May 14, 2026

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Announcement Regarding the Continuation of the Trust-type Stock Compensation System

At its Board of Directors Meeting held today, the Bank resolved to continue the Trust-type stock compensation system (the "System") for the Bank's executive directors (excluding non-residents of Japan; the "Directors") and executive officers who do not concurrently serve as directors ("Executive Officers"; Directors and Executive Officers are collectively referred to as "Directors, etc."), and hereby announces the details as follows.

In connection with the continuation of the System, the performance-linked indicators under the System have been changed to the indicators (ROE, etc.) set forth in the new mid-term business plan (FY2026-FY2028).

For details of the System, please refer to the press release dated May 12, 2025, titled "**Announcement Regarding the Switch from an Ex-Post Delivery type Share Remuneration Scheme (PSUs/RSUs) to a Trust-type Stock Compensation System**".

1. Continuation of the System

(1) In fiscal year 2025, the Bank switched from the Ex-Post Delivery type Share Remuneration Scheme (PSUs/RSUs) to the System with the objective of further heightening the motivation of the Directors', etc., to continue enhancing the corporate value and performance of the Bank in the mid- to long-term.

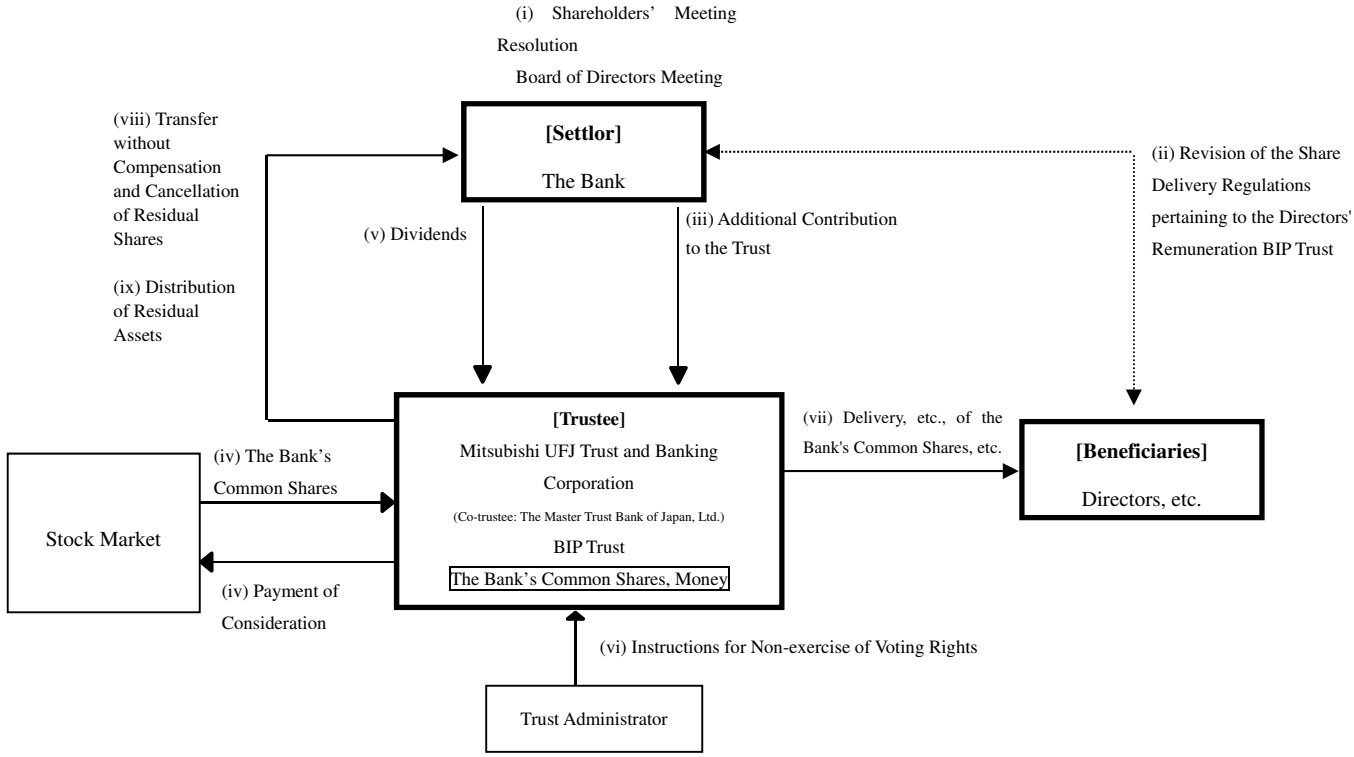
(2) The Bank will continue the System from fiscal year 2026 onward, designating the business years corresponding to the new mid-term business plan (FY2026-FY2028) as the new target period.

(3) The System adopts a structure referred to as the Board Incentive Plan (BIP) Trust ("BIP Trust"). The BIP Trust is an incentive plan for directors based on performance share and restricted stock compensation systems in Europe and the United States, under which the delivery and granting ("delivery, etc.") of the Bank's common shares and money equivalent to the proceeds from the conversion of the Bank's common shares ("the Bank's common shares, etc.") to Directors, etc. will be carried out according to the achievement level of company performance indicators.

(4) In connection with the continuation of the System, the Bank plans to make additional monetary contributions to the BIP Trust ("the Trust") already established by the Bank, and the Trust is expected to acquire the Bank's common shares necessary for the System from the stock market.

* In connection with the continuation of the System, the Bank has conducted deliberations through the voluntary Nomination and Compensation Committee (chaired by an independent outside director and with independent outside directors constituting a majority of committee members) to ensure transparency and objectivity in the remuneration decision-making process.

2. Overview of the System



① The Bank obtained approval for the transition to the System by resolution at the Annual General Meeting of shareholders held on June 25, 2025. The continuation of the System has been resolved at a meeting of the Board of Directors.
② The Bank will revise the share delivery regulations pertaining to the System through necessary procedures such as resolutions of the Board of Directors.
③ The Bank will entrust money within the scope approved at the Shareholders' Meeting as described in (i) above as the source of funds for remuneration to Directors, together with money serving as the source of remuneration for Executive Officers, and will extend the trust period of the Trust, with Directors, etc. who fulfill the beneficiary requirements as beneficiaries.
④ The Trust will acquire the Bank's common shares from the stock market using the money entrusted in (iii) above as the source, in accordance with the instructions of the trust administrator. Of the number of shares to be acquired by the Trust, the number of shares acquired with money serving as the source of remuneration for Directors will be within the scope approved by the resolution at the Shareholders' Meeting as described in (i) above.
⑤ Dividends will be paid on the Bank's common shares held by the Trust in the same manner as on other common shares of the Bank.
⑥ Voting rights of the Bank's common shares held by the Trust shall not be exercised throughout the trust period.

⑦ During the trust period, a set number of points will be granted to each Director, etc., at a certain time each year, according to their position, etc., for each business year. For Directors, etc., who fulfill certain beneficiary requirements, delivery, etc., of the Bank's common shares, etc., will be carried out in accordance with the cumulative points upon their retirement.

⑧ If residual shares remain at the expiration of the trust period due to non-achievement of performance targets, etc., the Bank will either continue to use the Trust under the System or a similar new share remuneration scheme by changing the trust agreement and making additional contributions to the Trust, or the Trust will transfer the residual shares to the Bank without consideration, after which the Bank will acquire them without consideration and cancel them by resolution of the Board of Directors.

⑨ Upon termination of the Trust, the residual assets remaining after distribution to beneficiaries are expected to revert to the Bank within the scope of the trust expense reserve calculated by deducting the share acquisition funds from the trust money. In addition, any portion exceeding the trust expense reserve is planned to be donated to organizations that have no interest in the Bank or its Directors, etc.

(Note) During the trust period, if there is a possibility that the number of shares in the Trust may be insufficient for the number of points determined for Directors, etc. during the trust period, or if there is a possibility that the money in the trust property may be insufficient for the payment of trust fees and trust expenses, additional money may be entrusted to the Trust (provided that the money serving as the source of funds for remuneration to directors shall be within the scope approved by the Shareholders' Meeting resolution as described in (i) above).

(Reference) Contents of Trust Agreement

(i) Type of trust	Money trust other than a specified single-purpose trust (third-party benefit trust)
(ii) Purpose of trust	Providing incentives to Directors, etc.
(iii) Settlor	Suruga Bank, Ltd.
(iv) Trustee	Mitsubishi UFJ Trust and Banking Corporation (Co-trustee: The Master Trust Bank of Japan, Ltd.)
(v) Beneficiaries	Directors, etc., who fulfill the beneficiary requirements
(vi) Trust administrator	A third party who has no vested interest in the Bank (certified public accountant)
(vii) Trust agreement date	August 2025
(viii) Trust period	August 2025 to August 2026 (to be extended through August 2029 by amendment of the trust agreement)
(ix) Start date of the System	August 2025
(x) Exercise of voting rights	No voting rights shall be exercised
(xi) Type of shares to be acquired	Common shares of the Bank
(xii) Amount of the additional trust money	629 million yen (including trust funds for executive officers, trust fees, and trust expenses)
(xiii) Timing of share acquisition	May 22, 2026 to June 19, 2026 (planned)
(xiv) Method of share acquisition	To be acquired from the stock market
(xv) Rights holder	The Bank
(xvi) Residual assets	Residual assets that the Bank as the rights holder can receive shall be within the scope of the trust expense reserve calculated by deducting the share acquisition funds from the trust money.

(Note) The planned timing described above may be changed to an appropriate time in light of applicable laws and regulations.

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