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Suruga Bank Ltd.
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The corporate governance of Suruga Bank Ltd. (the "Company") is described below.

I. Basic Views on Corporate Governance, Capital Structure, Corporate Attributes, and Other Key Information

1. Basic Views

In order to realize its corporate philosophy, "I'm glad you're here... I'm glad we met...," the Company has established and put into practice a Compliance Charter as a standard of conduct for its officers and employees. By putting this into practice, the Company strives to ensure compliance, achieve customer-oriented business operations, and foster a sound organizational climate and corporate culture to enhance its corporate value.

The Company's basic policy of corporate governance is as follows.

1. The Company will take appropriate measures to ensure that the rights of shareholders are substantially secured, work to create an environment in which shareholders can properly exercise their rights, and strive to secure the rights and equality of shareholders.

2. To achieve sustainable growth and enhance corporate value over the medium to long term, the Company will respect its various stakeholders, including customers, employees, and local communities, and strive for appropriate cooperation with them.

The Board of Directors will strive to foster a corporate culture and climate that respects the rights and positions of stakeholders as well as sound and ethical business activities.

3. "Honest, fair, and transparent corporate activities" is one of the elements of the Compliance Charter which serves as the standard for all actions and decisions made by the Company's employees, and the Company will act with integrity not only in accordance with laws and rules, but also with social norms and the public nature of the bank. The Company will disclose not only financial information but also non-financial information in a timely and appropriate manner in accordance with the Banking Act and other laws and regulations. In addition, the Company will strive to provide information other than that disclosed in accordance with laws and regulations.

The Board of Directors will strive to ensure that information, including non-financial information, is accurate, understandable, and useful.

4. Under the company with an audit committee system, the Company will strengthen the supervisory function of

the Board of Directors and enhance the transparency and objectivity of management through a stronger monitoring system. In addition, based on its Basic Policy for the Creation of an Internal Control System, the Company will establish a system to ensure compliance with laws, regulations, and the Articles of Incorporation, and to execute appropriate business operations.

5. The Company will engage in constructive dialogue with shareholders in order to contribute to sustainable growth and the enhancement of corporate value over the medium to long term.

Directors and executive officers will endeavor to explain their management policies in an understandable manner through dialogue with shareholders and to obtain their understanding, and will strive for a balanced understanding and appropriate response with respect to the position of stakeholders, including shareholders.

Reasons for Non-compliance with the Principles of the Corporate Governance Code

The Company has implemented all of the principles of the Corporate Governance Code.

Disclosure Based on each Principle of the Corporate Governance Code

Principle 1.4 Cross-Shareholdings

(1) Policy Regarding Cross-Shareholdings

・The Company's policy is to reduce the balance of shares held for policy investment purposes (hereinafter referred to as "cross-shareholdings") after sufficient dialogue with business partners.

・The Company will hold cross-shareholdings when it is judged to contribute to the enhancement of corporate value over the medium to long term from the perspective of facilitating and strengthening the building of stable, medium to long term business relationships with business partners; business alliances; alliance business development; and so forth.

・The Board of Directors will review the significance, economic rationality over the medium to long term, and future prospects of all cross-shareholdings to determine the appropriateness of holding these shares.

・If a business partner that holds shares of the Company as cross-shareholdings offers to sell such shares, the Company will not interfere with the sale by suggesting a reduction in transactions with the Company or imposing other restrictions related to business dealings.

・The Company aims to reduce the total amount of cross-shareholdings recorded on the balance sheet to within 10% of consolidated net assets by the end of FY2028.

(2) Verification of the Appropriateness of Holding Individual Shares

・The Company's Board of Directors will individually examine the economic rationality (risk/return) of all cross-shareholdings based on their growth potential and profitability from a medium to long term perspective, qualitative necessity such as in terms of strengthening business relationships, and quantitative indicators such as the cost of capital.

(3) Criteria for Exercising Voting Rights Pertaining to Cross-Shareholdings

・In exercising the voting rights of cross-shareholdings, the Company will make a comprehensive judgment of how to vote based on the economic rationality over the medium to long term for the Company, taking into

consideration the management policy, governance, and business operations of the issuing company. When exercising its voting rights, the Company determines how to vote with regard to proposals that are expected to cause significant damage to corporate value or when special caution is required by holding individual discussions with the issuing company, etc., as necessary.

Principle 1.7 Related Party Transactions

(1) In order to protect the common interests of the Company and its shareholders, the Rules of the Board of Directors stipulate that the following transactions require the approval of the Board of Directors.

・When a director will engage in a competitive transaction or a transaction that constitutes a conflict of interest

・When a significant or irregular transaction will take place between the Company and a director or major shareholder, etc.

(2) The Rules of the Board of Directors stipulate that if a director engages in a transaction that constitutes a competitive transaction or conflict of interest, that director is required to report the results of the transaction to the Board of Directors.

The Rules of the Board of Directors also stipulate that when approving a transaction involving a conflict of interest between the Company and a director (excluding directors who are Audit Committee members), the Board of Directors may request the prior approval of the Audit Committee with respect to that transaction.

(3) In order to monitor director transactions involving conflicts of interest, the General Manager of the Compliance Department receives reports on the existence and details of transactions between directors and their relatives up to the second degree of kinship and the Group (excluding officers' compensation) on a regular basis each year.

Supplementary Principle 2.4.1 Policies for Human Resource Development and Internal Environment Development to Ensure Diversity

Please refer to "Status of Measures to Ensure Due Respect for Stakeholders" in section III-3 of this report for the Company's policies on human resource development and internal environment development to ensure diversity in the Company.

Principle 2.6 Roles of Corporate Pension Funds as Asset Owners

The Company's corporate pension assets are managed with the objective of securing the necessary comprehensive income over the long term in order to ensure the future payment of benefits and other payments through the corporate pension fund. To enable the fund to fulfill its expected functions as an asset owner, the Company has established an Asset Management Committee, consisting of persons familiar with human resources, finance, and market investment operations, which formulates and reviews basic investment policies, investment guidelines, and policy asset composition ratios for the fund's Board of Directors, thereby establishing a system to realize proper management of pension finances. The members of the Asset Management Committee and the Board of Directors are also elected from the workers' union, and the system is designed to appropriately manage any conflicts of interest that may arise between the beneficiaries of the corporate pension plan and the Company.

Principle 3.1 Full Disclosure

(1) The Company strives to proactively disclose not only financial information such as its financial condition and operating results and other information required by laws and regulations, but also non-financial information such as its corporate philosophy, mid-term business plan, information related to risks and corporate governance, and other information not required by laws and regulations.

Please refer to the Company's website for its corporate philosophy and mid-term business plan.

Corporate Philosophy

The Company's corporate philosophy is disclosed on its website
（https://www.surugabank.co.jp/surugabank/corporate/philosophy/index_1.html）

Mid-Term Business Plan

The Company's mid-term business plan is disclosed on its website.
（https://www.surugabank.co.jp/surugabank/investors/managementplan/）

(2) Basic Views on Corporate Governance and Other Key Information

Please refer to "Basic Views" in section I-1 of this report.

(3) Policies and Procedures for Determining the Compensation, Etc. of Senior Management and Directors

Please refer to "Director Remuneration" in section II-1 of this report.

(4) Policies and Procedures for the Appointment and Dismissal of Senior Management and the Nomination of Candidates for Directors.

The Company's requirements for senior management, directors who are not members of the Audit Committee, and directors who are members of the Audit Committee are to share the Company's corporate philosophy; to be able to take a leadership role in the management of the Company and ensure compliance, achieve customer-oriented business operations, and foster a sound organizational climate and corporate culture in order to take charge of the Company's business vision and enhance its corporate value; and to possess the qualities, abilities, knowledge, and experience appropriate for the management of the Company.

The policies and procedures for the appointment and dismissal of senior management and the nomination of candidates for directors by the Board of Directors are based on a voluntary Nomination and Compensation Committee (chaired by an independent outside director and consisting of a majority of independent outside directors), which fully deliberates and makes recommendations to the Board of Directors based on the candidates' background, performance, reputation, and the status and performance of the Company, in a highly objective and transparent process. The Board of Directors respects this recommendation and, in the case of a director who is a member of the Audit Committee, the decision is made after obtaining the consent of the Audit Committee.

Based on the appointment and dismissal of representative directors being one of the most important strategic decisions for the Company, a voluntary Nomination and Compensation Committee, in response to an inquiry from

the Board of Directors, makes recommendations to the Board of Directors after spending sufficient time and resources deliberating on a candidate's background, performance, evaluation, and suitability. The Board of Directors respects these recommendations and makes its decision. These procedures are objective, timely, and transparent.

(5) Reasons for the Appointment of Senior Management and Directors
The reasons for the appointment of the Company's current directors are stated in the Reference Documents for the General Meeting of Shareholders in the Notice of Convocation of the 214th Annual Meeting of Shareholders.
（https://www.surugabank.co.jp/surugabank/investors/soukai/）

Supplementary Principle 3.1.3 Initiatives on Sustainability
The Company's sustainability initiatives are disclosed in its securities report, integrated report (disclosure magazine), IR materials, and on its website
Securities report（https://www.surugabank.co.jp/surugabank/investors/irLibrary/）
Integrated report（https://www.surugabank.co.jp/surugabank/investors/disclosure/）
IR materials（https://www.surugabank.co.jp/surugabank/investors/irLibrary/）
Website（https://www.surugabank.co.jp/surugabank/sustainability/）

Supplementary Principle 4-1.1 Scope and Content of the Matters Delegated to the Management
The Board of Directors makes decisions on important matters, including the establishment, revision, and abolition of basic policies and important regulations concerning management, by making resolutions per laws and ordinances, the Articles of Incorporation, and the Rules of the Board of Directors.
The Board of Directors clarifies the scope and content of the matters delegated to the Business Execution Committee in the Rules of the Board of Directors. The Business Execution Committee deliberates and resolves important matters related to business execution delegated to it by the Board of Directors and reports the contents of its proceedings and materials to the Board of Directors.

Principle 4.9 Independence Standards and Qualification for Independent Directors
The Company has established standards for independence that specifically stipulate the requirements for the independence of outside directors. These standards are stated in "Other Matters Concerning Independent Directors" under "Matters Concerning Independent Directors" in section II-1 of this report.

Supplementary Principle 4.10.1 Use of Optional Approach
The Company has established a voluntary Nomination and Compensation Committee in which a majority of the committee members are independent outside directors.
This voluntary Nomination and Compensation Committee recommends to the Board of Directors the appointment and dismissal of directors, executive officers, directors on the corporate pension fund's Board of Directors, and presidents of subsidiaries, as well as relevant policies. In addition, the Nomination and Compensation Committee

also recommends to the board compensation for directors (excluding directors who are Audit Committee members), executive officers, and directors on the corporate pension fund's Board of Directors, as well as relevant policies.
Policies and procedures for the appointment and dismissal of senior management and the nomination of candidates for directors are stated in item (4) under "Principle 3.1 Full Disclosure" of this report. Please refer to the supplement to "Voluntary Establishment of Committee(s) Equivalent to Nomination Committee or Remuneration Committee" under "Organizational Composition and Operation" in section II-1 of this report for the composition of the voluntary Nomination and Compensation Committee.

Supplementary Principle 4.11.1 Views on the Diversity and Size of the Board of Directors
In order to respond flexibly and agilely to changes in the business environment, etc., the Company has introduced an executive officer system as a means of separating the functions of supervision and execution in management to enhance management efficiency. In addition, with the aim of vitalizing the Board of Directors and enhancing the transparency of management, the Company has appointed multiple outside directors. Further, as stipulated in the Articles of Incorporation, the Board of Directors is comprised of no more than 12 directors (excluding directors who are Audit Committee members) and at least three and no more than five directors who are Audit Committee members.
In selecting candidates for the Board of Directors, the Company considers candidates who share the Company's corporate philosophy; who will be able to take a leadership role in the management of the Company and ensure compliance, achieve customer-oriented business operations, and foster a sound organizational climate and corporate culture in order to take charge of the Company's business vision and enhance its corporate value; who possess the qualities, abilities, knowledge, and experience appropriate for the management of the Company; and who will fulfill the responsibilities of the position. Further, the Company places importance on the balance of knowledge, experience, and abilities as well as the diversity of the Board of Directors as a whole.
Please refer to "Organizational Composition and Operation" in section II-1 and "Matters Concerning Functions of Business Execution, Auditing and Supervision, Nomination, and Remuneration Decisions (Overview of Current Corporate Governance System)" in section II-2 of this report for more information.
A skills matrix listing the main skills and experience possessed by the Company's directors (including directors who are Audit Committee members) is disclosed in the Reference Documents in notices of convocation of the meeting of shareholders.

Supplementary Principle 4.11.2 Concurrent Positions of Directors
Each year, the Company discloses the status of important concurrent positions held by directors in the Reference Documents in notices of convocation of the meeting of shareholders and in disclosure documents such as the Business Report.

Supplementary Principle 4.11.3 Evaluation of the Effectiveness of the Board of Directors
Each year, the Company analyzes and evaluates the effectiveness of the Board of Directors as a whole and

continuously works to improve the functioning of the Board of Directors.
A summary of the methodology and results of the evaluation of the effectiveness of the Board of Directors for fiscal 2024 is provided below.

1. Analysis and Evaluation Methodology
In order to ensure objectivity and transparency in the evaluation of the effectiveness of the Board of Directors, in addition to a five-point, anonymous questionnaire for all directors, including Audit Committee members; and interviews with the legal counsel to the Board of Directors (if desired), the Board of Directors' legal counsel was asked to tabulate, analyze, and evaluate the questionnaire.
Questionnaire Items
1) Composition of the Board of Directors: 7 items
2) Deliberations and operation of the Board of Directors: 17 items
3) Matters concerning the structure of governance: 27 items
4) Roles and responsibilities that the Board of Directors should fulfill: Open answer

2. Evaluation
In the questionnaire for fiscal 2024, many items received good ratings. Matters concerning the structure of governance were generally rated highly, confirming that the effectiveness of the Board of Directors as a whole has been ensured.
On the other hand, the following issues were recognized based on the results of the questionnaire and interviews.

1) Ensuring the Diversity of the Board of Directors
Although the Board of Directors was evaluated as functioning as a substantive decision-making body, the need to ensure balance and diversity on the Board of Directors, including the number of female directors, was identified as an issue.

2) Development into Deeper Discussions
The Board of Directors of the Company is evaluated as having substantive discussion on matters to be deliberated. However, it was identified as an issue that further efforts are needed to develop more in-depth discussions, such as by eliminating the information gap between inside and outside directors and by further enriching the topics of discussion.

3.Initiatives for Improvement
To further enhance discussions on important themes at Board of Directors meetings, the Company has worked to improve the deliberation process. With respect to reports from each Risk Committee to the Board of Directors, we have expanded both the quality and quantity of reports from the viewpoint of eliminating information asymmetry among directors and promoting the sharing of risk awareness from a broader perspective. In addition, a mechanism has been introduced to visualize the relationship between individual proposals and the Company's management

strategy. By using diagrams to show how each proposal contributes to achieving strategic goals such as the Mid-Term Business Plan, deliberations are now conducted from a more strategic standpoint.
Alongside these efforts, the composition of the Board of Directors has also been strengthened in terms of diversity and expertise. In June 2025, three new directors with extensive experience and deep insight in areas such as finance, taxation, regional economies, corporate strategy, and M&A advisory joined the Board. Under this new structure, the Company will further enhance the effectiveness of its supervisory function and improve the quality of decision-making that contributes to sustainable enhancement of corporate value.

Principle 4.14.2 Training Policy for Directors
The Company has established a policy to provide directors, including outside directors, with ongoing opportunities to obtain knowledge, information, and advice from outside experts to enable them to fulfill their roles and responsibilities.

Principle 5.1 Policy for Constructive Dialogue with Shareholders
The Company engages in constructive dialogue with its shareholders in order to contribute to sustainable growth and the enhancement of medium to long term corporate value. Specific details are provided below in items (1) through (5).
(1) Regarding dialogue with shareholders, directors in charge of the General Management Planning Division is responsible for proactively providing opportunities for dialogue in response to requests from shareholders, and the president and directors participate in such dialogue.
(2) The Company has established a system to collect and analyze various management information and provide it to shareholders in an appropriate form by designating the General Management Planning Division as the contact point for dialogue with shareholders and by having the division collaborate with sales divisions and risk management divisions.
(3) As part of dialogue with shareholders, the Company strives to disclose easy-to-understand information on its website, in its integrated report and IR materials.
（https://www.surugabank.co.jp/surugabank/investors/irLibrary/）
(4) Important opinions and requests identified during dialogue with shareholders will be reported to the Board of Directors by the responsible director.
(5) In addition to appropriately managing important corporate information, the Company has established and disseminates information on rules restricting the trading of the Company’s and other companies’ shares, etc., to prevent insider trading. In addition, the Company has established rules regarding the disclosure of corporate information and has put in place a system to ensure that prompt, accurate, and fair disclosure of corporate information from the perspective of investors is appropriately carried out in accordance with the fair disclosure rule. In order to ensure fairness to its shareholders, the Company refrains from answering questions or commenting on its earnings forecasts for the period between each quarter’s settlement date and the date of the announcement of financial results.

Status of Dialogue with Shareholders, etc.

Main Activities in FY2024

・General meeting of shareholders, financial results briefing (4 times), dialogue with domestic and overseas institutional investors (investor relations: 85 times), dialogue with shareholders (shareholder relations: 9 times)

Overview of Institutional Investor/Shareholder and Analyst Dialogue (number of companies, etc. is a total number; active/passive status is based on Suruga Bank understanding)

Location

Domestic: 68 companies　Overseas: 26 companies

Active/Passive

Active: 45 companies　Passive: 27 companies　Sell-side: 22 companies

Area of Responsibility

Fund managers and analysts: 84　ESG and voting rights: 10

Main Topics of Dialogue

・Financial results and management strategies: Progress of strategies set out in Mid-Term Business Plan

・Capital and Business Alliance with Credit Saison: Details of collaboration and progress of specific initiatives

・Capital policy: Shareholder returns policy, and status of reduction in cross-shareholdings

・A Positive Interest Rate Environment: Impact of rising interest rates, proportion of variable-rate loans, and bond duration

・ESG: Climate change initiatives, human capital investment, effectiveness of governance systems, and diversity initiatives on Boards of Directors, etc.

・Other: Initiatives to achieve a P/B ratio above 1.0

Shareholder Feedback

Quarterly reports are made to the Board of Directors. Reports were made in FY2024; in July, September, December, and April (four times in total).

Feedback Incorporated into Management and Disclosure

・Increased ratio of independent outside directors

・Increased ratio of female directors

・Disclosure of target range for capital adequacy ratio

・Disclosure of target range for capital adequacy ratio

・Enhanced website pages for shareholders and investors, and sustainability page

・Improved shareholder relations activities

Actions to Achieve Management that is Conscious of the Cost of Capital and Stock Prices

Content of Disclosure	Disclosure of Initiatives (Update)
Availability of English Disclosure	Available
Date of Disclosure Update	May 14, 2026

Explanation of Actions

・We have set a target of “ROE of 11.0% or higher”*1 for FY2028 and will work steadily to improve ROE.

・We have set the target capital adequacy ratio at approximately 10%*2 on an effective basis, and will strive to enhance shareholder returns while considering the optimal balance between capital soundness and investment for growth.

*1 On a consolidated basis (TSE standards)

*2 Capital adequacy ratio on a non-consolidated basis. If unrealized valuation differences on securities result in losses, such losses shall be deducted from core capital.

Actions to achieve management that is conscious of the cost of capital and stock price are disclosed in the following materials.

（ⅰ）Mid-term Business Plan

（https://www.surugabank.co.jp/surugabank/investors/managementplan/）

・Suruga Bank Mid-term Business Plan（FY2026 -FY2028）P26～28

（ⅱ）Mid-term Business Plan（English）

（https://www.surugabank.co.jp/surugabank/common/english/midterm/）

・Suruga Bank Mid-term Business Plan（FY2026 -FY2028） P26～28

（ⅲ）Financial Results Briefing Materials (Presentation Materials)

（https://www.surugabank.co.jp/surugabank/investors/irLibrary/）

・Highlights of Financial Results for FY3/26 P11～14

2. Capital Structure

Foreign Shareholding Ratio	20% or more but less than 30%

Status of Major Shareholders

As of March 31, 2026

Name or Company Name	Number of Shares Owned	Percentage (%)
Credit Saison Co., Ltd.	29,440,900	17.19
The Master Trust Bank of Japan, Ltd. (trust account)	17,042,900	9.95
Meiji Yasuda Life Insurance Company	7,351,883	4.29
NORTHERN TRUST CO. (AVFC) RE NON TREATY CLIENTS ACCOUNT	7,268,300	4.24
INDUS SELECT MASTER FUND, LTD.	5,884,800	3.43
Suruga Scholarship Foundation	5,401,450	3.15
STATE STREET BANK AND TRUST COMPANY 505103	5,335,351	3.11
Custody Bank of Japan, Ltd. (trust account)	5,107,400	2.98

Sompo Japan Insurance Inc.	4,029,848	2.35
INDUS JAPAN LONG ONLY MASTER FUND, LTD	2,866,700	1.67

Name of Controlling Shareholder, if applicable (excluding Parent Companies)	None
Name of Parent Company, if applicable	None

Supplementary Explanation

*Note: The "Percentage" indicated in the [Status of Major Shareholders] above represents the proportion of shares held to the total number of issued shares (excluding treasury shares) as of March 31, 2026.

(Repurchase of treasury stock)

At the Board of Directors meeting held on April 24, 2026, pursuant to Article 33 of the Articles of Incorporation of Suruga Bank, Ltd., based on the provisions of Article 459, Paragraph 1, Item (i) of the Companies Act, the Bank resolved matters related to the establishment of a quota for the repurchase of treasury stock in accordance with Article 156, Paragraph 1 of the Companies Act.

Type of shares to be acquired
Common stock
Total number of shares to be acquired
5,000,000 shares (maximum)
(Ratio to total number of issued shares (excluding treasury stock): 2.92%)
Total acquisition cost of shares
12,000 million yen (maximum)
Acquisition period
May 15, 2026 to December 31, 2026
Method of acquisition
Market purchase

（Cancellation of Treasury Stock）

At the Board of Directors meeting held on April 24, 2026, the Bank resolved to cancel treasury stock pursuant to Article 178 of the Companies Act.

Type of shares to be cancelled
Common stock
Number of shares to be cancelled
25,000,000 shares
(Percentage of total issued shares outstanding prior to the cancellation: 12.68%)
Scheduled date of cancellation
May 14, 2026 (*)

Reference:
Following the cancellation, the Bank's total number of issued and outstanding shares will be 172,139,248 shares of common stock.

* The cancellation was completed on May 14, 2026.

3. Corporate Attributes

Listed Stock Exchange and Market Segment	Tokyo (Prime)
Fiscal Year-End	March
Business Sector	Banks
Number of Employees (Consolidated) as of the End of the Previous Fiscal Year	1,000 or more
Net Sales (Consolidated) for the Previous Fiscal Year	100 billion yen or more and less than 1 trillion yen
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	Fewer than 10

4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholder

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5. Other Special Circumstances which may have a Material Impact on Corporate Governance

The Company is an equity method affiliate of Credit Saison Co., Ltd., a listed company.
Based on the premise that Company's management independence is respected, as well as making specific arrangements with Credit Saison for the purpose of ensuring seamless management and administration, the Company has implemented appropriate risk and compliance controls and internal audits in accordance with the aims of the Companies Act, Banking Act, and other laws and regulations, reporting progress of such controls and audits to Credit Saison. Notwithstanding, given that the Company is responsible for decision-making and conducts management and business operations independently from Credit Saison, there are no special circumstances that would significantly impact the Company's corporate governance.

II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight

1. Organizational Composition and Operation

Corporate Governance System	Company with Supervisory Committee

Directors

Number of Directors Stipulated in Articles of Incorporation	17
Directors' Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board	Outside Director
Number of Directors	12
Election of Outside Directors	Elected

Number of Outside Directors	6
Number of Independent Directors	6

Outside Directors' Relationship with the Company (1)

Name	Attributes	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Yoriyuki Kusaki	From another company											
Yukiteru Yamamoto	From another company											
Masashi Iwakigawa	From another company											
Yoichi Namekata	Lawyer											
Motoko Suzuki	Tax accountant											
Yukiko Sawa	From another company											

*Categories for "Relationship with the Company".
(Use "○" when the director presently falls or has recently fallen under the category; "△" when the director fell under the category in the past; "●" when a close relative of the director presently falls or has recently fallen under the category; and "▲" when a close relative of the director fell under the category in the past.)

a. Person who executes business for the Company or its subsidiary
b. Person who executes business for a non-executive director of the Company's parent company
c. Person who executes business for a fellow subsidiary
d. Person/entity for which the Company is a major client or a person who executes business for said person/entity
e. Major client of the Company or a person who executes business for said client
f. Consultant, accounting expert, or legal expert who receives large amounts of cash or other assets from the Company in addition to remuneration as a director/company auditor
g. Major shareholder of the Company (in cases where the shareholder is a corporation, a person who executes business for the corporation)
h. Person who executes business for a client of the Company (excluding persons categorized as any of d, e, or f above) (applies to director him/herself only)
i. Person who executes business for another company that holds cross-directorships/cross-auditorships with the Company (applies to director him/herself only)
j. Person who executes business for an entity receiving donations from the Company (applies to director him/herself only)
k. Other

Outside Directors' Relationship with the Company (2)

Name	Membership of Supervisory Committee	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons for Appointment
Yoriyuki Kusaki		○	Not applicable.	Reasons for Appointment as an Outside Director Mr. Yoriyuki Kusaki, as an outside director and chairperson of the Nomination and Compensation Committee, has demonstrated a wealth of experience, deep insight, and prowess as a management executive, and the Company judges that his advice and supervision that leverages his knowledge will continue to contribute to the Company with a view to enhancing the

				Company’s corporate value, and thus has appointed him as an outside director. Reason for Designation as an Independent Director Mr. Yoriyuki Kusaki is designated as an independent director because he meets the Company’s criteria for independence, there is no risk of a conflict of interest with general shareholders, and he is expected to provide objective and neutral advice on the Company’s management, including the appropriateness of business execution, from a fair standpoint.
Yukiteru Yamamoto		○	Not applicable.	Reasons for Appointment as an Outside Director In addition to his wealth of experience and extensive network as a management executive, Mr. Yukiteru Yamamoto is also well-versed in the fields of human resources and labor affairs. The Company judged receiving his advice and supervision based on his knowledge regarding the Company's important management issues will contribute to enhancing the Company's corporate value, thus appointed as an outside director. Reason for Designation as an Independent Director Mr. Yukiteru Yamamoto is designated as an independent director because he meets the Company’s criteria for independence, there is no risk of a conflict of interest with general shareholders, and he is expected to provide objective and neutral advice on the Company’s management, including the appropriateness of business execution, from a fair standpoint.
Masashi Iwakigawa		○	Not applicable.	Reasons for Appointment as an Outside Director In addition to his extensive experience, deep insight, and strong capabilities as a management executive, Mr. Masashi Iwakigawa has many years of experience in the securities industry and has served as an outside officer at a regional bank, giving him broad expertise

				in the financial sector. The Company has appointed him as an outside director based on the judgment that receiving supervision and advice that leverages his knowledge and experience will contribute to enhancing the Company's corporate value. Reason for Designation as an Independent Director Mr. Masashi Iwakigawa is designated as an independent director because he meets the Company's criteria for independence, there is no risk of a conflict of interest with general shareholders, and he is expected to provide objective and neutral advice on the Company's management, including the appropriateness of business execution, from a fair standpoint.
Yoichi Namekata	○	○	Outside Director Attribute Information Although the Company has business transactions related to settlement services with LINE Pay Corporation, for which Mr. Yoichi Namekata serves as an outside corporate auditor, the transaction amount accounted for less than 1% of the annual consolidated net sales of said corporation, and for less than 1% of the consolidated gross profit of the Company, in the previous fiscal year, respectively. Thus, the Company considers that the relationship does not affect his independence.	Reasons for Appointment as an Outside Director Mr. Yoichi Namekata, on top of his career as an attorney-at-law, is well-versed in the operations of financial institutions and has a wealth of experience as well as deep insight and expertise. He has also contributed greatly to the soundness and transparency of the Company's decision-making by appropriately and effectively managing agendas as the chairperson of the Board of Directors' meetings. In addition, in his capacity as an Audit Committee member, Mr. Yoichi Namekata has represented the Company in handling a lawsuit against the Company's former management team. Based on these achievements, the Company judges that Mr. Yoichi Namekata will continue to leverage his experience in strengthening the audit and supervision of the management, and thus has appointed him as an outside director who is an Audit Committee member. Reason for Designation as an Independent Director Mr. Yoichi Namekata is designated as an independent director because he meets the Company's criteria for

				independence, there is no risk of a conflict of interest with general shareholders, and he is expected to provide objective and neutral advice on the Company's management, including the appropriateness of business execution, from a fair standpoint.
Motoko Suzuki	○	○	Not applicable.	Reasons for Appointment as an Outside Director Ms. Motoko Suzuki has operated a tax accountant office for many years in Numazu City, where the Company's head office is located, and is well-versed in the local economy as well as the characteristics and current state of local businesses. In addition to possessing extensive experience, deep insight, and specialized expertise as a tax accountant, she has held various public positions. The Company has appointed her as an outside director who is an Audit Committee member based on the judgment that her experience can be leveraged to strengthen the auditing and supervisory functions of management. Reason for Designation as an Independent Director Ms. Motoko Suzuki is designated as an independent director because she meets the Company's criteria for independence, there is no risk of a conflict of interest with general shareholders, and she is expected to provide objective and neutral advice on the Company's management, including the appropriateness of business execution, from a fair standpoint.
Yukiko Sawa	○	○	Not applicable.	Reasons for Appointment as an Outside Director Ms. Yukiko Sawa has extensive experience and insight in corporate strategy, M&A advisory, and capital markets across a wide range of industries, including banking, foreign investment banks, manufacturers, and trading companies. She also has strong expertise in finance, having served as CFO of a venture company. The Company has appointed her as an outside director who is an Audit Committee member based on the judgment that her experience can

				be leveraged to strengthen the auditing and supervisory functions of management. Reason for Designation as an Independent Director Ms. Yukiko Sawa is designated as an independent director because she meets the Company's criteria for independence, there is no risk of a conflict of interest with general shareholders, and she is expected to provide objective and neutral advice on the Company's management, including the appropriateness of business execution, from a fair standpoint.

Supervisory Committee

Composition of Supervisory Committee and Attributes of the Chairperson

	All Committee Members	Full-time Members	Inside Directors	Outside Directors	Committee Chair
Supervisory Committee	4	1	1	3	Inside Director

Appointment of Directors and/or Staff to Support the Supervisory Committee	Appointed

Matters Concerning Independence of Said Directors and/or Staff from Executive Officers/Reasons for Adopting Current System

The Company has established an Audit Committee Secretariat to assist the Audit Committee in its duties, and has full-time employees assigned to it. Such employees will perform their duties under the direction and orders of the Audit Committee, and the consent of the Audit Committee will be obtained with respect to the performance evaluation, personnel transfers, and disciplinary actions of such employees, thereby ensuring their independence from the executive divisions.

Cooperation among the Supervisory Committee, Accounting Auditors and Internal Audit Department

In order to determine the appropriateness of audits by the accounting auditor and to ensure the appropriateness and reliability of accounting audits, the Audit Committee works closely with the accounting auditor by receiving explanations of audit plans, audit systems, and audit results from the accounting auditor as well as by exchanging opinions. In addition, the Audit Committee regularly exchanges opinions and works closely together with the Internal Audit Department on audit policy, audit plans, audit implementation status, and audit results. Furthermore,

meetings are held twice a year to strengthen cooperation between the Audit Committee, the accounting auditor, and the Internal Audit Department. In this way, the Audit Committee, accounting auditor, and Internal Audit Department work in cooperation with each other to achieve efficient audits and strive to demonstrate the effectiveness of the Company's corporate governance.

Voluntary Established Committee(s)

Voluntary Establishment of Committee(s) equivalent to Nomination Committee or Remuneration Committee	Established

Status of Voluntarily Established Committee(s), Attributes of Members Constituting the Committee and the Committee Chairperson

	Committee's Name	All Members	Full-time Members	Inside Directors	Outside Directors	Outside Experts	Other	Chairperson
Voluntarily Established Committee Equivalent to Nomination Committee	Nomination and Compensation Committee	3	0	1	2	0	0	Outside Director
Voluntarily Established Committee Equivalent to Remuneration Committee	Nomination and Compensation Committee	3	0	1	2	0	0	Outside Director

Supplementary Explanation

Director Yukiteru Yamamoto has been appointed as chairperson, and Directors Masashi Iwakigawa and Kosuke Kato have been appointed as committee members. Independence is ensured by having a majority of committee members be independent outside directors.

Matters Concerning Independent Directors

Number of Independent Directors	6

Other Matters Concerning Independent Directors

・The Company designates all outside directors who meet the criteria for independence as independent directors.

・The Company believes that in order for an outside director to be considered independent, it is necessary that none of the following items apply to that director.

1. An executive director, executive officer, or other employee of the Company or its affiliates (hereinafter referred to as an "Executive"), or a person who has been an Executive of the Company or its affiliates within 10 years prior

to his or her appointment.

2. A shareholder who holds 10% or more of the total voting rights of the Company or an Executive of such a shareholder.

3. A person who is an Executive of a company that has a significant business relationship with the Company or its affiliates, or a parent company or significant subsidiary of such a company.

Note: A significant business relationship means transactions, etc., that fall under any of the following.

(1) Transactions, etc., that account for 2% or more of the Company's consolidated gross operating profit or the consolidated total sales of the business partner in the most recent fiscal year.

(2) When the outstanding loan balance of the Company or an affiliate is shown in the business report of the business partner and it is judged to be difficult to substitute other financing methods in the short term.

Note: Whether a subsidiary is judged to be a significant subsidiary or not is based on whether or not the subsidiary is listed as a "significant subsidiary" in items such as "status of the parent company and significant subsidiary companies" (Article 120, Paragraph 1, Item 7 of the Regulations for Enforcement of the Companies Act) in business reports or in other publicly available materials.

4. A person who has received, on average, 10 million yen or more in compensation or other financial benefits, other than officers' compensation from the Company, as a lawyer or consultant, etc., for the Company or its affiliates in the past three years. Or, in the case of such services provided by a corporation or organization, a person who is an Executive of such a corporation or organization of which 2% or more of its consolidated sales are received from the Company or its affiliates.

5. A person who is an accounting auditor of the Company or its consolidated subsidiaries, or a person who is an employee of such accounting auditor.

6. A person who is an Executive of a corporation or organization that has received donations from the Company or its consolidated subsidiaries exceeding the greater of 10 million yen per year or 30% of the total annual expenses of the said corporation or organization, on average, for the past three years.

7. When the items 2 through 6 above have been applicable within the past five years.

8. A spouse or a relative up to the second degree of kinship who falls under any of the items 1 through 6 above.

9. A person who is an Executive of a company that has accepted directors from the Company or its affiliates, or its parent company or its subsidiary, etc.

10. Any other person who is likely to have a persistent and substantial conflict of interest with the Company's general shareholders as a whole for reasons other than those considered in items 1 through 9 above.

Incentives

Implementation Status of Measures related to Incentives Granted to Directors	Introduction of Performance-linked Remuneration Scheme

Supplementary Explanation for Applicable Items

In accordance with a resolution passed at the 214th Annual General Meeting of Shareholders held on June 25,

2025, the Company has introduced a trust-type stock compensation system as a stock compensation plan for directors (excluding non-executive directors and directors who are Audit Committee members). Please refer to the "Director Remuneration" section of this report for more information.

Persons Eligible for Stock Options	—

Supplementary Explanation for Applicable Items

—

Director Remuneration

Status of Disclosure of Individual Director's Remuneration	Individual remuneration is not disclosed

Supplementary Explanation for Applicable Items

Current fiscal year (April 1, 2024 to March 31, 2025)

(Unit: 1 mil. yen)

Classification	No. of persons to be paid	Compensation, etc.	Total amount of compensation, etc. by type			
			Base compensation	Bonuses	Stock compensation	
					Restricted Stock portion	Performance Share portion
Directors (excluding Audit Committee members)	6	287	129	23	10	124
(Of which, outside directors)	(2)	(24)	(24)	(-)	(-)	(-)
Directors (Audit Committee members)	4	49	49	-	-	-
(Of which, outside directors)	(3)	(30)	(30)	(-)	(-)	(-)

Notes

1 The number of directors (excluding Audit Committee members) paid does not include one director who receives no compensation.

2 "Stock compensation" is the amount recorded as expenses for post-issuance stock compensation in the current fiscal year. The Company has introduced post-issuance stock compensation as form of non-monetary compensation. To summarize this system, each year the Company grants directors (excluding outside directors and directors who are Audit Committee members) a Restricted Stock portion in terms of fixed units and a Performance Share portion in terms of performance-based units, and grants shares of the Company's stock equivalent to the number of units upon their retirement.

As a performance indicator, the Company has selected consolidated net income, which is a financial target in the Mid-Term Business Plan. The reason these indicators were selected is because of the importance the Company places on the Mid-Term Business Plan, which the Company set forth in order to share the interests of shareholders. Since the Performance Share portion will fluctuate within a range of 0-150% depending on the actual results for FY2025, results will be disclosed in the Annual Securities Report as soon as the results for FY2025 are available.

3 The above number includes one director (Audit Committee member) who retired on June 26, 2024.

4 At the 208th Annual General Meeting of Shareholders held on June 26, 2019, a resolution was passed to limit the total amount of compensation for the Company's directors (excluding directors who are Audit Committee members) to 300 million yen (of which 50 million yen is for outside directors) per annum. As of the close of said Annual General Meeting of Shareholders, there were seven directors (of which four were outside directors). At the same Annual General Meeting of Shareholders, a resolution was passed to limit the amount of compensation for directors who are Audit Committee members to 100 million yen per annum. As of the close of said Annual General Meeting of Shareholders, there were three directors who were Audit Committee members (of which three were outside directors). At the 209th Annual General Meeting of Shareholders held on June 26, 2020, separate to the resolution at the 208th Annual General Meeting of Shareholders, a resolution was passed to limit the amount of monetary compensation claims granted to directors (excluding outside directors and directors who are Audit Committee members) as post-issuance stock compensation to a maximum of 675 million yen per target period, and to limit the number of shares of the Company's common stock, etc. subject to delivery to a maximum of 800,000 units (one unit equals one share of the Company's common stock) per fiscal year. In addition, a resolution was passed to separately grant monetary compensation claims of up to 150 million yen and units of up to 300,000 units (one unit equals one share of the Company's common stock) as a source of units to be granted as a measure to facilitate transition from the Directors' Retirement Benefits System. As of the close of said Annual General Meeting of Shareholders, six directors (excluding outside directors and directors who were Audit Committee members) were subject to stock compensation.

Policy on Determining Remuneration Amounts and Calculation Methods	Established

Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods

Compensation Policy

1. Management Policy

After the Company considered its vision for itself with the achievement of customer-oriented business operations, and what the Company should pursue in order to attain this vision, it arrived at a new corporate philosophy expressed in the phrase, "I'm glad you're here... I'm glad we met..." The Company aims to create a "new Suruga Bank" that also provides value to shareholders, employees, and society. The Company will achieve this as a result of truly satisfying customers with the delivery of unique value through a commitment to carrying out customer-oriented business and the retail banking that is the Company's forte.

2. Basic Policy for Officers' Compensation

The Company will position officers' compensation to realize the above management policy, and will structure and

operate it based on the following points.

・Importance will be placed on linking the system to the Group's business performance and stock value to further motivate employees to contribute not only to short-term business performance but also to continuous improvement of business performance and corporate value over the medium to long term.

・The Company will set appropriate compensation levels and systems according to the responsibilities of each position with the aim of securing excellent human resources from both inside and outside the Company who will be responsible for the realization of the management policy.

・The Company will ensure objectivity and transparency in the compensation decision-making process and make the compensation system able to be trusted by all stakeholders.

・The Company will continue to examine the specific design of the officers' compensation system, taking into account future legal and social trends, to ensure that it always remains appropriate.

3. Compensation Governance

In order to enhance the independence, objectivity, and transparency of the details of the officers' compensation system, the Company has established a Nomination and Compensation Committee as a voluntary advisory body to the Board of Directors, with its chairperson and a majority of its members being independent outside directors. The Nomination and Compensation Committee provides advice and recommendations to the Board of Directors after due deliberation on the basic policy for officers' compensation and the details of the officers' compensation system. In addition, in order to introduce objective viewpoints from outside the Company and expert knowledge regarding officers' compensation systems, the Company will appoint outside compensation consultants and, with their assistance, will consider the details of the compensation system, taking into account external data, the economic environment, industry trends, and business conditions.

The Board of Directors will consult with the Nomination and Compensation Committee on drafts regarding the amount of compensation for each individual and delegate to the president and representative director the determination of the specific details of the amount of compensation for each individual based on the responses of the Nomination and Compensation Committee. The matters to be consulted with the Nomination and Compensation Committee shall include the amount of base compensation for each director, the evaluation and allocation of bonuses based on each director's goal achievement, and the standard amount and performance share of stock compensation. In addition, the president and representative director who has received the above delegation must make a decision based on the content of the responses from such consultation.

4. Compensation Levels

The levels of officers' compensation are determined so as to be appropriate based on the above basic policy. Specifically, while taking into consideration the nature of the Company's business and the business environment, the Company will periodically check databases provided by external research institutions and determine officers' compensation levels with reference to other companies in the same industry (regional banks) and companies of similar size in terms of profit level.

5. Compensation Structure

Compensation for the Company's Directors (excluding directors who are Audit Committee members and Outside Directors; the same applies hereinafter) will consist of three parts: Base compensation (cash) in accordance with the role and position of each director, bonuses (cash) as short-term incentive compensation, and stock compensation (shares) as medium- to long-term incentive compensation. In principle, the standard compensation structure model is 60% base compensation, 20% bonuses, and 20% stock compensation. However, depending on the role and position of each director, the Company may go with a compensation structure that increases the ratio of incentive compensation in order to strengthen the commitment to improving the Company's performance and corporate value, thereby encouraging improvements in corporate value over the medium to long term. From the viewpoint of preventing excessive risk-taking and appropriately supervising directors, compensation for outside directors and Audit Committee members is not linked to business performance, and consists only of base compensation.

6. Summary of Compensation Items

Base Compensation

Base compensation is determined for each role or position based on the responsibilities of the position and is paid as a fixed monthly compensation.

Bonuses

In principle, bonuses are paid within three months after the end of the fiscal year for the purpose of providing incentives for the consolidated performance of the Group for the fiscal year, the performance of the divisions directors are in charge of, and the execution of duties by individual directors. This compensation will vary within a range of 0 to 150%, depending on the degree of achievement of each officer's goals and other factors.

Stock Compensation

In principle, stock compensation is paid at the time of retirement, with the aim of providing an incentive to improve the Group's corporate performance and corporate value over the medium to long term, and to encourage a shared awareness of the Group's interests with shareholders.

Stock compensation consists of a Performance Share portion, which is determined based on the degree of achievement of the goals of the Mid-Term Business Plan, and a Restricted Stock portion, which encourages a shared sense of interest with shareholders. The Performance Share portion will generally comprise 50% or more of stock compensation.

・Performance Shares

Performance Shares will vary within a range of 0 to 150%, depending on the degree of achievement of goals and other factors, using consolidated net income and other financial targets from the Mid-Term Business Plan.

・Restricted Stock

In order to promote further linkage with shareholder value, a fixed number of shares to be granted are paid as stock compensation.

Under this system, units are granted to the eligible directors at a certain time every year, and shares of the Company equivalent to the number of units are granted to the directors upon their retirement. The number of units granted each year is determined based on the director's position and consists of both performance share and restricted stock portions. The performance share portion is adjusted after the end of the Mid-Term Business Plan period based on the degree of achievement of the performance targets, using a performance-share coefficient.

7. Forfeiture of Stock Compensation (Clawback/Malus)

The Company will established clauses (so-called Clawback and Malus clauses) in its stock issuance rules that require forfeiture of all or part of stock compensation in order to curb excessive risk-taking, ensure sound management, and prevent serious misconduct such as accounting fraud or largescale correction of past fiscal years' financial results.

If the Board of Directors determines that a director has committed a serious improper act, etc. during his or her term of office, the Board of Directors will, based on the results of deliberations and reports by the Nomination and Compensation Committee, pass a resolution on whether or not to forfeit all or part of the right to receive stock compensation or to demand that the director concerned return all or part of the stock compensation already paid to him or her.

8. Disclosure Policy

In accordance with the JPX's Disclosure Policy, the Company will promptly and proactively disclose the details of its officers' compensation system through its Annual Securities Report, Reference Documents for the General Meeting of Shareholders, Business Report, Corporate Governance Report, and website, etc., which are to be prepared and disclosed in accordance with various laws and regulations. The Company will also actively engage with its shareholders and investors.

Support System for Outside Directors

・A Board of Directors Secretariat has been established to provide timely and appropriate information and other assistance to directors. The Company has appointed legal counsel to the Board of Directors to strengthen the functions of the Board of Directors.

・An Audit Committee Secretariat has been established to assist the Audit Committee members with their duties and has full-time staff assigned to it. The Company has appointed full-time legal counsel to the Audit Committee to strengthen the functions of the Audit Committee. The Audit Committee's legal counsel is actively involved in audit activities, including exchanging opinions with the Audit Committee and the accounting auditor and participating in important meetings.

・A Secretariat has been established for the Nomination and Compensation Committee to assist the directors who are members of the Nomination and Compensation Committee with their duties.

Status of Persons who have Retired as Representative Director and President, etc.

Information on Persons Holding Advisory Positions (*Sodanyaku*, *Komon*, etc.) after Retiring as Representative Director and President, etc.

Name	Job title/ position	Responsibilities	Terms and Conditions of Employment (Full/part time, with/without remuneration, etc.)	Date when former role as president/ CEO ended	Term
-	-	-	-	-	-

Number of Persons Holding Advisory Positions (*Sodanyaku*, *Komon*, etc.) After Retiring as Representative Director and President, etc.	0

Other Related Matters

—

2. Matters Concerning Functions of Business Execution, Auditing and Supervision, Nomination, and Remuneration Decisions (Overview of Current Corporate Governance System)

1. Board of Directors

The Board of Directors supervises the execution of business operations and deliberates and resolves important management matters and basic policies, etc., as stipulated by law, the Articles of Incorporation, and the Rules of the Board of Directors.

The Board of Directors consists of 12 directors (of which six are outside directors) and meets at least once month in principle.

2. Audit Committee

The Audit Committee conducts audits using the internal control system and receives reports, discusses, or passes resolutions on important matters related to audits.

Directors who are Audit Committee members attend important meetings and audit the execution of duties by directors through audits of headquarter departments and sales offices in accordance with the audit policy and audit plan established by the Audit Committee.

The Audit Committee consists of four directors who are Audit Committee members (of which one is an internal director, three are outside directors, and two of whom is a woman) and meets once month in principle.

In addition, the Audit Committee holds regular meetings with the accounting auditor, the Internal Audit Department, the Compliance Department, and officers of consolidated subsidiaries, etc. to exchange information and opinions and to collaborate with them in order to effectively and efficiently conduct the Audit Committee's audits.

3. Nomination and Compensation Committee

The Nomination and Compensation Committee makes recommendations to the Board of Directors regarding the nomination and compensation of directors, etc. and ensures objectivity and transparency in procedures related to the appointment and compensation of directors, etc., thereby strengthening the supervisory function of the Board of Directors.

The Nomination and Compensation Committee consists of a majority of independent outside directors, one internal director, and two outside directors and is chaired by an independent outside director.

4. Business Execution Committee

The Business Execution Committee deliberates and resolves important matters related to business execution, and reports the content of its proceedings and materials to the Board of Directors.

It is composed of representative directors and executive officers and, in principle, meets twice a month.

5. Risk Committees

An ALM Committee, Integrated Risk Management Committee, and various other risk committees have been established. The various risk committees make proposals and report to the Business Execution Committee on market and credit risks and also report to the Board of Directors on important matters, thereby strengthening the risk management system.

6. Internal Audits

The Internal Audit Department, which reports directly to the president, verifies the adequacy and effectiveness of internal controls in accordance with internal audit regulations and other internal rules.

The general manager of the Internal Audit Department reports the results of internal audits monthly to the president and the Audit Committee as well as compliance-related matters to the Compliance Committee, and once every three months to the Board of Directors. The Company also seeks to improve the quality of audits by consulting with and undergoing external evaluations by outside professional organizations.

3. Reasons for Adoption of Current Corporate Governance System

・The Company has chosen a company with an audit committee system.

・The members of the Audit Committee, which is responsible for auditing the execution of duties by the directors, are members of the Board of Directors. The Audit Committee conducts its audits not only from the perspective of legality but also that of appropriateness, thereby strengthening the supervisory function of the Board of Directors. In addition, the Audit Committee is granted the right to state its opinions at general meetings of shareholders regarding the appointment, dismissal, resignation, and compensation of directors other than those who are Audit Committee members, thereby enhancing the transparency and objectivity of management. The Company will further enhance corporate governance through these monitoring systems.

・The Company has introduced an executive officer system to enhance management efficiency by separating the functions of supervision and execution in management.

・The Company has appointed outside directors to invigorate the Board of Directors and increase management transparency, and has adopted a management structure that can flexibly and agilely respond to changes in the

business environment and other factors.

III. Implementation of Measures for Shareholders and Other Stakeholders

1. Measures to Vitalize General Meeting of Shareholders and Facilitate Exercise of Voting Rights

	Supplementary Explanation
Early Posting of Notice of the General Meeting of Shareholders	In order to ensure that shareholders have sufficient time to consider proposals, etc., the Company provides a system for the electronic provision of materials for the General Meeting of Shareholders. The Company also posted these materials on its website and disclosed them on the Tokyo Stock Exchange's website even prior to the statutory deadline.
Electronic Exercise of Voting Rights	The Company makes it possible to exercise voting rights via the Internet.
Participation in a Platform for the Electronic Exercise of Voting Rights and Other Initiatives to Enhance Environment for Institutional Investors to Exercise Voting Rights	The Company employs the Electronic Voting Platform operated by ICJ, Inc.
Provision of Notice (or Summary of Notice) of the General Meeting of Shareholders in English	The Company posts notices of the convocation of meetings of shareholders in English on its website by the business day preceding the date of dispatch of the convocation notice.
Other	(1) Notices of the convocation of general meetings of shareholders are posted on the Company's website. In addition, the Company tries to post the date of publication earlier than the date of dispatch of notices of convocation. (2) In accordance with laws and regulations and the Articles of Incorporation, the Company provides the following documents from notices of convocation to shareholders by posting them on its website. 1. Matters relating to Subscription Rights to Shares of the Bank 2. Consolidated Statement of Shareholders' Equity 3. Notes to the Consolidated Financial Statements 4. Non-consolidated Statement of Shareholders' Equity 5. Notes to the Non-consolidated Financial Statements

2. Status of IR-related Activities

	Supplementary Explanation	Explanation by a representative director or a representative executive officer
Regular Investor Briefings held for Analysts and Institutional Investors	After the announcement of full-year and half-year financial results, IR meetings for domestic financial results are held with the directors in charge of the General Management Planning Division as presenters. Telephone conferences are held after the announcement of financial results for the first and third quarters, with the directors in charge of the General Management Planning Division as the presenter. The Company also holds small meetings and other individual meetings with domestic analysts and institutional investors as needed.	Held
Regular Investor Briefings held for Overseas Investors	In 2025, we visited North America in September, and Singapore in November, to provide explanations regarding our business performance and management strategies. In addition, within Japan, we routinely conduct individual online meetings with overseas institutional investors and analysts.	Held
Online Disclosure of IR Information	The information for investors that the Company provides includes IR materials, annual securities reports, semi-annual reports, financial results information, financial results briefing materials, integrated reports, notices of convocation of general meetings of shareholders, Mid-Term Business Plan materials, English-language IR materials, English-language financial results information, English-language notices of convocation of general meetings of shareholders, and English-language Mid-Term Business Plan materials.	
Establishment of Department and/or Placement of a Manager in Charge of IR	The Public Relations Office of the General Management Planning Headquarters is in charge of investor relations. Contact: +81-3-3279-5536	

3. Status of Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanation
Establishment of Internal Rules Stipulating Respect for the Position of Stakeholders	The Company has established its corporate philosophy and Compliance Charter based on the recognition that the trust and confidence of all stakeholders, including local communities, customers, shareholders, and employees, is essential in order to realize the Company's aim to serve as a bank that always thinks of customers first in any situation.
Implementation of Environmental Preservation Activities and CSR Activities, etc.	With regard to environmental preservation activities, the Company is proactively addressing environmental issues by installing environmentally friendly equipment and providing environmentally friendly financial products and services, etc. when new branches are built or when branches are renovated. As part of its CSR activities, the Company is working to expand the number of people interacting with each other and revitalize local communities by planning events using its bicycle stations in cooperation with local governments and other organizations. The Company will continue to connect with society and local communities through a variety of other support activities in such areas as education, culture, and welfare.
Formulation of Policies, etc. on Provision of Information to Stakeholders	The Company has set forth "honest, fair, and transparent corporate activities" as one of its Compliance Charter standards for all actions and decisions by its employees, and recognizes that enhancing disclosure and accountability is an important issue for establishing more effective corporate governance.
Other	Current Status of Outside Directors Two women have been appointed as two of the six outside directors. On Ensuring Diversity In order to fulfill its responsibilities and meet the expectations of its customers, employees of the Company and the Group's companies, local communities, and other stakeholders, the Company believes it is important to create an environment in which employees can work with enthusiasm and a sense of fulfillment, achievement, and growth as they engage in their daily operations. The Company has continuously and proactively promoted women's success in the workplace, created employment opportunities for people with disabilities, and hired persons with a variety of work histories mid-career. At the same time, the Company has worked to create workplace environments and human resource development plans that allow each

employee to make the most of his or her characteristics and abilities.

Views on the Promotion of Women to Management Positions and Future Direction

The Company provides internal and external training programs to help female employees acquire the skills, knowledge, and experience necessary for career advancement, with a focus on actively promoting women to managerial positions.

Through these training programs, the Company aims to foster career awareness among female employees, broaden the pipeline of women aspiring to leadership roles, and provide opportunities for building internal networks and reflecting on their career paths.

On Addressing Diversity (Women's Success in the Workplace, Etc.)

Promotion of Women's Success in the Workplace

(1) Increasing the ratio of women in managerial positions

(2) Supporting the long-term career development of women employees (implementing in-house human resources development programs and dispatching to external training)

(3) Supporting career advancement by conducting tests for conversion to regular employment for part-timers, etc.

(4) Holding regular study sessions on a variety of topics in order to provide role models and expand diversity in work styles

Note: "Managerial positions" are defined as positions at the level of assistant manager or higher in the Company.

Action Plan for the Promotion of Women's Success in the Workplace

Item	Details
Plan period	April 1, 2023 - March 31, 2026
Targets	(1) Maintain a ratio of women employees in managerial positions of 30% or more (2) Maintain the difference in average length of years of service between men and women at 80% or more
Details of main initiatives	(1) Support women employees in balancing family and work for their long-term career development (2) Initiatives aimed at training women employees for managerial positions

Status of Action Plan Implementation

Action plan targets	[As of March 31, 2025 (as of March 31, 2024)]
(1) Maintain a ratio of women employees in managerial positions of 30% or more	32.3% (31.9%)
(2) Maintain the difference in average length of years of service between men and women at 80% or more	88.5% (88.5%)

Reference Indicators

Item	The Company's figures/standard, etc.[*3] (parentheses indicate the previous fiscal year)
1) Ratio of women in managerial positions[*1*2]	17.1% / 20% or more (15.7%)
2) Ratio of women hires[*2]	33.3% / 20% or more (42.9%)
3) Number of employees converted to regular employment (fiscal 2024)	14 persons (13 persons)

*1: Management positions are defined as positions at the level of manager or higher in the company.

*2: Basic items required to be disclosed under the Act on the Promotion of Women's Active Engagement in Professional Life.

*3: Guidelines at the time of formulation of the general employer action plan by the Ministry of Health, Labour and Welfare

Views on the Promotion of Foreign Nationals to Management Positions and Future Direction

In carrying out its community-based domestic banking business, the Company has not focused on hiring foreign nationals. From the perspective of diversity, the Company has begun to consider hiring non-Japanese employees depending on the characteristics of the duties in question, and going forward the Company plans to promote people to management positions regardless of nationality if they meet the requirements for management positions.

Views on the Promotion of Mid-Career Hires to Management Positions and Future Direction

As of March 31, 2025, mid-career hires account for approximately 15% of the Company's management positions, and approximately 60% of the Company's officer positions.

From the perspective of supplementing management personnel as well as DX and other specialists, and of securing diversity such as women and foreign nationals, going forward the Company's policy will be to continue to promote mid-career hires to management positions if they meet the requirements for management positions in the same manner as employees who joined the Company as new graduates. In addition, the Company plans to maintain current levels with regard to the promotion of mid-career hires to management positions while taking into consideration the qualities and expertise of mid-career hires.

Policies for Human Resource Development and Internal Environment Development to Ensure Diversity and Their Status

The Company's initiatives in this area are as follows.

● Internal Recruitment System

As part of its support for employees' career development, the Company internally recruits interested employees for open positions, primarily in highly specialized departments. This measure supports employees in transferring to a department of their choice, taking on new challenges, and growing, and applications and selection are done in a confidential manner.

● Expansion of the Childcare Leave System

The Company recognizes that it is an extremely important social responsibility to create an environment for employees to raise their children and curb the declining birthrate. In October 2021, the Company revised its childcare leave regulations and expanded its reduced working hour system for childcare to include employees with preschool children, and its system for exemption from overtime work upon request to include employees with children under junior high school age, thereby providing a system that is more extensive than is required by law. At the end of childcare leave, the Company takes into account factors such as relocation and nursery arrangements when considering work assignments and provides training programs for returning employees.

● Support Activities for People with Severe Disabilities

A.P.I. Co., Ltd. (a special subsidiary) was established in 1990 as a joint venture between Shizuoka Prefecture, Numazu City, and Suruga Bank with the aim of promoting the social and economic independence of people with severe disabilities as well as enabling them to acquire skills on their own by providing them with employment opportunities. The company prints and

	binds slips and forms used by the Company in its various operations.

IV. Matters Concerning the Internal Control System

1. Basic Views on Internal Control System and Status of Development

Basic Policy for the Creation of an Internal Control System

Based on the recognition that the establishment of an internal control system is the most important management issue to conduct appropriate business operations and to ensure compliance with laws, regulations, and the Articles of Incorporation, the Company has established its Basic Policy for the Creation of an Internal Control System. The Board of Directors has made compliance its most important management issue and has established a system and is working to implement the Compliance Charter, which serves as the basis for all decisions and actions, in order to realize the Company's corporate philosophy. The internal control system established in accordance with this basic policy is subject to periodic evaluations of its operation and constant review in order to enhance its effectiveness.

1. System to Ensure That the Execution of Duties by Directors and Employees Complies with Laws, Regulations, and the Articles of Incorporation

(1) The Board of Directors will develop regulations, etc. on the authority to make decisions on duties, clarify the classification of decisions, and establish a system for the Board of Directors and directors to supervise the execution of duties.

(2) The Company will formulate a Compliance Charter that will serve as a standard for all actions and decisions by the Company's officers and employees. Management will take the initiative in putting the Charter into practice, and will repeatedly communicate it to employees through ongoing education and training opportunities. In addition, each year the Company will formulate a compliance program which will serve as an action plan for promoting compliance and managing compliance risks to ensure ongoing dissemination of the Compliance Charter.

(3) The Company will establish compliance regulations and other related rules that stipulate the matters necessary to implement the Compliance Charter which will serve as a standard of conduct for officers and employees, and ensure their thorough implementation.

(4) The Board of Directors will consider events and factors that impede the implementation of the Compliance Charter as compliance risks, and the Company's leadership will monitor whether compliance and risk management systems are in place and being operated per a "three lines of defense" framework (first line: sales branches, etc.; second line: management departments that monitor risks such as the Compliance Department; third line: Internal Audit Department) which allocates sufficient resources to the second and third lines of defense.

1) The Company will foster risk ownership among branch managers and sales offices, etc. (the first line of defense) to achieve autonomous risk management. At the same time, the Company will assign a compliance leader to assist the branch manager and a compliance area supporter to support the compliance leader. Further, the Company will establish a system in which the status of compliance risk management is reported to the Compliance Department, thereby enabling a check-and-balance function.

2) The management departments that monitor risks (the second line of defense) will support and check the

autonomous risk management of the sales offices, etc. (the first line of defense) from an independent standpoint. In addition, the Compliance Department will identify and assess compliance risks on a company-wide basis and manage them in an integrated manner.

3) The Internal Audit Department (the third line of defense), which reports directly to the president, will conduct internal audits from an independent standpoint using a risk-based approach. The Internal Audit Department will also audit the compliance and risk management systems, etc. of the sales offices, as well as the risk management systems, etc. of the Compliance Department. In addition, the Internal Audit Department will develop a system to realize management audits that provide accurate assurance and informative consulting to management.

(5) The Company will establish a Compliance Committee as a deliberative body for important matters related to promoting compliance and managing compliance risks. The Compliance Committee will regularly report the contents of its deliberations to the Board of Directors.

(6) The Company will establish a chief compliance officer (CCO) as the chief officer responsible for promoting and achieving compliance.

(7) The Company will establish a system to appropriately report to the Board of Directors risk information, including a whistleblowing system to receive reports on violations of laws and regulations by officers and employees, customer complaints, and complaints and reports identified through relevant authorities and bankers' associations, etc.

(8) The Company will stipulate in its compliance regulations, etc. that if an employee becomes aware of a violation of a law or regulation, or the possibility thereof, he or she must promptly report it to the contact point for whistleblowing or the head of his or her department, etc., and that the head of the department, etc. receiving the report must immediately report it to the Compliance Department. The Company will make all employees fully aware of this. In addition, the Compliance Department will immediately report to the CCO and General Manager of Risk Management Division the details of any serious violations of laws and regulations. The CCO will promptly report to the Board of Directors and the Audit Committee as necessary and take prompt corrective and recurrence prevention measures against illegal or inappropriate actions. The COO will also share, on an organizational level, bad news that may affect management and ensure that employees understand the need to address it.

(9) To enhance the effectiveness of the whistleblowing system, the Company will establish a contact point for reporting misconduct by officers to members of the Audit Committee. If necessary, the Audit Committee member in charge of receiving reports will report the details of the report to the CCO. In addition, if the Audit Committee finds that a compliance violation, etc. has occurred as a result of its investigation, it may report the results of the investigation to the Compliance Committee and make recommendations to take necessary measures, including measures to prevent recurrence of such an act.

(10) If an act in violation of laws and regulations or a wrongful act is found, the Company will take strict action, including disciplinary action.

(11) In order to foster a sound corporate culture, the Company will develop a system to provide education and training to all officers and employees to equip them with the knowledge they should have as bank employees with regard to loan operations and compliance with laws and regulations. The Company will also develop an evaluation system that places importance on the process of employee growth and work efforts over the medium to long term.

2. System for the Storage and Management of Information Related to the Execution of Duties by Directors

(1) The Company will properly and securely store and manage information related to the execution of duties by directors in accordance with laws, regulations, and various internal rules, including the minutes of each meeting, important instructions and communications regarding the execution of duties, and other documents. In addition, the Company will establish a system under which directors and the Internal Audit Department have access to these documents and other information at all times, and a system under which the they can request reports from executives.

(2) From the perspective of ensuring the confidentiality, integrity, and availability of information assets, the Company will classify the management level of information assets according to their importance, and will establish a system to ensure that the management of information functions effectively.

3. Regulations and Other Systems for Managing Risk of Loss

(1) In order to establish an appropriate risk management system, the Company will establish integrated risk management regulations and establish an integrated risk management division.

In establishing an integrated risk management system, the Company will use a risk appetite framework to plan, implement, monitor, and revise initiatives to build a sustainable business model, while aligning them with business strategies such as the Mid-Term Business Plan.

In addition, the Company will establish internal rules and regulations for the management of various types of individual risks, and establish various risk committees to manage individual risks such as credit risk, compliance risk, system risk, and market risk. The Company will also establish an Integrated Risk Management Committee to manage all risks related to its banking business. Through these means, the Company will establish a system to comprehensively manage various types of risks.

(2) The Company will strengthen its risk management system by clarifying the types and amount of risk to be tolerated in order to optimize the balance between profit and risk, and by monitoring the use of allocated risk capital and indicators established in advance from the perspective of profitability and soundness.

(3) With respect to its loan examination and management system, the Company will establish a system that recognizes the importance of “three lines of defense” which systematically manages risk, with the first line of defense consisting of the sales offices, etc.; the second line consisting of the Screening Department, etc.; and the third line consisting of the Internal Audit Department. The Company will provide education and training to foster an awareness of risk ownership (taking responsibility for risk-taking and management) among the sales offices, etc., and will establish a system to make appropriate credit decisions from the loan consultation stage.

(4) The Credit Risk Management Office of the Risk Management Division will conduct loan portfolio analysis and various other credit risk analyses, and report matters discussed and reported by the Credit Risk Committee to the Business Execution Committee. In addition, the Screening Department will report important discussed and reported matters to the Board of Directors for appropriate credit risk management.

(5) When introducing important new products or services, the Company will conduct a risk assessment to evaluate the risks. The results are deliberated at the Business Execution Committee and reported to the Board of Directors.

In addition, the Company will establish a system to conduct post-introduction verification and report the results to the Compliance Committee.
(6) With respect to its market operation management system, the Company will establish a market operation department in the Market Finance Department, and a market and liquidity risk management department in the Risk Management Division to enable checks and balances to be performed. In addition, the ALM Committee will monitor the status of securities holdings, etc., and compliance with and use of limits and management standards; and report the content of its deliberations to the Business Execution Committee and, as necessary, to the Board of Directors.
(7) The Internal Audit Department, under the direct control of the president to ensure its independence, will conduct audits and strengthen cooperation with the Audit Committee.
Each month, the general manager of the Internal Audit Department will report the results of internal audits to the president and the Audit Committee, as well as compliance-related matters to the Compliance Committee. In addition, the general manager of the Internal Audit Department will make a report to the Board of Directors every three months. In the event the general manager of the Internal Audit Department discovers a material event that affects the Company's risk management, control, or governance, he or she will promptly report it to the president, the Audit Committee, and the Board of Directors.
(8) The Board of Directors will establish a system whereby the Internal Audit Department conducts audits based on risk assessments and audits regarding the effectiveness and adequacy of the risk management system.
(9) In the event of a disaster, accident, or other unforeseen event, the Company will establish an emergency headquarters headed by the president in accordance with internal rules and regulations to respond promptly.

4. System to Ensure the Efficient Execution of Duties by Directors
(1) The Company will establish a Business Execution Committee consisting of representative directors and executive officers and chaired by the president to deliberate on matters related to the execution of business operations. The agenda and materials of the Business Execution Committee will also be shared with all directors, and the chairperson will report the contents of Business Execution Committee meetings to the Board of Directors, in principle, once a month.
(2) The Company will adopt an executive officer system to separate management decision-making and supervision from business execution.
(3) The president, as the chief executive officer of the Company, will oversee the Company's operations in accordance with policies established by the Board of Directors.
(4) The Board of Directors will clarify the authority of executives through various rules and regulations and develop an efficient business management system.
(5) The Board of Directors will deliberate on the Mid-Term Business Plan, which indicates the direction the Company should take and specific numerical targets, and will supervise the execution of business operations by having the board regularly report on its progress.
(6) The Board of Directors will establish a voluntary Nomination and Compensation Committee to make recommendations to the Board of Directors on important matters such as the nomination and compensation of

directors and other officers.

5. System to Ensure the Appropriateness of the Business Operations of the Corporate Group Consisting of the Company and Its Consolidated Subsidiaries, Etc.

(1) The Board of Directors will support and monitor executives in disseminating the Compliance Charter to the officers and employees of the corporate group consisting of the Company and its consolidated subsidiaries, etc.

(2) The Company will establish rules for the management of consolidated subsidiaries, rules for reporting to the Audit Committee, and other internal rules, etc. The Company will establish a system for consolidated subsidiaries to engage in prior consultation with and report to the Planning Department of the General Management Planning Headquarters. In addition, the Company will establish a system for consolidated subsidiaries to request consultation and approval from the Company with respect to matters that may significantly affect their management, etc.

(3) The Company will establish internal audit regulations, and the Company's Internal Audit Department will conduct internal audits of consolidated subsidiaries, etc., and establish and operate an internal audit system to effectively monitor the status of risk management, etc. In addition, the Company will establish integrated risk management regulations and establish a system to manage the risks of consolidated subsidiaries, etc.

(4) The Company and its consolidated subsidiaries, etc. will establish a system to ensure that the directors, etc. of consolidated subsidiaries, etc. execute their duties appropriately and efficiently in accordance with organizational rules and other internal rules, etc.

(5) The Company and its consolidated subsidiaries, etc. will establish and operate an effective whistleblowing system, including establishing a contact point through which employees, etc. can report to and consult directly with the Compliance Department and outside law firms, etc., regarding compliance issues.

(6) The Company and its consolidated subsidiaries, etc. will comply with accounting standards and other relevant laws and regulations, and establish internal control systems to ensure the appropriateness of financial reporting.

6. Matters Concerning Employees Assigned to Assist the Audit Committee in Its Duties, the Independence of Such Employees from Directors (Excluding Directors Who Are Audit Committee Members), and Ensuring the Effectiveness of Instructions to Such Employees

(1) The Company will establish an Audit Committee Secretariat which reports directly to the Audit Committee and will assign full-time employees to it to assist the Audit Committee in its duties.

(2) Assistants to the Audit Committee will maintain a position independent from directors (excluding directors who are Audit Committee members) and will follow the instructions and orders of the Audit Committee. Performance evaluations, transfers, and disciplinary actions of assistants to the Audit Committee will be subject to the consent of the Audit Committee.

(3) In the event that the Internal Audit Department receives a request from the Audit Committee for an audit or report, etc., it will exclusively follow the instructions of the Audit Committee with respect to such request and will not receive instructions or orders from the president.

(4) Performance evaluations, transfers, and disciplinary actions of the general manager of the Internal Audit

Department will be conducted with the consent of the Audit Committee.

7. Systems to Ensure That Directors (Excluding Directors Who Are Members of the Company's Audit Committee); Employees, Etc. Of the Company and Its Consolidated Subsidiaries, Etc.; Or Persons Who Receive Reports from Them, Report to the Audit Committee; And That Persons Who Report to the Audit Committee Are Not Treated Disadvantageously Because of Such Reporting

(1) Directors (excluding directors who are members of the Company's Audit Committee); employees, etc. of the Company and its consolidated subsidiaries, etc.; or persons who receive reports from them, will report to the Audit Committee in accordance with laws, regulations, and internal rules. The Audit Committee may also request reports on matters related to the execution of business operations.

(2) The Company and its consolidated subsidiaries, etc. will not treat any person who makes a report to the Audit Committee in a disadvantageous manner because of such report.

(3) The Audit Committee may, as necessary, request reports from the accounting auditors; directors (excluding directors who are members of the Company's Audit Committee); and employees and other persons affiliated with the Internal Audit Department and Compliance Department, etc. of the Company and its consolidated subsidiaries, etc.

(4) Audit Committee members selected by the Audit Committee may attend and express their opinions at meetings of the Business Execution Committee, each risk committee, and Compliance Committee as stipulated in the risk committee rules.

(5) The Audit Committee will receive reports from the Internal Audit Department on the results of internal audits of consolidated subsidiaries, etc. conducted by the Internal Audit Department.

8. Matters Concerning Policies Regarding the Treatment of Expenses, Etc. Incurred in the Execution of Duties by Audit Committee Members (Limited to Those Related to the Execution of Duties by the Audit Committee) and Other Systems to Ensure That Audits by the Audit Committee Are Conducted Effectively

(1) The Audit Committee will strengthen cooperation with the accounting auditor, the Internal Audit Department, and the Compliance Department by regularly exchanging opinions with each individually or in a group or groups, and will meet regularly with the representative director to deepen mutual understanding.

(2) In order to ensure the smooth performance of duties by Audit Committee members, the Audit Committee may contract with its own legal counsel and obtain advice as necessary.

(3) The Company will pay expenses, etc. related to the performance of duties by Audit Committee members (limited to those related to the execution of duties by the Audit Committee) promptly upon request and, if necessary, in advance.

2. Basic Views on Measures for Eliminating Anti-Social Forces and Status of Development

(1) Basic Views on the Elimination of Anti-social Forces

In order to maintain public trust and ensure the appropriateness and soundness of business operations, the Company and its consolidated subsidiaries, etc., will, as a unified group, reject all relationships with anti-social

forces, including not only transactions with banks but also the provision of financial services through alliances with other companies, and will eliminate anti-social forces. The Company will establish a basic policy to this effect and publish it on its website.

(2) Status of Development for the Elimination of Anti-social Forces

1) Status of Internal Rules and Regulations

In accordance with the basic policy described in (1) above, the Company will stipulate specific details in internal rules regulations.

2) Department in Charge of Response and Persons in Charge of Preventing Unreasonable Demands

The Company will establish Financial Crime Control Office within the Compliance Department as a department dedicated to overseeing measures to deal with anti-social forces, and this office will plan and supervise measures to eliminate transactions with anti-social forces.

In addition, a person responsible for the prevention of unreasonable demands will be appointed at each sales office and headquarter department, etc. to establish a system to respond to unreasonable demands from anti-social forces.

3) Cooperation with outside Professional Organizations

The Compliance Department's Financial Crime Control Office will collect and analyze information on anti-social forces. The office will also centrally manage this information and establish a system of close cooperation with external specialized organizations such as the police, the National Center for Removal of Criminal Organizations, lawyers specializing in dealing with anti-social forces, and outside consulting companies specializing in developing AML/CFT systems. In addition, each sales office will establish a system of cooperation with its nearest police station, etc.

In dealing with anti-social forces, the Company will ensure that the safety of officers and employees is given the highest priority.

4) Status of Collection and Management of Information on Anti-social Forces

The Compliance Department's Financial Crime Control Office of will collect and centrally manage information on anti-social forces.

5) Status of Development of Response Manuals

The Company will establish regulations and rules concerning measures against anti-social forces, prescribe methods of dealing with anti-social forces, and verify and continually review the effectiveness of the Company's efforts to eliminate transactions with anti-social forces and to cancel such transactions.

6) Status of Training Activities

The Company will continuously conduct training activities for officers and employees in order to deepen awareness of the necessity of severing all relationships with anti-social forces, strengthen customer management related to AML/CFT and Financial Crime Control Office, and gain sufficient understanding of countermeasures against anti-social forces.

V. Other

1. Adoption of a Policy for Dealing with Takeovers

Adoption of a Policy for Dealing with Takeovers	Not Adopted

Supplementary Explanation for Applicable Items

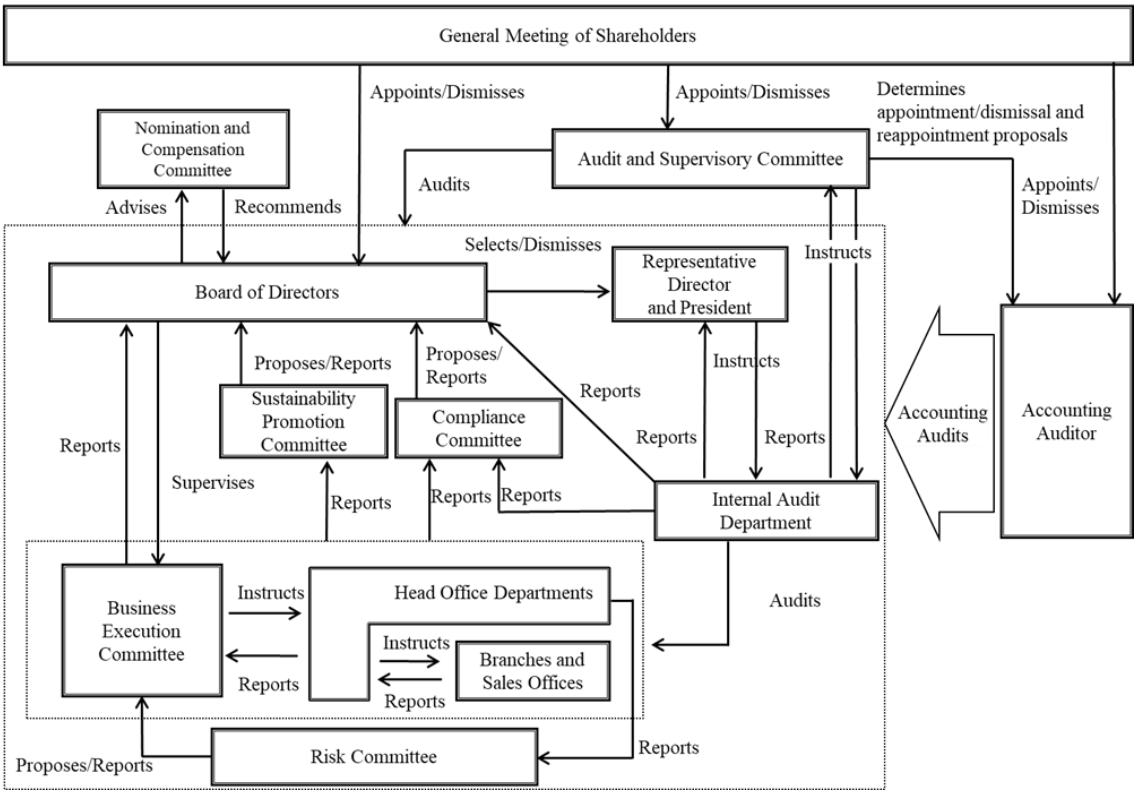
Although the Company has not formulated a basic policy as stipulated in Article 118, Item 3 of the Regulations for Enforcement of the Companies Act, the Company strives to enhance shareholder value; establish and operate more effective corporate governance; and maintain relationships of trust with shareholders, customers, employees, local communities, and other stakeholders so as not to be subject to large-scale acquisition of the Company's shares with the aim of controlling decisions on financial and business policies.

2. Other Matters Concerning the Corporate Governance System

Summary of Timely Disclosure System

The Company has established rules regarding the disclosure of corporate information for the purpose of appropriately disclosing corporate information in a prompt, accurate, and fair manner from the perspective of investors, and endeavors to maintain and improve its internal system for the disclosure of corporate information. These rules stipulate that the Company and its consolidated subsidiaries will endeavor to promptly, accurately, and fairly disclose important corporate information regarding decisions, occurrences, and financial results, etc.

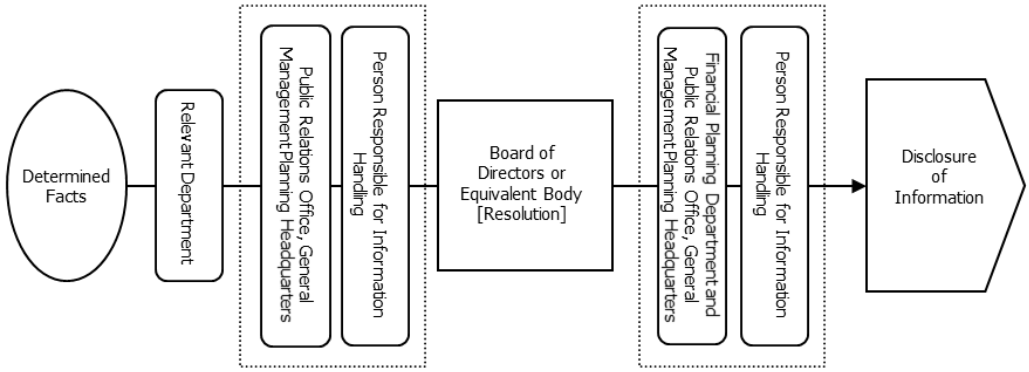
Overview of the Corporate Governance System



Organizational Structure for Information Disclosure

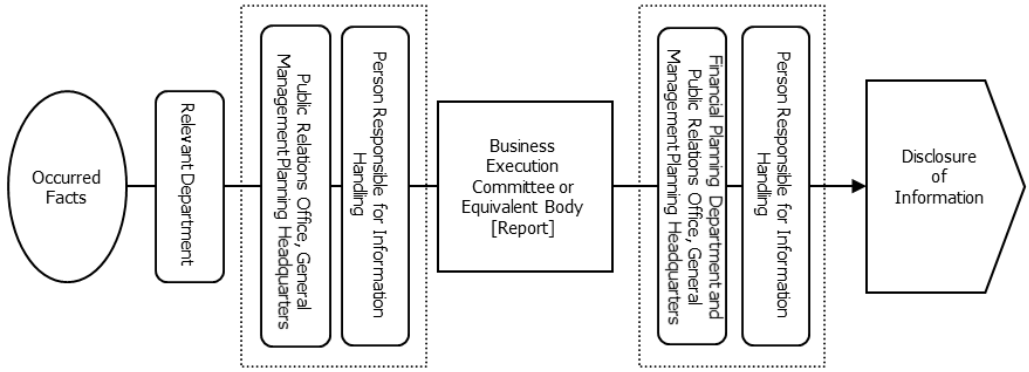
1. Information on Determined Facts

Information concerning determined facts related to important company policies will be isclosed immediately after approval by the Board of Directors or equivalent body.



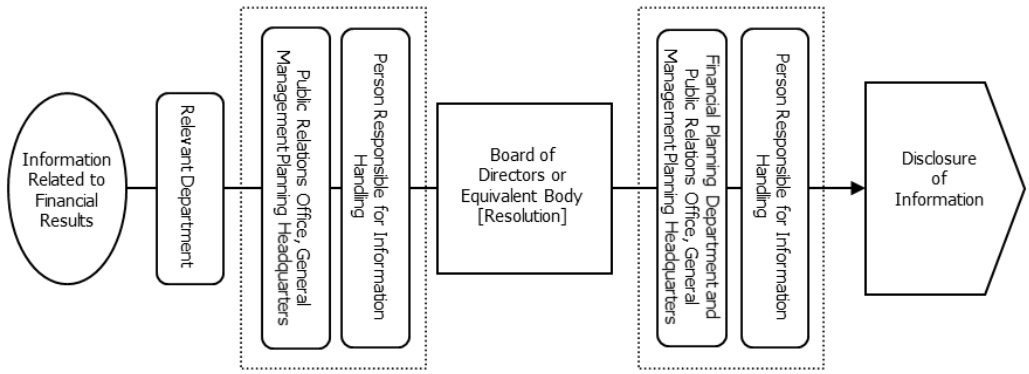
2. Information on Occurred Facts

Information concerning occurred facts related to important company policies will be disclosed immediately after approval by the Business Execution Committee or equivalent body.



3. Information on Financial Results

Information concerning financial results will be disclosed immediately after approval by the Board of Directors or equivalent body.



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