

Securities Code: 8558  
June 13, 2022

To our shareholders:

Hiroshi Ebara  
Representative Director,  
President & Chief Executive Officer  
THE TOWA BANK, LTD.  
12-6, Honmachi 2-chome, Maebashi, Gunma

## Notice of the 117th Annual General Meeting of Shareholders

We are pleased to announce the 117th Annual General Meeting of Shareholders of THE TOWA BANK, LTD. (the “Bank”), which will be held as described below.

If you do not attend the meeting in person, you can exercise your voting rights in writing or via the Internet, etc.; so please read the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by no later than 5:00 p.m. on Tuesday, June 28, 2022 (JST).

1. Date and Time                    Wednesday, June 29, 2022 at 10:00 a.m.  
(The reception desk will open at 9:00 a.m.) (JST)
2. Venue:                            Main Conference Room, 2F, Head Office of the Bank,  
12-6, Honmachi 2-chome, Maebashi, Gunma
3. Purposes of the Meeting:  
Matters to be reported:
  1. Business Report and Consolidated Financial Statements for the 117th fiscal year (from April 1, 2021 to March 31, 2022) and Reports of Audit on the Consolidated Financial Statements by Financial Auditor and Audit & Supervisory Board
  2. Non-consolidated Financial Statements for the 117th fiscal year (from April 1, 2021 to March 31, 2022)Matters to be resolved:
  - Proposal No. 1 Appropriation of Surplus
  - Proposal No. 2 Amendment to the Articles of Incorporation
  - Proposal No. 3 Election of Seven Directors
  - Proposal No. 4 Election of Two Audit & Supervisory Board Members
  - Proposal No. 5 Election of One Substitute Audit & Supervisory Board Member
  - Proposal No. 6 Election of Financial Auditor
4. Guidance on Exercise of Voting Rights
  - (1) If you do not attend the General Meeting of Shareholders, you are entitled to attend the General Meeting of Shareholders by designating another shareholder with voting rights of the Bank as your proxy. Provided, however, a document certifying the power of proxy needs to be submitted.
  - (2) If you exercise your voting rights both in writing and via the Internet, etc., the vote exercised via the Internet, etc. will be deemed valid. If you exercise your voting rights more than once via the Internet, etc., only the last vote will be deemed valid.
  - (3) Among the documents to be provided to this Notice, the “Notes to the Non-consolidated Financial Statements” and the “Notes to the Consolidated Financial Statements” are posted on the Bank’s Internet website (<https://www.towabank.co.jp>) pursuant to laws and regulations, as well as Article 15 of the Articles of Incorporation of the Bank; therefore, they are not included in attached documents to this Notice. The Non-consolidated Financial Statements and the Consolidated Financial Statements, which have been audited by Audit & Supervisory Board Members in preparing the Audit Report and by the Financial Auditor in preparing the Accounting Audit Report, include those “Notes to the Non-consolidated Financial Statements” and the “Notes to the Consolidated Financial Statements” in addition to the matters set forth in the documents attached hereto.
  - (4) If the contents of the Reference Documents for the General Meeting of Shareholders, the Business Report, the Non-consolidated Financial Statements, or the Consolidated Financial Statements require revisions, the revisions will be posted on the Bank’s Internet website (<https://www.towabank.co.jp>).

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- When attending the meeting, please submit the enclosed Voting Rights Exercise Form to the reception desk.
  - Please note that the staff of the General Meeting of Shareholders will be dressed lightly (Cool Biz) on the day of the meeting.

## Reference Documents for the General Meeting of Shareholders

### Proposal No. 1 Appropriation of Surplus

The Bank proposes the appropriation of surplus as follows:

Matters concerning dividends of surplus (year-end dividends for the 117th fiscal year)

Regarding the dividends of surplus, the Bank seeks approval as follows, giving consideration to enhancing shareholders' equity through internal reserves.

1. Type of dividend property  
To be paid in cash.

2. Allotment of dividend property and their aggregate amount

(1) ¥25 per common share

Total amount ¥922,687,775

(2) ¥26.12 per Class II preferred share

Total amount ¥195,900,000

The total dividends on common shares and Class II preferred shares will be ¥1,118,587,775.

3. Effective date of dividends of surplus  
June 30, 2022

(Reference)

- Class II preferred shares are issued at the price of ¥200 per share (\*1), and the amount of the dividend per share for fiscal 2021 is the abovementioned ¥200 per share (\*1) multiplied by the annual dividend rate of 1.306% (\*2).

\*1 The Bank conducted a stock consolidation of one share for ten Class II preferred shares on October 1, 2017. The price is therefore calculated assuming an issue price of ¥2,000 per share.

\*2 The annual dividend rate used for fiscal 2021 is calculated by adding 1.15% to the Japanese yen TIBOR 12-month rate (0.15636%) as of April 1, 2021.

## Proposal No. 2 Amendment to the Articles of Incorporation

### 1. Reasons for the amendments

Since the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) are to be enforced on September 1, 2022, the Bank proposes to make the following changes to its Articles of Incorporation in preparation for the introduction of the system for providing reference documents for the general meeting of shareholders, etc. in electronic format.

- (1) Since the provision for internet disclosure and deemed provision of reference documents for the general meeting of shareholders, etc. (Article 15 of the current Articles of Incorporation) will no longer be required, it will be changed to provisions for measures, etc. for providing information in electronic format (Article 15 of the proposed amendments).
- (2) Article 15, paragraph 1 of the proposed amendments stipulates that measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format will be taken, and Article 15, paragraph 2 of the proposed amendment will establish a provision for limiting the scope of items stated in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents.
- (3) Accompanying the aforementioned amendments, supplementary provisions regarding the effective date, etc. will be established.

2. Details of the amendments

Details of the amendments are as follows:

(The underlined part is the amendment.)

Current Articles of Incorporation	Proposed amendments
<p>Article 15. (<u>Internet Disclosure and Deemed Provision of Reference Documents of the General Meeting of Shareholders, Etc.</u>)</p> <p>When the Bank convenes a general meeting of shareholders, <u>if it discloses information that is to be stated or presented in the reference documents for the general meeting of shareholders, business report, non-consolidated financial statements and consolidated financial statements through the Internet in accordance with the provisions prescribed by the Ministry of Justice Order, by resolution of the Board of Directors, it may be deemed that the Bank has provided this information to shareholders.</u></p> <p>(Newly established)</p> <p>(Newly established)</p>	<p>Article 15. (<u>Measures, etc. for Providing Information in Electronic Format</u>)</p> <p>1. <u>When the Bank convenes a general meeting of shareholders, it shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.</u></p> <p>2. <u>Among items for which the measures for providing information in electronic format will be taken, the Bank may exclude all or some of those items designated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.</u></p> <p>(Supplementary Provisions)</p> <p>1. <u>The amendment to the Articles of Incorporation pertaining to Article 15 shall be effective from September 1, 2022, which is the date of enforcement of the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (hereinafter referred to as the “Date of Enforcement”).</u></p> <p>2. <u>Notwithstanding the provision of the preceding paragraph, Article 15 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) in the pre-amended Articles of Incorporation shall remain effective regarding any general meeting of shareholders held on a date within six months from the Date of Enforcement.</u></p> <p>3. <u>These Supplementary Provisions shall be deleted on the date when six months have elapsed from the Date of Enforcement or three months have elapsed from the date of the general meeting of shareholders in the preceding paragraph, whichever is later.</u></p>

## Proposal No. 3 Election of Seven Directors

The terms of office of all seven Directors will expire at the conclusion of this meeting.

Therefore, the Bank proposes the election of seven Directors.

The nomination of the seven Director candidates has been deliberated by the Nomination and Remuneration Committee, which is composed of Outside Directors and Directors with representative authority, then evaluated by an external evaluation committee made up of external lawyers and so forth, before the Nomination and Remuneration Committee provided advice and proposals to the Board of Directors. The external evaluation committee has provided an evaluation that the nomination of people is appropriate.

The candidates for Director are as follows:

Candidate No.	Name	Current position in the Bank
1	Hiroshi Ebara Reelection	Representative Director, President & Chief Executive Officer
2	Hiroyuki Sakurai Reelection	Representative Director, Vice President & Executive Officer
3	Isao Kitazume Reelection	Director, Senior Managing Executive Officer
4	Shinichiro Suzuki Reelection	Director, Managing Executive Officer
5	Takeshi Mizuguchi Reelection Outside Independent	Director
6	Rikako Onishi Reelection Outside Independent	Director
7	Hideto Tago Reelection Outside Independent	Director

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Bank, and significant concurrent positions outside the Bank	Class and number of Bank shares owned
1	Hiroshi Ebara (April 16, 1956) Reelection	<p>April 1980      Joined the Bank</p> <p>July 2007      Deputy General Manager of Secretarial Office</p> <p>February 2009      General Manager of Kawagoe Branch</p> <p>June 2011      Executive Officer, General Manager of Takasaki Branch</p> <p>June 2013      Managing Executive Officer, General Manager of Takasaki Branch</p> <p>June 2014      Director, Managing Executive Officer</p> <p>June 2017      Director, Senior Managing Executive Officer</p> <p>June 2019      Director, Vice President &amp; Executive Officer</p> <p>June 2020      Representative Director, President &amp; Chief Executive Officer (current position)</p>	Common shares 19,500 shares
<p>Reasons for nomination as a candidate for Director</p> <p>He has extensive operational experience in the integrated planning division, risk management division, credit administration division, finance and accounting division, and human resources and general affairs division, and he also has exceptional front line awareness, having served as General Manager of the Takasaki Branch and Kawagoe Branch, giving him a thorough knowledge of the overall banking operations. Furthermore, he served as Director from June 2014, Director and Vice President from June 2019, and Representative Director and President from June 2020, and has performed those duties and responsibilities appropriately. Judging that he can draw on this experience and knowledge to contribute to the Bank's management, we have nominated him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Bank, and significant concurrent positions outside the Bank	Class and number of Bank shares owned
2	Hiroyuki Sakurai (December 26, 1957) Reelection	<p>April 1980      Joined the Bank</p> <p>June 2007      Deputy General Manager of Integrated Planning Department</p> <p>June 2008      General Manager of Credit Administration Department</p> <p>October 2009    General Manager of Integrated Planning Department</p> <p>June 2011      Executive Officer, General Manager of Integrated Planning Department</p> <p>June 2013      Managing Executive Officer, General Manager of Tokyo Branch</p> <p>June 2014      Director, Managing Executive Officer</p> <p>June 2017      Director, Senior Managing Executive Officer</p> <p>June 2020      Director, Vice President &amp; Executive Officer</p> <p>September 2020 Representative Director, Vice President &amp; Executive Officer (current position)</p> <p>In charge of: Human Resources and General Affairs Department, Compliance Management Department, Internal Audit Department, Securities Business (Internal Management Supervisor), Business Administration and System Department (deputy in charge)</p>	Common shares 18,300 shares
<p>Reasons for nomination as a candidate for Director</p> <p>He has extensive operational experience in the relationship banking promotion division, integrated planning division, credit administration division, human resources and general affairs division, auditing division, and compliance division, and he also has exceptional frontline awareness, having served as the General Manager of the Tokyo Branch, giving him thorough knowledge of the overall banking operations. Furthermore, he served as Director from June 2014 and as Representative Director and Vice President from September 2020, and has performed those duties and responsibilities appropriately. Judging that he can draw on this experience and knowledge to contribute to the Bank's management, we have nominated him as a candidate for Director.</p>			



Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Bank, and significant concurrent positions outside the Bank	Class and number of Bank shares owned
3	Isao Kitazume (July 16, 1964) Reelection	<p>April 1987      Joined the Bank</p> <p>October 2008    General Manager of Kagohara Branch</p> <p>April 2013      General Manager of Isesaki Branch</p> <p>April 2016      Executive Officer, General Manager of Isesaki Branch</p> <p>June 2016      Executive Officer, General Manager of Relationship Banking Promotion Department</p> <p>June 2019      Director, Executive Officer, General Manager of Relationship Banking Promotion Department and General Manager of Relationship Banking Strategy Department</p> <p>June 2020      Director, Senior Managing Executive Officer (current position)</p> <p>In charge of: Integrated Planning Department, Credit Administration Department, Credit Management Department</p>	Common shares 9,400 shares
<p>Reasons for nomination as a candidate for Director</p> <p>He has exceptional frontline awareness, having served as the General Manager of the Kagohara Branch and Isesaki Branch, as well as extensive operational experience in the relationship banking promotion division, integrated planning division, and credit administration division. Furthermore, he served as Executive Officer from April 2016, Director from June 2019, and Director and Senior Managing Executive Officer from June 2020, and has performed those duties and responsibilities appropriately. Judging that he can draw on this experience and knowledge to contribute to the Bank's management, we have nominated him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Bank, and significant concurrent positions outside the Bank	Class and number of Bank shares owned
4	Shinichiro Suzuki (April 22, 1962) Reelection	<p>April 1985      Joined The Nippon Credit Bank, Ltd. (currently Aozora Bank, Ltd.)</p> <p>June 2017      Joined the Bank</p> <p>June 2017      General Manager of International Department</p> <p>June 2018      Executive Officer, General Manager of International Department and Joint Co-General Manager of Business Administration and System Department</p> <p>June 2020      Director, Managing Executive Officer (current position)</p> <p>In charge of: General Manager of Private Banking Department (commissioned), Securities Investment Department, International Department, Consulting Department (deputy in charge)</p>	Common shares 6,400 shares
<p>Reasons for nomination as a candidate for Director</p> <p>He has extensive operational experience in the relationship banking strategy division, international division, and asset management division. Furthermore, he served as Executive Officer from June 2018 and as Director and Managing Executive Officer from June 2020, and has performed those duties and responsibilities appropriately. Judging that he can draw on this experience and knowledge to contribute to the Bank's management, we have nominated him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Bank, and significant concurrent positions outside the Bank	Class and number of Bank shares owned
5	Takeshi Mizuguchi (January 14, 1962) Reelection Outside Independent	<p>April 1984      Joined Nichimen Corporation</p> <p>October 1989      Joined Eiwa Audit Corporation</p> <p>September 1990      Joined TAC CO., Ltd.</p> <p>April 1997      Lecturer of Faculty of Economics, Takasaki City University of Economics</p> <p>April 2000      Associate Professor of Faculty of Economics, Takasaki City University of Economics</p> <p>October 2001      Ph.D. (Business Administration), Meiji University</p> <p>April 2008      Professor of Faculty of Economics, Takasaki City University of Economics</p> <p>April 2017      Vice President and Trustee of Takasaki City University of Economics</p> <p>June 2019      Outside Director of the Bank (current position)</p> <p>April 2021      President of Takasaki City University of Economic (current position) Vice Chairman of Takasaki City University of Economic (current position)</p>	Common shares 2,400 shares
<p>Reasons for nomination as a candidate for outside Director and outline of expected roles He has extensive experience and broad insight, having served as the President of the Takasaki City University of Economics, as a member of the ESG Finance High-Level Panel and as the Chairman of the Positive Impact Finance Task Force of the Ministry of the Environment, and as the Chairman of the Expert Panel on Sustainable Finance of the Financial Services Agency. The Bank deems that he can provide suggestions and raise issues based on his specialized experience and knowledge, and that he appropriately fulfill his role in the decision making, supervisory function, and checking function of the Board of Directors, and has nominated him as a candidate for outside Director. He has never in the past been directly involved in the management of a company, except as an outside director. However, the Bank judges he will appropriately fulfill his duties as an outside Director based on the above reason.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Bank, and significant concurrent positions outside the Bank	Class and number of Bank shares owned
6	Rikako Onishi (June 16, 1974) Reelection Outside Independent	<p>April 1997      Joined The Long-Term Credit Bank of Japan, Limited (currently Shinsei Bank, Limited)</p> <p>October 2002    Representative Director of Kotora Co., Ltd. (current position)</p> <p>March 2017      External Director of Bell-Park Co., Ltd. (current position)</p> <p>June 2019        Outside Director of the Bank (current position)</p> <p>December 2021   Outside Director of Keystone Partners Co., Ltd. (current position)</p> <p>April 2022        Outside Director (Audit and Supervisory Committee Member) of Material Group Inc. (current position)</p>	Common shares 1,400 shares
<p>Reasons for nomination as a candidate for outside Director and outline of expected roles She has extensive experience and broad insight in placement of professional human resources for financial institutions and consulting companies, human resource evaluations of the management of business companies, and hiring strategy from her operational experience at financial institutions and as the manager at a professional human resources placement company. The Bank deems that she can use this knowledge to provide suggestions and raise issues especially from a viewpoint as a corporate manager, and that she can appropriately fulfill her role in the decision making, supervisory function, and checking function of the Board of Directors, and has nominated her as a candidate for outside Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Bank, and significant concurrent positions outside the Bank	Class and number of Bank shares owned
7	Hideto Tago (November 2, 1951) Reelection Outside Independent	<p>April 1974      Joined The Bank of Tokyo, Ltd. (currently MUFG Bank, Ltd.)</p> <p>April 1999      Partner (Executive Officer) of Deloitte Tohmatsu Consulting Co., Ltd. (currently ABeam Consulting Ltd.)</p> <p>June 2007      Outside Director of The San-in Godo Bank, Ltd. (current position)</p> <p>August 2011    Director General of The Research Institute of Japanese Regional Economy (RIJRE) (current position)</p> <p>June 2015      Part-time Director of Hamamatsu Shinkin Bank, Ltd. (currently Hamamatsu Iwata Shinkin Bank, Ltd.) (current position)</p> <p>June 2018      External Director of The Shoko Chukin Bank, Ltd. (current position)</p> <p>June 2020      Outside Director of the Bank (current position)</p>	Common shares 900 shares
<p>Reasons for nomination as a candidate for outside Director and outline of expected roles He has extensive experience in management consulting operations mainly at regional financial institutions and expertise in relationship banking. He is also an expert in regional finance, having served as a member of the ESG Finance High-Level Panel of the Ministry of the Environment. He has also served as an outside Director for many years at other companies. The Bank deems that he can provide suggestions and raise issues using this experience and knowledge, and that he can appropriately fulfill his role in the decision making, supervisory function, and checking function of the Board of Directors, and has nominated him as a candidate for outside Director.</p>			

- (Notes)
- There is no special interest between any of the candidates and the Bank.
  - Mr. Takeshi Mizuguchi, Ms. Rikako Onishi and Mr. Hideto Tago are candidates for outside Directors. At the conclusion of this meeting, tenures of Mr. Takeshi Mizuguchi and Ms. Rikako Onishi as outside Director of the Bank will have been three years. At the conclusion of this meeting, Mr. Hideto Tago's tenure as outside Director of the Bank will have been two years.
  - Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Bank has entered into agreements with Mr. Takeshi Mizuguchi, Ms. Rikako Onishi, and Mr. Hideto Tago to limit their liability for damages under Article 423, paragraph (1) of the same Act. If their elections are approved, the Bank plans to renew the respective agreements with each one of them. The maximum amount of liability for damages under this agreement is the minimum liability amount provided for by Article 425, paragraph (1) of the same Act.
  - The Bank has entered into a directors and officers liability insurance ("D&O insurance") policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company, thereby covering losses and costs incurred by insureds including Directors of the Bank in cases where they are liable for damages arising from their performance of duties (unless a coverage exclusion in the insurance policy is applied). If the candidates are elected and appointed as Directors, they will become insureds in the policy. Furthermore, the Bank plans to renew the policy at the time of the next renewal based on a resolution at the Board of Directors.
  - The Bank has submitted notification to the Tokyo Stock Exchange that Mr. Takeshi Mizuguchi, Ms. Rikako Onishi, and Mr. Hideto Tago have been designated as independent officers as provided for by the aforementioned exchange.

## Proposal No. 4 Election of Two Audit & Supervisory Board Members

At the conclusion of this meeting, the term of office of Audit & Supervisory Board Member Shinichi Kato will expire. Furthermore, as Shintaro Ando will be leaving due to his resignation, the Bank is requesting the election of two Audit & Supervisory Board Members.

Because candidate for Audit & Supervisory Board Member Junko Saito will be selected as a replacement for a retiring Audit & Supervisory Board Member, her term will be until the conclusion of the term of the retiring Audit & Supervisory Board Member, as provided by the Bank's Articles of Incorporation.

We have received the evaluation results from the external evaluation committee stating that the nomination of the two candidates for Audit & Supervisory Board Member is appropriate. Furthermore, the consent of the Audit & Supervisory Board has been obtained for this proposal.

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

Candidate No.	Name (Date of birth)	Career summary, position in the Bank, and significant concurrent positions outside the Bank	Class and number of Bank shares owned
1	Shinichi Kato (August 6, 1974) Reelection Outside Independent	<p>October 2000      Joined ChuoAoyama Audit Corporation</p> <p>June 2004        Registered as a certified public accountant</p> <p>October 2005     Registered as a certified tax accountant</p> <p>October 2005     Senior Managing Director of Kato Accounting Office, Ltd.</p> <p>January 2012     Representative Partner of Kato Accounting Office Tax Accountant Corporation (current position)</p> <p>March 2012      Representative Director and President of Kato Accounting Office, Ltd. (current position)</p> <p>August 2012     Outside Audit &amp; Supervisory Board Member of KANEKO SEEDS CO., LTD. (current position)</p> <p>June 2014        Outside Audit &amp; Supervisory Board Member of the Bank (current position)</p>	Common shares 10,696 shares
Reasons for nomination as a candidate for outside Audit & Supervisory Board Member He has extensive experience and broad insight in overall management as a certified public accountant. So that he can continue to use this experience and knowledge in auditing of the Bank's management, the Bank has nominated him as a candidate for outside Audit & Supervisory Board Member.			

Candidate No.	Name Date of birth	Career summary, position in the Bank, and significant concurrent positions outside the Bank	Class and number of Bank shares owned
2	Junko Saito (May 18, 1953) New election Outside Independent	<p>April 1972      Hired as Tax Office public servant</p> <p>July 2007      Deputy District Director of Ageo Tax Office</p> <p>July 2009      Internal Inspector, Kanto Shinetsu Regional Taxation Bureau, Commissioner's Secretariat of the National Tax Agency</p> <p>July 2011      Chief Tax Counselor, Tax Counsel Office, Management and Co-ordination Department of Kanto Shinetsu Regional Taxation Bureau</p> <p>July 2012      District Director of Isesaki Tax Office</p> <p>July 2014      Retired at mandatory age</p> <p>August 2014    Registered as a certified tax accountant Representative of Junko Saito Tax Accountant Office (current position)</p>	—
<p>Reasons for nomination as a candidate for outside Audit &amp; Supervisory Board Member</p> <p>She has served in important positions at the National Tax Agency and has extensive experience and broad insight. Furthermore, she has thorough knowledge of corporate accounting practices as a certified tax accountant, and so that she can use this experience and insight in auditing the Bank's management, the Bank has newly nominated her as a candidate for outside Audit &amp; Supervisory Board Member. She has never in the past been directly involved in the management of a company, except as an outside director. However, the Bank judges that she will appropriately fulfill her duties as an outside Director based on the above reasons.</p>			

- (Notes)
- There is no special interest between any of the candidates and the Bank.
  - Mr. Shinichi Kato and Ms. Junko Saito are candidates for outside Audit & Supervisory Board Member.
  - At the conclusion of this meeting, Mr. Shinichi Kato's tenure as outside Audit & Supervisory Board Member of the Bank will have been eight years.
  - Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Bank has entered into an agreement with Mr. Shinichi Kato to limit his liability for damages under Article 423, paragraph (1) of the same Act.  
The maximum amount of liability for damages under this agreement is the minimum liability amount provided for by Article 425, paragraph (1) of the same Act.  
Furthermore, if his election is approved, the Bank plans to continue the agreement with him.  
Moreover, if Ms. Junko Saito's election is approved, the Bank plans to conclude the above agreement with her.
  - The Bank has submitted notification to the Tokyo Stock Exchange that Mr. Shinichi Kato has been designated as an independent officer as provided for by the aforementioned exchange. If the election of Ms. Junko Saito is approved, the Bank plans to submit notification to the Tokyo Stock Exchange concerning her designation as an independent officer as provided for by the aforementioned exchange.
  - The Bank has entered into a directors and officers liability insurance ("D&O insurance") policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company, thereby covering losses and costs incurred by insureds including Audit & Supervisory Board Members of the Bank in cases where they are liable for damages arising from their performance of duties (unless a coverage exclusion in the insurance policy is applied). If the candidates are elected and appointed as Audit & Supervisory Board Members, they will become insureds in the policy. Furthermore, the Bank plans to renew the policy at the time of the next renewal based on a resolution at the Board of Directors.

(Reference)

Skills matrix of Directors and Audit & Supervisory Board Members (if the candidates are elected at this General Meeting of Shareholders)

	Name			Experience and expertise									
				Corporate management and management strategy	Legal affairs and compliance	Risk management	Finance and accounting	Sales	Corporate credit administration and management improvement	Market operations	Human resources, general affairs, and human resource development	IT and digital	ESG and sustainability
Director	Hiroshi Ebara			●	●	●	●	●	●		●		
	Hiroyuki Sakurai			●	●	●		●	●		●	●	
	Isao Kitazume			●		●		●	●				●
	Shinichiro Suzuki			●				●		●		●	
	Takeshi Mizuguchi	Outside	Independent	●	●		●				●		●
	Rikako Onishi	Outside	Independent	●		●		●			●	●	●
	Hideto Tago	Outside	Independent	●		●		●		●			●
Audit & Supervisory Board Member	Kiyomi Osawa			●	●	●	●				●	●	
	Masami Hashimoto			●	●	●	●		●				
	Shinichi Kato	Outside	Independent	●			●		●		●		
	Junko Saito	Outside	Independent	●			●		●		●		

\* The above list does not show all the experience or expertise possessed by Directors or Audit & Supervisory Board Members.



## Proposal No. 5 Election of One Substitute Audit & Supervisory Board Member

To prepare for cases in which the number of Audit & Supervisory Board Members (excluding outside Audit & Supervisory Board Members) falls short of the number prescribed by laws and regulations, based on Article 329, paragraph (3) of the Companies Act, the Bank is requesting the election of one substitute Audit & Supervisory Board Member.

We have received the evaluation results from the external evaluation committee stating that the nomination of the candidate for substitute Audit & Supervisory Board Member is appropriate. Furthermore, the consent of the Audit & Supervisory Board has been obtained for this proposal.

The candidate for substitute Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Career summary, position and responsibility in the Bank, and significant concurrent positions outside the Bank	Class and number of Bank shares owned
Shu Hamba (August 21, 1965)	<p>April 1993 Registered with Dai-ichi Tokyo Bar Association</p> <p>April 1993 Joined Iwata Godo</p> <p>February 2004 Registered as an attorney-at-law admitted in New York, United States of America</p> <p>March 2010 Outside Auditor of Caterpillar Japan Ltd.</p> <p>June 2010 Outside Director of SMBC Servicer Co., Ltd.</p> <p>August 2010 Joined Shimada Hamba &amp; Osajima (current position)</p> <p>March 2012 Outside Director of Shoei Co., Ltd.</p> <p>June 2012 Substitute Audit &amp; Supervisory Board Member of the Bank (current position)</p>	–
<p>Reasons for nomination as a candidate for substitute Audit &amp; Supervisory Board Member</p> <p>He has extensive experience and broad insight in the legal field as an attorney. So that he can use this experience and insight in auditing the Bank's management, the Bank has nominated him as a candidate for substitute Audit &amp; Supervisory Board Member. He has never in the past been directly involved in the management of a company, except as an outside director. However, the Bank judges that he will appropriately fulfill his duties as an outside Director based on the above reasons.</p>		

- (Notes)
- There is no special interest between the candidate and the Bank.
  - Mr. Shu Hamba is a candidate for substitute outside Audit & Supervisory Board Member.
  - If Mr. Shu Hamba assumes the office of Audit & Supervisory Board Member, pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Bank plans to enter into an agreement with him to limit his liability for damages under Article 423, paragraph (1) of the same Act.  
The maximum amount of liability for damages under this agreement is the minimum liability amount provided for by Article 425, paragraph (1) of the same Act.
  - The Bank has entered into a directors and officers liability insurance ("D&O insurance") policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company, thereby covering losses and costs incurred by insureds including Audit & Supervisory Board Members of the Bank in cases where they are liable for damages arising from their performance of duties (unless a coverage exclusion in the insurance policy is applied). If Mr. Shu Hamba assumes the office of Audit & Supervisory Board Member, he will be included as an insured in the policy.
  - If Mr. Shu Hamba assumes the office of Audit & Supervisory Board Member, the Bank plans to submit notification to the Tokyo Stock Exchange concerning his designation as an independent officer as provided for by the aforementioned exchange.

## Proposal No. 6 Election of Financial Auditor

The Bank's financial auditor, Deloitte Touche Tohmatsu LLC, will retire at the conclusion of this Annual General Meeting of Shareholders due to the expiration of its term of office.

Therefore, the Bank requests the approval of the election of PricewaterhouseCoopers Aarata LLC as the Bank's new financial auditor. This proposal is being made based on a decision by the Audit & Supervisory Board.

The reason that the Audit & Supervisory Board selected PricewaterhouseCoopers Aarata LLC as the candidate for financial auditor is that, considering the number of years that the current financial auditor has continuously performed auditing, and having comprehensively evaluated PricewaterhouseCoopers Aarata LLC's independence and quality management system, the Bank deems that it can provide auditing from a new perspective and that PricewaterhouseCoopers Aarata LLC is suitable for the position.

The candidate for Financial Auditor is as follows:

(As of March 31, 2022)

Name	PricewaterhouseCoopers Aarata LLC		
Offices	Main office	Otemachi Park Building, 1-1-1 Otemachi, Chiyoda-ku, Tokyo	
Firm history	June 2006	Established PricewaterhouseCoopers Aarata	
	July 2015	Name changed to PricewaterhouseCoopers Aarata	
	July 2016	With the transition to a limited liability audit corporation, the name was changed to PricewaterhouseCoopers Aarata LLC	
Outline	Capital	¥1,000 million (as of June 30, 2021)	
	Employee composition	Partners	185
		Certified Public Accountants	886
		Assistant Certified Public Accountants and successful examinees	562
		U.S. CPAs and other professionals	1,096
		Clerks	101
Total	2,830		
Audit client companies	2,363 companies (as of June 30, 2021)		