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(Securities Code: 8334)
June 2, 2021

To Shareholders with Voting Rights:

Akihiko Fukai
President
The Gunma Bank, Ltd.
194 Motosojamachi, Maebashi,
Gunma, Japan

NOTICE OF CONVOCATION OF THE 136TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

You are cordially informed that we are holding the 136th Annual General Meeting of Shareholders of The Gunma Bank, Ltd. (the “Bank”). The meeting will be held for the purposes as described below.

In order to prevent the spread of the COVID-19, we would like to ask all our shareholders to exercise your voting rights in advance by sending the enclosed Voting Rights Exercise Form or via the Internet, etc. as much as possible, and refrain from attending the General Meeting of Shareholders in person. Please review the Reference Documents for the General Meeting of Shareholders (described hereinafter) and exercise your voting rights by 5:00 p.m. on Wednesday, June 23, 2021 Japan time.

[Exercise of Voting Rights in Writing]

Please indicate your vote for or against the proposals on the enclosed Voting Rights Exercise Form and return it so that it is received by the Bank by the time stated above.

[Exercise of Voting Rights via the Internet, etc.]

Please access the Bank’s designated voting website (<https://www.e-sokai.jp>) using the “Voting Rights Exercise Code” and “Password” enclosed with the Voting Rights Exercise Form, follow the instructions on the voting website, and indicate your vote for or against the proposals by the time stated above.

- 1. Date and Time:** Thursday, June 24, 2021 at 10:00 a.m. Japan time
- 2. Place:** 3F, Main Conference Room, Head Office of the Bank,
194 Motosojamachi, Maebashi, Gunma, Japan
- 3. Agenda items:**
- Items to be reported:**
1. The Business Report and Non-consolidated Financial Statements for the Bank's 136th Fiscal Year (from April 1, 2020 to March 31, 2021)
 2. Consolidated Financial Statements for the Bank's 136th Fiscal Year (from April 1, 2020 to March 31, 2021) and results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board

Agenda items to be resolved:

Agenda Item No. 1: Appropriation of Surplus

Agenda Item No. 2: Election of Nine (9) Directors

4. Exercise of Voting Rights, etc.:

- (1) If you vote both in writing on the Voting Rights Exercise Form and via the Bank's designated voting website on the Internet, etc., your vote exercised via the Internet, etc. will be treated as valid. In addition, if you submit your vote multiple times via the Internet, etc., only the last vote will be valid.
- (2) Of the documents needed to be provided at the time of this notice of convocation, items in 1) to 3) below are, in accordance with applicable laws and regulations as well as Article 16 of the Articles of Incorporation of the Bank, posted on the Bank's website (<https://www.gunmabank.co.jp/ir/>) and are therefore not included in the documents attached to this notice of convocation.
 - 1) "Matters regarding stock acquisition rights, etc., of the Bank" in the Business Report
 - 2) Non-Consolidated Statements of Changes in Net Assets and Notes to the Non-consolidated Financial Statements in the Non-consolidated Financial Statements
 - 3) Consolidated Statements of Changes in Net Assets and Notes to Consolidated Financial Statements in the Consolidated Financial StatementsThe Business Report, Non-consolidated Financial Statements, and Consolidated Financial Statements audited by the Audit & Supervisory Board Members are the Business Report, Non-consolidated Financial Statements, and Consolidated Financial Statements attached to this notice of convocation, in addition to the items in 1) to 3) above. The Non-consolidated Financial Statements and Consolidated Financial Statements audited by the Accounting Auditor include the Non-consolidated Financial Statements and the Consolidated Financial Statements attached to this notice of convocation, in addition to the items in 2) and 3) above.
- (3) Please note that any updates to the Reference Documents for the General Meeting of Shareholders, the Business Report, the Non-consolidated Financial Statements and Consolidated Financial Statements will be posted on the Bank's website (<https://www.gunmabank.co.jp/ir/>).

End

Reference Documents for the General Meeting of Shareholders

Agenda Items and References

Agenda Item No. 1: Appropriation of Surplus

Concerning return of profits to shareholders, under the basic policy of a stable payment of dividends with the effort for improvement of financial standing, the Bank implements return of profits to shareholders linked with its business results. Additionally, the rate of return to shareholders, the total of dividends and acquisition of treasury stock, will have a target of 40% versus non-consolidated net income for the meantime.

In regards to the appropriation of surplus for this fiscal year, the Bank considers the profitability conditions of the fiscal year and internal reserves. Furthermore, the rate of return to shareholders during the fiscal year is 46.7% versus non-consolidated net income.

1. Matters concerning year-end dividends
 - (1) Type of dividend property
Cash
 - (2) Matters concerning the allotment of dividend property to shareholders and an aggregate amount 7.00 yen per share of common stock, with a total of 2,942,378,670 yen
(As 6.00 yen per share was paid as an interim dividend, annual dividends will be 13.00 yen per share.)
 - (3) Effective date of distribution of dividend of surplus
June 25, 2021
2. Matters concerning appropriation of other retained earnings
 - (1) Item and amount of surplus to be increased
General reserve 5,000,000,000 yen
 - (2) Item and amount of surplus to be decreased
Retained earnings brought forward 5,000,000,000 yen

Agenda Item No. 2: Election of Nine (9) Directors

The terms of office of all nine (9) Directors will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of nine (9) Directors is proposed.

The candidates are as follows:

Candidates for Director

No.	Name	Current position at the Bank	Attendance at Board of Directors meetings
1	<input type="checkbox"/> Reelection Kazuo Saito	Director and Chairman	12/12 (100%)
2	<input type="checkbox"/> Reelection Akihiko Fukai	Director and President	12/12 (100%)
3	<input type="checkbox"/> Reelection Nobuyuki Horie	Director and Deputy President	12/12 (100%)
4	<input type="checkbox"/> Reelection Yukio Yuasa	Managing Director	12/12 (100%)
5	<input type="checkbox"/> Reelection Satoshi Inoue	Managing Director	12/12 (100%)
6	<input type="checkbox"/> Reelection Hiroyuki Irisawa	Managing Director	12/12 (100%)
7	<input type="checkbox"/> Reelection Jun Kondo	<input type="checkbox"/> Candidate for <input type="checkbox"/> Outside Director <input type="checkbox"/> Independent <input type="checkbox"/> Officer	Outside Director 12/12 (100%)
8	<input type="checkbox"/> Reelection Kuniko Nishikawa	<input type="checkbox"/> Candidate for <input type="checkbox"/> Outside Director <input type="checkbox"/> Independent <input type="checkbox"/> Officer	Outside Director 10/10 (100%)
9	<input type="checkbox"/> New candidate Kazuhito Osugi	<input type="checkbox"/> Candidate for <input type="checkbox"/> Outside Director <input type="checkbox"/> Independent <input type="checkbox"/> Officer	-

No.	Name (Date of birth)	Past experience, positions at the Bank, responsibilities, and significant concurrent positions	Number of shares of the Bank held
1	<p data-bbox="191 560 414 649">Kazuo Saito (January 12, 1949) <u>Reelection</u></p> <p data-bbox="183 683 422 772">Attendance at Board of Directors meetings 12/12</p>	<p data-bbox="438 268 574 302">April 1972</p> <p data-bbox="438 302 574 336">June 1995</p> <p data-bbox="438 336 574 392">April 1998</p> <p data-bbox="438 392 574 425">June 2001</p> <p data-bbox="438 425 574 459">June 2003</p> <p data-bbox="438 459 574 515">June 2004</p> <p data-bbox="438 515 574 571">June 2005</p> <p data-bbox="438 571 574 627">June 2006</p> <p data-bbox="438 627 574 683">July 2006</p> <p data-bbox="438 683 574 739">June 2007</p> <p data-bbox="438 739 574 795">June 2009</p> <p data-bbox="438 795 574 851">June 2011</p> <p data-bbox="438 851 574 907">June 2015</p> <p data-bbox="438 907 574 963">June 2019</p>	<p data-bbox="1332 638 1428 694">337,024 shares</p>
<p data-bbox="191 1064 758 1097">[Reasons for proposal as a candidate for Director]</p> <p data-bbox="191 1097 1460 1274">Aside from the credit division and corporate planning division, Mr. Kazuo Saito has a wealth of operational experience through involvement in the personnel and secretariat divisions, etc., and is well-versed in the operations of the Bank. Additionally, he has served as Director from June 2005, President from June 2011 and Chairman from June 2019, and is appropriately fulfilling these duties and responsibilities. To utilize this experience and knowledge as Director, the Bank has judged that he is a person that can continue to contribute to the management of the Bank, and has submitted him as a candidate for Director.</p>			

No.	Name (Date of birth)	Past experience, positions at the Bank, responsibilities, and significant concurrent positions	Number of shares of the Bank held
2	<p data-bbox="183 571 422 672">Akihiko Fukai (November 3, 1960) <u>Reelection</u></p> <p data-bbox="183 694 422 795">Attendance at Board of Directors meetings 12/12</p>	<p data-bbox="438 268 1292 1086"> April 1984 Joined the Bank June 2003 General Manager, Osaka Branch June 2005 General Manager, Kiryu Branch June 2007 General Manager, Ota Branch June 2009 General Manager, Risk Management Department June 2011 General Manager, Corporate Planning Department June 2013 Director and General Manager, Corporate Planning Department June 2014 Managing Director and General Manager, Business Planning & Administration Department June 2015 Managing Director and in charge of Corporate Planning Department, Systems Development Department and Tokyo Liaison Office June 2016 Managing Director and in charge of Corporate Planning Department, Systems Development Department, Tokyo Liaison Office and Secretariat June 2017 Senior Managing Director and in charge of Corporate Planning Department, Systems Development Department, Tokyo Liaison Office and Secretariat October 2017 Senior Managing Director and in charge of Corporate Planning Department, Systems Development Department and Secretariat June 2018 Senior Managing Director and in charge of Corporate Planning Department, Personnel Department and Secretariat June 2019 President and in charge of general operations (current position) </p>	<p data-bbox="1308 649 1468 716">176,998 shares</p>
<p data-bbox="183 1097 1468 1299"> [Reasons for proposal as a candidate for Director] Aside from the corporate planning division and systems development division, Mr. Akihiko Fukai has a wealth of operational experience through involvement in the sales division, risk management division and personnel and secretariat division etc., and is well-versed in the operations of the Bank. Additionally, he has served as Director from June 2013 and President from June 2019, and is appropriately fulfilling these duties and responsibilities. To utilize this experience and knowledge as Director, the Bank has judged that he is a person that can continue to contribute to the management of the Bank, and has submitted him as a candidate for Director. </p>			

No.	Name (Date of birth)	Past experience, positions at the Bank, responsibilities, and significant concurrent positions	Number of shares of the Bank held
3	Nobuyuki Horie (January 10, 1956) <u>Reelection</u> Attendance at Board of Directors meetings 12/12	April 1978 Joined the Bank February 2000 General Manager, Fukayakamishiba Branch March 2002 Deputy General Manager, Personnel Department June 2004 Senior Deputy General Manager, Personnel Department June 2005 General Manager, Kumagaya Branch June 2007 General Manager, Corporate Banking Department June 2009 Executive Officer and General Manager, Utsunomiya Branch June 2011 Executive Officer and General Manager, Personnel Department June 2012 Director, Executive Officer and General Manager, Personnel Department June 2013 Director and General Manager, Personnel Department June 2014 Managing Director and General Manager, Compliance Department June 2015 Managing Director and in charge of Risk Management Department, Compliance Department and General Affairs Department June 2016 Managing Director and in charge of Personnel Department and Risk Management Department June 2017 Senior Managing Director and in charge of Business Planning & Administration Department, Personal Loan Department and Customer Consulting Department October 2017 Senior Managing Director and in charge of Business Planning & Administration Department, Personal Loan Department, Customer Consulting Department and Asset Management Support Department June 2019 Director and Executive Vice President and in charge of Personnel Department, Risk Management Department and Secretariat (current position)	175,874 shares
<p>[Reasons for proposal as a candidate for Director] Aside from the personnel division, Mr. Nobuyuki Horie has a wealth of operational experience through involvement in the sales division and compliance division, etc., and is well-versed in the operations of the Bank. Additionally, he has served as Director from June 2012, and has appropriately fulfilled these duties and responsibilities. To utilize these experience and knowledge as Director, the Bank has judged that he is a person that can continue to contribute to the management of the Bank, and has submitted him as a candidate for Director.</p>			

No.	Name (Date of birth)	Past experience, positions at the Bank, responsibilities, and significant concurrent positions	Number of shares of the Bank held
4	<p data-bbox="204 499 400 589">Yukio Yuasa (August 9, 1959) <u>Reelection</u></p> <p data-bbox="180 622 424 712">Attendance at Board of Directors meetings 12/12</p>	<p data-bbox="443 271 1300 940"> April 1983 Joined the Bank October 2002 General Manager, Fukiage Branch August 2005 Deputy General Manager, Personnel Department July 2006 Deputy General Manager, Business Planning & Administration Department June 2008 Senior Deputy General Manager, Business Planning & Administration Department and General Manager, Business Strategy Office June 2009 General Manager, Omiya Branch June 2011 General Manager, Personal Financial Products Department October 2012 General Manager, Personal Banking Department June 2014 Executive Officer and General Manager, Personnel Department June 2016 Dispatched, treated as Executive Officer President and Representative Director, Gungin Securities Co., Ltd. June 2017 Dispatched, treated as Managing Executive Officer President and Representative Director, Gungin Securities Co., Ltd. June 2019 Managing Director and in charge of Credit Department, Operations Administration Department and Operations Department (current position) </p>	70,796 shares
<p data-bbox="188 947 1444 1153"> [Reasons for proposal as a candidate for Director] Aside from the personnel division and sales division, Mr. Yukio Yuasa served as President and Representative Director of our group company Gungin Securities Co., Ltd., and has a wealth of operational experience and is well-versed in the operations of the Bank. Additionally, he has served as Director from June 2019, and has appropriately fulfilled these duties and responsibilities. To utilize these experience and knowledge as Director, the Bank has judged that he is a person that can continue to contribute to the management of the Bank, and has submitted him as a new candidate for Director. </p>			

No.	Name (Date of birth)	Past experience, positions at the Bank, responsibilities, and significant concurrent positions	Number of shares of the Bank held
5	<p>Satoshi Inoue (April 2, 1960) <u>Reelection</u></p> <p>Attendance at Board of Directors meetings 12/12</p>	<p>April 1983 Joined the Bank</p> <p>February 2003 General Manager, Nakaizumi Branch</p> <p>June 2005 General Manager, Musashiurawa Branch</p> <p>April 2007 Senior Deputy General Manager, Tokyo Branch</p> <p>February 2010 General Manager, Tomioka Branch</p> <p>June 2011 General Manager, Corporate Banking Department</p> <p>June 2014 Executive Officer and General Manager, Takasaki Branch</p> <p>June 2017 Managing Executive Officer and General Manager, Business Planning & Administration Department</p> <p>June 2019 Managing Director and in charge of Business Planning & Administration Department, Personal Loan Department, Customer Consulting Department and Asset Management Support Department</p> <p>September 2019 Managing Director and Acting General Manager, Business Planning & Administration Department</p> <p>June 2020 Managing Director and in charge of Business Planning & Administration Department, Customer Consulting Department, Asset Management Support Department and International Department (current position)</p>	66,657 shares
<p>[Reason for proposal as a candidate for Director] Mr. Satoshi Inoue served as the person responsible for sales division as General Manager of the business planning & administration department and has served as the person responsible for the Takasaki Block and Seimo Block, etc. He has a wealth of operational experience and is well-versed in the operations of the Bank. Additionally, he has served as Director from June 2019, and has appropriately fulfilled these duties and responsibilities. To utilize these experience and knowledge as Director, the Bank has judged that he is a person that can continue to contribute to the management of the Bank, and has submitted him as a candidate for Director.</p>			

No.	Name (Date of birth)	Past experience, positions at the Bank, responsibilities, and significant concurrent positions	Number of shares of the Bank held
6	Hiroyuki Irisawa (June 26, 1960) <u>Reelection</u> Attendance at Board of Directors meetings 12/12	April 1984 Joined the Bank October 2003 Administration Deputy Manager, Takasaki Branch June 2005 Chairman, Opening Preparation Committee, Tokorozawa Corporate Sales Office (Sub-branch) October 2006 General Manager, Tokorozawa Branch December 2006 Deputy General Manager, Credit Department June 2009 General Manager, Credit Operations Office, Credit Department June 2011 General Manager, Kumagaya Branch June 2014 General Manager, General Affairs Department June 2016 Executive Officer and General Manager, Corporate Planning Department June 2018 Managing Executive Officer and General Manager, Corporate Planning Department June 2019 Managing Director and in charge of Corporate Planning Department, General Affairs Department and Systems Development Department June 2020 Managing Director and in charge of Corporate Planning Department, General Affairs Department, Systems Development Department and Treasury & Securities Department (current position)	59,854 shares
<p>[Reason for proposal as a candidate for Director] Aside from the corporate planning division, Mr. Hiroyuki Irisawa has a wealth of operational experience through involvement in the credit division and general affairs division, etc., and is well-versed in the operations of the Bank. Additionally, he has served as Director from June 2019, and has appropriately fulfilled these duties and responsibilities. To utilize these experience and knowledge as Director, the Bank has judged that he is a person that can continue to contribute to the management of the Bank, and has submitted him as a candidate for Director.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Bank held
7	<p data-bbox="215 604 391 672">Jun Kondo (July 20, 1950)</p> <p data-bbox="231 672 375 705"><u>Reelection</u></p> <p data-bbox="175 705 430 795">Candidate for Outside Director Independent Officer</p> <p data-bbox="175 817 430 907">Attendance at Board of Directors meetings 12/12</p>	<p data-bbox="438 268 574 302">April 1976</p> <p data-bbox="438 324 566 358">June 2003</p> <p data-bbox="438 414 566 448">May 2004</p> <p data-bbox="438 537 566 571">June 2004</p> <p data-bbox="438 627 566 660">June 2006</p> <p data-bbox="438 750 574 784">April 2007</p> <p data-bbox="438 873 566 907">June 2008</p> <p data-bbox="438 963 574 996">April 2009</p> <p data-bbox="438 1030 566 1064">June 2010</p> <p data-bbox="438 1064 566 1097">June 2011</p> <p data-bbox="438 1120 566 1153">June 2016</p> <p data-bbox="438 1153 566 1187">June 2017</p> <p data-bbox="438 1209 574 1243">April 2021</p> <p data-bbox="630 268 1284 1243"> Joined SUBARU CORPORATION (then trade name at the time: Fuji Heavy Industries Ltd.) Corporate Vice President, Chief General Manager of Subaru Manufacturing Division and Chief General Manager of Gunma Plant, Fuji Heavy Industries Ltd. Corporate Vice President, Chief General Manager of Subaru Cost Planning & Management Division and General Manager of Cost Planning Department, Fuji Heavy Industries Ltd. Corporate Senior Vice President, Chief General Manager of Subaru Cost Planning & Management Division, Fuji Heavy Industries Ltd. Corporate Senior Vice President, Chief General Manager of Subaru Cost Planning & Management Division and Senior General Manager of Subaru Purchasing Division, Fuji Heavy Industries Ltd. Corporate Senior Vice President, Chief General Manager of Strategy Development Division and Chief General Manager of Subaru Cost Planning & Management Division, Fuji Heavy Industries Ltd. Director of the Board and Corporate Executive Vice President, Chief General Manager of Strategy Development Division, Fuji Heavy Industries Ltd. Director of the Board and Corporate Executive Vice President, Fuji Heavy Industries Ltd. Outside Director of Gunma Television Co., Ltd. Representative Director of the Board and Deputy President, SUBARU CORPORATION Director of the Bank (current position) Director of the Board and Chairman, SUBARU CORPORATION Director, Gunma University (current position) </p>	24,200 shares
<p data-bbox="183 1249 1157 1283">[Reason for proposal as a candidate for Outside Director, expected roles to play, etc.]</p> <p data-bbox="183 1283 1476 1612">As Mr. Jun Kondo serves as Director of the Board and Chairman of SUBARU CORPORATION, and has a wealth of experience and wide insights on corporate management, the Bank has judged that he is a person who can utilize this experience and knowledge as Outside Director to contribute to the management of the Bank, and has selected him as a candidate for Outside Director. He has served as Outside Director since June 2016, and has been appropriately fulfilling such duties and responsibilities as may be required. The Bank expects him to continue to supervise its business execution from an objective standpoint and participate in examination processes as a member of the Nomination Advisory Committee and the Compensation Advisory Committee. As he satisfies the standards for independence for Independent Directors prescribed by the Tokyo Stock Exchange, Inc. and the Standards for Determining Independence of Outside Officers of the Bank and has been judged to not have potential for conflicts of interest with ordinary shareholders, the Bank has submitted him as an Independent Director to the Tokyo Stock Exchange, Inc.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of stocks of the Bank held
8	Kuniko Nishikawa (July 9, 1962) <u>Reelection</u> Candidate for Outside Director Independent Officer Attendance at Board of Directors meetings 10/10	April 1986 Joined Citibank, N.A. February 1996 Joined A.T. Kearney September 2000 President and Representative Director, SUPERNURSE Co. Ltd. August 2010 President and Representative Director, FIRSTSTAR Healthcare Co. Ltd. (current position) April 2013 Outside Director, Regional Economy Vitalization Corporation of Japan (REVIC) June 2013 President and Representative Director, Benesse MCM June 2015 Outside Director, OMRON Corporation May 2017 President and Representative Director, FRONTEO Healthcare Inc. June 2018 Outside Auditor, AIG Japan Holdings KK June 2020 Director of the Bank (current position) Outside Director, Solasto Corporation (current position) Outside Director, AIG Japan Holdings KK (current position)	600
<p>[Reason for proposal as a candidate for Outside Director, expected roles to play, etc.]</p> <p>Ms. Kuniko Nishikawa has experience of working in foreign financial institutions and foreign consulting companies and serving as President and Representative Director of a temporary staffing and placement company. In addition to currently serving as President of FIRSTSTAR Healthcare, Co. Ltd. which she established in 2010, Ms. Kuniko Nishikawa serves as a president or an outside director of several companies and has a wealth of experience and wide insights on corporate management. The Bank has judged that she is a person who can utilize this experience and knowledge as Outside Director to contribute to the management of the Bank, and has selected her as a candidate for Outside Director. She has served as Outside Director since June 2020, and has been appropriately fulfilling such duties and responsibilities as may be required. The Bank expects her to continue to supervise its business execution from an objective standpoint and participate in examination processes as a member of the Nomination Advisory Committee and the Compensation Advisory Committee. As she satisfies the standards for independence for Independent Directors stipulated by the Tokyo Stock Exchange, Inc. and the Standards for Determining Independence of Outside Officers of the Bank and has been judged to not have potential for conflicts of interest with ordinary shareholders, the Bank has submitted her as an Independent Director to the Tokyo Stock Exchange, Inc.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Bank held
9	Kazuhito Osugi (July 31, 1953) <u>New Candidate</u> Candidate for Outside Director Independent Officer	April 1977 Joined Bank of Japan November 1986 Economist, Bank for International Settlements (BIS) June 1999 General Manager of Matsumoto Branch, Bank of Japan May 2001 Assistant General Manager of Osaka Branch, Bank of Japan May 2003 RM Controlling Senior Director, Industrial Revitalization Corporation of Japan July 2005 Deputy Director-General of Financial System and Bank Examination Department and Head of Center for Advanced Financial Technology, Bank of Japan May 2006 Internal Auditor and Director-General of Internal Auditors' Office, Bank of Japan April 2007 Director-General of Secretariat of the Policy Board, Bank of Japan April 2009 Visiting Professor, Ochanomizu University September 2011 Auditor, Bank of Japan October 2015 Advisor of Security Transport Business Division, NIPPON EXPRESS CO., LTD. June 2016 Independent Outside Director of the Board, Nissha Co., Ltd. (then trade name at the time: Nissha Printing Co., Ltd.) (current position) August 2018 Outside Director of the Board, Frontier Management Inc. (current position)	-
<p>[Reason for proposal as a candidate for Outside Director, expected roles to play, etc.]</p> <p>Mr. Kazuhito Osugi gained advanced expertise in the overall financial field and a wealth of practical experience through his career including serving as Branch General Manager, Director-General of Internal Auditors' Office, Director-General of Secretariat of the Policy Board, and Auditor at Bank of Japan. He also has wide insights based on his experience of revitalizing private-sector companies at Industrial Revitalization Corporation of Japan and serving as an outside director at several companies. The Bank has judged that he is a person who can utilize this experience and knowledge as Outside Director to contribute to the management of the Bank, and has selected him as a candidate for Outside Director. The Bank expects him to supervise its business execution from an objective standpoint and participate in examination processes as a member of the Nomination Advisory Committee and the Compensation Advisory Committee. As he satisfies the standards for independence for Independent Directors prescribed by the Tokyo Stock Exchange, Inc. and the Standards for Determining Independence of Outside Officers of the Bank and has been judged to not have potential for conflicts of interest with ordinary shareholders, the Bank intends to submit him as an Independent Director to the Tokyo Stock Exchange, Inc.</p>			

- (Notes)
1. There is no special interest between each of the candidates and the Bank.
 2. Mr. Jun Kondo, Ms. Kuniko Nishikawa and Mr. Kazuhito Osugi are candidates for Outside Director.
 3. The term of office of Mr. Jun Kondo as Outside Director of the Bank will be five years at the conclusion of this Annual General Meeting of Shareholders.
The term of office of Ms. Kuniko Nishikawa as Outside Director of the Bank will be one year at the conclusion of this Annual General Meeting of Shareholders.
 4. SUBARU CORPORATION, where Mr. Jun Kondo served as a Director until June 2018, acknowledged the business improvement instructions issued by the Ministry of Land, Infrastructure and Transportation concerning “Inappropriate Handling with Regard to Final Vehicle Inspection” that came to light in October 2017, and submitted the results of its investigation to the Ministry in December 2017. In addition, SUBARU CORPORATION reported the “Inappropriate Alteration of Data on the Measurement of Fuel Economy and Emissions” that came to light during the inspection process to the Ministry of Land, Infrastructure and Transportation in April 2018.
 5. Ms. Kuniko Nishikawa is scheduled to resign her office as Outside Director of Solasto Corporation in June 2021.
 6. About liability limitation agreements
The Bank stipulated in its Articles of Incorporation that it may conclude liability limitation agreements with Outside Directors to allow them to adequately fulfill their expected duties. The Bank has concluded liability limitation agreements with both Mr. Jun Kondo and Ms. Kuniko Nishikawa, respectively, and if their reelection is approved, the Bank plans to continue with this agreement with each of them. Additionally, if Mr. Kazuhito Osugi is elected, the Bank plans to conclude a liability limitation agreement with him.
Furthermore, a summary of that agreement is as follows.
 - Concerning liability for damage which may be incurred by the Bank as provided in Article 423, Paragraph 1 of the Companies Act, the maximum amount of liability borne by the Outside Director under the agreement shall be limited to the limit amount stipulated in Article 425, Paragraph 1 of the Companies Act, assuming that there is no willful misconduct or gross negligence in the performance of his/her duties.
 7. About directors and officers liability insurance
The Bank has concluded a directors and officers liability insurance contract provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The insurance contract covers damages that may arise when an insured director or officer assumes liability for the execution of his or her duties or receives a claim related to the pursuit of such liability. If each candidate is elected as Director, he/she will be insured under the insurance contract, which is to be renewed during his/her terms of office.

(Reference)

Specialties and experiences of candidates for Director and Audit & Supervisory Board Member (Skills matrix)

[Director and Audit & Supervisory Board Member]

Name	Position	Skill categories							
		Corporate governance/ Sustainability	Regional economy	Sales	Market operations	Corporate strategy/ Planning/ Compliance with regulations/ New business development	Personnel	Risk management	Systems
Kazuo Saito	Director and Chairman	✓	✓	✓	✓	✓	✓	✓	
Akihiko Fukai	Director and President	✓	✓	✓	✓	✓		✓	✓
Nobuyuki Horie	Director and Deputy President		✓	✓			✓	✓	
Yukio Yuasa	Managing Director			✓			✓	✓	
Satoshi Inoue	Managing Director		✓	✓					
Hiroyuki Irisawa	Managing Director	✓		✓	✓	✓			✓
Noriyuki Watanabe	Audit & Supervisory Board Member			✓			✓	✓	
Shinya Koitabashi	Audit & Supervisory Board Member			✓	✓				

[Outside Director and Outside Audit & Supervisory Board Member]

Name	Position	Skill categories							
		Corporate management	Financials (Theories/ Administration/ Regulations)	Corporate finance & accounting (Practices/ Theories)	Corporate legal affairs (Practices/ Theories)	Macroeconomics	Sustainability	IT/ Digital/ Fintech	Regional economy/ administration
Jun Kondo	Director	✓		✓					✓
Kuniko Nishikawa	Director	✓					✓	✓	
Kazuhito Osugi	Director		✓			✓			
Kaneo Fukushima	Audit & Supervisory Board Member						✓		✓
Makoto Tanaka	Audit & Supervisory Board Member			✓					✓
Yasuo Kamiya	Audit & Supervisory Board Member				✓				✓

The above tables do not necessarily show all specialties, experiences, and knowledge the candidates for Directors and Audit & Supervisory Board Member have.

Summary of the Standards for Determining Independence of Outside Officers of the Bank

- Candidates for Outside Directors / Outside Audit & Supervisory Board Members of the Bank will be determined to possess independence toward the Bank in the event that none of the following items applies.
 - (1) The candidate holds the Bank as a major transaction partner, or if the candidate is a corporation, etc., a managing person thereof.
 - (2) The candidate is a major transaction partner of the Bank, or if the candidate is a corporation, etc., a managing person thereof.
 - (3) The candidate is a consultant, accounting specialist, or legal specialist who receives a significant amount (Note 1) of money or other considerations from the Bank aside from officer remuneration.
 - (4) The candidate to whom (1), (2), or (3) applied recently (Note 2)
 - (5) A close relative (Note 4) of the candidate to which any of A to D below applies (excluding non-significant (Note 3) persons).
 - A. A person to whom any of (1) to (4) above applies; or
 - B. A business executor of a subsidiary of the Bank; or
 - C. A director of a subsidiary of the Bank who is not a business executor of such subsidiary; or
 - D. A person to whom B or C above applied or who was a business executor of the Bank recently.
- (Note 1) Significant amount: An amount of 10 million yen or more averaged for each of over the past three years.
- (Note 2) Recently: A case where the timing can be seen as essentially the present time; by way of example, the time at which the content of an agenda item to elect an Outside Director or Outside Audit & Supervisory Board Member of the Bank at a General Meeting of Shareholders is determined.
- (Note 3) Significant: For business executor, a person who is executive or at managerial class, and for accounting specialists and legal specialists, a person who holds certified public accountant or attorney certification.
- (Note 4) Close relative: A relative within the second degree.

End