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(Securities Code: 8381)

June 4, 2019

To Shareholders with Voting Rights:

Fumio Ishimaru
President and Chief Executive Officer
THE SAN-IN GODO BANK, LTD.
10, Uomachi, Matsue, Shimane, Japan

NOTICE OF CONVOCATION OF THE 116TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 116th Annual General Meeting of Shareholders of THE SAN-IN GODO BANK, LTD. (the “Bank”). The meeting will be held for the purposes as described below.

If you are unable to attend the meeting, you can exercise your voting rights in writing by submitting the enclosed Voting Rights Exercise Form, or via the Internet, etc. Please review the Reference Documents for the General Meeting of Shareholders (described hereinafter) and exercise your voting rights by Monday, June 24, 2019 at 5:15 p.m. Japan time.

- 1. Date and Time:** Tuesday, June 25, 2019 at 10:00 a.m. Japan time (Open at 9:00 a.m.)
2. Place: Auditorium, 3F, Head Office of the Bank,
10, Uomachi, Matsue, Shimane, Japan

3. General Meeting of Shareholders Agenda:

- Matters to be reported:**
1. The Business Report and Non-consolidated Financial Statements for the Bank’s 116th Fiscal Year (from April 1, 2018 to March 31, 2019)
 2. Consolidated Financial Statements for the Bank’s 116th Fiscal Year (from April 1, 2018 to March 31, 2019) and 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 who are Audit and Supervisory Committee Members)
Proposal No. 4: Election of Five (5) Directors who are Audit and Supervisory Committee Members
Proposal No. 5: Election of One (1) Substitute Director who is an Audit and Supervisory Committee Member
Proposal No. 6: Remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members)
Proposal No. 7: Remuneration for Directors who are Audit and Supervisory Committee Members
Proposal No. 8: Stock-based Remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members)

4. Exercise of Voting Rights:

Exercise of Voting Rights via Meeting Attendance:

When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.

Date and Time: Tuesday, June 25, 2019 at 10:00 a.m. Japan time

Exercise of Voting Rights in Writing

Please indicate your vote for or against the proposals on the enclosed Voting Rights Exercise Form and return it so that it is received by the following deadline.

Deadline: Monday, June 24, 2019 at 5:15 p.m. Japan time

Exercise of Voting Rights via the Internet, etc.

Please access the voting website (<https://www.e-sokai.jp>), follow the instructions on the screen, and indicate your vote for or against the proposals by the following deadline.

Deadline: Monday, June 24, 2019 at 5:15 p.m. Japan time

- **Handling of Duplicate Voting**

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

In addition, if you submit your vote multiple times via the Internet, etc., only the last vote will be valid.

5. Other matters regarding the notice of convocation

Of the documents that are required to be provided with this notice of convocation,

- 1) “Items Regarding Subscription Rights to Shares of the Bank, etc.” in the Business Report
- 2) “Basic Policy on Internal Control Systems to Ensure Appropriateness of Business” in the Business Report
- 3) The “Non-consolidated Financial Statement of Changes in Net Assets” and the “Notes to the Non-consolidated Financial Statements”
- 4) The “Consolidated Financial Statement of Changes in Net Assets” and the “Notes to the Consolidated Financial Statements”

are posted on the Bank’s website (<https://www.gogin.co.jp/www/contents/1000000043000/index.html>), in accordance with laws and regulations as well as Article 16 of the Articles of Incorporation of the Bank. Additionally, the Business Report, Non-consolidated Financial Statements, and the Consolidated Financial Statements included in this notice of convocation are extracted from the documents that have been audited by the Accounting Auditor on preparation for the Independent Auditor’s Report and by the Board of Corporate Auditors on preparation for the Audit Report.

Any updates to the Reference Documents for the General Meeting of Shareholders, the Business Report, the Non-consolidated Financial Statements, or the Consolidated Financial Statements will be posted on the Bank’s website (<https://www.gogin.co.jp>). (Japanese version only)

End

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal No. 1: Appropriation of Surplus

Regarding appropriation of surplus, under the basic policy of securing internal reserves while providing proactive and stable return of profits to shareholders, the Bank proposes the following.

1. Matters concerning year-end dividends

Regarding dividends, the Bank has adopted “performance-linked dividends,” which maintain stability and provide dividends according to business results. Based on the above, the Bank would like to pay a year-end dividend of 19 yen per share, and in combination with an interim dividend, the annual dividend amounts to 26 yen per share.

(1) Type of dividend property

Cash

(2) Matters concerning the allotment of dividend property and the total amount

19 yen per share of common stock of the Bank

The total amount of dividends in this case is 2,974,601,924 yen

(3) Effective date of distribution of surplus

June 26, 2019

2. Other matters concerning the appropriation of surplus

(1) Item and amount of surplus to be increased

General reserve 5,000,000,000 yen

(2) Item and amount of surplus to be decreased

Retained earnings brought forward 5,000,000,000 yen

Common References Regarding Proposal No. 2 to Proposal No. 8

In order to further enhance the corporate governance system, the Bank will transition to a “Company with an Audit and Supervisory Committee” that was established as a new organizational design in accordance with the “Act for Partial Amendment to the Companies Act” (Act No. 90 of 2014, hereinafter the “Revised Companies Act”) which took effect on May 1, 2015. Proposal No. 2 through Proposal No. 8, presented on pages 6 through 27 of this notice of convocation are all related to this transition, and as such, the Bank wishes to provide an outline of a Company with an Audit and Supervisory Committee and reasons the Bank decided to transition 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 public company with an Audit and Supervisory Committee, but it shall not have Corporate Auditors or a Board of Corporate Auditors.
- An Audit and Supervisory Committee is comprised of three (3) or more Directors who are Audit and Supervisory Committee Members, the majority of which must be Outside Directors.
- While the terms of office of Directors who are not Audit and Supervisory Committee Members are one (1) year, those of Directors who are Audit and Supervisory Committee Members are two (2) years.
- Directors who are Audit and Supervisory Committee Members have voting rights within the Board of Directors and participate in determining proposals related to the election and dismissal of Directors, the appointment and removal of Representative Directors and making general decisions regarding other business execution matters (excluding decision-making entrusted to Directors). Additionally, the Audit and Supervisory Committee Members selected by the Audit and Supervisory Committee also have the authority to state opinions at General Meetings of Shareholders regarding the election, dismissal, and remuneration of Directors who are not Audit and Supervisory Committee Members. In these respects, Audit and Supervisory Committee Members and the Audit and Supervisory Committee have more enhanced supervisory functions compared to Corporate Auditors and a Board of Corporate Auditors.
- Provided that there is a stipulation in the Articles of Incorporation and others, a Company with an Audit and Supervisory Committee is allowed to delegate its power of making all or part of decisions on the execution of important business operations to Directors by a resolution of the Board of Directors. This enables the entrusted Directors to carry out expeditious decision-making and flexible execution of business, while making it possible for the Board of Directors to strengthen supervisory functions on persons involved in business execution.

■ Reasons for transitioning to a Company with an Audit and Supervisory Committee

The Bank, through the transition to a Company with an Audit and Supervisory Committee, will grant voting rights within the Board of Directors to Directors who are Audit and Supervisory Committee Members (including several Outside Directors), and further strengthen the Board of Directors’ supervisory functions. At the same time, the Bank will aim to further enhance its corporate governance system and increase corporate value.

■ Regarding Proposal No. 2 to Proposal No. 8

In order to transition to a Company with an Audit and Supervisory Committee, relevant amendments to the Articles of Incorporation are required, and the Bank has made such proposal in Proposal No. 2 “Partial Amendments to the Articles of Incorporation.”

Since a Company with an Audit and Supervisory Committee must elect Directors by making a distinction between Directors who are not Audit and Supervisory Committee Members and Directors who are Audit and Supervisory Committee Members, proposals are made respectively in Proposal No. 3 for the election of Directors who are not Audit and Supervisory Committee Members, Proposal No. 4 for the election of Directors who are Audit and Supervisory Committee Members, and

Proposal No. 5 for a Substitute Director who is an Audit and Supervisory Committee Member in preparation for vacancy of the position.

Additionally, since a Company with an Audit and Supervisory Committee must also decide Directors' remuneration by making a distinction between Directors who are not Audit and Supervisory Committee Members and Directors who are Audit and Supervisory Committee Members, proposals are made respectively in Proposal No. 6 for setting the amount of the remuneration of Directors who are not Audit and Supervisory Committee Members, Proposal No. 7 for setting the amount of the remuneration of Directors who are Audit and Supervisory Committee Members, and Proposal No. 8 for setting the amount of remuneration via a stock-based remuneration system for Directors who are not Audit and Supervisory Committee Members.

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

1. Reasons for the amendments

In order to strengthen audit and supervisory functions, further enhance the corporate governance, and increase corporate value, the Bank proposes transitioning to a “Company with an Audit and Supervisory Committee” that was established as a new organizational design in accordance with the Revised Companies Act.

As a result, the Bank proposes necessary changes, including establishing new regulations concerning the Audit and Supervisory Committee and Audit and Supervisory Committee Members, and deleting regulations concerning the Board of Corporate Auditors and Corporate Auditors.

In addition, to enable Directors (excluding persons who are Executive Directors, etc.) to fully demonstrate their expected roles, the Bank proposes requisite changes so that the Bank may enter into liability limitation agreements in accordance with Article 427 of the Companies Act.

In line with the above amendments, necessary adjustments including adjustment of the numbering of articles are proposed.

Furthermore, agreement from each Corporate Auditor has been obtained with regard to the proposed amendments in Article 31 “Liability Limitation Agreement with Directors.”

2. Details of the amendments

Details of the amendments are as follows.

These amendments to the Articles of Incorporation shall become effective at the conclusion of this Annual General Meeting of Shareholders.

(Amended parts are underlined.)

Current	Proposed amendment
Chapter 1 General Provisions	Chapter 1 General Provisions
Article 1. – Article 3. (Omitted)	Article 1. – Article 3. (Unchanged)
Article 4. (Bodies) The Bank shall have the following bodies in addition to the General Meeting of Shareholders and Directors. 1. Board of Directors 2. <u>Corporate Auditors</u> 3. <u>Board of Corporate Auditors</u> 4. <u>Accounting Auditor</u>	Article 4. (Bodies) The Bank Shall have the following bodies in addition to the General Meeting of Shareholders and Directors. 1. Board of Directors 2. <u>Audit and Supervisory Committee</u> (Deleted) 3. <u>Accounting Auditor</u>
Article 5. (Omitted)	Article 5. (Unchanged)
Chapter 2 Shares	Chapter 2 Shares
Article 6. – Article 12. (Omitted)	Article 6. – Article 12. (Unchanged)
Chapter 3 General Meeting of Shareholders	Chapter 3 General Meeting of Shareholders
Article 13. – Article 18. (Omitted)	Article 13. – Article 18. (Unchanged)

Current	Proposed amendment
<p style="text-align: center;">Chapter 4 Directors and Board of Directors</p>	<p style="text-align: center;">Chapter 4 Directors, Board of Directors <u>and Audit and Supervisory Committee</u></p>
<p>Article 19. (Number of Directors) The number the Bank’s Directors shall be not more than ten (10).</p> <p style="text-align: center;">(Newly established)</p>	<p>Article 19. (Number of Directors) The number of the Bank’s Directors <u>(excluding Directors who are Audit and Supervisory Committee Members)</u> shall be not more than ten (10). <u>2. The number of the Bank’s Directors who are Audit and Supervisory Committee Members shall be not more than five (5).</u></p>
<p>Article 20. (Election of Directors) Directors shall be elected at the General Meetings of Shareholders.</p> <p style="text-align: center;">(Omitted)</p>	<p>Article 20. (Election of Directors) Directors shall be elected at the General Meetings of Shareholders, <u>making a distinction between Directors who are Audit and Supervisory Committee Members and other Directors.</u></p> <p style="text-align: center;">(Unchanged)</p>
<p>Article 21. (Terms of Office of Directors) The terms of office of Directors shall expire at the conclusion of the Annual General Meeting of Shareholders held for the last fiscal year that ends within one (1) year from assumption of office.</p> <p><u>2. The terms of office of Directors who were elected as an increase in the number of Directors or as a substitute shall expire at the time the terms of office of other Directors expire.</u></p> <p style="text-align: center;">(Newly established)</p> <p style="text-align: center;">(Newly established)</p> <p style="text-align: center;">(Newly established)</p>	<p>Article 21. (Terms of Office of Directors) The terms of office of Directors <u>(excluding Directors who are Audit and Supervisory Committee Members)</u> shall expire at the conclusion of the Annual General Meeting of Shareholders held for the last fiscal year that ends within one (1) year from assumption of office.</p> <p style="text-align: center;">(Deleted)</p> <p><u>2. The terms of office of Directors who are Audit and Supervisory Committee Members shall expire at the conclusion of the Annual General Meeting of Shareholders held for the last fiscal year that ends within two (2) years from assumption of office.</u></p> <p><u>3. The term of office of a Director who is an Audit and Supervisory Committee Member who was elected to fill a vacancy of a Director who is an Audit and Supervisory Committee Member who retired prior to expiration of term shall expire at the time when the term of office of the retiring Director who is an Audit and Supervisory Committee expires.</u></p> <p><u>4. The effect of advance election of a Substitute Director who is an Audit and Supervisory Committee Member shall last until the opening of the Annual General Meeting of Shareholders held for the last fiscal year that ends within two (2) years from the General Meeting of Shareholders of such election.</u></p>

Current	Proposed amendment
<p>Article 22. – Article 23. (Omitted)</p>	<p>Article 22. – Article 23. (Unchanged)</p>
<p>Article 24. (Directors’ Remuneration, etc.) Remuneration, bonuses, and other financial benefits received from the Bank in consideration of execution of duties by Directors <u>(hereinafter the “Remuneration, etc.”)</u> shall be determined by a resolution at the General Meeting of Shareholders.</p>	<p>Article 24. (Directors’ Remuneration, etc.) Remuneration, bonuses, and other financial benefits received from the Bank in consideration of execution of duties by Directors shall be determined, <u>making a distinction between Directors who are Audit and Supervisory Committee Members and other Directors</u> by a resolution at the General Meeting of Shareholders.</p>
<p>Article 25. (Convocation of Board of Directors) A notice of convocation of the meeting of the Board of Directors shall be given five (5) days prior to the scheduled date of the meeting. However, this period can be further shortened in the event of an emergency. 2. If all Directors <u>and Corporate Auditors</u> agree, the meeting of the Board of Directors may be held without undergoing the procedures of convocation.</p>	<p>Article 25. (Convocation of Board of Directors) A notice of convocation of the meeting of the Board of Directors shall be given at least five (5) days prior to the scheduled date of the meeting. However, this period can be further shortened in the event of an emergency. 2. If all Directors agree, the meeting of the Board of Directors may be held without undergoing the procedures of convocation.</p>
<p>(Newly established)</p>	
<p>(Newly established)</p>	<p><u>Article 26. (Convocation of Audit and Supervisory Committee)</u> <u>A notice of convocation of the meeting of the Audit and Supervisory Committee shall be given at least five (5) days prior to the scheduled date of the meeting. However, this period can be further shortened in the event of an emergency.</u> <u>2. If all Audit and Supervisory Committee Members agree, the meeting of Audit and Supervisory Committee may be held without undergoing the procedures of convocation.</u></p>
<p>Article <u>26.</u> (Omission of Resolutions at Meetings of the Board of Directors) (Omitted)</p>	<p>Article <u>27.</u> (Omission of Resolutions at Meetings of the Board of Directors) (Unchanged)</p>
<p>(Newly established)</p>	
	<p><u>Article 28. (Delegation to Directors)</u> <u>Pursuant to the provisions of Article 399-13, Paragraph 6 of the Companies Act, the Bank may delegate to Directors decisions on execution of important operations (excluding matters stipulated in each item of Paragraph 5 of the same Article) by a resolution of the Board of Directors.</u></p>

Current	Proposed amendment
<p>Article 27. (Regulations of the Board of Directors) (Omitted)</p> <p>(Newly established)</p> <p>(Newly established)</p>	<p>Article 29. (Regulations of the Board of Directors) (Unchanged)</p> <p><u>Article 30. (Regulations of the Audit and Supervisory Committee)</u> <u>Matters pertinent to the Audit and Supervisory Committee shall be governed by the Regulations of the Audit and Supervisory Committee defined by the Audit and Supervisory Committee, in addition to laws and regulations and the Articles of Incorporation.</u></p> <p><u>Article 31. (Liability Limitation Agreement with Directors)</u> <u>Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Bank may enter into agreements with Directors (excluding persons who are Executive Directors, etc.) that limit their liability for damages due to negligence in performance of duties. However, the limit of liability under such agreements shall be the amount stipulated by laws and regulations.</u></p>
<p><u>Chapter 5 Corporate Auditors and the Board of Corporate Auditors</u></p>	<p>(Deleted)</p>
<p><u>Article 28. (Number of Corporate Auditors)</u> <u>The number of Corporate Auditors of the Bank shall be not more than five (5).</u></p>	<p>(Deleted)</p>
<p><u>Article 29. (Election of Corporate Auditors)</u> <u>Corporate Auditors shall be elected at General Meetings of Shareholders.</u> <u>2. Corporate Auditors shall be elected by a majority of votes of the shareholders in attendance who hold one third (1/3) or more of the voting rights of shareholders entitled to exercise voting rights.</u></p>	<p>(Deleted)</p> <p>(Deleted)</p>
<p><u>Article 30. (Terms of Office of Corporate Auditors)</u> <u>The terms of office of Corporate Auditors shall expire at the conclusion of the Annual General Meeting of Shareholders held for the last fiscal year that ends within four (4) years from assumption of office.</u> <u>2. The term of office of a Corporate Auditor elected to fill a vacancy of a Corporate Auditor who retired prior to expiration of term shall expire at the time when the term of office of the retired Corporate Auditor expires.</u></p>	<p>(Deleted)</p> <p>(Deleted)</p>

Current	Proposed amendment
<p><u>Article 31. (Full-time Corporate Auditor)</u> <u>Full-time Corporate Auditors shall be elected by a resolution of the Board of Corporate Auditors.</u></p>	(Deleted)
<p><u>Article 32. (Corporate Auditors' Remuneration, etc.)</u> <u>Corporate Auditors' remuneration, etc., shall be determined by a resolution at the General Meeting of Shareholders.</u></p>	(Deleted)
<p><u>Article 33. (Convocation of Board of Corporate Auditors)</u> <u>A notice of convocation of the meeting of the Board of Corporate Auditors shall be given five (5) days prior to the scheduled date of the meeting. However, this period can be further shortened in the event of an emergency.</u> <u>2. If all Corporate Auditors agree, the meeting of the Board of Corporate Auditors may be held without undergoing the procedures of convocation.</u></p>	(Deleted)
<p><u>Article 34. (Regulations of the Board of Corporate Auditors)</u> <u>Matters pertinent to the Board of Corporate Auditors shall be governed by the Regulation of the Board of Corporate Auditors defined by the Board of Corporate Auditors, in addition to laws and regulations and the Articles of Incorporation.</u></p>	(Deleted)
<p>Chapter 6 Accounting Article 35. – 37. (Omitted)</p>	<p>Chapter 5 Accounting Article 32. – 34. (Unchanged)</p>

Proposal No. 3: Election of Eight (8) Directors (excluding Directors who are Audit and Supervisory Committee Members)

On the condition that Proposal No. 2 “Partial Amendments to the Articles of Incorporation” is approved as proposed, the Bank will transition to a Company with an Audit and Supervisory Committee. As a result, the terms of office of all eight (8) Directors currently in office will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of eight (8) Directors (excluding Directors who are Audit and Supervisory Committee Members) is proposed.

This Proposal shall become effective when Proposal No. 2 “Partial Amendments to the Articles of Incorporation” takes effect.

The candidates for Directors (excluding Directors who are Audit and Supervisory Committee Members) are as follows:

No.	Name		Current position at the Bank
1	Ichiro Kubota	<u>Reappointment</u>	Chairman and Representative Director
2	Fumio Ishimaru	<u>Reappointment</u>	President and Representative Director
3	Toru Yamasaki	<u>Reappointment</u>	Director, Vice President and Executive Officer
4	Nobuharu Sugihara	<u>Reappointment</u>	Director and Senior Managing Executive Officer
5	Yasuhiro Imawaka	<u>Reappointment</u>	Director and Senior Managing Executive Officer
6	Hideto Tago	<u>Reappointment</u> <u>Outside Director</u> <u>Independent Director</u>	Director (Outside Director)
7	Choemon Tanabe	<u>Reappointment</u> <u>Outside Director</u>	Director (Outside Director)
8	Yasuyuki Kuratsu	<u>Reappointment</u> <u>Outside Director</u> <u>Independent Director</u>	Director (Outside Director)

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Bank held
1	Ichiro Kubota (Nov. 4, 1951) (Reappointment)	Apr. 1974 Joined the Bank Apr. 1996 General Manager of Nogi Branch Jul. 1998 General Manager of Izumo-ekimae Branch Jun. 2000 General Manager of Osaka Branch Nov. 2002 General Manager of Head Office Business Dept. Jun. 2004 Director and General Manager of Tottori Business Dept. Jun. 2005 Managing Director and General Manager of Tottori Business Dept. Jun. 2007 Senior Managing Director Jun. 2011 President and Representative Director Jun. 2015 Chairman and Representative Director (current position)	33,006 shares
	<Reasons for nomination as a candidate for Director> Mr. Ichiro Kubota is well-versed in the overall operations of the Bank based on a wealth of operational knowledge and experience, and has sufficiently fulfilled the duties and responsibilities of important positions such as General Manager of the Head Office Business Department and General Manager of the Tottori Business Department. He has served as Director since June 2004, President and Representative Director since June 2011, and Chairman and Representative Director since June 2015, and aptly performs the duties and responsibilities of said positions including decision-making about important management matters and supervision of business execution, and has contributed to improvements in corporate value of the Bank. In addition, as Chairman of the Board of Directors, he contributes to the realization of effective operations by the Board of Directors. The Bank has determined that he is a person capable of contributing to improvements in corporate value in the medium- to long-term by utilizing his knowledge and wealth of experience regarding bank management, and thus continues to nominate him as a candidate for Director.		
2	Fumio Ishimaru (Oct. 28, 1954) (Reappointment)	Apr. 1977 Joined the Bank Jul. 1998 General Manager of Sakuradani Branch Jun. 2001 General Manager of ALM Office in General Planning Dept. Jun. 2003 General Manager of Hiroshima Branch Apr. 2006 General Manager of Tottori Business Dept. Jun. 2007 Director and General Manager of Tottori Business Dept. Apr. 2008 Director and General Manager of Management Planning Dept. Jun. 2009 Managing Director and General Manager of Management Planning Dept. Jun. 2010 Managing Director Jun. 2011 Director, Senior Managing Executive Officer and Chief of Tottori Headquarters Jun. 2013 Director and Senior Managing Executive Officer Jun. 2015 President and Representative Director (current position) (Current responsibilities) Personnel	18,000 shares
	<Reasons for nomination as a candidate for Director> Mr. Fumio Ishimaru is well-versed in the overall operations of the Bank based on a wealth of operational knowledge and experience, and has sufficiently fulfilled the duties and responsibilities of important positions such as General Manager of the Tottori Business Department and General Manager of the Management Planning Department. Since taking office as Director in June 2007, he has provided appropriate decisions on important management matters and has contributed to improvements in corporate value of the Bank. In today's tough business environment, as President and Representative Director, he demonstrates unifying power that moves the organization forward in realizing the business philosophy, leadership ability in reforms, and driving force that guides the organization to improve corporate value, and leads the management of the Bank as he oversees business execution. The Bank has determined that he is a person capable of contributing to improvements in corporate value in the medium- to long-term by utilizing his knowledge and wealth of experience regarding bank management, and thus continues to nominate him as a candidate for Director.		

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Bank held
3	Toru Yamasaki (Aug. 20, 1958) (Reappointment)	Apr. 1982 Joined the Bank Jun. 2006 General Manager of Yonago-nishi Branch Jun. 2009 General Manager of Business Planning Dept. Jun. 2012 Executive Officer and General Manager of Management Planning Dept. Jun. 2014 Managing Executive Officer Jun. 2015 Director and Senior Managing Executive Officer Jun. 2018 Director, Vice President and Executive Officer (current position) (Current responsibilities) Personnel (sub), Digital Promotion, Credit Screening, Operations Administration, Systems	13,000 shares
		<p><Reasons for nomination as a candidate for Director> Mr. Toru Yamasaki is well-versed in the overall operations of the Bank based on a wealth of operational knowledge and experience, and has sufficiently fulfilled the duties and responsibilities of important positions such as General Manager of the Business Planning Department and General Manager of the Management Planning Department. Since taking office as Director in June 2015, he has provided appropriate decisions on important management matters and has contributed to improvements in corporate value of the Bank. In today's tough business environment, as Director, Vice President and Executive Officer, he demonstrates the ability to make prompt and rational decisions on risks from a position of management supervision, and leads the management of the Bank as he oversees business execution. The Bank has determined that he is a person capable of contributing to improvements in corporate value in the medium- to long-term by utilizing his knowledge and wealth of experience regarding bank management, and thus continues to nominate him as a candidate for Director.</p>	
4	Nobuharu Sugihara (Oct. 20, 1960) (Reappointment)	Apr. 1983 Joined the Bank Jul. 2008 General Manager of Osaka Branch Jun. 2010 General Manager of Personnel Dept. Jun. 2013 Executive Officer and General Manager of Compliance and Risk Management Dept. Jun. 2014 Executive Officer and General Manager of Management Planning Dept. Jun. 2015 Managing Executive Officer Jun. 2016 Managing Executive Officer and Chief of Hyogo-Osaka Headquarters Jun. 2017 Director and Senior Managing Executive Officer and Chief of Tottori Headquarters (current position)	12,000 shares
		<p><Reasons for nomination as a candidate for Director> Mr. Nobuharu Sugihara is well-versed in the overall operations of the Bank based on a wealth of operational knowledge and experience, and has sufficiently fulfilled the duties and responsibilities of important positions such as General Manager of the Personnel Department, General Manager of the Compliance and Risk Department, and General Manager of the Management Planning Department. Since taking office as Director in June 2017, he has provided appropriate decisions on important management matters and has contributed to improvements in corporate value of the Bank. In addition, he has the character and insight that are appropriate to lead management as Director of the Bank. The Bank has determined that he is a person capable of contributing to improvements in corporate value in the medium- to long-term by utilizing his knowledge and wealth of experience regarding bank management, and thus continues to nominate him as a candidate for Director.</p>	

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Bank held
5	Yasuhiro Imawaka (Mar. 18, 1960) (Reappointment)	<p>Apr. 1983 Joined the Bank</p> <p>Jul. 2006 General Manager of Tsuda Branch</p> <p>Jun. 2009 General Manager of Izumo Branch</p> <p>Jun. 2012 General Manager of Business Planning Dept.</p> <p>Jun. 2013 General Manager of Regional Development Dept.</p> <p>Jun. 2014 Executive Officer and General Manager of Regional Development Dept.</p> <p>Jun. 2016 Managing Executive Officer</p> <p>Jun. 2018 Director and Senior Managing Executive Officer (current position)</p> <p>(Current responsibilities) Business Planning & Promotion, Regional Development, Customer Service, Money and Capital Markets</p>	5,000 shares
	<p><Reasons for nomination as a candidate for Director></p> <p>Mr. Yasuhiro Imawaka is well-versed in the overall operations of the Bank based on a wealth of operational knowledge and experience, and has sufficiently fulfilled the duties and responsibilities of important positions such as General Manager of the Izumo Branch, General Manager of the Business Planning Department, and General Manager of the Regional Development Department. Since taking office as Director in June 2018, he has provided appropriate decisions on important management matters and has contributed to improvements in the corporate value of the Bank. In addition, he has the character and insight that are appropriate to lead management as Director of the Bank. The Bank has determined that he is a person capable of contributing to improvements in corporate value in the medium- to long-term by utilizing his knowledge and wealth of experience regarding bank management, and thus continues to nominate him as a candidate for Director.</p>		
6	Hideto Tago (Nov. 2, 1951) (Reappointment) (Outside Director) (Independent Director)	<p>Apr. 1974 Joined The Bank of Tokyo, Ltd. (currently MUFG Bank, Ltd.)</p> <p>Aug. 1988 General Manager of Capital Markets, Tokyo Branch of Banque Indosuez</p> <p>Jan. 1992 General Manager of Business Promotion Department, Tokyo Branch of National Westminster Bank</p> <p>Apr. 1997 Representative Director of Tago Office Co., Ltd. (current position)</p> <p>Apr. 1999 Partner (Executive Officer) of Deloitte Tohmatsu Consulting LLC. (currently ABeam Consulting Ltd.)</p> <p>Jun. 2003 Advisor of ABeam Consulting Ltd.</p> <p>Jun. 2004 Corporate Auditor of THE KAGOSHIMA BANK, LTD.</p> <p>Jun. 2007 Director of the Bank (current position)</p> <p>Jun. 2007 Director of THE KAGOSHIMA BANK, LTD.</p> <p>Jun. 2018 Director of The Shoko Chukin Bank, Ltd. (current position)</p>	9,000 shares
	<p><Reasons for nomination as a candidate for Outside Director></p> <p>Mr. Hideto Tago possesses a wealth of experience in management consulting focusing on regional financial institutions and specialized knowledge concerning relationship banking, and is well-acquainted with the Bank's regional characteristics as he grew up in the local area. Since taking office as an Outside Director in June 2007, he has aptly performed the duties and responsibilities of the position including providing appropriate advice and recommendations to the management of the Bank from various angles. The Bank has determined that he is a person capable of meeting expectations to offer advice and suggestions regarding overall management of the Bank from a specialized and practical point of view and also conduct decision-making, supervision, and check-and-balance functions on the Board of Directors from an objective and neutral position, and thus continues to nominate him as a candidate for Outside Director.</p> <p><Special interest relationships with the candidate></p> <p>There is no special interest between Mr. Hideto Tago and the Bank.</p> <p><Other matters></p> <p>Mr. Hideto Tago is a candidate for Outside Director. Furthermore, his term of office as an Outside Director of the Bank will be 12 years at the conclusion of this General Meeting of Shareholders.</p>		

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Bank held
	Choemon Tanabe (Aug. 4, 1979) (Reappointment) (Outside Director)	Apr. 2010 Representative Director and President of Tanabe Corporation (current position) Apr. 2010 Representative Director and President of Jutoku Industries Co., Ltd. Apr. 2010 Representative Director and President of Shoyo Printing Inc. (current position) Jun. 2010 Director of San-in Chuo Television Broadcasting Co., Ltd. Apr. 2011 Representative Director of THE TANABE MUSEUM OF ART (current position) Jun. 2011 Representative Director and President of JUTOKU CORPORATION (current position) Jun. 2011 Director of the Bank (current position) Jun. 2012 Representative of Green Power Unnan LLC. (current position) May 2014 Representative Director and President of Danobeta International CO., LTD. (current position) Jun. 2014 Managing Director of San-in Chuo Television Broadcasting Co., Ltd. Jun. 2016 Representative Director and President of San-in Chuo Television Broadcasting Co., Ltd. (current position) Jan. 2018 Chairman and Representative Director of Matsuko Corporation (current position)	
7		<p><Reasons for nomination as a candidate for Outside Director> Mr. Choemon Tanabe possesses a wealth of experience and insight as a local area business leader and various insights on regional development activities. Since taking office as an Outside Director in June 2011, he has aptly performed the duties and responsibilities of the position including providing appropriate advice and suggestions regarding the management of the Bank from various angles. With expectations that he will offer advice and suggestions regarding overall management of the Bank from a point of view that is well-acquainted with the region and also conduct decision-making, supervision, and check-and-balance functions on the Board of Directors from the standpoint of a representative of his local economic community, the Bank continues to nominate him as a candidate for Outside Director. Although he is not designated as an Independent Director in view of the transactional relationship between the Bank and the companies he operates, the Bank has determined that he is a person capable of contributing to improvement of the Bank's medium- to long-term corporate value by utilizing his experience and insight as a business leader with full knowledge of the region.</p> <p><Special interest relationships with the candidate> There exist transactions such as loans, etc., from the Bank to Tanabe Corporation, JUTOKU CORPORATION, Green Power Unnan LLC., Danobeta International CO., LTD., San-in Chuo Television Broadcasting Co., Ltd., and Matsuko Corporation, where Mr. Choemon Tanabe serves as Representative Director, etc.</p> <p><Other Matters> Mr. Choemon Tanabe is a candidate for Outside Director. Furthermore, his term of office as an Outside Director of the Bank will be 8 years at the conclusion of this General Meeting of Shareholders.</p>	3,000 shares

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Bank held
8	Yasuyuki Kuratsu (Jun. 23, 1955) (Reappointment) (Outside Director) (Independent Director)	Apr. 1979 Joined The Bank of Tokyo, Ltd. (currently MUFG Bank, Ltd.)	0 shares
		Apr. 1996 Managing Director of Bankers Trust	
		Jun. 1997 Managing Director of The Chase Manhattan Bank	
		Jun. 1998 Representative of Tokyo Office (concurrently) of Chase Securities Inc.	
		Apr. 2001 Representative Director of Research & Pricing Technology, Inc. (current position)	
		Feb. 2007 Executive Director of Industrial & Infrastructure Fund Investment Corporation (current position)	
		Mar. 2007 Corporate Auditor of Central Tanshi FX Co., Ltd. (current position)	
		Apr. 2015 Senior Fellow of The Institute for International Economic Studies (current position)	
		Jun. 2018 Director of the Bank (current position)	
	<p><Reasons for nomination as a candidate for Outside Director> Mr. Yasuyuki Kuratsu possesses specialized insight concerning the international financial sector and a wealth of experience in both domestic and overseas financial business operations, and is well-acquainted with the Bank's regional characteristics as he grew up in the local area. Since taking office as an Outside Director in June 2018, he has aptly performed the duties and responsibilities of the position including providing appropriate advice and suggestions regarding the management of the Bank from various angles. The Bank has determined that he is a person capable of meeting expectations that he will continue to offer advice and suggestions regarding overall management of the Bank from a specialized and practical point of view and also conduct decision-making, supervision, and check-and-balance functions on the Board of Directors from an objective and neutral position, and thus continues to nominate him as a candidate for Outside Director.</p> <p><Special interest relationships with the candidate> There is no special interest between Mr. Yasuyuki Kuratsu and the Bank.</p> <p><Other matters> Mr. Yasuyuki Kuratsu is a candidate for Outside Director. Furthermore, his term of office as an Outside Director of the Bank will be 1 year at the conclusion of this General Meeting of Shareholders.</p>		

- (Note) 1. According to "Independence Criteria for Outside Officers," determined by the Bank, there is no possibility that a conflict of interest between Messrs. Hideto Tago and Yasuyuki Kuratsu and the general shareholders will occur, and the Bank has judged that they possess sufficient independence. Their names have been submitted to the Tokyo Stock Exchange, Inc. as an Independent Directors as stipulated by the aforementioned Exchange, and if they are elected as originally proposed, they will continue to serve as Independent Directors.
2. If Messrs. Hideto Tago, Choemon Tanabe, and Yasuyuki Kuratsu are elected to the position of Director, the Bank plans to conclude a liability limitation agreement under Article 427, Paragraph 1 of the Companies Act with these non-executive directors, on the condition that Proposal No. 2 "Partial Amendments to the Articles of Incorporation" is approved as proposed. The limit of liability under the agreement shall be the amount stipulated by laws and regulations.

Proposal No. 4: Election of Five (5) Directors who are Audit and Supervisory Committee Members

On the condition that Proposal No. 2 “Partial Amendments to the Articles of Incorporation” is approved as proposed, the Bank will transition to a Company with an Audit and Supervisory Committee. Accordingly, the election of five (5) Directors who are Audit and Supervisory Committee Members is proposed.

The resolution of this Proposal shall become effective when Proposal No. 2 “Partial Amendments to the Articles of Incorporation” takes effect.

The candidates for Directors who are Audit and Supervisory Committee Members are as follows:

No.	Name		Current position at the Bank
1	Takashi Yoshida	<u>New Appointment</u>	Full-time Corporate Auditor
2	Koji Miyauchi	<u>New Appointment</u>	Executive Officer
3	Michihiro Kawamoto	<u>New Appointment</u> <u>Outside Director</u> <u>Independent Director</u>	Corporate Auditor (Outside Corporate Auditor)
4	Shoichi Imaoka	<u>New Appointment</u> <u>Outside Director</u> <u>Independent Director</u>	Corporate Auditor (Outside Corporate Auditor)
5	Tamaki Adachi	<u>New Appointment</u> <u>Outside Director</u> <u>Independent Director</u>	Corporate Auditor (Outside Corporate Auditor)

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Bank held
1	Takashi Yoshida (Oct. 18, 1963) (New Appointment)	Apr. 1987 Joined the Bank	5,800 shares
		Apr. 2006 Deputy General Manager of Kakogawa Branch Feb. 2008 Assistant Manager of Compliance and Risk Management Dept. Jul. 2010 Group Head of Compliance and Risk Management Dept. Apr. 2012 Deputy General Manager of Systems Dept. Jun. 2014 General Manager of Systems Dept. Jun. 2017 Full-time Corporate Auditor (current position)	
		<p><Reasons for nomination as a candidate for Director> Mr. Takashi Yoshida is well-versed in the overall operations of the Bank based on a wealth of operational knowledge and experience, and has sufficiently fulfilled the duties and responsibilities of important positions such as Group Head of the Compliance and Risk Management Department and General Manager of the Systems Department. Since taking office as a Full-time Corporate Auditor in June 2017, he has appropriately performed the duties of the position. The Bank has determined that he is a person capable of applying his wealth of experience and insight to audit and supervise the execution of duties by Directors in an appropriate, impartial, and efficient manner, and thus has nominated him as a candidate for Director who is an Audit and Supervisory Committee Member.</p>	
2	Koji Miyauchi (Aug. 30, 1964) (New Appointment)	Apr. 1988 Joined the Bank	8,400 shares
		Jul. 2007 Group Head of Management Planning Dept. Jul. 2010 General Manager of Matsue-ekimae Branch Jun. 2013 General Manager of Tokyo Branch Jul. 2015 General Manager of Hamada Branch Jun. 2017 General Manager of Personnel Dept. Jun. 2018 Executive Officer and General Manager of Personnel Dept. (current position)	
		<p><Reasons for nomination as a candidate for Director> Mr. Koji Miyauchi is well-versed in the overall operations of the Bank based on a wealth of operational knowledge and experience, and has sufficiently fulfilled the duties and responsibilities of important positions such as General Manager of the Tokyo Branch, General Manager of the Hamada Branch, and General Manager of the Personnel Department. Since taking office as Executive Officer and General Manager of the Personnel Department in June 2018, he has appropriately performed the duties of the position. The Bank has determined that he is a person capable of applying his wealth of experience and insight to audit and supervise the execution of duties by Directors in an appropriate, impartial, and efficient manner, and thus has nominated him as a candidate for Director who is an Audit and Supervisory Committee Member.</p>	

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Bank held
3	Michihiro Kawamoto (Apr. 30, 1953) (New Appointment) (Outside Director) (Independent Director)	Apr. 1983 Assumed office as public prosecutor	10,000 shares
		Apr. 1991 Registered as attorney-at-law (Admission to KYOTO BAR ASSOCIATION)	
		Apr. 1993 Admission to Tottori Bar Association (reregistered) Started practice in Tottori Representative of KAWAMOTO-MORI LAW OFFICES (current position)	
		Jun. 2005 Corporate Auditor of the Bank (current position)	
		<p><Reasons for nomination as a candidate for Outside Director> Mr. Michihiro Kawamoto possesses a high level of business acumen and expert knowledge concerning laws and regulations as a lawyer, and since taking office as an Outside Corporate Auditor in June 2005, he has appropriately performed the duties and responsibilities of the position. Therefore, the Bank has nominated him as a candidate for Outside Director who is an Audit and Supervisory Committee Member with expectations that he will apply his wealth of experience and insight to audit and supervise the execution of duties by Directors from a neutral and objective point of view. Additionally, although he does not have experience in directly contributing to corporate management, the Bank has determined that he is capable of aptly executing his duties as an Outside Director for the aforementioned reasons.</p> <p><Special interest relationships with the candidate > There is no special interest between Mr. Michihiro Kawamoto and the Bank.</p> <p><Other matters> Mr. Michihiro Kawamoto is a candidate for Outside Director. Furthermore, his term of office as an Outside Corporate Auditor of the Bank will be 14 years at the conclusion of this General Meeting of Shareholders.</p>	
4	Shoichi Imaoka (Oct. 21, 1964) (New Appointment) (Outside Director) (Independent Director)	Oct. 1987 Joined SANWA-TOHMATSU AOKI Audit Corporation (currently Deloitte Touche Tohmatsu LLC)	5,000 shares
		Apr. 1991 Registered as Certified Public Accountant	
		Dec. 1999 Head of Imaoka Certified Public Accountant Office (current position)	
		Sep. 2004 Registered as Certified Tax Accountant Head of Imaoka Shoichi Certified Tax Accountant Office (current position)	
		Aug. 2007 Corporate Auditor of Daikokuten Bussan Company (current position)	
		Oct. 2007 Employee of AC Earnest Audit Corporation Co., Ltd. (current position)	
		Jun. 2015 Corporate Auditor of the Bank (current position)	
		<p><Reasons for nomination as a candidate for Outside Director> Mr. Shoichi Imaoka possesses expert knowledge and practical experience concerning financial affairs and accounting as a certified public accountant and a certified tax accountant, and since taking office as an Outside Corporate Auditor in June 2015, he has appropriately performed the duties and responsibilities of the position. Therefore, the Bank has nominated him as a candidate for Outside Director who is an Audit and Supervisory Committee Member with expectations that he will apply his wealth of experience and insight to audit and supervise the execution of duties by Directors from a neutral and objective point of view. Additionally, although he does not have experience in directly contributing to corporate management, the Bank has determined that he is capable of aptly executing his duties as an Outside Director for the aforementioned reasons.</p> <p><Special interest relationships with the candidate> There is no special interest between Mr. Shoichi Imaoka and the Bank.</p> <p><Other matters> Mr. Shoichi Imaoka is a candidate for Outside Director. Furthermore, his term of office as an Outside Corporate Auditor of the Bank will be 4 years at the conclusion of this General Meeting of Shareholders.</p>	

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Bank held
5	Tamaki Adachi (Feb. 25, 1971) (New Appointment) (Outside Director) (Independent Director)	Oct. 2001 Registered as attorney-at-law (Admission to Tottori Bar Association) Started practice in Yonago Jan. 2011 Representative of Adachi Tamaki Law Office (current position) Apr. 2016 Auditor of Tottori University (current position) Jun. 2016 Corporate Auditor of the Bank (current position)	1,000 shares
	<p><Reasons for nomination as a candidate for Outside Director> Ms. Tamaki Adachi possesses a high level of business acumen and expert knowledge concerning laws and regulations as a lawyer, and since taking office as an Outside Corporate Auditor in June 2016, she has appropriately performed the duties and responsibilities of the position. Therefore, the Bank has nominated her as a candidate for Outside Director who is an Audit and Supervisory Committee Member with expectations that she will apply her wealth of experience and insight to audit and supervise the execution of duties by Directors from a neutral and objective point of view. Additionally, although she does not have experience in directly contributing to corporate management, the Bank has determined that she is capable of aptly executing her duties as an Outside Director for the aforementioned reasons.</p> <p><Special interest relationships with the candidate> There is no special interest between Ms. Tamaki Adachi and the Bank.</p> <p><Other matters> Ms. Tamaki Adachi is a candidate for Outside Director. Furthermore, her term of office as an Outside Corporate Auditor of the Bank will be 3 years at the conclusion of this General Meeting of Shareholders.</p>		

- (Note) 1. According to “Independence Criteria for Outside Officers” determined by the Bank, there is no possibility that a conflict of interest between Messrs. Michihiro Kawamoto, Shoichi Imaoka, and Ms. Tamaki Adachi and the general shareholders will occur, and the Bank has judged that they possess sufficient independence. Their names have been submitted to the Tokyo Stock Exchange as Independent Directors as stipulated by the aforementioned Exchange, and if they are elected as proposed, they will continue to serve as Independent Directors.
2. If Messrs. Michihiro Kawamoto, Shoichi Imaoka, and Ms. Tamaki Adachi are elected to the position of Director, the Bank plans to conclude a liability limitation agreement under Article 427, Paragraph 1 of the Companies Act with these non-executive directors, on the condition that Proposal No. 2 “Partial Amendments to the Articles of Incorporation” is approved as proposed. The limit of liability under the agreement shall be the amount stipulated by laws and regulations.

Proposal No. 5: Election of One (1) Substitute Director who is an Audit and Supervisory Committee Member

On the condition that Proposal No. 2 “Partial Amendments to the Articles of Incorporation” is approved as proposed, the Bank will transition to a Company with an Audit and Supervisory Committee. Accordingly, in preparation for a contingency in which the Bank does not have the number of Directors who are Audit and Supervisory Committee Members required by laws and regulations, the election of one (1) substitute Director who is an Audit and Supervisory Committee Members is proposed in advance.

The effectiveness of the election under this Proposal may be cancelled by a resolution of the Board of Directors and consent of the Audit and Supervisory Committee of the Bank, provided such cancellation is done prior to the assumption of office.

The resolution of this Proposal shall become effective when Proposal No. 2 “Partial Amendments to the Articles of Incorporation” takes effect.

The candidate for Substitute Director who is an 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
Hajime Maruyama (Sep. 6, 1976) (Outside Director) (Independent Director)	Oct. 2004 Assumed office as public prosecutor Oct. 2008 Registered as attorney-at-law (Admission to Shimane Bar Association) Started practice in Matsue Jan. 2013 Representative of Shimane Maruyama Law Office (current position) Apr. 2017 Auditor of the University of Shimane	
<Reasons for nomination as a candidate for Outside Director who is a Substitute Audit and Supervisory Committee Member> Mr. Hajime Maruyama possesses a high level of business acumen and expert knowledge concerning laws and regulations as a lawyer, therefore the Bank has nominated him as a candidate for Outside Director who is a Substitute Audit and Supervisory Committee Member with expectations that he will audit and supervise the execution of duties by Directors from a neutral and objective point of view. Additionally, although he does not have experience in directly contributing to corporate management, the Bank has determined that he is capable of aptly executing his duties as an Outside Director for the aforementioned reasons. <Special interest relationships with the candidate> There is no special interest between Mr. Hajime Maruyama and the Bank. <Other matters> Mr. Hajime Maruyama is a candidate for Director who is a Substitute Audit and Supervisory Committee Member (Outside Director).		0 shares

- (Notes)
1. According to “Independence Criteria for Outside Officers” determined by the Bank, there is no possibility that a conflict of interest between Mr. Hajime Maruyama and the general shareholders will occur, and the Bank has judged that he possesses sufficient independence. If he assumes the position of Director who is an Audit and Supervisory Committee Member, his name will be submitted to the Tokyo Stock Exchange, as an Independent Director as stipulated by the aforementioned Exchange.
 2. If Mr. Hajime Maruyama assumes the position of Director who is an Audit and Supervisory Committee Member, the Bank plans to conclude a liability limitation agreement under Article 427, Paragraph 1 of the Companies Act with the non-executive director, on the condition that Proposal No. 2 “Partial Amendments to the Articles of Incorporation” is approved as proposed. The limit of liability under the agreement shall be the amount stipulated by laws and regulations.

(Reference)

Independence Criteria for Outside Officers

The Bank determines that Outside Directors or Outside Corporate Auditors (referred to collectively as “Outside Officers” hereinafter) possess independence if they do not fall under any of the items listed below.

1. In the Bank or an associated company of the Bank (*1), persons who are business executives (*2) and persons who were previously business executives within ten years of assuming the position
2. Persons or business executives who hold the Bank as a major transaction partner (*3), or persons who were such business executives within the last three years
3. A major transaction partner of the Bank or the business executive of said partner, or a person who was such a business executive within the last three years
4. A certified public accountant, lawyer, or other consultant who has received sums of money or other assets in excess of 10 million yen on average for the past three years, from the Bank, excluding Director/Corporate Auditor remunerations
5. In the event that an organization such as a specialized corporation, association, etc., including auditing firms, law offices, and consulting firms, has made the Bank a major transaction partner or is a major transaction partner of the Bank, a person belonging to such an organization or a person who has belonged to such an organization within the last three years
6. Persons or business executives who have received donations in excess of 10 million yen on average for the past three years from the Bank
7. Persons belonging to auditing firms that conduct the Bank’s legal audits, or persons who have belonged to such an auditing firm within the last three years
8. In the event that a business executive of the Bank is at present or has at any time within the past three years served as an Outside Director at another company, a business executive of said other company
9. The spouse or relation to the second degree of any of the following persons:
 - (1) A major business executive (*4) of the Bank or an associated company of the Bank
 - (2) Persons listed in items 2. through 8. Above

However, in items 2., 3., 6., and 8., this is limited to major business executives. In items 4. and 5., this is limited to persons with specialized credentials, such as certified public accountants and lawyers. In 7., this is limited to major business executives and persons with specialized credentials such as certified public accountants.

*1. “Associated companies” refers to subsidiaries and affiliated companies.

*2. “Business executives” refers to executive directors at a corporation or other organization, executive officers or other officers who execute business at a corporation, etc., or persons who execute business as corporate members, administration officers, or other managers and employees under the Companies Act.

*3. “Major transaction partner” refers to persons who have a transactional relationship that can potentially have the same level of influence as an associated company, defined in *1 above, toward the decision making of the opposite party’s operations, etc., in consideration of the actual situation of the transaction.

*4. “Major business executive” refers to executive directors, executive officers, or other persons who execute important business as officers or section managers who execute operations at a corporation, and who fall under business executives as defined in *2 above.

Proposal No. 6: Remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members)

Remuneration for the Bank’s Directors is comprised of basic remuneration, performance-linked remuneration, and stock-based remuneration.

At the 108th Annual General Meeting of Shareholders held on June 24, 2011, the basic remuneration for Directors was determined to be within 250 million yen annually (of which the portion for Outside Directors was within 30 million yen). Under a separate framework from the basic remuneration, at the 115th Annual General Meeting of Shareholders held on June 26, 2018, the performance-linked remuneration category for Directors was determined to be within the maximum amount of 98 million yen annually (of which the portion for Outside Directors was within 14 million yen annually), with the amount of profit attributable to owners of parent (consolidated) for the fiscal year under review as a baseline, and this situation continues to the present day. However, on the condition that Proposal No. 2 “Partial Amendments to the Articles of Incorporation” is approved as proposed, the Bank will transition to a Company with an Audit and Supervisory Committee. Consequently, the Bank proposes to abolish current stipulations regarding the amount of remuneration for Directors and revise the amount of remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members).

Specifically, upon taking into consideration various factors including economic trends, the Bank proposes the basic remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members) to be within 250 million yen annually (of which the portion for Outside Directors is within 30 million yen annually), and, in the same manner and under a separate framework, the performance-linked remuneration category for Directors (excluding Directors who are Audit and Supervisory Committee Members) to be within 98 million yen annually (of which the portion for Outside Directors is within 14 million yen annually) as shown in the following table, based on the amount of profit attributable to owners of parent (consolidated) for the fiscal year under review. These remuneration amounts do not include employee salary portion for those Directors who serve concurrently as employees, and the Bank will determine the specific amounts, timing of payment, and other matters by a resolution of the Board of Directors.

There are currently eight (8) Directors (of which, three (3) are Outside Directors). If Proposal No. 2 “Partial Amendments to the Articles of Incorporation” and Proposal No. 3 “Election of Eight (8) Directors (excluding Directors who are Audit and Supervisory Committee Members)” are approved as proposed, there will be eight (8) Directors (excluding Directors who are Audit and Supervisory Committee Members) (of which, 3 are Outside Directors).

This Proposal shall become effective when Proposal No. 2 “Partial Amendments to the Articles of Incorporation” takes effect.

Performance-linked Remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members)

(Annual amounts)

Profit attributable to owners of parent (Consolidated)	Performance-linked Remuneration for Directors (Of which, for Outside Directors)
Over 15.0 billion yen	98 million yen (Within 14 million yen)
Over 14.0 billion yen, not exceeding 15.0 billion yen	91 million yen (Within 13 million yen)
Over 13.0 billion yen, not exceeding 14.0 billion yen	84 million yen (Within 12 million yen)
Over 12.0 billion yen, not exceeding 13.0 billion yen	77 million yen (Within 11 million yen)
Over 11.0 billion yen, not exceeding 12.0 billion yen	70 million yen (Within 10 million yen)
Over 10.0 billion yen, not exceeding 11.0 billion yen	63 million yen (Within 9 million yen)
Over 9.0 billion yen, not exceeding 10.0 billion yen	56 million yen (Within 8 million yen)
Over 8.0 billion yen, not exceeding 9.0 billion yen	49 million yen (Within 7 million yen)
Over 7.0 billion yen, not exceeding 8.0 billion yen	42 million yen (Within 6 million yen)
Over 6.0 billion yen, not exceeding 7.0 billion yen	35 million yen (Within 5 million yen)
Over 5.0 billion yen, not exceeding 6.0 billion yen	28 million yen (Within 4 million yen)
5.0 billion yen or less	0

Proposal No. 7: Remuneration for Directors who are Audit and Supervisory Committee Members

The remuneration amounts for the Bank's Corporate Auditors was determined to be within 75 million yen annually at the 113th Annual General Meeting of Shareholders held on June 23, 2016, and this situation continues to the present day. However, on the condition that Proposal No. 2 "Partial Amendments to the Articles of Incorporation" is approved as proposed, the Bank will transition to a Company with an Audit and Supervisory Committee. Consequently, upon taking into consideration the duties of Directors who are Audit and Supervisory Committee Members and various factors including economic trends, the Bank proposes to establish the amount of remuneration for Directors who are Audit and Supervisory Committee Members to be within 85 million yen annually.

There are currently five (5) Corporate Auditors (of which, three (3) are Outside Corporate Auditors). If Proposal No. 2 "Partial Amendments to the Articles of Incorporation" and Proposal No. 4 "Election of Five (5) Directors who are Audit and Supervisory Committee Members" are approved as proposed, there will be five (5) Directors who are Audit and Supervisory Committee Members (of which, 3 are Outside Directors).

This Proposal shall become effective when Proposal No. 2 "Partial Amendments to the Articles of Incorporation" takes effect.

Proposal No. 8: Stock-based Remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members)

1. Reasons for the proposal

Remuneration for the Bank's Directors is comprised of basic remuneration, performance-linked remuneration and stock-based remuneration.

The introduction of a stock-based remuneration system for Directors and Executive Officers (hereinafter the "System") was approved at the 113th Annual General Meeting of Shareholders held on June 23, 2016, and this situation continues to the present day. However, on the condition that Proposal No. 2 "Partial Amendments to the Articles of Incorporation" is approved as proposed, the Bank will transition to a Company with an Audit and Supervisory Committee. Accordingly, the Bank proposes to abolish remuneration categories for current Directors related to the System and establish new remuneration categories for Directors (excluding Directors who are Audit and Supervisory Committee Members).

The Bank believes this Proposal to be appropriate as this is a procedural matter of the transition to a Company with an Audit and Supervisory Committee, and the content of the remuneration category is substantially identical to the content which was approved at the 113th Annual General Meeting of Shareholders.

Specifically, this Proposal requests approval for establishing remuneration categories for Directors (excluding Directors who are Audit and Supervisory Committee Members) based on the System, which is separate from the amount of remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members) the Bank requests approval for Proposal No. 6. The Bank requests details of the System to be entrusted to the Board of Directors within the framework in 2. below.

At present, there are eight (8) Directors eligible for the System. If Proposal No. 2 and Proposal No. 3 are approved as originally proposed, there will be eight (8) Directors who are Audit and Supervisory Committee Members eligible for the System (of which, three (3) are Outside Directors).

This Proposal shall become effective when Proposal No. 2 "Partial Amendments to the Articles of Incorporation" takes effect.

2. Amounts of remuneration, etc., under the System and reference information

(1) Outline of the System

The System is a stock-based remuneration system in which the Bank's stock is acquired through a trust (hereinafter, the trust established based on the System shall be referred to as the "Trust") with money contributed by the Bank as a resource, and both the Bank's shares and monetary amounts corresponding to the amount that the Bank's shares converted at market value on the date of retirement (hereinafter collectively the "Bank Shares, etc.") are issued through the Trust to Directors (excluding Directors who are Audit and Supervisory Committee Members. Hereinafter, the same shall apply unless otherwise stated.) and Executive Officers (hereinafter collectively the "Directors, etc."), pursuant to the Executive Officer Stock Benefit Regulations as stipulated by the Bank. Furthermore, the Directors, etc., shall, in principle, receive the benefits of the Bank Shares, etc., at their time of retirement as Directors, etc.

(2) Beneficiaries of the System

The Bank's Directors (excluding Directors who are Audit and Supervisory Committee Members) and Executive Officers

(3) Calculation methods for the number of Bank Shares, etc., provided to Directors, etc.

A number of points determined based on the Executive Officer Stock Benefit Regulations is distributed to the Directors, etc., each fiscal year.

The upper limit for the total number of points that are distributed to Directors, etc., in a single fiscal year shall be 300,000 points to correspond with 300,000 shares of the Bank's common stock (of which the portion for Directors is 150,000 points (of which the portion for Outside Directors is 15,000 points) and for Executive Officers is 150,000 points).

Furthermore, points distributed to Directors, etc., shall be converted at 1 share of common stock of the Bank for 1 point at the time of payment of Bank Share, etc., in (6) below (however, after this Proposal is approved, in the event of a stock split, a gratis allocation of shares, or a reverse stock split, etc., the Bank shall conduct reasonable adjustments of the upper limit for the number of points and the

number of distributed points or the conversion ratio according to the ratio of the aforementioned three cases, etc.).

The number of points for Directors, etc., which become the basis when paying the Bank Shares, etc., in (6) below, shall be fixed at the number (hereinafter the “Fixed Point Number”) that totals the points distributed to Directors, etc., until the time of retirement.

(4) Acquisition method and upper limit of Bank Shares, etc.

The acquisition of Bank Shares, etc., through the Trust shall be carried out through the stock market or the method of accepting the disposal of the Bank’s treasury shares, using the capital provided in (5) below as a resource. The period of coverage (defined in (5) below) shall have an acquisition of 900,000 shares as an upper limit as shares for the purpose of carrying out payment to Directors, etc.

(5) Money provided for the Trust (amounts of remuneration, etc.)

For the three fiscal years starting from the fiscal year ended on March 31, 2017 to the fiscal year ended on March 31, 2019, the Bank provided the Trust with an amount of 480 million yen as capital to acquire shares for payments based on the System. At this time, in line with the transition to a Company with an Audit and Supervisory Committee, the Trust will remain as a trust in which Directors, etc., who fulfill the beneficiary requirements are the beneficiaries.

Moving forward, the Bank shall additionally provide the Trust with a total amount of 200 million yen per fiscal year (of which the portion for Directors is 100 million yen (of which the portion for Outside Directors is 10 million yen) and for Executive Officers is 100 million yen) as the upper limit, as the necessary capital for the Trust to acquire the portion of a number of shares reasonably anticipated to be necessary for the System for a fixed period of time in advance.

Specifically, the Bank shall additionally provide the Trust with 600 million yen (of which the portion for Directors is 300 million yen (of which the portion for Outside Directors is 30 million yen) and for Executive Officers is 300 million yen) as the upper limit, as the necessary capital for the three fiscal years starting from the fiscal year ended on March 31, 2020 to the fiscal year ended on March 31, 2022 (these three fiscal years are hereinafter referred to as the “Current Coverage Period”; the Current Coverage Period and each subsequent period of three fiscal years commencing after the end of the aforementioned period are hereinafter referred to as the “Coverage Period”).

Furthermore, even after the Current Coverage Period ends, in principle, the Bank shall additionally provide the Trust with 600 million yen (of which the portion for Directors is 300 million yen (of which the portion for Outside Directors is 30 million yen) and for Executive Officers is 300 million yen) as the upper limit for each Coverage Period, until the System comes to an end.

However, in the case of carrying out these additional provisions, when there are remaining Bank shares (Bank shares that correspond to the number of points distributed to Directors, etc., excluding those in which the payment of Bank Shares, etc., to Directors, etc., has not been completed) and cash (hereinafter referred to collectively as the “Remaining Shares, etc.”) in the Trust assets on the day before the beginning of each Coverage Period that the said additional provision is to be carried out for, the Remaining Shares, etc., shall be appropriated to the resource for payments based on the System in each Coverage Period, and to obtain the upper limit of the monetary amount that can be additionally provided by the Bank in each Coverage Period, the amount of the Remaining Shares, etc., (the shares shall undergo cash conversion corresponding to the amount of market value on the day preceding each Coverage Period in question) shall be deducted from 600 million yen (of which the portion for Directors is 300 million yen (of which the portion for Outside Directors is 30 million yen) and for Executive Officers is 300 million yen). Additional provisions by the Bank shall be disclosed promptly and adequately when they have been decided.

(6) Payment timing of Bank Shares, etc.

In the event that a Director, etc., of the Bank resigns and he/she fulfills the beneficiary requirements stipulated in the Executive Officer Stock Benefit Regulations, the Director, etc., concerned shall receive payment of the number of Bank shares that corresponds to the Fixed Point Number from the Trust after resignation, by conducting the predetermined beneficiary settlement procedures. However, in the event that he/she fulfills the requirements separately specified in the Executive Officer Stock Benefit Regulations in addition to the beneficiary requirements, the Director, etc., concerned shall receive payment of cash that corresponds to the amount of the Bank shares converted at market value on the date

of retirement in exchange for provision of Bank shares, for a constant rate of the distributed points. The Bank may sell its shares in the Trust in order to make such payments.