

This document is a partial English translation of Japanese original of the Notice of The 208<sup>th</sup> Annual General Meeting of Shareholders for reference purpose only.  
In the event of any discrepancy between terms of the English translation hereof and the Japanese original, the Japanese original shall prevail. The Bank shall not be held liable for any direct or indirect damages arising from such discrepancy of terms due to the English translation version.

(Securities Code: 8344)  
June 4, 2020

**To Shareholders with Voting Rights:**

Kichishige Hasegawa  
President  
The Yamagata Bank, Ltd.  
1-2, Nanukamachi 3-chome,  
Yamagata, Japan

## **NOTICE OF CONVOCATION OF THE 208TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

You are cordially notified that the 208th Annual General Meeting of Shareholders of The Yamagata Bank, Ltd. (the “Bank”) will be held for the purposes as described below.

In addition, instead of attending the meeting on the day, you can exercise your voting rights in writing or via electromagnetic means (the Internet, etc.). Please review the Reference Documents for the General Meeting of Shareholders described hereinafter, and exercise your voting rights by Wednesday, June 24, 2020 at 5 p.m. Japan time.

- 1. Date and Time:** Thursday, June 25, 2020 at 10 a.m. Japan time  
**2. Place:** 7F Hall, Head Office of the Bank, 1-2, Nanukamachi 3-chome, Yamagata, Japan  
**3. Meeting Agenda:**
- Matters to be reported:**
1. The Business Report and Non-consolidated Financial Statements for the Bank’s 208th Fiscal Year (from April 1, 2019 to March 31, 2020)
  2. Consolidated Financial Statements for the Bank’s 208th Fiscal Year (from April 1, 2019 to March 31, 2020) and results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Committee
- Proposals to be resolved:**
- Proposal No. 1: Election of Twelve (12) Directors (excluding Directors Serving as Audit and Supervisory Committee Members)**
- Proposal No. 2: Election of Five (5) Directors Serving as Audit and Supervisory Committee Members**

#### 4. Exercise of Voting Rights

##### Attending the General Meeting of Shareholders

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

Date and time of the meeting: Thursday, June 25, 2020 at 10 a.m. Japan time

##### Exercise of Voting Rights in Writing

Please indicate your approval or disapproval for each proposal on the enclosed Voting Rights Exercise Form and send the form to us so that it reaches us by the deadline below.

Deadline: By no later than 5 p.m. on Wednesday, June 24, 2020

##### Exercise of Voting Rights via the Internet, etc.

Please access the Bank's designated website for exercising voting rights (<https://evote.tr.mufg.jp/>). Use the "log-in ID" and "temporary password" printed on the enclosed Voting Rights Exercise Form, and follow the on-screen guidance to enter your approval or disapproval of proposal.

Deadline: To arrive by no later than 5 p.m. on Wednesday, June 24, 2020

For details, please see page 5 of the Japanese version of this document.

##### Handling of multiple voting

If you exercise your voting rights both via mail and the Internet, the vote placed via the Internet will be deemed valid.

If you exercise your voting rights multiple times via the Internet, the most recent vote will be deemed valid.

End

##### Requests to shareholders

- When attending the meeting, please bring this Notice of Convocation with you for conservation of resources.

##### Notices

- Of the documents that need to be attached to this notice of convocation, the Notes to the Non-consolidated Financial Statements, the Notes to the Consolidated Financial Statements, Non-Consolidated Statement of Changes in equity, and Consolidated Statement of Changes in equity are, in accordance with laws and regulations as well as Article 15 of the Articles of Incorporation of the Bank, posted on the Bank's website as follows and are therefore not included in the attached documents to this Notice of Convocation.

[\(http://www.yamagatabank.co.jp/investor/stock/soukai/\)](http://www.yamagatabank.co.jp/investor/stock/soukai/)

The attached document of this Notice of Convocation is a part of the Business Report, the Non-consolidated Financial Statements, and Consolidated Financial Statements audited by the Audit and Supervisory Committee in preparation of the Audit Report, and the Accounting Auditor in preparation of the Accounting Auditor's Report.

- In case of any updates to the Reference Documents for the General Meeting of Shareholders, the Business Report, the Non-consolidated Financial Statements, and Consolidated Financial Statements will be posted on the Bank's website (<http://www.yamagatabank.co.jp/investor/stock/soukai/>).

# Reference Documents for the General Meeting of Shareholders

## Proposals and References

### **Proposal No. 1: Election of Twelve (12) Directors (excluding Directors Serving as Audit and Supervisory Committee Members)**

The terms of office of all fourteen (14) Directors (excluding Directors serving as Audit and Supervisory Committee Members; hereinafter, the same applies in this Proposal) will expire at the conclusion of this Annual General Meeting of Shareholders. In order to strengthen and improve the efficiency of the business management systems, the Bank proposes reducing the number of Directors by two (2) persons, and proposes the election of twelve (12) Directors.

The candidates for Directors are as follows.

The Bank has established the Governance Committee, which is a voluntary body to conduct deliberations upon request of the Board of Directors in order to enhance transparency of remuneration and election of Directors. The candidates for Directors are determined at the Board of Directors upon deliberation at the Governance Committee.

The majority of the Committee members are Independent Outside Directors, and it is chaired by an Independent Outside Director.

- Opinion of the Audit and Supervisory Committee on the election of Directors (excluding Directors serving as Audit and Supervisory Committee Members)

Regarding candidates for Directors, the Audit and Supervisory Committee made careful consideration from the viewpoint of the nomination procedures, qualifications of each candidate, and effectiveness of the overall Board of Directors, etc. As a result, the candidates for Directors proposed in this Proposal have been judged to be appropriate due to the following reasons: all candidates have been nominated after undergoing appropriate procedures in the Governance Committee, including active deliberation; each candidate has abundant experience and achievements in corporate management; when viewing the Board of Directors as a whole, those persons that are deemed to be capable of fulfilling the duties expected of the Board of Directors have been selected.

Candidates for Director (excluding Directors serving as Audit and Supervisory Committee Members)

No.	Name		Current positions at the Bank		
1	<u>Reappointment</u>	Kichishige Hasegawa	President and Representative Director		
2	<u>Reappointment</u>	Shinichiro Miura	Senior Managing Director and Representative Director		
3	<u>Reappointment</u>	Satoshi Nagai	Managing Director		
4	<u>Reappointment</u>	Shinya Katsuki	Managing Director		
5	<u>Reappointment</u>	Hiroshi Koya	Managing Director serving as General Manager, Corporate Management Center		
6	<u>Reappointment</u>	Yoshitaka Misawa	Director serving as General Manager, Sakata Branch and General Manager, Sakata-Ekimae Branch		
7	<u>Reappointment</u>	Eiji Sato	Director serving as General Manager, Yonezawa Branch and General Manager, Yonezawa-Kita Branch		
8	<u>Reappointment</u>	Takehiro Suzuki	Director serving as General Manager, Sendai Branch		
9	<u>Reappointment</u>	Yutaka Touyama	Director serving as General Manager, Credit Division		
10	<u>Reappointment</u>	Izumi Hasegawa	Director serving as General Manager, Risk Management Division		
11	<u>Reappointment</u>	Yumiko Inoue	<u>Outside</u>	<u>Independent</u>	Outside Director
12	<u>New candidate</u>	Keitaro Harada	<u>Outside</u>	<u>Independent</u>	

No.	Name (Date of birth)	Past experience, positions and responsibilities in the Bank, and significant concurrent positions	Number of shares of the Bank held
1	Kichishige Hasegawa (Sep. 30, 1949)	<p>Apr. 1973 Joined The Sumitomo Bank, Ltd. (currently Sumitomo Mitsui Banking Corporation)</p> <p>May 1983 Assistant General Manager, Business Planning Division, Business Headquarters</p> <p>Jun. 1985 Managing Director, the Bank</p> <p>Apr. 1993 Senior Managing Director</p> <p>Jun. 1997 Senior Managing Director and Representative Director</p> <p>Jun. 2005 President and Representative Director to present (Responsibilities) Auditing Division</p>	323,350 shares
	<p>&lt;Reason for nomination as a candidate for Director&gt;</p> <p>Mr. Kichishige Hasegawa joined the Bank after working for the Sumitomo Bank, Ltd. (currently Sumitomo Mitsui Banking Corporation). After serving as the Managing Director and the Senior Managing Director of the Bank, he was appointed as the President and Representative Director in June 2005. Since then, he has demonstrated superior leadership in the overall management of the Bank and has expertise and experience to perform accurate, fair, and efficient control of the Bank.</p>		
2	Shinichiro Miura (Dec. 27, 1971)	<p>Apr. 1994 Joined The Mitsubishi Bank, Ltd. (currently MUFG Bank, Ltd.)</p> <p>Sep. 2003 Manager, Corporate Banking Credit Group II, Credit Division</p> <p>Jun. 2005 Managing Director, the Bank</p> <p>Jun. 2014 Senior Managing Director and Representative Director to present (Responsibilities) Secretariat, Business Support Division, System Planning Division, Tokyo Liaison Office</p>	128,565 shares
	<p>&lt;Reason for nomination as a candidate for Director&gt;</p> <p>Mr. Shinichiro Miura joined the Bank after working for The Mitsubishi Bank, Ltd. (currently MUFG Bank, Ltd.). After serving as the Managing Director of the Bank, he was appointed as the Senior Managing Director and Representative Director in June 2014. During the previous fiscal year, he focused on support for promotion of manufacturing business from Industry-Academia-Government-Finance Collaboration and for smooth business succession, financial services such as structured finance, etc., and demonstrated superior leadership in the overall management of the Bank. Thus, he has expertise and experience to perform accurate, fair, and efficient control of the Bank.</p>		

No.	Name (Date of birth)	Past experience, positions and responsibilities in the Bank, and significant concurrent positions	Number of shares of the Bank held
3	Satoshi Nagai (Dec. 15, 1961)	Apr. 1984 Joined the Bank Jul. 2008 General Manager, Komatsu Branch Jul. 2010 Deputy General Manager, General Planning & Coordinations Division Jun. 2011 General Manager, Human Resources Division Jun. 2014 Director serving as General Manager, General Planning & Coordinations Division Apr. 2016 Managing Director to present (Responsibilities) Human Resources & General Administration Division, Operation Administration Division	4,000 shares
<p>&lt;Reason for nomination as a candidate for Director&gt;</p> <p>After serving in positions such as the General Manager of a branch and the Human Resources Division, Mr. Satoshi Nagai was appointed as the Director in June 2014. Since then, he has accumulated abundant experience and achievements mainly through the supervision of the Human Resources &amp; General Administration Division and Operation Administration Division. During the previous fiscal year, he led the replacement of terminals at sales branches and the enhancement of human resource development, etc., and has expertise and experience to perform accurate, fair, and efficient control of the Bank.</p>			
4	Shinya Katsuki (Sep. 11, 1960)	Apr. 1985 Joined the Bank Apr. 2008 General Manager, Izumizaki Branch Oct. 2010 Human Resources Division (seconded to FUJISHO PRINTING INC.) Jun. 2013 General Manager, Yamagata-Ekimae Branch Apr. 2014 General Manager, Credit Division Jun. 2015 Director serving as General Manager, Credit Division Jun. 2017 Managing Director to present (Responsibilities) Credit Division	2,000 shares
<p>&lt;Reason for nomination as a candidate for Director&gt;</p> <p>After serving in positions such as the General Manager of branches and the Credit Division, Mr. Shinya Katsuki was appointed as the Director in June 2015. Since then, he has accumulated abundant experience and achievements mainly through the supervision of the Credit Division. During the previous fiscal year, he led customer-oriented financing services through the business assessment of customers, and response to the abolition of financial inspection manuals and the revision of civil law, etc., and has expertise and experience to perform accurate, fair, and efficient control of the Bank.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities in the Bank, and significant concurrent positions	Number of shares of the Bank held
5	Hiroshi Koya (Jun. 16, 1962)	<p>Apr. 1986 Joined The Sumitomo Bank, Ltd. (currently Sumitomo Mitsui Banking Corporation)</p> <p>May 1994 Joined the Bank</p> <p>Apr. 2008 General Manager, Minami-Yamagata Branch</p> <p>Oct. 2010 Deputy General Manager, Business Planning Division</p> <p>Jul. 2011 Deputy General Manager, General Planning &amp; Coordinations Division</p> <p>Jul. 2012 General Manager, Financial Markets Division</p> <p>Oct. 2014 General Manager, Sendai Branch</p> <p>Apr. 2016 General Manager, General Planning &amp; Coordinations Division</p> <p>Jun. 2016 Director serving as General Manager, General Planning &amp; Coordinations Division</p> <p>Apr. 2019 Managing Director serving as General Manager, Corporate Management Center and Corporate Planning Division</p> <p>Oct. 2019 Managing Director serving as General Manager, Corporate Management Center to present (Responsibilities) Corporate Management Center, Corporate Planning Division, Risk Management Division, Compliance Division</p>	2,400 shares
<p>&lt;Reason for nomination as a candidate for Director&gt;</p> <p>Mr. Hiroshi Koya joined the Bank after working for the Sumitomo Bank, Ltd. (currently Sumitomo Mitsui Banking Corporation). After serving in positions such as the General Manager of branches, Financial Markets Division and General Planning &amp; Coordinations Division, he was appointed as the Director in June 2016. Since then, he has accumulated abundant experience and achievements mainly through the supervision of the corporate planning and risk management. During the previous fiscal year, he led the reform of sales branch systems, response to revision of legal systems, strengthening of compliance systems such as anti-money laundering measures, etc., and has expertise and experience to perform accurate, fair, and efficient control of the Bank.</p>			
6	Yoshitaka Misawa (Feb. 15, 1963)	<p>Apr. 1985 Joined the Bank</p> <p>Apr. 2007 General Manager, Corporate Banking Division, Sakata Branch</p> <p>Jun. 2009 General Manager, Miyagino Branch</p> <p>Apr. 2012 General Manager, Jonan Branch</p> <p>Jun. 2014 General Manager, Human Resources Division</p> <p>Apr. 2016 General Manager, Sakata Branch and General Manager, Sakata-Ekimae Branch</p> <p>Jun. 2017 Director serving as General Manager, Sakata Branch and General Manager, Sakata-Ekimae Branch to present</p>	3,000 shares
<p>&lt;Reason for nomination as a candidate for Director&gt;</p> <p>After serving in positions such as the General Manager of branches and the Human Resources Division, Mr. Yoshitaka Misawa was appointed as the Director serving as General Manager, Sakata Branch and General Manager, Sakata-Ekimae Branch in June 2017. Since then, he has accumulated abundant experience and achievements mainly through the supervision of the entire Shonai region as General Manager. During the previous fiscal year, he took the initiative to finance infrastructure development for the creation and use of renewable energy in the Shonai region, and has expertise and experience to perform accurate, fair, and efficient control of the Bank.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities in the Bank, and significant concurrent positions	Number of shares of the Bank held
7	Eiji Sato (Jun. 5, 1964)	<p>Apr. 1987 Joined the Bank</p> <p>Jun. 2009 General Manager, Corporate Banking Division, Sakata Branch</p> <p>Apr. 2012 Deputy General Manager, Business Planning Division</p> <p>Jun. 2014 General Manager, Business Support Division</p> <p>Jun. 2017 Director serving as General Manager, Yonezawa Branch and General Manager, Yonezawa-Kita Branch to present</p>	1,200 shares
	<p>&lt;Reason for nomination as a candidate for Director&gt;</p> <p>After serving in positions such as the General Manager, the Business Support Division, Mr. Eiji Sato was appointed as the Director serving as General Manager, Yonezawa Branch and Yonezawa-Kita Branch in June 2017. Since then, he has accumulated abundant experience and achievements mainly through the supervision of the entire Okitama region as General Manager. During the previous fiscal year, he took the initiative to support regional economic development by increasing the value of regional brand in the Okitama region, and has expertise and experience to perform accurate, fair, and efficient control of the Bank.</p>		
8	Takehiro Suzuki (Mar. 7, 1963)	<p>Apr. 1987 Joined the Bank</p> <p>Jul. 2010 General Manager, Komatsu Branch</p> <p>Apr. 2012 General Manager, Business Second Division, Sendai Branch</p> <p>Jul. 2014 General Manager, Kanaike Branch</p> <p>Apr. 2016 General Manager, Human Resources &amp; General Administration Division</p> <p>Jun. 2018 Director serving as General Manager, Sendai Branch to present</p>	3,900 shares
	<p>&lt;Reason for nomination as a candidate for Director&gt;</p> <p>After serving in positions such as the General Manager of branches and the Human Resources &amp; General Administration Division, Mr. Takehiro Suzuki was appointed as the Director serving as General Manager, Sendai Branch in June 2018. Since then, he has accumulated abundant experience and achievements mainly through the supervision of the entire Sendai region as General Manager. During the previous fiscal year, he took the initiative to provide wide range of financial services for large companies, small and medium-sized enterprises, and individual clients in the Sendai region, and has expertise and experience to perform accurate, fair, and efficient control of the Bank.</p>		
9	Yutaka Touyama (Nov. 14, 1965)	<p>Apr. 1988 Joined the Bank</p> <p>Jul. 2010 General Manager, Karikawa Branch</p> <p>Jul. 2012 Deputy General Manager, Credit Division</p> <p>Sep. 2015 General Manager, Kotobukicho Branch</p> <p>Jun. 2017 General Manager, Credit Division</p> <p>Jun. 2019 Director serving as General Manager, Credit Division to present</p>	2,800 shares
	<p>&lt;Reason for nomination as a candidate for Director&gt;</p> <p>After serving in positions such as the General Manager of branches, Mr. Yutaka Touyama was appointed as the Director serving as General Manager, Credit Division in June 2019. Since then, he has accumulated abundant experience and achievements mainly through the supervision of the Credit Division. During the previous fiscal year, he conducted the appropriate credit management and administrative operation and focused on response to revision of various legal systems. Thus, he has expertise and experience to perform accurate, fair, and efficient control of the Bank.</p>		



No.	Name (Date of birth)	Past experience, positions and responsibilities in the Bank, and significant concurrent positions	Number of shares of the Bank held
10	Izumi Hasegawa (Oct. 12, 1977)	Apr. 2001 Joined Deutsche Securities Limited, Tokyo Branch (currently Deutsche Securities Inc.) May 2004 Joined Morgan Stanley Japan Limited (currently Morgan Stanley MUFG Securities Co., Ltd.) Mar. 2006 Joined Standard & Poor's Ratings Services (currently S&P Global Ratings Japan Inc.) May 2007 Joined Barclays Capital Japan Limited (currently Barclays Securities Japan Limited) Aug. 2008 Joined Dexia Crédit Local May 2010 Joined The Royal Bank of Scotland Plc (currently NatWest Markets Securities Japan Limited) Vice President, Risk Management Department Apr. 2015 Head of Operational Risk Japan Sep. 2017 General Manager in General Planning & Coordinations Division, the Bank Apr. 2019 General Manager, Risk Management Division Jun. 2019 Director serving as General Manager, Risk Management Division to present	8,700 shares
		<Reason for nomination as a candidate for Director> Ms. Izumi Hasegawa joined the Bank after engaging in credit markets analysis, arrangements of finance projects in Japan and overseas, risk management of bank loans and financial markets transactions in Japan and overseas, which were mainly for Japan offices of banks and securities companies in the U.S. and Europe. During the previous fiscal year, she focused on the establishment of risk appetite policy and sophistication of risk management system including the re-formulation of Business Continuity Plan (BCP), such as COVID-19 control policy, and has expertise and experience to perform accurate, fair, and efficient control of the Bank.	

No.	Name (Date of birth)	Past experience, positions and responsibilities in the Bank, and significant concurrent positions	Number of shares of the Bank held
11	<p>Yumiko Inoue (Jul. 27, 1947)</p> <p>Outside Director</p> <p>Independent Director</p>	<p>Feb. 1996 Joined Takashima Electric, INC (Director)</p> <p>Feb. 2001 Managing Director</p> <p>Jul. 2003 President and Representative Director</p> <p>Aug. 2009 Chairperson, Miyagi and Yamagata Women's Association (incumbent)</p> <p>Feb. 2011 Chairperson and Representative Director, Takashima Electric, INC (incumbent)</p> <p>Jun. 2012 Deputy President, The Yamagata Chamber of Commerce and Industry</p> <p>Jun. 2015 Outside Director, the Bank (incumbent)</p> <p>Apr. 2017 Management Council Member, Yamagata University (incumbent) to present</p>	1,300 shares
<p>&lt;Reason for nomination as a candidate for Director&gt;</p> <p>The Bank appointed Ms. Yumiko Inoue as a candidate for Outside Director, appreciating her advice to management from external and independent standpoint with high-level insight she has gained as a corporate manager and her experience in serving as an executive of economy organizations such as the Deputy President of the Yamagata Chamber of Commerce and Industry. Additionally, the Bank believes that she is best qualified to promote the Bank's initiative, "Ensuring Diversity, Including Active Participation of Women" set forth in Japan's Corporate Governance Code.</p>			
12	<p>Keitaro Harada (Feb. 2, 1953)</p> <p>New candidate</p> <p>Outside Director</p> <p>Independent Director</p>	<p>Apr. 1977 Joined Happy Sewing Machine Mfg. Co., Ltd. (currently HappyJapan Inc.)</p> <p>Jun. 1987 President and Representative Director, Tohoku Seiki Industries Co., Ltd. (currently HappyJapan Inc.)</p> <p>Dec. 1999 President and Representative Director, Happy Industrial Corporation (currently HappyJapan Inc.)</p> <p>Jun. 2005 Outside Auditor, Yamako Corporation (incumbent)</p> <p>Jun. 2006 Outside Director, Ryou Kyowa Corporation (incumbent)</p> <p>Jul. 2011 President and Representative Director, Happy Kyowa Corporation (incumbent)</p> <p>Jun. 2012 Outside Auditor, Yamagata Broadcasting Co., Ltd. (incumbent)</p> <p>Oct. 2014 President and Representative Director, HappyJapan Inc.</p> <p>Apr. 2017 President and Representative Director, HappyProduct Inc.</p> <p>Oct. 2019 Chief Executive Officer, HappyJapan Inc. (incumbent)</p> <p>Dec. 2019 Chief Executive Officer, HappyProduct Inc. (incumbent) to present</p>	0 shares
<p>&lt;Reason for nomination as a candidate for Director&gt;</p> <p>As a corporate manager of global manufacturing companies, Mr. Keitaro Harada is well versed in advanced manufacturing technology and has wide range of global insight. Thus, the Bank believes that he will be able to provide objective advice on management from external and independent standpoint, and has selected him as a candidate for Outside Director. He has abundant experience as Outside Director and Outside Auditor at other companies, and the Bank has judged that he will be able to appropriately execute his duties as Outside Director of the Bank.</p>			

There are no special interest relationships between the candidates and the Bank.

<Notes>

1. The Bank has deposit transactions with Ms. Yumiko Inoue, and deposit and loan transactions with Takashima Electric, INC, at which Ms. Yumiko Inoue serves as Representative Director.
2. The Bank has deposit transactions with Mr. Keitaro Harada, and deposit and loan transactions with HappyJapan Inc., and HappyProduct Inc. at which Mr. Keitaro Harada serves as Representative Director. In addition, the Bank has deposit transactions with Happy Kyowa Corporation, at which Mr. Keitaro Harada serves as Representative Director.
3. Ms. Yumiko Inoue and Mr. Keitaro Harada are candidates for Outside Directors.
4. The Bank has submitted an Independent Director Notification to designate Ms. Yumiko Inoue as an independent director to the Tokyo Stock Exchange, in accordance with the Bank's "Independence Standards" on page 17 and other requirements. If she is reelected, she is to continue serving as an Independent Director. In addition, if the election of Mr. Keitaro Harada as Director is approved, he is to serve as a new Independent Director.  
If this proposal and proposal no. 2 are approved, the number of Outside Directors who are Independent Directors will be 6 out of 17 Directors, including Directors serving as Audit and Supervisory Committee Members.
5. The Bank has entered into a limited liability agreement with Ms. Yumiko Inoue in accordance with Article 427, Paragraph 1 of the Companies Act to limit her liability in case of damages to the Bank arising from negligence in performing duties. If the election of Ms. Yumiko Inoue is approved, the Bank plans to continue the said agreement. In addition, if the election of Mr. Keitaro Harada as Director is approved, the Bank plans to enter into a similar limited liability agreement.
6. Ms. Yumiko Inoue currently serves as an Outside Director of the Bank, and she will have served as an Outside Director for five years at the conclusion of this Annual General Meeting of Shareholders.

## Proposal No. 2: Election of Five (5) Directors Serving as Audit and Supervisory Committee Members

Of the five (5) Directors serving as Audit and Supervisory Committee Members, the terms of office of four (4) Directors, Mr. Shinichi Nakayama, Mr. Bin Hamada, Mr. Yasumasa Gomi and Mr. Gisuke Ohara will expire at the conclusion of this Annual General Meeting of Shareholders and Mr. Haruhiko Tanno will resign. Accordingly, the election of five (5) Directors serving as Audit and Supervisory Committee Members is proposed. With regard to this proposal, the consent of the Audit and Supervisory Committee has been obtained.

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

The candidates for Directors serving as Audit and Supervisory Committee Members are determined at the Board of Directors upon deliberation at the Governance Committee.

### Candidates for Directors serving as Audit and Supervisory Committee Members

No.		Name			Current positions at the Bank
1	<u>New candidate</u>	Takuro Taruishi			General Manager, Financial Markets Division
2	<u>Reappointment</u>	Yasumasa Gomi	<u>Outside</u>	<u>Independent</u>	Outside Director serving as Audit and Supervisory Committee Member
3	<u>Reappointment</u>	Gisuke Ohara	<u>Outside</u>	<u>Independent</u>	Outside Director serving as Audit and Supervisory Committee Member
4	<u>New candidate</u>	Junichi Matsuda	<u>Outside</u>	<u>Independent</u>	Outside Director
5	<u>New candidate</u>	Masanori Oshino	<u>Outside</u>	<u>Independent</u>	

No.	Name (Date of birth)	Past experience, positions and responsibilities in the Bank, and significant concurrent positions	Number of shares of the Bank held
1	Takuro Taruishi (Mar. 30, 1965)  <b>New candidate</b>	Apr. 1987 Joined the Bank Apr. 2011 General Manager, Kunomoto Branch Jul. 2012 Deputy General Manager, General Planning & Coordinations Division Apr. 2016 General Manager, Financial Markets Division to present	200 shares
	<p>&lt;Reason for nomination as a candidate for Director&gt;</p> <p>Mr. Takuro Taruishi has served in positions such as the General Manager of a branch and Financial Markets Division. In particular, he is well versed in financial market, securities, and international business, and has accumulated abundant experience and achievements through the supervision of marketable securities and international business departments. The Bank has judged that his experience and achievements are sufficient for implementing audit and supervision of the status of duties of the Bank's Directors and overall management, and has selected him as a candidate.</p>		
2	Yasumasa Gomi (Feb. 8, 1943)  <b>Outside Director</b>  <b>Independent Director</b>	Apr. 1966 Joined The Mitsubishi Bank, Ltd. (currently MUFG Bank, Ltd.) Jun. 1993 Director of The Mitsubishi Bank, Ltd., BTMU Americas Holdings Division, General Manager of the Planning Office for the Americas (Special Appointment) (concurrently seconded to Union Bank of California, N.A.) May 1997 Managing Director and General Manager of Business Planning Department of The Mitsubishi Bank, Ltd. Jun. 2002 Senior Managing Director and Head of Corporate Sales Department of The Mitsubishi Bank, Ltd. May 2003 Vice President and Head of Corporate Sales Department of The Mitsubishi Bank, Ltd. Jun. 2004 Resigned as Vice President of The Mitsubishi Bank, Ltd. Jun. 2004 Director and Chairman, Mitsubishi Securities Co., Ltd. (currently Mitsubishi UFJ Securities Holdings Co., Ltd.) May 2009 Consultant, Mitsubishi UFJ Securities Holdings Co., Ltd. Jun. 2009 Outside Auditor, the Bank Jun. 2010 Outside Director, YOMIURI TELECASTING CORPORATION (incumbent) Feb. 2013 Special Corporate Adviser, Mitsubishi UFJ Securities Holdings Co., Ltd. Jun. 2015 Outside Director, OBIC Co., Ltd. (incumbent) Jun. 2016 Outside Director serving as Audit and Supervisory Committee Member, the Bank (incumbent) Apr. 2019 Honorary Advisor, Mitsubishi UFJ Securities Holdings Co., Ltd. (incumbent) to present	1,200 shares
	<p>&lt;Reason for nomination as a candidate for Outside Director&gt;</p> <p>Mr. Yasumasa Gomi is well versed in financial and securities business including overseas assignment experience and has abundant expertise to govern corporate management. After being appointed as Outside Auditor in June 2009, he has conducted appropriate audits and supervision of the Bank. Thus, the Bank has judged that he will continue to implement appropriate audit and supervision of the status of duties of the Bank's Directors and overall management from an independent standpoint, and has selected him as a candidate..</p>		

No.	Name (Date of birth)	Past experience, positions and responsibilities in the Bank, and significant concurrent positions	Number of shares of the Bank held
3	Gisuke Ohara (Feb. 24, 1948)  <div style="border: 1px solid black; padding: 2px; width: fit-content;">Outside Director</div> <div style="background-color: black; color: white; padding: 2px; width: fit-content; text-align: center;">Independent Director</div>	<p>Apr. 1972 Joined Kirin Beer Co., Ltd. (currently Kirin Brewery Company, Limited)</p> <p>Aug. 1973 Representative Director, Otokoyama Shuzou Co., Ltd. (incumbent)</p> <p>Aug. 1973 Representative Director, Yamagata Alcoholic Drinks Sales Co., Ltd. (incumbent)</p> <p>Jun. 2007 Chairman, Yamagata Corporate Entities Association</p> <p>Jun. 2007 Outside Auditor, YAMAZAWA CO., LTD. (incumbent)</p> <p>Jun. 2014 Outside Director, the Bank</p> <p>Jun. 2016 Outside Director serving as Audit and Supervisory Committee Member, the Bank (incumbent) to present</p>	71,503 shares
<p>&lt;Reason for nomination as a candidate for Outside Director&gt;</p> <p>Mr. Gisuke Ohara has broad knowledge and high-level insight drawing on his abundant experience as a corporate manager. After being appointed as Outside Director in June 2014, he has conducted appropriate audits and supervision. Thus, the Bank has judged that he will continue to implement appropriate audit and supervision of the status of duties of the Bank's Directors and overall management from an independent standpoint, and has selected him as a candidate.</p>			
4	Junichi Matsuda (May 4, 1960)  <div style="border: 1px solid black; padding: 2px; width: fit-content;">New candidate</div> <div style="border: 1px solid black; padding: 2px; width: fit-content;">Outside Director</div> <div style="background-color: black; color: white; padding: 2px; width: fit-content; text-align: center;">Independent Director</div>	<p>Apr. 1993 Registered with the Tokyo Bar Association</p> <p>Aug. 2002 Managing Partner, Junichi Matsuda Law Office (currently Matsuda &amp; Partners) (incumbent)</p> <p>Feb. 2013 Representative Director, Dua &amp; Matsuda Advisory (incumbent)</p> <p>Apr. 2014 Vice President, Tokyo Bar Association</p> <p>Mar. 2016 Outside Director (Audit and Supervisory Committee Member), GLOBAL-DINING, INC.</p> <p>Jun. 2017 Outside Director (Audit and Supervisory Committee Member), Human Metabolome Technologies, Inc. (incumbent)</p> <p>Jul. 2017 Representative Director, MATSUDA&amp;PARTNERS Co., Ltd. (currently MAP Corporation) (incumbent)</p> <p>Jul. 2017 Representative Director, MATSUDA Sougou Kenkyujo Co., Ltd. (incumbent)</p> <p>Jun. 2019 Outside Director, the Bank (incumbent) to present</p>	0 shares
<p>&lt;Reason for nomination as a candidate for Outside Director&gt;</p> <p>As an attorney-at-law, Mr. Junichi Matsuda is well versed in corporate legal affairs and corporate governance, and has high-level insight and expertise. After being appointed as a Director in June 2019, he has been providing objective advice on management from external and independent standpoint. Thus, the Bank has judged that he will implement appropriate audit and supervision of the status of duties of the Bank's Directors and overall management as Director serving as Audit and Supervisory Committee Member, and has selected him as a candidate.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities in the Bank, and significant concurrent positions	Number of shares of the Bank held
5	Masanori Oshino (May 17, 1958)  <input type="checkbox"/> New candidate  <input type="checkbox"/> Outside Director  <input checked="" type="checkbox"/> Independent Director	Sep. 1988 Registered as certified public accountant Jun. 2004 Representative Partner, ShinNihon & Co. (currently Ernst & Young ShinNihon LLC) Jul. 2011 Director, Yamagata Office, ShinNihon LLC (currently Ernst & Young ShinNihon LLC) Jun. 2012 Chairman of the Japanese Institute of Certified Public Accountants Tohoku Chapter, Yamagata Group Jun. 2012 Vice Chairman of the Japanese Institute of Certified Public Accountants Tohoku Chapter Jun. 2017 Retired from ShinNihon LLC (currently Ernst & Young ShinNihon LLC) Jul. 2017 Representative, Masanori Oshino Certified Public Accountant Office (incumbent) Nov. 2017 Outside Director, MICRON MACHINERY CO., LTD. (incumbent) to present	0 shares
	<Reason for nomination as a candidate for Outside Director> As a certified public accountant, Mr. Masanori Oshino is well versed in corporate accounting, and has high-level insight and expertise. As he has abundant experience of financial institution audits and social credibility, the Bank has judged that he will implement appropriate audit and supervision of the status of duties of the Bank's Directors and overall management from external and independent standpoint, and has selected him as a candidate.		

There are no special interest relationships between the candidates and the Bank.

<Notes>

1. The Bank has deposit transactions with Mr. Gisuke Ohara and Yamagata Alcoholic Drinks Sales Co., Ltd., at which Mr. Gisuke Ohara serves as Representative Director. In addition, the Bank has deposit and loan transactions with Otokoyama Shuzou Co., Ltd., at which Mr. Gisuke Ohara serves as Representative Director.
2. The Bank has deposit and loan transactions with Mr. Junichi Matsuda, and deposit transactions with MATSUDA Sougou Kenkyujo Co., Ltd. and MAP Corporation, at which Mr. Junichi Matsuda serves as Representative Director.
3. The Bank has deposit transactions with Mr. Masanori Oshino.
4. Mr. Yasumasa Gomi, Mr. Gisuke Ohara, Mr. Junichi Matsuda and Mr. Masanori Oshino are candidates for Outside Directors.
5. The Bank has submitted an Independent Director Notification to designate Mr. Yasumasa Gomi, Mr. Gisuke Ohara, and Mr. Junichi Matsuda as independent directors to the Tokyo Stock Exchange, in accordance with the Bank's "Independence Standards" on page 17 and other requirements. If the election of each candidate is approved, they are to continue serving as Independent Directors. In addition, if the election of Mr. Masanori Oshino as Director is approved, he is to serve as a new Independent Director.  
If this proposal and proposal no. 1 are approved, the number of Outside Directors who are Independent Directors will be 6 out of 17 Directors.
6. As Mr. Junichi Matsuda has a high-level insight and expertise as an attorney-at law, the Bank has judged that he will be able to appropriately execute his duties as Outside Director serving as Audit and Supervisory Committee Member.
7. Mr. Masanori Oshino has no experience of directly involved in corporate management, has a high-level insight and expertise as a certified public accountant, the Bank has judged that he will be able to appropriately execute his duties as Outside Director serving as Audit and Supervisory Committee Member.
8. The Bank has entered into a limited liability agreement with Mr. Yasumasa Gomi, Mr. Gisuke Ohara, and Mr. Junichi Matsuda in accordance with Article 427, Paragraph 1 of the Companies Act to limit their liability in case of damages to the Bank arising from negligence in performing duties. If the election of each candidate is approved, the Bank plans to continue the said agreement. In addition, if the election of Mr. Masanori Oshino as Director is approved, the Bank plans to enter into a similar limited liability agreement.
9. Mr. Yasumasa Gomi currently serves as an Outside Director serving as Audit and Supervisory Committee Member of the Bank, and he will have served for four years at the conclusion of this Annual General Meeting of Shareholders.
10. Mr. Gisuke Ohara currently serves as an Outside Director serving as Audit and Supervisory Committee Member of the Bank. He will have served as an Outside Director for six years at the conclusion of this Annual General Meeting of Shareholders, including the four years he has served as an Outside Director serving as Audit and Supervisory Committee Member.
11. Mr. Junichi Matsuda currently serves as an Outside Director of the Bank. He has served as an Outside Director for a year at the conclusion of this Annual General Meeting of Shareholders.



(Reference) Independence Standards of the Bank

The Bank designates all Outside Directors who qualify as Independent Directors as Independent Directors.

The Bank shall determine that an Outside Director candidate is independent from the Bank if he or she falls under none of the following items currently and in the past three years.

- (1) Major business partners (\*1)
  - a. A party that holds the Bank as a major business partner or, in the case where the party is a legal entity, etc. (hereinafter referred to as “legal entity or other organization”), an executive thereof
  - b. A major business partner of the Bank or, if the party is a legal entity, an executive thereof
- (2) Specialists  
A consultant, accounting specialist, or legal specialist who receives money and other property exceeding 10 million yen per year over the past three years on average from the Bank (excluding the Bank’s executive remuneration).
- (3) Donations  
A party who receives donations, etc. exceeding 10 million yen per year from the Bank over the past three years on average or an executive thereof
- (4) Major shareholders  
Major shareholders who hold 10% or more of the outstanding shares of the Bank or, if a party is a legal entity, an executive thereof
- (5) Any close relatives of those specified in (1) to (4) above (\*2)  
(Excluding insignificant persons (\*3))
- (6) Directors, Auditors, employees, and their close relatives of the Bank or its subsidiaries (\*2)  
(Excluding insignificant persons (\*3))
  - \*1. Definition of “major business partners”
    - A party whose major business partner is the Bank: In the case where the percentage of sales to the Bank accounts for more than 2% of consolidated sales of the said party
    - Major business partner of the Bank: In the case where the Bank has loans exceeding 1% of its consolidated total assets
  - \*2. Definition of “close relatives”  
A spouse or a relative within the second degree of kinship
  - \*3. Definition of “significant”  
A person who is of the Director/Audit & Supervisory Board Member or General Manager level of a corporation