (March 15, 1962)	Apr. 1994	Assistant Professor, Faculty of Education, Gifu University	0
		Apr. 2010	Professor, Faculty of Education, Gifu University (present position)	
Apr. 2019	Professor, Graduate School, Hyogo University of Teacher Education (present position)			
June 2020	Director, the Bank (present position)			
Apr. 2021	Vice President, Gifu University (present position)			
[Reasons for selection as Outside Director candidate and overview of expected roles] Chiho Oyabu has served as Outside Director since June 2020 and sufficiently fulfills her duties and responsibilities. As a university professor with household finance, financial education and consumer issues as her main research field, Oyabu has professional and extensive knowledge about her research field and other areas. The Bank would like to have Oyabu continue to utilize her knowledge for the management of the Bank from an independent standpoint as Outside Director. After her election, the Bank expects her to provide valuable advice from her independent position as an Outside Director, utilizing her expert knowledge as a Professor at a university. Even though Oyabu has never been involved in corporate management, she has adequately carried out her duties as Outside Director since taking office of Outside Director of the Bank.				

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Bank)	Number of the Bank's shares owned
*8	Eiji Ueki (June 18, 1958)	<p>Apr. 1981      Joined Nippon Telegraph and Telephone Public Corporation (currently NIPPON TELEGRAPH AND TELEPHONE CORPORATION)</p> <p>June 2009      Executive Officer, NTT DATA Corporation</p> <p>June 2013      Director and Executive Officer, NTT DATA Corporation</p> <p>June 2014      Director and Managing Executive Officer, NTT DATA Corporation</p> <p>June 2016      Representative Director and Managing Executive Officer, NTT DATA Corporation</p> <p>June 2017      Representative Director and Executive Vice President, NTT DATA Corporation</p> <p>June 2018      Representative Director and President, NTT DATA SYSTEM TECHNOLOGIES INC. (present position)</p> <p>&lt;Significant concurrent positions outside the Bank&gt;</p> <p>Representative Director and President, NTT DATA SYSTEM TECHNOLOGIES INC.</p>	0
<p>[Reasons for selection as Outside Director candidate and overview of expected roles]</p> <p>Eiji Ueki has held important positions at NTT DATA Corporation and currently serves as Representative Director and President of NTT DATA SYSTEM TECHNOLOGIES INC. The Bank proposes his election as Outside Director so that his extensive experience as a manager and his specialized and extensive knowledge in the systems field can be utilized in the management of the Bank. After his election, the Bank expects him to perform supervisory functions in general management and provide valuable advice, utilizing his experience as a corporate manager and knowledge in the field of systems.</p>			

- Notes:
1. New candidate for Director is indicated by an asterisk (\*).
  2. None of the above candidates have any special interest in the Bank.
  3. Junko Otagiri, Chiho Oyabu and Eiji Ueki are candidates for Outside Directors as defined in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act. The terms of office for Otagiri and Oyabu will be four (4) years and one (1) year, respectively, as of the conclusion of this Ordinary General Meeting of Shareholders. Otagiri's name on her family register is Junko Hayashi.
  4. Until June 2018, Eiji Ueki was an executive of NTT DATA Corporation, which is a specified related business operator (major trading partner) of the Bank.
  5. Conclusion of Agreement Limiting Liability  
The Bank has entered into an Agreement Limiting Liability with each of Junko Otagiri and Chiho Oyabu. Limits on liability for damages under these agreements shall be set at liability amounts stipulated by laws and regulations. If the election of Otagiri and Oyabu as Outside Directors is approved at this Ordinary General Meeting of Shareholders, the Bank plans to continue the said agreements with them. If the election of Eiji Ueki as Outside Director is approved, the Bank plans to enter into the same Agreement Limiting Liability with him.
  6. Content of Directors and Officers Liability Insurance Contract  
The Bank concludes a Directors and Officers liability insurance contract with an insurance company. The insurance contract is to compensate for any damage to the insured persons that may arise from any liability owed by them in relation to their execution of duties or any claims made against them in relation to the pursuit of such a liability. However, there are certain exemptions, such as in the case of an intentional violation of laws and regulations. All candidates for Directors will be included in the insured of the insurance contract. In addition, at the next renewal, we plan to renew the insurance contract with the same content.
  7. Registration as Independent Officers  
Junko Otagiri and Chiho Oyabu are registered with the Tokyo Stock Exchange (TSE) as Independent Officer in accordance with the TSE's rules and regulations. If the election of Otagiri and Oyabu as Outside Directors is approved at this Ordinary General Meeting of Shareholders, the Bank plans to continue the appointments of Otagiri and Oyabu as Independent Officers. If the election of Eiji Ueki as Outside Director is approved, the Bank plans to register him with the TSE as Independent Officer.
  8. Please refer to the Bank's website for details (career summaries, photographs, and others) of the eight (8) candidates for Directors.

**Proposal 3:** Election of three (3) Audit & Supervisory Board Members

The term of office of Audit & Supervisory Board Member Yoshihiko Hamagishi will expire at the conclusion of this Ordinary General Meeting of Shareholders. In addition, Audit & Supervisory Board Members Nobuaki Sato and Masaki Ishibashi are resigning as of the conclusion of this Ordinary General Meeting of Shareholders, although they are in the middle of their terms. Accordingly, we would like to request the election of three (3) Audit & Supervisory Board Members.

Please note that Hiroyuki Nakatsukasa and Motoko Tanaka, candidates for new Audit & Supervisory Board Members, are not intended to be elected as substitutes for the resigning Audit & Supervisory Board Members, and shall serve until the conclusion of the Ordinary General Meeting of Shareholders related to the last fiscal year ending within four (4) years of election.

In addition, the consent of the Audit & Supervisory Board has been obtained for the submission of this proposal.

The candidates for Audit & Supervisory Board Members are as follows:

No.	Name			Current position in the Bank
New election 1	Hiroyuki Ando		Male	Executive Officer (commissioned General Manager of General Secretariat)
New election 2	Hiroyuki Nakatsukasa	Outside Independent	Male	
New election 3	Motoko Tanaka	Outside Independent	Female	



No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Bank)	Number of the Bank's shares owned
*1	Hiroyuki Ando (December 21, 1962)	<p>Apr. 1985    Joined the Bank</p> <p>June 2012    General Manager, Administration Division</p> <p>June 2015    Executive Officer (commissioned General Manager of Administration Division)</p> <p>June 2016    Executive Officer (commissioned General Manager of General Affairs Division)</p> <p>June 2017    Executive Officer (commissioned General Manager of General Secretariat) (present position)</p>	2,100
<p>[Reasons for selection as Director candidate]</p> <p>Hiroyuki Ando boasts a wealth of experience, such as serving as a Manager in charge of business management, sales and administration/systems, and as an Executive Officer since 2015. The Bank has selected him as a candidate for Audit &amp; Supervisory Board Member due to his knowledge and experience being able to execute objective and neutral audits for bank management.</p>			
*2	Hiroyuki Nakatsukasa (December 21, 1957)	<p>Sept. 1984    Registered as Certified Public Accountant</p> <p>Oct. 1988    Registered as Certified Public Tax Accountant</p> <p>Nov. 1989    Established Nakatsukasa Certified Public Accountant and Tax Accountant Firm; Representative, ditto (present position)</p> <p>June 2007    Chairman, The Japanese Institute of Certified Public Accountants Kinki Chapter</p> <p>July 2007    Vice Chairman, The Japanese Institute of Certified Public Accountants</p> <p>June 2009    Outside Audit &amp; Supervisory Board Member, Osaka Securities Exchange Co., Ltd.</p> <p>Feb. 2012    Outside Audit &amp; Supervisory Board Member, Furusato Industries, Ltd.</p> <p>Jan. 2013    Outside Director, Japan Exchange Group, Inc.</p> <p>June 2015    Outside Audit &amp; Supervisory Board Member, The Nippon Synthetic Chemical Industry Co., Ltd.</p> <p>June 2015    Outside Director, Furusato Industries, Ltd. (present position)</p> <p>&lt;Significant concurrent positions outside the Bank&gt; Outside Director, Furusato Industries, Ltd.</p>	0
<p>[Reasons for selection as Outside Audit &amp; Supervisory Board Member candidate]</p> <p>Hiroyuki Nakatsukasa possesses adequate knowledge in finance and accounting as a certified public accountant and certified public tax accountant. The Bank expects that he will utilize his experience and extensive knowledge to execute objective and neutral audits for bank management. Even though he has never been involved in corporate management except as an Outside Officer, the Bank believes that he could adequately carry out his duties as Outside Audit &amp; Supervisory Board Member according to the above-mentioned reasons.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Bank)	Number of the Bank's shares owned
*3	Motoko Tanaka (April 22, 1958)	<p>Apr. 1988     Public Prosecutor</p> <p>July 2015     Chief Public Prosecutor, Matsue District Public Prosecutors Office</p> <p>Sept. 2016    Public Prosecutor, Supreme Public Prosecutors Office</p> <p>July 2017     Chief Public Prosecutor, Mito District Public Prosecutors Office</p> <p>Feb. 2018     Chief Public Prosecutor, Kyoto District Public Prosecutors Office</p> <p>July 2019     Chief Public Prosecutor, Kobe District Public Prosecutors Office</p> <p>Nov. 2020     Registered as an attorney at law (Osaka Bar Association) Guest Lawyer, Katayama and Hiraizumi Law Office (present position)</p>	0
<p>[Reasons for selection as Outside Audit &amp; Supervisory Board Member candidate] Motoko Tanaka has a wealth of experience and extensive knowledge, having served many years as a public prosecutor. The Bank expects that she will utilize her experience and knowledge to execute objective and neutral audits for bank management. Even though she has never been involved in corporate management, the Bank believes that she could adequately carry out her duties as Outside Audit &amp; Supervisory Board Member, according to the above-mentioned reasons.</p>			

- Notes:
1. New candidate for Audit & Supervisory Board Member is indicated by an asterisk (\*).
  2. None of the above candidates have any special interest in the Bank.
  3. Hiroyuki Nakatsukasa and Motoko Tanaka are candidates for Outside Audit & Supervisory Board Members as defined in Article 2, Paragraph 3, Item 8 of the Ordinance for Enforcement of the Companies Act.
  4. Conclusion of Agreement Limiting Liability  
If the election of Hiroyuki Nakatsukasa and Motoko Tanaka is approved at this Ordinary General Meeting of Shareholders, the Bank will enter into an Agreement Limiting Liability with them. Limits on liability for damages under these agreements shall be set at liability amounts stipulated by laws and regulations.
  5. Content of Directors and Officers Liability Insurance Contract  
The Bank concludes a Directors and Officers liability insurance contract with an insurance company. The insurance contract is to compensate for any damage to the insured persons that may arise from any liability owed by them in relation to their execution of duties or any claims made against them in relation to the pursuit of such a liability. However, there are certain exemptions, such as in the case of an intentional violation of laws and regulations. All candidates for Audit & Supervisory Board Members will be included in the insured of the insurance contract. In addition, at the next renewal, we plan to renew the insurance contract of the same content.
  6. Registration as Independent Officers  
If the election of Hiroyuki Nakatsukasa and Motoko Tanaka is approved, the Bank plans to register them as Independent Officers based on the provisions of the Tokyo Stock Exchange.
  7. Please refer to the Bank's website for details (career summaries, photographs, etc.) of the three (3) candidates for Audit & Supervisory Board Members.

**Proposal 4:** Determination of remuneration for granting restricted shares to Directors

Regarding the amount of remuneration, etc. for the Directors of the Bank, an annual amount of ¥600 million or less is approved for the “basic remuneration” and “Officers’ bonuses” (however, the employee-portion salaries for Directors who also serve as employees are not included), and an annual amount of ¥150 million or less is approved for the remuneration limit for “Share remuneration-type stock options,” per the 103rd Ordinary General Meeting of Shareholders held on June 29, 2006 and the 105th Ordinary General Meeting of Shareholders held on June 27, 2008.

As part of the revision for the officer (executive) remuneration plan, the Bank will introduce new “Restricted Share Remuneration” plan to replace the existing above-mentioned “Share remuneration-type stock option” plan, in order to give the Directors (excluding Outside Directors; hereinafter referred to as “Eligible Directors”) an incentive to work to continuously improve the corporate value of the Bank and promote further sharing of values with the shareholders.

Based on this proposal, the remuneration to be paid for granting restricted shares to Eligible Directors shall be monetary claims (hereinafter referred to as “Monetary Remuneration Claims”), and the total amount shall be ¥150 million or less per year, as a suitable amount according to the above objectives. In addition, the Board of Directors shall determine the specific timing and allocation of payments to each Eligible Director. However, restricted share remuneration shall not be paid to Outside Directors.

Please note that the above remuneration amount does not include the employee-portion salaries for Directors who also serve as employees.

If Proposal 2 is approved as originally proposed, the plan based on this proposal will be applicable to five (5) Eligible Directors.

Also, the Eligible Directors shall be paid the entirety of the Monetary Remuneration Claims per this proposal based on the resolution of the Board of Directors of the Bank as contributed assets, and receive the issuance or disposal of common shares of the Bank, of which the total amount that is newly issued or disposed of shall be 27,000 shares or less annually. (However, after the date that this proposal is approved and passed, if the common shares of the Bank are split (including free allotment of common shares of the Bank) or consolidated, or adjustments to the total number of common shares of the Bank that are issued or disposed of as restricted shares are otherwise needed, the Bank will adjust the total number within a reasonable range.)

The amount to be paid per common share of the Bank that is issued or disposed of, shall be determined by the Board of Directors to the extent that the Eligible Directors are not paid a particularly advantageous amount in common shares based on the closing price of common shares of the Bank on the Tokyo Stock Exchange on the business day prior to the date of each resolution of the Board of Directors (if the transaction isn’t completed on the same day, it shall be based on the closing price of the most recent trading day prior to that). Also, to issue or dispose of the Bank’s common shares, a restricted share allotment agreement (hereinafter, the “Allotment Agreement”) including the following content shall be concluded between the Bank and the Eligible Directors.

(1) Transfer restriction period

The Eligible Directors shall not transfer, set security interests or otherwise dispose of (hereinafter referred to as “Transfer Restrictions”) shares that were allotted based on this Allotment Agreement (hereinafter referred to as “Allotted Shares”), for the period from the date that they are allotted based on this Allotment Agreement to the date that they retire as a Director and Executive Officer of the Bank (hereinafter referred to as “Transfer Restriction Period”).

(2) Cancellation of transfer restrictions

The Bank shall consider the Transfer Restrictions void once the Transfer Restriction Period expires, regarding all of the Allotted Shares, provided that the Eligible Director has continued to be in the position that is stipulated in (1) above, during the period that the Board of Directors of the Bank has stipulated (hereinafter “Service Provision Period”). However, if the Eligible Director retires from the position that is stipulated in (1) above before the Service Provision Period expires, due to death or

other reasons deemed justifiable by the Board of Directors of the Bank, the number of Allotted Shares for which the Transfer Restrictions will be canceled, and the timing of cancellation, shall be reasonably adjusted as needed.

In addition, the Bank shall naturally acquire the Allotted Shares for which the Transfer Restrictions have not been canceled immediately after the Transfer Restrictions are canceled according to the above provisions, for free.

- (3) Handling of retirement for reasons other than those deemed justifiable by the Board of Directors of the Bank

If the Eligible Director retires from the position stipulated in (1) above due to reasons other than those deemed justifiable by the Board of Directors of the Bank during the Service Provision Period, the Bank will naturally acquire all of the Allotted Shares for free.

- (4) Handling in organizational restructuring, etc.

Regardless of the provisions of (1) above, if matters relating to a merger agreement where the Bank becomes a consolidated company, share exchange agreement where the Bank becomes a wholly owned subsidiary, or other organizational restructuring like a share transfer plan are approved by the Bank's general meeting of shareholders (or the Bank's Board of Directors if approval by the Bank's general meeting of shareholders is not needed for organizational restructuring) during the Transfer Restriction Period, the Transfer Restrictions shall be canceled prior to the effective date of the reorganization, etc. for the number of Allotted Shares reasonably determined based on the period from the start of the Service Provision Period to the date of approval of the reorganization, etc. per the resolution of the Board of Directors of the Bank.

In addition, in the case stipulated above, the Bank shall naturally acquire the Allotted Shares for which the Transfer Restrictions have not been canceled immediately after the Transfer Restrictions are canceled, for free.

- (5) Other matters

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

The payment of remuneration for granting restricted shares to the Eligible Directors based on this proposal provides incentive to the Eligible Directors to continuously improve the corporate value of the Bank, and aims to further share value with the shareholders.

At the Board of Directors meeting held on February 26, 2021, the Bank established the "Policy on Determining Individual Remuneration for Directors." As summarily described on page 28 of the Business Report (Japanese only), the granting of restricted shares based on this proposal is in line with the policy, and we do not plan on changing the policy if this proposal is approved.

Also, the total amount of Monetary Remuneration Claims to be paid for granting restricted shares shall be ¥150 million or less annually as an amount deemed appropriate considering the above objective. In addition, since the ratio of restricted shares granted based on this proposal, to the total number of issued shares, is 0.04% even when issuing the maximum number of shares under this proposal (ratio to the total number of issued shares when the maximum number is issued for ten (10) years is 0.36%) and the dilution rate is miniscule, we have determined that the payment of remuneration for granting the restricted shares based on this proposal is suitable.

Provided that this proposal is approved and passed as originally proposed, we plan on granting the same restricted shares as the restricted shares described above to the Executive Officers of the Bank as well.

[Reference] Policy on Determining Individual Remuneration for Directors

The Bank's "Policy on Determining Individual Remuneration for Directors" in the case that Proposal 4 is approved and passed as originally proposed is as follows.

1. Basic policy

The remuneration for Directors shall be based on a remuneration plan that aims to adequately function as an incentive to continuously improve corporate value, with the basic policy of adhering to an appropriate level based on the responsibilities when determining the remuneration of each Director.

Specifically, it is comprised of "basic remuneration" that is paid monthly according to roles and responsibilities, "Officers' bonuses" paid according to level of contribution to business performance in a year, and "restricted share remuneration" for raising motivation to increase corporate value and management awareness focused on shareholders.

Outside Directors shall solely receive "basic remuneration" that is paid monthly, without a remuneration plan that is linked to business results, since they are independent of the company.

Audit & Supervisory Board Members shall solely receive "basic remuneration" that is paid monthly, without a remuneration plan that is linked to business results, in order to heighten independence and fortify corporate governance.

2. Policy regarding determining individual monetary remuneration (including policies on determining timing or conditions for giving remuneration, etc.)

The "basic remuneration" shall be a fixed monthly remuneration and determined according to position and responsibilities, etc. by comprehensively considering the performance of the Bank, standards of other banks, and standards of employee salaries, etc.

"Officers' bonuses" shall be determined according to level of contribution to business performance and profit levels in a year, without setting specific indicators, and paid at a set time each year.

Please note that the "basic remuneration" and "Officers' bonuses" of Directors shall amount to ¥600 million or less annually (approved at the 103rd Ordinary General Meeting of Shareholders in June 2006).

3. Policy on determining content and calculation method of amount or numbers for non-monetary remuneration, etc. (including policies on determining timing or conditions for giving remuneration, etc.)

Non-monetary remuneration, etc. shall be "restricted share remuneration," determined according to position and responsibilities, etc. by comprehensively considering incentives for improving the Bank's business results and corporate value, and paid at a set time every year.

The annual amount of "restricted share remuneration" shall be ¥150 million or less, and the total number of common shares of the Bank that are issued or disposed of shall be 27,000 shares or less per year.

4. Matters concerning determination of individual remuneration, etc. for Directors

A Representative Director shall be entrusted with the specific details regarding the amount of remuneration for each Director, per the resolution of the Board of Directors, which shall include the basic remuneration amount of each Director, allocation of bonuses based on level of contribution to business results of each Director, and the number of restricted shares allotted to each Director.

The entrusted Representative Director shall consult with the Nomination and Compensation Committee on the original proposal and obtain a report from them so that their authority can be exercised appropriately, and make determinations based on the content of the report.