

June 4, 2025

(Electronic Provision Measures Commencement Date: May 29, 2025)

To Stockholders with Voting Rights:

Hidefumi Kobayashi
President
The 77 Bank, Ltd.
3-20, Chuo 3-chome, Aoba-ku,
Sendai City, Miyagi Prefecture,
Japan

NOTICE OF CONVOCATION OF THE 141ST ANNUAL GENERAL MEETING OF STOCKHOLDERS

You are cordially invited to attend the 141st Annual General Meeting of Stockholders of The 77 Bank, Ltd. (the “Bank”), which will be held for the purposes as described below.

If you are unable to attend the meeting in person, you can exercise your voting rights in advance via the Internet or in writing via mail. Please review the Reference Documents for the General Meeting of Stockholders described hereinafter and exercise your voting rights according to the Process of Meeting of Stockholders and Exercise of Voting Rights (Page 3) by 5:00 p.m. on Thursday, June 26, 2025, Japan standard time.

- 1. Date and Time:** Friday, June 27, 2025 at 10:00 a.m. Japan standard time
- 2. Place:** 4F, Conference Room, Head Office, the Bank, 3-20, Chuo 3-chome, Aoba-ku, Sendai City, Miyagi Prefecture, Japan

3. Meeting Agenda:

- Matters to be reported:**
1. The Business Report, Non-consolidated Financial Statements and Consolidated Financial Statements for the Bank’s 141st Fiscal Year (from April 1, 2024 to March 31, 2025)
 2. Results of audits of the Consolidated Financial Statements for the Bank’s 141st Fiscal Year (from April 1, 2024 to March 31, 2025) by the Accounting Auditor and the Audit & Supervisory Committee

Proposals to be resolved:

- Proposal No. 1:** Appropriation of Surplus
- Proposal No. 2:** Election of Nine (9) Directors (Excluding Directors Serving as Audit & Supervisory Committee Members)
- Proposal No. 3:** Election of Four (4) Directors Serving as Audit & Supervisory Committee Members
- Proposal No. 4:** Revision to Limit of Compensation for Directors (Excluding Directors Serving as Audit & Supervisory Committee Members)

4. Matters Determined for Convocation

If you wish to make inconsistent voting, please notify the Bank in writing of your intention of making inconsistent voting of votes and the reasons thereof at least three (3) days prior to the Annual General Meeting of Stockholders.

If no indication of your vote for or against the proposals on the Voting Rights Exercise Form in writing, it will be treated as you have indicated your vote for the proposal.

5. Matters Concerning Measures for Electronic Provision

Measures for electronic provision are taken for information that is the contents of the Reference Documents for the General Meeting of Shareholders, etc. (Electronic Provision Measures Matters) in convening this General Meeting of Stockholders, and the Electronic Provision Measures Matters are posted as “Notice of Convocation of the 141st Annual General Meeting of Stockholders” on the websites below.

[The Bank’s website]

<https://www.77bank.co.jp/english/stockholders.htm>

- Please select “Notice of Convocation of the 141st Annual General Meeting of Stockholders”

[The Tokyo Stock Exchange’s website]

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

- Please access the above website (Listed Company Search) and enter “The 77 Bank, Ltd.” or securities code “8341”, then select “Basic information” and “Documents for public inspection/PR information” to review the information.

End

<Electronic Provision Measures Matters>

- * The following items are not included in the paper-based documents delivered to stockholders who have requested them in accordance with laws and ordinances and the Bank’s Articles of Incorporation. For this reason, the documents that are delivered include parts of the Business Report, Non-consolidated Financial Statements, and Consolidated Financial Statements that were audited by the Accounting Auditor and Audit & Supervisory Committee when preparing the Audit Report.
 - The “Matters concerning the Accounting Auditor,” “System to ensure the properness of operations” and “Operational status of system to ensure the properness of operations” in the Business Report.
 - The “Non-consolidated Statement of Changes in Equity” and the “Notes to Non-consolidated Financial Statements” in the Non-consolidated Financial Statements.
 - The “Consolidated Statement of Changes in Equity” and the “Notes to Consolidated Financial Statements” in the Consolidated Financial Statements.
 - The Audit Report
- * In the case where revisions are made to the Electronic Provision Measures Matters, the revised contents will be posted on each website of the Bank and the Tokyo Stock Exchange.

Process of Meeting of Stockholders and Exercise of Voting Rights

Before the Meeting of Stockholders

From the arrival of notice of convocation to Thursday, June 26, 2025

- 1 Please refer to the “Notice of Convocation of the 141st Annual General Meeting of Stockholders” and other materials on the Bank’s website.

<https://www.77bank.co.jp/english/stockholders.htm>

- 2 Exercise of Voting Rights in advance

Deadline: Thursday, June 26, 2025 at 5:00 p.m. Japan standard time

If you are unable to attend the meeting in person, please exercise your voting rights either via the Internet or via mail.

- If you vote both in writing on the Voting Rights Exercise Form and via the Bank’s designated voting website on the Internet, only your vote exercised via the Internet will be deemed valid.
- If you submit your vote multiple times or repeatedly via the Internet, only the most recent vote will be deemed valid.
- Please note that communication charges and other related costs incurred when using each website shall be borne by stockholders.
- 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 deadline.

On the day of the Meeting of Stockholders

Friday, June 27, 2025 at 10:00 a.m. Japan Standard Time

Place: 4F, Conference Room, Head Office, the Bank

Stockholders who are attending the meeting

- Please submit the enclosed Voting Rights Exercise Form at the reception desk. Please also bring this notice of convocation with you.
- Please refrain from recording, photographing, or making phone calls inside the venue.
- Please note that we will not be offering any gifts for those who attend this meeting.

<Notice>

Wheelchair user space and sign language interpreters are available. Please do not hesitate to inform the reception desk or venue staff if you need assistance.

After the Close of the Meeting

Please confirm the “Notice of Resolutions” and “Results of Exercise of Voting Rights” on the Bank’s website and other websites.

*Other information to stockholders are also available.

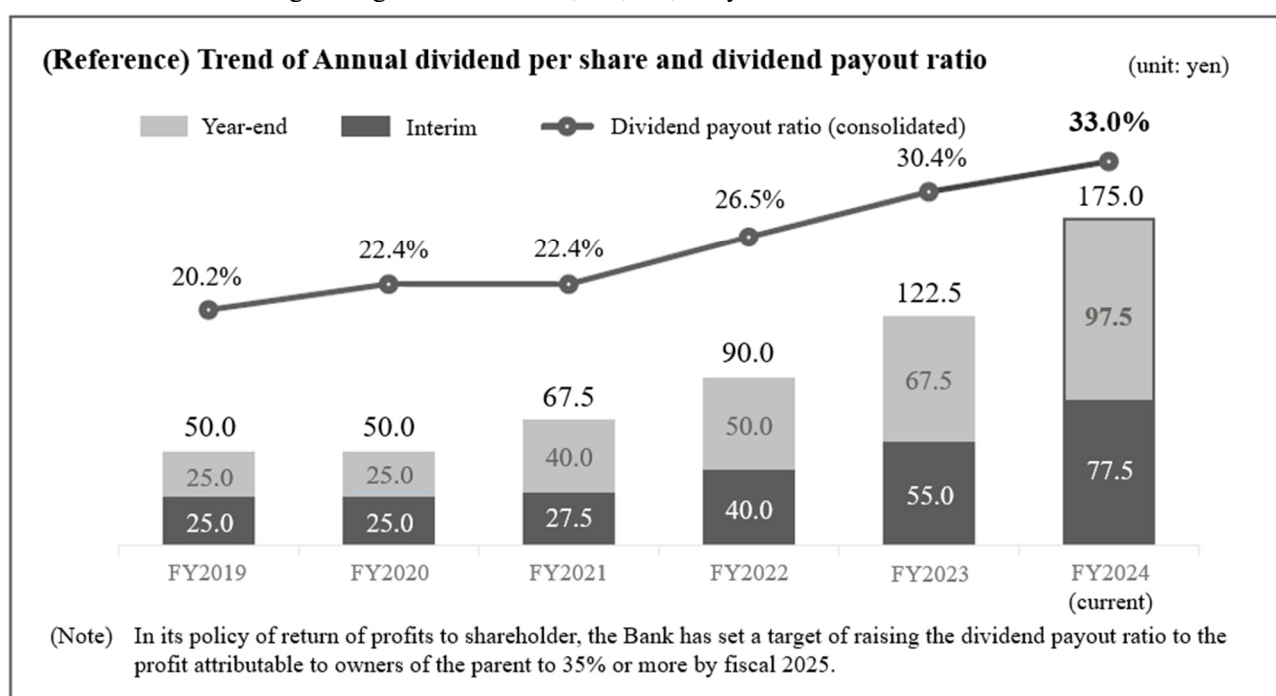
Reference Documents for the General Meeting of Stockholders

Proposals and References

Proposal No. 1: Appropriation of Surplus

With respect to the appropriation of surplus, based on the Bank's stockholder return policy, and after comprehensive consideration of our business performance and other factors, it is proposed that the surplus be appropriated as follows:

1. Matters concerning year-end dividends
 - (1) Type of dividend property
Cash
 - (2) Matters concerning the allotment of dividend property and the total amount
97.50 yen per share of common stock, an increase of 30 yen from the previous fiscal year-end, for a total of 7,295,939,820 yen.
Dividends to be paid for the full year amount to 175 yen per share including the interim dividend paid.
 - (3) Effective date of distribution of surplus
June 30, 2025
2. Other matters concerning the appropriation of surplus
 - (1) Item and the amount of surplus to be increased
General reserve 20,500,000,000 yen
 - (2) Item and amount of surplus to be decreased
Retained earnings brought forward 20,500,000,000 yen



Proposal No. 2: Election of Nine (9) Directors (Excluding Directors Serving as Audit & Supervisory Committee Members)

The terms of office of all the eleven (11) Directors (excluding Directors serving as Audit & Supervisory Committee Members; hereinafter the same applies in this Proposal) will expire at the conclusion of this Annual General Meeting of Stockholders.

Accordingly, the election of nine (9) Directors is proposed.

Having the Audit & Supervisory Committee to examine this proposal in advance, as the nomination of candidates was done appropriately after the deliberation by the Corporate Governance Committee in accordance with the policy and procedures on nomination of candidates specified in the basic policy on corporate governance, each candidate is suitable for the position of the Bank's Director. Therefore, with respect to the details of this proposal, there were no specific matters to be commented on at the General Meeting of Stockholders in accordance with the provisions of the Companies Act.

The candidates for Directors are as follows.

No.	Name	Candidate attributes		Current positions at the Bank
1	Hidefumi Kobayashi	Reappointment	Male	Representative Director and President
2	Hiroshi Kobayashi	Reappointment	Male	Representative Director and Senior Managing Director
3	Shuichi Ibuka	Reappointment	Male	Managing Director and General Manager, Oroshimachi Branch and Chuoshijo Branch
4	Takashi Kuroda	Reappointment	Male	Managing Director
5	Yoshiyuki Odajima	Reappointment	Male	Managing Director
6	Kazuhiro Aoki	Reappointment	Male	Managing Director and General Manager, Treasury Div.
7	Emiko Okuyama	Reappointment	Female	Outside Director Independent Director
8	Seiichi Ohtaki	Reappointment	Male	Outside Director Independent Director
9	Shigenori Oyama	Reappointment	Male	Outside Director Independent Director

No.	Name (Date of birth)	Past experience, positions, and responsibilities (Significant concurrent positions), Number of shares of the Bank held
1	<div>Reappointment</div> <div>Male</div> <p>Hidefumi Kobayashi (Sep. 22, 1957)</p>	<p>Apr. 1981 Joined the Bank</p> <p>Jun. 2006 General Manager, Treasury Div., the Bank</p> <p>Jun. 2008 General Manager, General Planning & Coordination Div., the Bank</p> <p>Jun. 2010 Director and General Manager, General Planning & Coordination Div., the Bank</p> <p>Jun. 2013 Director and General Manager, Head Office Business Div., the Bank</p> <p>Jun. 2014 Managing Director and General Manager, Head Office Business Div., the Bank</p> <p>Jun. 2015 Managing Director, the Bank</p> <p>May 2016 Managing Director and General Manager, Ishinomaki Branch and Minato Branch, the Bank</p> <p>Jun. 2016 Managing Director, the Bank</p> <p>Jun. 2017 Representative Director and Deputy President, the Bank</p> <p>Jun. 2018 Representative Director and President, the Bank (current position)</p> <p>(Responsibilities) Audit & Inspection Div.</p> <p>(Number of shares of the Bank held) 13,400 shares</p>
	<p>(Reasons for selection as a candidate for Director)</p> <p>Based on his long experience in financial operations and successful track record of exercising leadership in management of the Bank as a Director since June 2010 and as a Representative Director since June 2017, the Bank believes that Mr. Hidefumi Kobayashi has knowledge and experience that enable him to precisely, fairly and efficiently perform management oversight and has sufficient social credibility, and thus selected him as a candidate for Director.</p>	
2	<div>Reappointment</div> <div>Male</div> <p>Hiroshi Kobayashi (May 27, 1968)</p>	<p>Apr. 1991 Joined the Bank</p> <p>Jun. 2012 General Manager, Kitahama Branch, the Bank</p> <p>Sep. 2014 General Manager, Morioka Branch, the Bank</p> <p>Jun. 2017 General Manager, Kencho Branch, the Bank</p> <p>Jun. 2018 General Manager, Regional Development Promotion Div., the Bank</p> <p>Jun. 2019 General Manager, General Planning & Coordination Div., the Bank</p> <p>Jun. 2021 Executive Officer and General Manager, General Planning & Coordination Div., the Bank</p> <p>Jun. 2023 Managing Director, the Bank</p> <p>Jun. 2024 Representative Director and Senior Managing Director, the Bank (current position)</p> <p>(Responsibilities) Secretariat, Compliance Management Div., Risk Management Div., Personnel Div.</p> <p>(Number of shares of the Bank held) 2,700 shares</p>
	<p>(Reasons for selection as a candidate for Director)</p> <p>Based on his long experience in financial operations and successful track record of exercising leadership in management of the Bank as an Executive Officer since June 2021, as a Managing Director since June 2023 and as a Representative Director since June 2024, the Bank believes that Mr. Hiroshi Kobayashi has knowledge and experience that enable him to precisely, fairly and efficiently perform management oversight and has sufficient social credibility, and thus selected him as a candidate for Director.</p>	

No.	Name (Date of birth)	Past experience, positions, and responsibilities (Significant concurrent positions), Number of shares of the Bank held
3	<div>Reappointment</div> <div>Male</div> <p>Shuichi Ibuka (Jan. 8, 1967)</p>	<p>Apr. 1989 Joined the Bank</p> <p>Sep. 2013 General Manager, Sendai Haranomachi Branch, the Bank</p> <p>Jun. 2016 General Manager, Treasury Administration & International Div., the Bank</p> <p>Jun. 2019 Executive Officer and General Manager, Ishinomaki Branch and Minato Branch, the Bank</p> <p>Feb. 2020 Executive Officer and General Manager, Ishinomaki Branch, the Bank</p> <p>Jan. 2021 Executive Officer and General Manager, Ishinomaki Branch and Kokucho Branch, the Bank</p> <p>Jun. 2021 Senior Executive Officer and General Manager, Ishinomaki Branch and Kokucho Branch, the Bank</p> <p>Jun. 2022 Senior Executive Officer and General Manager, Head Office Business Div., Basho no Tsuji Branch, and Minamimachi-dori Branch, the Bank</p> <p>Jun. 2023 Managing Director, the Bank</p> <p>Apr. 2025 Managing Director and General Manager, Oroshimachi Branch and Chuoshijo Branch, the Bank (current position)</p> <p>(Responsibilities) Business Promotion Div., Consulting Promotion Div., Direct Channel Promotion Div.</p> <p>(Number of shares of the Bank held) 3,400 shares</p>
	<p>(Reasons for selection as a candidate for Director)</p> <p>After serving as General Manager of the Bank's branches and General Manager of Treasury Administration & International Div., Mr. Shuichi Ibuka was appointed Executive Officer in June 2019, Senior Executive Officer in June 2021, and Managing Director in June 2023. Ever since, he has been especially responsible for the business promotion department and has been performing management oversight precisely, fairly and efficiently. The Bank believes that he also has sufficient social credibility and thus selected him as a candidate for Director.</p>	
4	<div>Reappointment</div> <div>Male</div> <p>Takashi Kuroda (Dec. 9, 1966)</p>	<p>Apr. 1990 Joined the Bank</p> <p>Jun. 2014 General Manager, Higashi Oroshimachi Branch, the Bank</p> <p>Jun. 2016 General Manager, Izumi Branch, the Bank</p> <p>Jun. 2018 General Manager, Furukawa Branch, the Bank</p> <p>Jun. 2019 General Manager, Consulting Promotion Div., the Bank</p> <p>Jun. 2020 Executive Officer and General Manager, Consulting Promotion Div., the Bank</p> <p>Jun. 2021 Executive Officer and General Manager, Personnel Div., the Bank</p> <p>Jun. 2022 Senior Executive Officer and General Manager, Personnel Div., the Bank</p> <p>Jun. 2023 Managing Director, the Bank (current position)</p> <p>(Responsibilities) General Planning & Coordination Div., Group Business Strategy Div., Regional Development Promotion Div., Operations Management Div., Tokyo Liaison Office</p> <p>(Number of shares of the Bank held) 6,500 shares</p>
	<p>(Reasons for selection as a candidate for Director)</p> <p>After serving as General Manager of the Bank's branches and General Manager of Consulting Promotion Div., Mr. Takashi Kuroda was appointed Executive Officer in June 2020, Senior Executive Officer in June 2022 and Managing Director in June 2023. Ever since, he has been especially responsible for planning departments and has been performing management oversight precisely, fairly and efficiently. The Bank believes that he also has sufficient social credibility and thus selected him as a candidate for Director.</p>	

No.	Name (Date of birth)	Past experience, positions, and responsibilities (Significant concurrent positions), Number of shares of the Bank held
5	<div>Reappointment</div> <div>Male</div> <p>Yoshiyuki Odajima (Dec. 14, 1969)</p>	<p>Apr. 1992 Joined the Bank</p> <p>Sep. 2014 General Manager, Higashi Sendai Branch, the Bank</p> <p>Mar. 2016 General Manager, Yoshioka Branch, the Bank</p> <p>Mar. 2018 General Manager, Taira Branch, the Bank</p> <p>Mar. 2020 General Manager, Nakakecho Branch and Sendai Ekimae Branch, the Bank</p> <p>Jun. 2022 Executive Officer and General Manager, Business Promotion Div., the Bank</p> <p>Jun. 2024 Managing Director, the Bank (current position)</p> <p>(Responsibilities) Digital Strategy Div., Credit Supervision Div., General Affairs Div.</p> <p>(Number of shares of the Bank held) 1,200 shares</p>
		<p>(Reasons for selection as a candidate for Director)</p> <p>After serving as General Manager of the Bank's branches, Mr. Yoshiyuki Odajima was appointed Executive Officer in June 2022 and Managing Director in June 2024. Ever since, he has been especially responsible for the digital strategy departments and has been performing management oversight precisely, fairly and efficiently. The Bank believes that he also has sufficient social credibility and thus selected him as a candidate for Director.</p>
6	<div>Reappointment</div> <div>Male</div> <p>Kazuhiro Aoki (Mar. 25, 1970)</p>	<p>Apr. 1992 Joined the Bank</p> <p>Sep. 2014 General Manager, Kitahama Branch, the Bank</p> <p>Jan. 2017 General Manager, Head Office Business Div., 77 Securities Co., Ltd.</p> <p>Jun. 2019 General Manager, Treasury Administration & International Div., the Bank</p> <p>Jun. 2021 General Manager, Treasury Div., the Bank</p> <p>Jun. 2022 Executive Officer and General Manager, Treasury Div., the Bank</p> <p>Jun. 2024 Managing Director and General Manager, Treasury Div., the Bank (current position)</p> <p>(Responsibilities) Treasury Div., Treasury Administration & International Div.</p> <p>(Number of shares of the Bank held) 1,300 shares</p>
		<p>(Reasons for selection as a candidate for Director)</p> <p>After serving as General Manager of the Bank's branches and General Manager of Treasury Div., Mr. Kazuhiro Aoki was appointed Executive Officer in June 2022 and Managing Director in June 2024. Ever since, he has been especially responsible for market operation departments and has been performing management oversight precisely, fairly and efficiently. The Bank believes that he also has sufficient social credibility and thus selected him as a candidate for Director.</p>

No.	Name (Date of birth)	Past experience, positions, and responsibilities (Significant concurrent positions), Number of shares of the Bank held
7	<div>Reappointment</div> <div>Female</div> <div>Outside Director</div> <div>Independent Director</div> Emiko Okuyama (Jun. 23, 1951)	Apr. 1975 Joined the Sendai City Government Aug. 2009 Mayor, Sendai City Jun. 2018 Director, the Bank (current position) (Number of shares of the Bank held) 1,800 shares
	(Reasons for selection as a candidate for Outside Director and expected roles) As Ms. Emiko Okuyama has a wealth of experience and wide-ranging knowledge gained through her career as an administrative executive, such as Mayor of Sendai City, involved in local administration for many years, the Bank believes that she is suitable for the position of Outside Director of the Bank and selected her as a candidate for Director. After her election, she is expected to provide advice and supervision, especially on regional revitalization and contribution, for the Bank.	
8	<div>Reappointment</div> <div>Male</div> <div>Outside Director</div> <div>Independent Director</div> Seiichi Ohtaki (Sep. 8, 1952)	Oct. 1987 Assistant Professor, Faculty of Economics, Tohoku University Apr. 1992 Professor, Faculty of Economics, Tohoku University Apr. 1999 Professor, Graduate School of Economics and Management, Tohoku University Apr. 2011 Dean, Graduate School of Economics and Management/Faculty of Economics, Tohoku University Jul. 2014 President, The Sanaburi Foundation Jun. 2016 Auditor, Yurtec Corporation Nov. 2016 President, Organization for Creating Local Good (current position) Apr. 2018 Vice-President, Shizenkan University (current position) Jun. 2020 Director, the Bank (current position) (Number of shares of the Bank held) 1,000 shares
	(Reasons for selection as a candidate for Outside Director and expected roles) As Mr. Seiichi Ohtaki has a wealth of experience gained through his involvement in university education for many years and advanced specialized knowledge about economics and management, the Bank believes that he is suitable for the position of Outside Director of the Bank and selected him as a candidate for Director. After his election, especially as an expert of regional economics and management, he is expected to provide advice and supervision for the Bank.	

No.	Name (Date of birth)	Past experience, positions, and responsibilities (Significant concurrent positions), Number of shares of the Bank held
9	<div>Reappointment</div> <div>Male</div> <div>Outside Director</div> <div>Independent Director</div> Shigenori Oyama (Feb. 28, 1957)	Apr. 1982 Joined Tohoku Kinzoku Kogyo Co., Ltd. (currently TOKIN Corporation) Apr. 2007 Executive Officer and General Manager, EMC Business Div., TOKIN Corporation Jun. 2010 Director and Executive Officer, TOKIN Corporation Jun. 2011 Director and Managing Executive Officer, TOKIN Corporation Feb. 2012 Representative Director and CEO, TOKIN Corporation Apr. 2017 Executive vice president, KEMET Corporation Jul. 2020 Special Advisor for the Board of Directors, TOKIN Corporation Jul. 2021 President, TOKIN Foundation for Advancement of Science and Technology (current position) Jun. 2022 Director, the Bank (current position) Jun. 2023 Director, Hakuto Co., Ltd. (current position) (Significant concurrent position) Outside Director, Hakuto Co., Ltd. (Number of shares of the Bank held) 200 shares (Reasons for selection as a candidate for Outside Director and expected roles) As Mr. Shigenori Oyama has a wealth of experience and international wide-ranging knowledge gained through his career as a corporate manager of a global manufacturing company, the Bank believes that he is suitable for the position of Outside Director of the Bank and selected him as a candidate for Director. After his election, he is expected to provide advice and supervision, especially on corporate management and international business, for the Bank.

Outside Director	Candidate for Outside Director provided for in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act
Independent Director	Candidate for Director whom the Bank intends to designate as an independent director as defined by the Tokyo Stock Exchange and the Sapporo Securities Exchange and notify them of the designation

- (Notes)
- There is no special interest between the candidates and the Bank.
 - Ms. Emiko Okuyama, Mr. Seiichi Ohtaki, and Mr. Shigenori Oyama are candidates for Outside Director. The Bank designated Ms. Emiko Okuyama, Mr. Seiichi Ohtaki, and Mr. Shigenori Oyama as Independent Directors as defined by the Tokyo Stock Exchange and the Sapporo Securities Exchange and notified them of the designation.
 - The number of years Ms. Emiko Okuyama, Mr. Seiichi Ohtaki, and Mr. Shigenori Oyama will have served as Outside Director, respectively, at the conclusion of this Annual General Meeting of Stockholders is as follows.
Ms. Emiko Okuyama: 7 years
Mr. Seiichi Ohtaki: 5 years
Mr. Shigenori Oyama: 3 years
 - Ms. Emiko Okuyama, Mr. Seiichi Ohtaki, and Mr. Shigenori Oyama are business partners of the Bank. The nature of the transactions is ordinary banking transactions as an individual depositor and it is deemed not to have any impact on the decisions of stockholders and investors, and thus, description of the outline of the transactions is omitted.
 - TOKIN Science and Technology Foundation, at which Mr. Shigenori Oyama serves as President, is a business partner of the Bank. TOKIN Science and Technology Foundation has transactions with the Bank, including deposits. However, the nature of the transactions between TOKIN Science and Technology Foundation and the Bank is ordinary banking transactions and it is deemed not to have any impact on the decisions of stockholders and investors, and thus, description of the outline of the transactions is omitted.
 - At TOKIN Science and Technology Foundation, Mr. Hidefumi Kobayashi, a candidate for one of Directors (excluding Directors serving as Audit & Supervisory Committee Members), serves as an auditor. The Bank and TOKIN Science and Technology Foundation have relationships of interlocking outside officers. However, this does not affect the independence of Mr. Shigenori Oyama as an Outside Director.
 - Ms. Emiko Okuyama used to work for Sendai City which is a business partner of the Bank. The Bank is a financial institution designated by Sendai City and handles administrative tasks of collection and payment of public funds and the transactions of Sendai City with the Bank include deposits and loans. In light of the nature of the transactions, it is deemed not to have any impact on the decisions of stockholders and investors, and thus, description of the outline of the transactions is omitted.
 - Mr. Seiichi Ohtaki used to work for Tohoku University and The Sanaburi Foundation which are business partners of the Bank.

Tohoku University has transactions with the Bank, including deposits. However, the nature of transactions between the Bank and Tohoku University is ordinary banking transactions and it is deemed not to have any impact on the decisions of stockholders and investors, and thus, description of the outline of the transactions is omitted.

The Sanaburi Foundation has transactions with the Bank, including deposits. However, the nature of transactions between The Sanaburi Foundation and the Bank is ordinary banking transactions and it is deemed not to have any impact on the decisions of stockholders and investors, and thus, description of the outline of the transactions is omitted.

9. Mr. Shigenori Oyama used to work for TOKIN Corporation which is a business partner of the Bank. TOKIN Corporation has transactions with the Bank, including deposits and loans. However, the nature of the transactions between the Bank and TOKIN Corporation is ordinary banking transactions and it is deemed not to have any impact on the decisions of stockholders and investors, and thus, description of the outline of their transactions is omitted.
10. Although Ms. Emiko Okuyama has never been directly involved in corporate management, she has a wealth of experience and wide-ranging knowledge gained through her career as an administrative executive such as Mayor of Sendai City, involved in local administration for many years. Therefore, it is the Bank's judgment that she is suitable for the position of Outside Director of the Bank and capable of appropriately fulfilling her duties as an Outside Director of the Bank.
11. Although Mr. Seiichi Ohtaki has never been directly involved in corporate management, he has a wealth of experience gained through his involvement in university education for many years and advanced specialized knowledge about economics and management. Therefore, it is the Bank's judgment that he is suitable for the position of Outside Director of the Bank and capable of appropriately fulfilling his duties as an Outside Director of the Bank.
12. If the election of Outside Director is approved as proposed, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Bank plans to continue with the liability limitation agreements that have been concluded with Ms. Emiko Okuyama, Mr. Seiichi Ohtaki, and Mr. Shigenori Oyama, whereby limit their liability for damages arising from neglect of their duties to the minimum liability amount stipulated by laws and regulations.
13. The Bank has entered into a directors and officers liability insurance contract stipulated in Article 430-3, Paragraph 1 of the Companies Act with Directors and Executive Officers as the insured. The insurance premiums are fully borne by the Bank. The insurance policy covers liability of Directors and Executive Officers arising in the performance of their duties or damage claims received pertaining to the pursuit of said liability. However, damages caused as a result of any conduct committed while knowing that the conduct is in violation of laws and regulations shall not be covered, and a coverage limit and a deductible are set under the insurance contract as a measure to ensure that the insured perform their duties appropriately.

Each of the candidates has been covered by the insurance policy. If this proposal is approved, they will continue to be covered by the insurance policy. The Bank will renew the contract in July 2025.

Proposal No. 3: Election of Four (4) Directors Serving as Audit & Supervisory Committee Members

The terms of office of four (4) Directors serving as Audit & Supervisory Committee Members will expire at the conclusion of this Annual General Meeting of Stockholders. Accordingly, the election of four (4) Directors serving as Audit & Supervisory Committee Members is proposed.

The consent of the Audit & Supervisory Committee has been obtained for the submission of this proposal.

The candidates for Directors serving as Audit & Supervisory Committee Members are as follows.

No.	Name	Candidate attributes			Current positions at the Bank
1	Yoko Ushio	Reappointment	Female	Outside Director Independent Director	Director serving as Audit & Supervisory Committee Member (Outside Director)
2	Naoto Miura	Reappointment	Male	Outside Director Independent Director	Director serving as Audit & Supervisory Committee Member (Outside Director)
3	Shinya Endo	Reappointment	Male	Outside Director Independent Director	Director serving as Audit & Supervisory Committee Member (Outside Director)
4	Kazuo Fukuda	New candidate	Male	Outside Director Independent Director	Director (Outside Director)

No.	Name (Date of birth)	Past experience, positions, and responsibilities (Significant concurrent positions), Number of shares of the Bank held	
1	<div>Reappointment</div> <div>Female</div> <div>Outside Director</div> <div>Independent Director</div> <p>Yoko Ushio (Jul. 31, 1953)</p>	May 2001 Senior Managing Director and General Manager, Fujisaki Comfortable Lifestyle Research Institute Co., Ltd. May 2003 Director, Department Store Fujisaki Co., Ltd. Jan. 2011 Advisory Fellow, Tohoku Regional Advancement Center Apr. 2012 Fellow, Tohoku Regional Advancement Center Apr. 2016 Auditor, Tohoku University Jun. 2019 Director serving as Audit & Supervisory Committee Member, the Bank (current position) Aug. 2020 Representative Director, K.K. Shinsei Sogo Jimusho (current position) (Number of shares of the Bank held) 1,700 shares	
	(Reasons for selection as a candidate for Outside Director and expected roles) Ms. Yoko Ushio has a successful track record of involvement in corporate management as well as practical experience as an Auditor of a national university corporation. The Bank believes that she has knowledge and experience that enable her to precisely, fairly and efficiently audit the performance of duties by Directors of the Bank, as well as sufficient social credibility, and thus selected her as a candidate for Director serving as an Audit & Supervisory Committee Member. After her election, she is expected to provide advice, especially on corporate management, audit the performance of duties by Directors, and enhance the Board of Directors' supervising function.		

No.	Name (Date of birth)	Past experience, positions, and responsibilities (Significant concurrent positions), Number of shares of the Bank held
2	<div>Reappointment</div> <div>Male</div> <div>Outside Director</div> <div>Independent Director</div> <p>Naoto Miura (Jun. 23, 1954)</p>	<p>Apr. 1978 Joined Tohoku Electric Power Co. Inc.</p> <p>Jun. 2012 Executive Officer and General Manager, Distribution Engineering Dept. & Deputy General Manager, Customer Services Div., Tohoku Electric Power Co. Inc.</p> <p>Jun. 2015 Managing Director and Deputy General Manager, Power Network Div., Tohoku Electric Power Co. Inc.</p> <p>Jun. 2015 Director, Tohoku Intelligent Telecommunication Co., Inc. (currently TOHKnet Co., Inc.)</p> <p>Jun. 2018 President and Representative Director, Tohoku Intelligent Telecommunication Co., Inc. (currently TOHKnet Co., Inc.)</p> <p>Apr. 2021 Chairman and Representative Director, Tohoku Intelligent Telecommunication Co., Inc. (currently TOHKnet Co., Inc.)</p> <p>Jun. 2023 Chairman, Tohoku Productivity Center (current position)</p> <p>Jun. 2023 Director serving as Audit & Supervisory Committee Member, the Bank (current position)</p> <p>Apr. 2024 Special Advisor, TOHKnet Co., Inc. (Number of shares of the Bank held) 200 shares</p>
	<p>(Reasons for selection as a candidate for Outside Director and expected roles)</p> <p>Mr. Naoto Miura has a successful track record gained through his service as a Director and involvement in corporate management of a listed utility company. The Bank believes that he has knowledge and experience that enable him to precisely, fairly and efficiently audit the performance of duties by Directors of the Bank, as well as sufficient social credibility, and thus selected him as a candidate for Director serving as an Audit & Supervisory Committee Member. After his election, he is expected to provide advice, especially on corporate management, audit the performance of duties by Directors, and enhance the Board of Directors' supervising function.</p>	
3	<div>Reappointment</div> <div>Male</div> <div>Outside Director</div> <div>Independent Director</div> <p>Shinya Endo (May 13, 1956)</p>	<p>Apr. 1979 Joined the Miyagi Prefectural Government</p> <p>Apr. 2013 Director-General, Public Works Department, Miyagi Prefectural Government</p> <p>Apr. 2017 Public Enterprise Manager, Public Enterprise Bureau, Miyagi Prefectural Government</p> <p>Apr. 2019 Vice-Governor, Miyagi Prefectural Government</p> <p>Jun. 2019 Chairperson, Miyagi International Business Promotional Association</p> <p>Jul. 2020 Chairman, Sendai Port Trade Promotion Center Co., Ltd.</p> <p>Jun. 2023 President, Miyagi Organization For Industry Promotion (current position)</p> <p>Jun. 2023 President, Miyagi Sport Association (current position)</p> <p>Jun. 2023 Director serving as Audit & Supervisory Committee Member, the Bank (current position)</p> <p>(Number of shares of the Bank held) 200 shares</p>
	<p>(Reasons for selection as a candidate for Outside Director and expected roles)</p> <p>Mr. Shinya Endo has a wealth of experience and wide-ranging knowledge gained through his involvement in local administration for many years as well as a successful track record of being engaged in corporate management. The Bank believes that he has knowledge and experience that enable him to precisely, fairly and efficiently audit the performance of duties by Directors of the Bank, as well as sufficient social credibility, and thus selected him as a candidate for Director serving as an Audit & Supervisory Committee Member. After his election, he is expected to provide advice, especially on corporate management and regional revitalization, audit the performance of duties by Directors, and enhance the Board of Directors' supervising function.</p>	

No.	Name (Date of birth)	Past experience, positions, and responsibilities (Significant concurrent positions), Number of shares of the Bank held
4	<div>New candidate</div> <div>Male</div> <div>Outside Director</div> <div>Independent Director</div> <p>Kazuo Fukuda (Feb. 24, 1957)</p>	<p>Apr. 1981 Joined the Bank of Japan</p> <p>May 2003 General Manager, Maebashi Branch, the Bank of Japan</p> <p>Dec. 2005 Associate Director-General, Financial System and Bank Examination Department, the Bank of Japan</p> <p>Jun. 2007 Associate Director-General, Institute for Monetary and Economic Studies, the Bank of Japan</p> <p>Jul. 2008 General Manager, Sendai Branch, the Bank of Japan</p> <p>May 2012 Director-General, Administration Department, the Bank of Japan</p> <p>Jun. 2013 Audit & Supervisory Board Member, The Chiba Bank, Ltd.</p> <p>Jun. 2017 Senior Executive Officer, Osaka Exchange, Inc.</p> <p>Apr. 2018 Director and Senior Executive Officer, Osaka Exchange, Inc.</p> <p>Apr. 2019 Managing Governor, Japan Exchange Regulation</p> <p>Jun. 2023 Director, the Bank (current position)</p> <p>(Number of shares of the Bank held) 200 shares</p> <p>(Reasons for selection as a candidate for Outside Director and expected roles) Mr. Kazuo Fukuda has held important positions at the Bank of Japan and has a successful track record of being engaged in financial markets and financial systems for many years. The Bank believes that he has knowledge and experience that enable him to precisely, fairly and efficiently audit the performance of duties by Directors of the Bank, as well as sufficient social credibility, and thus selected him as a candidate for Director serving as an Audit & Supervisory Committee Member. After his election, he is expected to provide advice, especially on risk management and market operation based on monetary policy, audit the performance of duties by Directors, and enhance the Board of Directors' supervising function.</p>

Outside Director	Candidate for Outside Director provided for in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act
Independent Director	Candidate for Director whom the Bank intends to designate as an independent director as defined by the Tokyo Stock Exchange and the Sapporo Securities Exchange and notify them of the designation

- (Notes)
- There is no special interest between the candidates and the Bank.
 - Ms. Yoko Ushio, Mr. Naoto Miura, Mr. Shinya Endo, and Mr. Kazuo Fukuda are candidates for Outside Director. The Bank designated Ms. Yoko Ushio, Mr. Naoto Miura, Mr. Shinya Endo, and Mr. Kazuo Fukuda as Independent Directors as defined by the Tokyo Stock Exchange and the Sapporo Securities Exchange and notified them of the designation.
 - The number of years Ms. Yoko Ushio, Mr. Naoto Miura, Mr. Shinya Endo, and Mr. Kazuo Fukuda will have served as Outside Director, respectively, at the conclusion of this Annual General Meeting of Stockholders is as follows.
Ms. Yoko Ushio: 6 years
Mr. Naoto Miura: 2 years
Mr. Shinya Endo: 2 years
Mr. Kazuo Fukuda: 2 years
 - Ms. Yoko Ushio, Mr. Naoto Miura, Mr. Shinya Endo, and Mr. Kazuo Fukuda are business partners of the Bank. The nature of the transactions is ordinary banking transactions as an individual depositor and it is deemed not to have any impact on the decisions of stockholders and investors, and thus, description of the outline of the transactions is omitted.
 - Tohoku Productivity Center, at which Mr. Naoto Miura serves as Chairman, is a business partner of the Bank. The transactions of Tohoku Productivity Center with the Bank include deposits. However, the nature of the transactions between Tohoku Productivity Center and the Bank is ordinary banking transactions, and it is deemed not to have any impact on the decisions of stockholders and investors, and thus, description of the outline of the transactions is omitted. Mr. Naoto Miura will resign the office of Chairman of Tohoku Productivity Center at the conclusion of its regular general meeting of members to be held in June, 2025.
 - At Tohoku Productivity Center, Mr. Hidefumi Kobayashi, a candidate for one of Directors (excluding Directors serving as Audit & Supervisory Committee Members), serves as a director. If Mr. Naoto Miura assumes the office of the Bank's Outside Director, the Bank and Tohoku Productivity Center will have relationships of interlocking outside officers. However, this does not affect the independence of Mr. Naoto Miura as an Outside Director.
 - Miyagi Organization For Industry Promotion, at which Mr. Shinya Endo serves as President, is a business partner of the Bank. The transactions of Miyagi Organization For Industry Promotion with the Bank include deposits and loans. However, the nature of the transactions between Miyagi Organization For Industry Promotion and the Bank is ordinary banking

transactions, and it is deemed not to have any impact on the decisions of stockholders and investors, and thus, description of the outline of the transactions is omitted.

8. Miyagi Sport Association, at which Mr. Shinya Endo serves as President, is a business partner of the Bank. The transactions of Miyagi Sport Association with the Bank include deposits. However, the nature of the transactions between Miyagi Sport Association and the Bank is ordinary banking transactions, and it is deemed not to have any impact on the decisions of stockholders and investors, and thus, description of the outline of the transactions is omitted.
9. Ms. Yoko Ushio used to work for Fujisaki Department Store Co., Ltd., which has transactions with the Bank, including deposits and loans. However, the nature of the transactions between Fujisaki Department Store Co., Ltd. and the Bank is ordinary banking transactions, and it is deemed not to have any impact on the decisions of stockholders and investors, and thus, description of the outline of the transactions is omitted.
10. Mr. Naoto Miura used to work for Tohoku Electric Power Co. Inc. and TOHKnet Co., Inc., which are business partners of the Bank.

Tohoku Electric Power Co. Inc. has transactions with the Bank, including deposits and loans. However, the nature of the transactions between Tohoku Electric Power Co. Inc. and the Bank is ordinary banking transactions, and it is deemed not to have any impact on the decisions of stockholders and investors, and thus, description of the outline of the transactions is omitted. Although Tohoku Electric Power Co. Inc. is a stockholder of the Bank, the percentage of voting rights it holds is 2.27% as of March 31, 2025 and the Bank judges that there is no concern about his independence.

TOHKnet Co., Inc. has transactions with the Bank, including deposits and loans. However, the nature of the transactions between TOHKnet Co., Inc. and the Bank is ordinary banking transactions, and it is deemed not to have any impact on the decisions of stockholders and investors, and thus, description of the outline of the transactions is omitted.

11. Mr. Shinya Endo used to work for the Miyagi Prefectural Government, Miyagi International Business Promotional Association, and Sendai Port Trade Promotion Center Co., Ltd., which are business partners of the Bank.

The Bank is a designated financial institution designated by Miyagi Prefectural Government and handles administrative tasks of collection and payment of public funds, as well as the transactions of deposits and loans. In light of the nature of the transactions with Miyagi Prefectural Government, it is deemed not to have any impact on the decisions of stockholders and investors, and thus, description of the outline of the transactions is omitted.

Miyagi International Business Promotional Association has transactions with the Bank, including deposits. However, the nature of the transactions between Miyagi International Business Promotional Association and the Bank is ordinary banking transactions, and it is deemed not to have any impact on the decisions of stockholders and investors, and thus, description of the outline of the transactions is omitted.

Sendai Port Trade Promotion Center Co., Ltd. is an enterprise established by joint investment of the public sector and the private sector for the purpose of promoting imports at Sendai Port and planning to advance the distribution of goods, and the Bank has a 1.38% stake in it. Sendai Port Trade Promotion Center Co., Ltd. has transactions with the Bank, including deposits. However, the nature of transactions between Sendai Port Trade Promotion Center Co., Ltd. and the Bank is ordinary banking transactions and it is deemed not to have any impact on the decisions of stockholders, and investors, and thus, description of the outline of the transactions is omitted.

12. If the election of Director serving as Audit & Supervisory Committee Member is approved as proposed, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Bank plans to continue with the liability limitation agreements that have been concluded with the candidates, whereby limit their liability for damages arising from neglect of their duties to the minimum liability amount stipulated by laws and regulations.
13. The Bank has entered into a directors and officers liability insurance contract stipulated in Article 430-3, Paragraph 1 of the Companies Act with Directors and Executive Officers as the insured. The insurance premiums are fully borne by the Bank. The insurance policy covers liability of Directors and Executive Officers arising in the performance of their duties or damage claims received pertaining to the pursuit of said liability. However, damages caused as a result of any conduct committed while knowing that the conduct is in violation of laws and regulations shall not be covered, and a coverage limit and a deductible are set under the insurance contract as a measure to ensure that the insured perform their duties appropriately.

Each of the candidates has been covered by the insurance policy. If this proposal is approved, they will continue to be covered by the insurance policy. The Bank will renew the contract in July 2025.

Proposal No. 4: Revision to Limit of Compensation for Directors (Excluding Directors Serving as Audit & Supervisory Committee Members)

Regarding the limit of compensation for Directors (excluding Directors serving as Audit & Supervisory Committee Members; hereinafter the same applies within this proposal) of the Bank, it was approved at the Annual General Meeting of Stockholders held in June 2017 and the Annual General Meeting of Stockholders held on June 26, 2020, as follows: (1) the maximum amount of basic compensation shall be set at 270 million yen per year (including 30 million yen for Outside Directors), (2) the maximum amount of performance-linked compensation shall be set at 90 million yen per year, and (3) compensation for Outside Directors shall solely consist of basic compensation.

Taking into consideration increasingly complex management environment and other circumstances, and from the perspective of further increasing the motivation of Directors to improve the Bank's performance over the medium to long term and enhance corporate value, it is proposed to leave the maximum amount of basic compensation as is but revise the maximum amount of performance-linked compensation, which is linked to the level of profit, from 90 million yen to 180 million yen.

After the revision, the maximum amount of compensation for Directors will be 270 million yen per year as basic compensation (including 30 million yen for Outside Directors) and 180 million yen per year as performance-linked compensation.

Compensation for Outside Directors shall continue to solely consist of basic compensation, and the basic compensation and performance-linked compensation for Directors concurrently serving as employees shall not include the employee portion of the salaries (bonuses).

The Bank has judged this proposal as appropriate as the details of the revision to the maximum amount of compensation in this proposal were determined by the Board of Directors after deliberation by the Corporate Governance Committee, taking into consideration the above purpose, changes in the Bank's profit level, and other factors.

The current number of Directors is eleven (11) (including four (4) Outside Directors). If Proposal No. 2, "Election of Nine (9) Directors (Excluding Directors Serving as Audit & Supervisory Committee Members)," is approved as originally proposed, the number of Directors will be nine (9) (including three (3) Outside Directors).

The Audit & Supervisory Committee examined this proposal but there were no specific findings about this proposal.

(Reference)

[Criteria for Independence of Outside Directors]

The criteria of the Bank for judging independence of Outside Directors are as follows.

<Criteria for Judging Independence>

An Independent Director of the Bank shall satisfy requirements for Outside Directors as defined by laws and regulations and the independence standards stipulated in the “Guidelines for Listing Management, etc.” set forth by the Tokyo Stock Exchange, and does not fall under any of the items below currently or recently (Note 1), without having a risk of conflict of interest with stockholders of the Bank.

- A. A party who has the Bank as a major business partner (Note 2), or an executive person thereof if the party is a corporation, etc.
- B. A party who is a major business partner of the Bank (Note 3), or an executive person thereof if the party is a corporation, etc.
- C. A consultant, accounting specialist or legal professional who has received money and other benefits from the Bank for an average of more than 10 million yen annually for the last three years other than remuneration for Director
- D. An employee, etc. of a consulting firm, accounting firm, or legal firm that has the Bank as a major business partner (Note 2)
- E. A major stockholder (Note 4) of the Bank, or an executive person thereof if the party is a corporation, etc.
- F. A party who has received donations from the Bank for an average of more than 10 million yen annually for the last three years, or an executive person thereof if the party is a corporation, etc.
- G. A relative within the second degree of the following individual (limited to significant person (Note 5))
 - a. An individual who falls under any of the above A. to F.
 - b. Director, Audit & Supervisory Board Member, Executive Officer and major employee of the Bank or its subsidiary

Note 1: “Recently” is defined as the time that is practically equivalent to the present, such as when the contents of proposal(s) are finalized for submission to an annual general meeting of stockholders where Outside Director shall be elected.

Note 2: “A party who has the Bank as a major business partner” is defined as that transaction amount between the Bank and such party accounts for 2% or more of the total consolidated sales for the most recent fiscal year of the said party.

Note 3: “A major business partner of the Bank” is defined as that such party pays the Bank the amount equivalent to 2% or more of the total gross profit on a consolidated basis for the most recent fiscal year of the Bank.

Note 4: “A major stockholder” is defined as that such party that holds 10% or more of the total voting rights of the Bank.

Note 5: “Significant person” is defined as a person who is in the post of executive or general manager of a company, or equivalent level thereto, or a person who is a certified public accountant or an attorney-at-law, if such person belongs to an accounting firm or legal firm, etc.

[Skills Matrix]

The Board of Directors of the Bank has identified skills and other qualities each of Directors shall possess, which are necessary for the Bank to pursue sustainable growth and improvement in corporate value over a medium to long term, as well as to achieve its “target form” set in “Vision 2030.” With In-house Directors who are well-versed in the banking operation and several Outside Directors with a wealth of experience and wide-ranging knowledge outside the Bank, the Board of Directors is in a balanced and diverse composition of knowledge, experience, and abilities as a whole.

The table shown below has been prepared based on the assumption that “Election of Nine (9) Directors (Excluding Directors Serving as Audit & Supervisory Committee Members)” and “Election of Four (4) Directors Serving as Audit & Supervisory Committee Members” are approved as originally proposed at this Annual General Meeting of Stockholders.

		In-house	Outside	Management strategy / Corporate management	Compliance / Risk management	Sales / Regional revitalization	International / Market operation	DX / Productivity improvement	Human capital / Diversity
Directors not serving as Audit & Supervisory Committee Members	Hidefumi Kobayashi	○		◎	●	●	●	●	◎
	Hiroshi Kobayashi	○		◎	●	●	◎	◎	●
	Shuichi Ibuka	○		●	●	◎	●	●	
	Takashi Kuroda	○		●		◎	●	●	◎
	Yoshiyuki Odajima	○			◎	●		◎	
	Kazuhiro Aoki	○			◎	●	◎		
	Emiko Okuyama		○			◎			●
	Seiichi Ohtaki		○	◎		●			
	Shigenori Oyama		○	◎			●	●	
Directors serving as Audit & Supervisory Committee Members	Masanori Muranushi	○		●	●	●	●	●	
	Yoko Ushio		○	●					●
	Naoto Miura		○	●				●	
	Shinya Endo		○	●		●			
	Kazuo Fukuda		○	●	●		●		

(Note) “◎” is marked for the skills and other qualities especially expected from Directors not serving as Audit & Supervisory Committee Members.

[Details of Skills]

Management strategy / Corporate management	Knowledge, experience, and abilities related to management strategy, corporate and group management, and sustainability
Compliance / Risk management	Knowledge, experience, and abilities related to compliance, risk management, corporate credit supervision, and financial accounting
Sales / Regional revitalization	Knowledge, experience, and abilities related to sales strategy, consulting, regional revitalization, and industry-academia-government collaboration
International / Market operation	Knowledge, experience, and abilities related to international expansion, markets, and securities operations
DX / Productivity improvement	Knowledge, experience, and abilities related to systems planning and management, digital areas, and business efficiency
Human capital / Diversity	Knowledge, experience, and abilities related to human resources strategy, human resources development, organizational culture reform, and diversity promotion

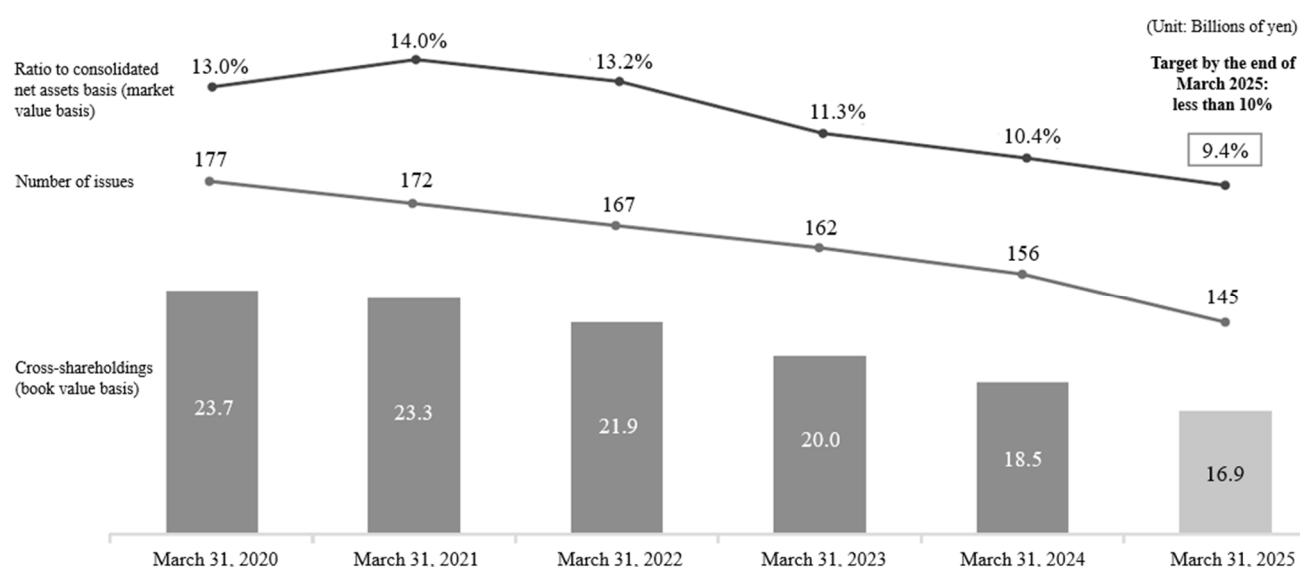
[Matters related to cross-shareholdings]

The Bank has established a “Policy on Cross-shareholdings” and discloses it on the Bank’s website as follows.

<Policy on Cross-shareholdings>

- As a general rule, the Bank’s policy is to reduce cross-shareholdings. As a regional financial institution, the Bank will hold cross-shareholdings only when it is judged that maintaining and strengthening business and cooperative relationships with the client will contribute to enhanced corporate value of both the client and the Bank.
- With regard to cross-shareholdings, the Bank will make regular decisions on whether or not to hold particular shares by comprehensively examining their profitability based on the Bank’s cost of capital, etc., as well as the medium- to long-term economic rationale for such holdings, future outlook, the purpose of holding, and other relevant factors.

Based on the above policy, the Bank has reduced its cross-shareholdings, and the ratio to consolidated net assets basis (market value basis) of the cross-shareholdings as of the end of March 2025, fell below the target of less than 10%. The Bank will continue to reduce its cross-shareholdings while paying attention to fluctuations in market value due to rising share prices and other factors.



■ Management of pure investments

The Bank’s policy is to hold onto pure investments over the medium to long term with the purpose of receiving stable dividends and profits from rising share prices and achieving diversification effects in its securities portfolio.

Additionally, the Bank clearly distinguishes between cross-shareholdings and pure investments in terms of the department responsible for their management. The Bank reviews the purpose of holding pure investments, while considering the differences from cross-shareholdings, which are aimed at enhancing corporate value over the medium to long term, and has established voting rights exercise criteria for cross-shareholdings and pure investments that are consistent with their respective purposes. The results of the review and voting rights exercise are reported to the Board of Directors.