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(Stock Exchange Code: 8387)

June 5, 2025

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

To Shareholders with Voting Rights:

Tatsuji Kobayashi
Director and President
The Shikoku Bank, Ltd.
1-1-1 Minamiharimaya-cho, Kochi-shi
Kochi, Japan

**NOTICE OF
THE 211th ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

Please be informed that the 211th Annual General Meeting of Shareholders of The Shikoku Bank, Ltd. (the “**Bank**”) will be held for the purposes described below.

In the convocation of this General Meeting of Shareholders, measures for the electronic provision of information will be implemented and matters subject to these measures will be posted on the following website.

The Bank’s website

<https://www.shikokubank.co.jp/profile/stockholder/> (in Japanese only)

In addition to the above, the information is posted on the following website.

Tokyo Stock Exchange (the “**TSE**”) website

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

For the TSE website, please enter the Bank’s name or stock exchange code and click the “Search” button, then click the “Basic information” button and then the “Documents for public inspection/PR information” tab.

Regarding advance exercise of voting rights, please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by following the Instructions for the Exercise of Voting Rights (Japanese version only) no later than 5:30 p.m. on Thursday, June 26, 2025 (Japan time).

- 1. Date and Time:** Friday, June 27, 2025 at 10:00 a.m. (Japan time)
(Reception begins at 9:00 a.m.)
- 2. Place:** Head office of the Bank, 5th floor, Main conference room
1-1-1 Minamiharimaya-cho, Kochi-shi, Kochi, Japan
- 3. Meeting Agenda:**
- Matters to be reported:**
1. Business Report and Non-consolidated Financial Statements for the Bank's 211th Fiscal Year (April 1, 2024 - March 31, 2025)
 2. Consolidated Financial Statements for the Bank's 211th Fiscal Year (April 1, 2024 - March 31, 2025) and results of audits of the Consolidated Financial Statements conducted by the Accounting Auditor and the Audit & Supervisory Committee
- Proposals to be resolved:**
- Proposals from the Bank**
- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Election of Seven Directors (excluding Directors who are Members of the Audit & Supervisory Committee)
- Proposals from a shareholder**
- Proposal 3:** Partial Amendments to the Articles of Incorporation (1)
- Proposal 4:** Partial Amendments to the Articles of Incorporation (2)
- Proposal 5:** Dismissal of Two Directors (excluding Directors who are Members of the Audit & Supervisory Committee)
- Proposal 6:** Dismissal of Three Directors who are Members of the Audit & Supervisory Committee

Proposals 3 to 6 were made by a shareholder, and the Board of Directors opposes these four proposals.

An overview of all 6 proposals is provided in the following Reference Documents for the General Meeting of Shareholders.

- When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
- In accordance with the provisions of applicable laws and regulations and Article 17 of the Articles of Incorporation of the Bank, the "Non-consolidated Statements of Changes in Net Assets," "Notes to the Non-consolidated Financial Statements," of the Non-consolidated Financial Statements and the "Consolidated Statements of Changes in Net Assets" and "Notes to the Consolidated Financial Statements" of the Consolidated Financial Statements are not provided in the paper-based documents delivered to shareholders who have requested delivery of such documents. Accordingly, these documents are portions of the Non-consolidated Financial Statements and Consolidated Financial Statements audited by the Audit & Supervisory Committee in preparation of the audit report, and by the Accounting Auditor in preparation of the accounting audit report.
- Any revisions to the matters subject to measures for the electronic provision of information will be provided on both websites listed above.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposals from the Bank

Proposals 1 and 2 were made by the Bank.

Proposal 1: Appropriation of Surplus

In November 2024, the Bank revised its shareholder return policy and a new target dividend payout ratio of 30% or more of profit attributable to owners of the parent.

Based on this policy, the Bank proposes a year-end dividend of 25 yen per share for the fiscal year under review after considering all factors such as the financial results for the fiscal year under review.

The total dividend on common stock to be paid during this year, including the interim dividend (25 yen per share) paid on December 2024, will be 50 yen per share, an increase of 10 yen per share from the previous fiscal year ended March 31, 2024 (FY2023).

1. Matters concerning the year-end dividend

(1) Type of dividend property

Cash

(2) Matters related to allocation of dividend property to shareholders and its total amount

25 yen per share of the Bank's common stock; total of 1,046,511,325 yen

(3) Effective date of appropriation of surplus

June 30, 2025

2. Other matters concerning appropriation of surplus

(1) Item and amount of surplus to be increased

General reserve 5,000,000,000 yen

(2) Item and amount of surplus to be decreased

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

Proposal 2: Election of Seven Directors (excluding Directors who are Members of the Audit & Supervisory Committee)

The terms of office of all eight Directors (excluding Directors who are Members of the Audit & Supervisory Committee; the same applies hereinafter in this proposal) will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the Bank proposes the election of seven Directors.

Furthermore, the Audit & Supervisory Committee reviewed this proposal and found no matters of note to report to the General Meeting of Shareholders pursuant to the stipulations of the Companies Act.

The candidates for the eight Directors are as follows:

Candidate No.	Name			Current positions, etc. at the Bank
1	Fumiaki Yamamoto	Male	Re-election	Director and Chairman
2	Tatsuji Kobayashi	Male	Re-election	Director and President
3	Masato Hashitani	Male	Re-election	Managing Director
4	Isao Shiraishi	Male	Re-election	Managing Director
5	Mitsufumi Ito	Male	Re-election	Director and General Manager, Tokushima Sales Headquarters
6	Ken Tsunemitsu	Male	Re-election	Director and General Manager, Head Office Sales Department
7	Takeo Ueda	Male	New election Independent Director*	Outside Director

* Independent Director means the director submitted to the TSE as an independent director.

Candidate No.	1 Fumiaki Yamamoto (born September 24, 1954)	Re-election
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Number of shares of the Bank held: 67,706 shares

Status of attendance at Board of Directors' Meetings during FY2024: 86.7% (13/15)

Past experience, positions, responsibilities, and significant concurrent positions

Apr. 1978	Joined the Bank		Jun. 2014	Managing Director
Jul. 1997	Deputy General Manager, General Planning Department		Jun. 2015	Senior Managing Director
Jun. 2006	General Manager, General Administration Department		Apr. 2016	Director and President
Jun. 2010	Director and General Manager, General Planning Department		Jun. 2023	Director and Chairman To present

Significant concurrent positions

Chairman, Kochi Corporation Association
Chairman, Kochi Prefectural Federation of Corporation Associations

Reasons for selection as a candidate for Director

Since assuming the position of Director in June 2010, he has utilized his experience, insight, and expertise required for bank management and appropriately fulfilled his role in making important management decisions and supervising business execution, etc. as a Director of the Bank. Furthermore, he has served as Senior Managing Director since June 2015, as Director and President since April 2016 and as Director and Chairman since June 2023, and appropriately performed his duties, and thus the Bank has selected him as a candidate for Director.

Candidate No.	2 Tatsuji Kobayashi (born June 4, 1960)	Re-election
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Number of shares of the Bank held: 43,811 shares

Status of attendance at Board of Directors' Meetings during FY2024: 100% (15/15)

Past experience, positions, responsibilities, and significant concurrent positions

Apr. 1984	Joined the Bank		Jun. 2016	Director and General Manager, General Planning Department
Feb. 2003	Deputy General Manager, General Planning Department		Jun. 2018	Managing Director
Feb. 2012	Vice General Manager, General Planning Department		Jun. 2023	Director and President To present

Significant concurrent positions

Chairman, Kochi Prefecture Bankers Association

Reasons for selection as a candidate for Director

Since assuming the position of Director in June 2016, he has utilized his experience, insight, and expertise required for bank management and appropriately fulfilled his role in making important management decisions and supervising business execution, etc. as a Director of the Bank. Furthermore, he has served as Managing Director since June 2018 and as Director and President since June 2023, and thus the Bank has selected him as a candidate for Director.

Candidate No. **3 Masato Hashitani** (born December 14, 1960)

Re-election

Number of shares of the Bank held: 26,517 shares

Status of attendance at Board of Directors' Meetings during FY2024: 100% (15/15)

Past experience, positions, responsibilities, and significant concurrent positions

Apr. 1983	Joined the Bank	Jun. 2015	Manager, Okayama Branch
Jul. 2004	Manager, Nakamura-ekimae Branch	Jun. 2017	Executive Officer and General Manager, Sales Supervision Department
Feb. 2007	Manager, Moriguchi Branch	Jun. 2020	Director and General Manager, Sales Supervision Department
Feb. 2010	Deputy General Manager, Sales Supervision Department	Jun. 2021	Director and General Manager, Head Office Sales Department
Jun. 2012	Manager, Marugame Branch	Jun. 2023	Managing Director To present

Reasons for selection as a candidate for Director

Since assuming the position of Director in June 2020, he has utilized his experience, insight, and expertise required for bank management and appropriately fulfilled his role in making important management decisions and supervising business execution, etc. as a Director of the Bank. Furthermore, he has served as Managing Director since June 2023 and appropriately performed his duties with supervision over the human resources, consulting, and other divisions, and thus the Bank has selected him as a candidate for Director.

Candidate No. **4 Isao Shiraishi** (born September 13, 1962)

Re-election

Number of shares of the Bank held: 24,747 shares

Status of attendance at Board of Directors' Meetings during FY2024: 100% (15/15)

Past experience, positions, responsibilities, and significant concurrent positions

Apr. 1986	Joined the Bank	Jun. 2017	Manager, Tokyo Branch
Jul. 2008	Manager, Kacho Branch	Jun. 2018	General Manager, Credit Department
Jun. 2010	Manager, Sakaide Branch	Jun. 2020	Director and General Manager, Credit Department
Feb. 2013	Manager, Amagasaki Branch	Mar. 2022	Director and General Manager, General Planning Department
Jun. 2015	Manager, Osaka Branch	Jun. 2023	Managing Director To present

Reasons for selection as a candidate for Director

Since assuming the position of Director in June 2020, he has utilized his experience, insight, and expertise required for bank management and appropriately fulfilled his role in making important management decisions and supervising business execution, etc. as a Director of the Bank. Furthermore, he has served as Managing Director since June 2023 and appropriately performed his duties with supervision over the planning, risk management, and other divisions, and thus the Bank has selected him as a candidate for Director.

Candidate No. **5 Mitsufumi Ito** (born November 8, 1967)

Re-election

Number of shares of the Bank held: 11,989 shares

Status of attendance at Board of Directors' Meetings during FY2024: 100% (15/15)

Past experience, positions, responsibilities, and significant concurrent positions

Apr. 1991	Joined the Bank	Jun. 2018	General Manager, General Planning Department
Aug. 2009	Deputy General Manager, Customer Support Department	Mar. 2020	Manager, Nakamura Branch
Jun. 2014	General Manager, Customer Support Department	Apr. 2021	Manager, Nakamura Branch and Manager, Irino Branch Office
Apr. 2016	General Manager, Corporate Support Department	Jun. 2022	Director and General Manager, Tokushima Sales Headquarters
			To present

Reasons for selection as a candidate for Director

With his wealth of business experience in sales, consulting, and planning operations, etc. since assuming the position of Director in June 2022, he has utilized his experience, insight, and expertise, appropriately fulfilled his role in making management decisions and supervising business execution, etc. as a Director of the Bank, and appropriately performed his duties, and thus the Bank has selected him as a candidate for Director.

Candidate No. **6 Ken Tsunemitsu** (born March 24, 1969)

Re-election

Number of shares of the Bank held: 9,362 shares

Status of attendance at Board of Directors' Meetings during FY2024: 100% (15/15)

Past experience, positions, responsibilities, and significant concurrent positions

Apr. 1991	Joined the Bank	Jun. 2018	General Manager, Corporate Support Department
Feb. 2012	Deputy General Manager, Human Resources Department	Apr. 2019	General Manager, Consulting Department
Sep. 2016	Manager, Katsurahama-dori Branch	Jun. 2023	Director and General Manager, Head Office Sales Department
			To present

Reasons for selection as a candidate for Director

With his wealth of business experience in sales, human resources, and consulting operations, etc. since assuming the position of Director in June 2023, he has utilized his experience, insight, and expertise, appropriately fulfilled his role in making management decisions and supervising business execution, etc. as a Director of the Bank, and appropriately performed his duties, and thus the Bank has selected him as a candidate for Director.

Candidate No. **7 Takeo Ueda** (born June 15, 1964)

New election
Outside Director
Independent Director

Number of shares of the Bank held: -

Status of attendance at Board of Directors' Meetings during FY2024:-

Past experience, positions, responsibilities, and significant concurrent positions

Apr. 1988	Joined Yasuda Mutual Life Insurance Company	Apr. 2022	Managing Executive Officer, Meiji Yasuda Life Insurance Company
Jan. 2004	(Name changed to Meiji Yasuda Life Insurance Company due to merger)	Apr. 2023	Managing Executive Officer and Group Chief Compliance Officer, Meiji Yasuda Life Insurance Company
Apr. 2016	General Manager, Securities Investment Department, Meiji Yasuda Life Insurance Company	Apr. 2025	Senior Managing Executive Officer and Group Chief Compliance Officer, Meiji Yasuda Life Insurance Company (current position)
Apr. 2018	General Manager, Voice of the Customer Department, Meiji Yasuda Life Insurance Company	To present	
Apr. 2020	Executive Officer and General Manager, Specified Insurance Products Investment Department, Meiji Yasuda Life Insurance Company	Significant concurrent positions	
		Senior Managing Executive Officer and Group Compliance Officer, Meiji Yasuda Life Insurance Company	

Reasons for selection as a candidate for Outside Director and overview of expected roles

He has a wealth of experience and broad insight as a corporate manager and is expected to appropriately fulfill his role in making important management decisions and supervising business execution. Based on the judgment that his appointment will contribute to the Bank's sustainable growth and improvement in corporate value, the Bank has selected him as a candidate for Outside Director.

As it has been determined that there are no concerns with respect to conflicts of interest with general shareholders in view of the standards for independence stipulated by the TSE and those stipulated by the Bank, the Bank plans to file a notification with the TSE designating him as an Independent Director.

- Notes
1. There are no special interests between the candidates and the Bank.
 2. Mr. Ueda is a candidate for Outside Director.
 3. If his election is approved, the Bank plans to file a notification with the TSE designating him as an Independent Director based on the stipulations of the TSE.
 4. If his election is approved, the Bank plans to conclude an agreement to limit liability with Mr. Ueda based on Article 423, Paragraph 1 of the Companies Act. The limitation of liability under said agreement is the minimum liability as stipulated by applicable laws and regulations.
 5. The Bank has concluded a directors and officers liability insurance policy with an insurance agency as set forth in Article 430-3, Paragraph 1 of the Companies Act. This insurance policy covers damages, legal fees, and other costs to be borne by the insured persons. All candidates, excluding the new candidate for Director, are the insured under this insurance policy, and, if this proposal is approved as originally proposed and all candidates are appointed as Directors, all of the candidates, including the new candidate for Director, will be included as the insured persons. The Bank plans to renew this insurance policy unchanged upon the next renewal during the term of office.

(Reference) Skills Matrix

The areas of expertise and experience possessed by each candidate are as follows:

Name		Corporate management	Personnel management	Digital strategy	Consulting/Regional development	Market management	Risk management	Finance/Accounting	Legal affairs
Directors who are not Members of the Audit & Supervisory Committee	Fumiaki Yamamoto	Male							
	Tatsuji Kobayashi	Male							
	Masato Hashitani	Male							
	Isao Shiraishi	Male							
	Mitsufumi Ito	Male							
	Ken Tsunemitsu	Male							
	Takeo Ueda	Male	New election Outside						
Directors who are Members of the Audit & Supervisory Committee	Junko Nishimura	Female							
	Chieko Inada	Female	Outside						
	Yasushi Kanamoto	Male	Outside						
	Toshikazu Sakai	Male	Outside						

* This table does not indicate all of the areas of expertise, experience and insight possessed by each candidate for Director.

Definition of Skills

■ Basic skills required for business operations

Skill	Definition
Corporate management	Holds knowledge and experience to formulate and manage corporate governance and medium- to long-term management strategies
Finance/Accounting	Holds knowledge and experience in finance and accounting
Legal affairs	Holds high level of expertise in legal affairs

■ Basic skills required to achieve medium-term business plan

Skill	Definition
Personnel management	Holds knowledge and experience to (i) develop systems that enable diverse human resources to play active roles and (ii) conduct appropriate personnel and labor management
Digital strategy	Holds knowledge and experience to develop and manage digital-enabled operational reforms and business strategies
Consulting/Regional development	Holds knowledge and experience to develop and manage business strategies to resolve customer and community issues
Market management	Holds knowledge and experience to formulate and manage operational strategies that contribute to improving corporate value over the medium to long term
Risk management	Holds knowledge and experience to properly manage and control the risks that exist within the Bank

Proposals from a shareholder

Proposals 3 to 6 were made by a certain shareholder who holds 310 voting rights.

The “Details of the proposal” and the “Reasons for the proposal” in these proposals, including typographical errors, omissions, and factual recognition, are stated exactly as submitted by the proposing shareholder (in the Japanese original).

Proposal 3: Partial Amendments to the Articles of Incorporation (1)

1. Details of the proposal

Change the trade name of The Shikoku Bank, Ltd. to The Shikoku Daiwa Bank, Ltd.

2. Reasons for the proposal

- 1) It has been approximately 15 years since I won a case against the Bank in the Supreme Court. This is the 11th time I have exercised my right to submit a shareholder proposal. Despite being the leading bank in Kochi Prefecture, efforts by the prefecture to counter population decline through budgetary measures have had no effect. The birth rate is the lowest in the nation, and the population continues to decline. Local business development remains stagnant. Gasoline prices in Kochi are among the highest in Japan. In fact, gasoline in Shikokuchuo City, just one mountain away, is cheaper than diesel fuel in Kochi.

Residents of the prefecture no longer wish to claim the “top” status. Even under such adverse conditions, the Bank pays higher dividends than Iyogin Holdings, Inc., making it a strong performer. Daiwa Securities Co. Ltd., where I am also a shareholder, formed a comprehensive business alliance with The Bank of Iwate, Ltd. following its alliance with the Bank. Daiwa also succeeded to the bank’s securities accounts, dispatched employees, and established business cooperation. This was only the second such case, following the one with the Bank.

Unlike Tokai Tokyo Securities Co., Ltd., which is entangled with its seven joint venture partners, this case shows flexibility. It is no longer viable for regional banks to rely solely on core operations. This is the reality of regional banking. Restructuring among regional banks is inevitable. Kochi Prefecture, like Akita Prefecture, faces serious issues of depopulation and aging. The prefecture is also experiencing significant land subsidence and concerns remain about the potential impact of a major Nankai earthquake.

The Bank should seek to extend its longevity by maintaining its alliance with Daiwa Securities for the time being.

Opinion of the Board of Directors on Proposal 3

The Board of Directors opposes this proposal.

The Bank was originally established as the 37th National Bank in 1878 and changed its trade name to the Shikoku Bank, Ltd. in 1923. Given the Bank’s long history and the strong recognition of its current name, we believe that the present trade name is appropriate.

Accordingly, the Board of Directors opposes this proposal.

Proposal 4: Partial Amendments to the Articles of Incorporation (2)

1. Details of the proposal

Former employees of the Bank should refrain from accepting director positions at listed companies in Kochi Prefecture.

2. Reasons for the proposal

There is approximately a dozen listed companies in Kochi Prefecture. According to a newspaper article published in late FY2024, the Bank ranked 44th from the bottom out of 98 regional banks in terms of core business decline, indicating poor core profitability and overall investment yield. Tosa Electric Railway Co., Ltd. (“Toden”) , once a company with approximately 5 billion yen in sales that consistently posted recurring and net losses, continued operations within a triangle of influence consisting of the Bank, the Kochi Prefectural Government, and Toden itself.

However, after it was found to be in violation of the Kochi Prefecture Ordinance on the Elimination of Organized Crime Groups, public funding from the prefecture was frozen. Banks including the Bank reviewed their lending, and as a result, the company ceased to exist. At one point, Toden paid the Bank 3% interest on its borrowings. This was a highly profitable arrangement for the Bank, made possible only because the loans were backed by public subsidies. The Bank has long been known for its high-handed approach to lending. If such former employees of the Bank are appointed as directors at listed companies in Kochi prefecture, these companies will not be able to achieve substantial growth.

For example, at the November 2024 annual general meeting of shareholders of GIKEN LTD., a shareholder sarcastically pointed out that while the company claims to be a globally expanding enterprise, all of its directors are from within the prefecture.

Opinion of the Board of Directors on Proposal 4

The Board of Directors **opposes this proposal.**

There have been cases in which former employees of the Bank have been appointed as directors or audit & supervisory board members at listed companies in Kochi Prefecture. However, such appointments are made through proper and transparent processes independently by each company. We believe it is inappropriate to deny the validity of such decisions simply because the individuals concerned are former employees of the Bank.

We also believe that it is not acceptable to impose restrictions in the Articles of Incorporation on the career paths of former officers and employees after retirement. Such restrictions would interfere with the autonomous management decisions of hiring companies and the individual’s freedom of choice in employment. For these reasons as well, we believe that this proposed amendment to the Articles of Incorporation is not appropriate.

Accordingly, the Board of Directors opposes this proposal.

Proposal 5: Dismissal of Two Directors (excluding Directors who are Members of the Audit & Supervisory Committee)

1. Details of the proposal

- (1) To dismiss Mr. Mitsufumi Ito, Director
- (2) To dismiss Mr. Ken Tsunemitsu, Director

2. Reasons for the proposal

- (1) Mr. Mitsufumi Ito—Reason for the proposal

The Bank ranked 44th from the bottom out of 98 regional banks in a “core business decline” ranking published by a certain newspaper. As a shareholder, I feel sympathy. In Kochi Prefecture, money does not circulate. Gasoline in Shikokuchuo City, just one mountain away, is cheaper than diesel fuel in Kochi.

In addition, the population decline in Kochi Prefecture is accelerating, and the vacancy rate for housing is the second highest in the country. The prefecture appears to be dominating the lower end of every ranking. In terms of deposit shortages, which are vital for a bank, the Bank ranked ninth among the 40 worst banks. Given Kochi’s weak economic base, this is understandable.

Mr. Ito was nominated as a Director based on what is said to be his extensive experience in sales, consulting, planning operations, etc. However, his experience was not gained in Kochi Prefecture, where the economy is stagnant, but as General Manager of the Tokushima Sales Headquarters. Among 73 listed regional banks by market capitalization, The Awa Bank, Limited, ranked 28th and the Bank ranked 47th. Tokushima used to be part of the Bank’s area of influence. Mr. Ito has not been able to fully utilize his experience in sales, consulting, and planning operations gained in Tokushima. Among the 73 listed regional banks, the Bank ranked 27th worst in overhead ratio, at 79.1% for the fiscal year ended March 2024. This is a poor result.

- (2) Mr. Ken Tsunemitsu, Director—Reason for the proposal

He has extensive experience in sales, human resources, and consulting operations, etc. He is currently General Manager of the Head Office Sales Department. In terms of dividends, the Bank far exceeds the 40 yen dividend of Iyogin Holdings, Inc., the so-called “stingiest bank” among the four banks of the Shikoku Alliance, by paying 50 yen. In addition, the Bank has revised its dividend policy from stable dividends to a new target of a payout ratio of 30% or more. I commend this. Kochi Prefecture is facing a population decline and lacks strong local industries. With fewer borrowers, the decision to enter into a comprehensive business alliance with Daiwa Securities Co. Ltd. ahead of Iwate Bank for asset management was the right one. The core business of regional banks will decline at an accelerating pace. However, the Bank must still fulfill its primary mission. The Bank’s use of assets not allocated to lending for investments in securities such as stocks, government bonds, corporate bonds, foreign securities, and investment trusts is appropriate. To ensure stable shareholder returns, it is also reasonable for the Bank to pursue earnings through business succession support. There are at least 30 companies in Ehime Prefecture with annual sales of 30 billion yen or more. The Bank’s past retreat from the Tokushima area has had lasting consequences. Mr. Tsunemitsu has been involved in branch consolidation and personnel matters. However, he still lacks initiative in improving ROA.

Opinion of the Board of Directors on Proposal 5

The Board of Directors **opposes this proposal.**

Since their appointments as Directors, Mr. Mitsufumi Ito and Mr. Ken Tsunemitsu have drawn on their experience, insight, and expertise essential for bank management. They have fulfilled their responsibilities by making decisions on important management matters and supervising business execution as Directors of the Bank. They have contributed to the development of the Bank Group and the strengthening of its management foundation.

Accordingly, the Board of Directors opposes this proposal.

Proposal 6: Dismissal of Three Directors who are Members of the Audit & Supervisory Committee

1. Details of the proposal

- (1) To dismiss Ms. Junko Nishimura
- (2) To dismiss Ms. Chieko Inada
- (3) To dismiss Mr. Yasushi Kanamoto

2. Reasons for the proposal

- (1) Ms. Junko Nishimura—Reason for the proposal

Total assets are an indicator of the size of a bank. The Bank currently has approximately 3,379,463 million yen in total assets. Among the 99 banks categorized as first- and second-tier regional banks, it ranks around 53rd from the top. Among the first-tier regional banks in Shikoku, it ranks fourth. I am a shareholder of The Ehime Bank, Ltd., a second-tier regional bank, which has approximately 2,885,249 million yen in total assets. The difference between Ehime Bank and the Bank is 494,214 million yen. The Bank has announced a new head office building plan. However, shareholders remain in the dark about the scale or cost of the project. With the population declining and lending opportunities decreasing, the size of the new building should reflect the scale of actual operations. A building does not generate profit.

A new head office meant to rival Iyogin Holdings, Inc., which takes a low-dividend approach, would be problematic. The Bank is a sensible institution that has revised its dividend policy to target a payout ratio of 30% or more. Auditors are supposed to monitor cost-effectiveness. They also play an important role in strengthening corporate governance and ensuring transparency. Auditors are expected to carry out their duties from an independent standpoint. However, the auditors at the Bank are still under the influence of management. The Bank has even lost a derivative lawsuit in the past, establishing a landmark case. Auditors must have the resolve to carry out strict oversight.

- (2) Ms. Chieko Inada—Reason for the proposal

Ms. Chieko Inada is an attorney. However, there has been no visible advice or suggestions from her regarding corporate governance. Her dismissal as an Outside Director was submitted in 2018. The dismissal as a Member of the Audit and Supervisory Committee was submitted again in FY2022. This is the third dismissal proposal, and such repeated dismissals are rare. Her stated role at the Bank is to provide advice and suggestions to the Board of Directors on important matters related to corporate governance. However, there have been no results. From 2018 to 2021, a total of four proposals were submitted to abolish the position of advisor or consultant. The position was only eliminated after Mr. Akihiro Aoki resigned as Chairman of the Kochi Chamber of Commerce and Industry.

There were also other issues. These included the issue involving Tosa Electric Railway Co., Ltd., the predecessor of Tosaden Traffic Co., Ltd., the loan loss provision problem in FY2019, and the difficulty in recovering loans in FY2020 that had been extended to Entity A in Kochi City through a certain agent. In addition, a shareholder proposal was submitted regarding the 1.33 billion yen payment order against the former president of Tosa Electric Railway, who was a former Bank employee. Despite all of this, there has not been a single trace of advice or suggestions from Ms. Inada, as an attorney, to the Board of Directors regarding important corporate governance matters. As a shareholder, I see no meaningful contribution in her career. Her presence as an Outside Director or Member of the Audit & Supervisory Committee has had no value.

(3) Mr. Yasushi Kanamoto—Reason for the proposal

Mr. Yasushi Kanamoto has served as an Outside Director and Member of the Audit and Supervisory Committee since June 2020. The role of an auditor is to monitor and verify, on behalf of shareholders, whether a company's financial condition and operations are appropriate. In particular, the Bank is one of the rare banks in Japan to have lost a case in the Supreme Court, resulting in the establishment of a precedent. It is the mission of the Bank's auditors to act on behalf of shareholders.

Many issues have been raised to date. One example is the series of proposals made since 2020, including the abolition of the advisor system, a reduction in the number of directors, a loan of approximately 4 billion yen to Entity A in Kochi City through a certain agent, a payment order of approximately 1.33 billion yen against the former president of Tosa Electric Railway (a former Bank employee), recovery of approximately 1.2 billion yen related to the operation of a golf course, debt forgiveness of 2.6 to 2.8 billion yen by six banks concerning the former Tosa Electric Railway and Kochi Prefectural Transportation, and more than 1.7 billion yen in liabilities resulting from the bankruptcy of the former Tosa Fighting Dog Center. The list of issues involving the Bank is endless. Despite this, Mr. Kanamoto has shown no activity as an Independent Outside Director. He is simply one of the Directors added to make up the numbers. It is a waste of expenses. In short, he can be described as a “figurehead outside director.”

Opinion of the Board of Directors on Proposal 6

The Board of Directors opposes these proposals.

Since their appointments as Members of the Audit and Supervisory Committee, Ms. Junko Nishimura, Ms. Chieko Inada, and Mr. Yasushi Kanamoto have utilized their experience, insight, and expertise essential for bank management. In accordance with laws and regulations, and the Articles of Incorporation, they have carried out their duties and provided advice and suggestions to ensure the appropriateness of the Board of Directors' decision-making. They have adequately fulfilled their responsibilities.

Accordingly, the Board of Directors opposes this proposal.