

Last updated: October 1, 2025

Yokohama Financial Group, Inc.

Tatsuya Kataoka, President and Representative Director

Contact: Corporate Planning Department

Securities Code: 7186

<https://www.yokohamafg.co.jp/en/index.html>

The corporate governance of Yokohama Financial Group, Inc. is described below.

Corporate Governance Basic Concepts and Capital Structure, Corporate Attributes, and Other Basic Information

1. Basic Concepts

Yokohama Financial Group, Inc. (hereinafter referred to as the “Company”) is the holding company of a comprehensive financial group that includes The Bank of Yokohama, Ltd., The Higashi-Nippon Bank, Limited., and L&F Asset Finance, Ltd. (hereinafter referred to as the “Group companies”).

Based on our Management Philosophy, we are ensuring the fairness, transparency, and speed of decision-making, and building a corporate governance system appropriate for a comprehensive financial group for various stakeholders such as shareholders, customers, employees, and local communities.

[Management Philosophy]

As a financial group that is trusted by customers and indispensable to its region

- ① Contribute to enriching the lives of our customers and growing their businesses.
- ② Contribute to the sustainable development of regional communities.
- ③ Continue to be an attractive company that employees are proud to work for.
- ④ Grow sustainably and enhance our corporate value.

[Group slogan]

With you. Nurturing the Future.

We have established a Corporate Governance Basic Policy that sets forth the policies and frameworks for achieving effective corporate governance with the aims of promoting the sustainable growth of the Group and improving corporate value over the medium to long term.

Moreover, we will continually review the state of corporate governance and work toward its improvement.

Please refer to the Corporate Governance Basic Policy, which is available on the Company's website.

(Corporate Governance Basic Policy) <https://www.yokohamafg.co.jp/en/company/base/governance/index.html>

[Reasons for Non-compliance with the Principles of the Japan's Corporate Governance Code]

The Company has implemented all the principles of Japan's Corporate Governance Code, as revised in June 2021.

[Disclosure Based on the Principles of the Japan's Corporate Governance Code]

[Principle 1-4] (Policy Shareholdings)

1. Policy on Policy Shareholdings

The “Policy on Policy Shareholdings” for listed stocks by the Company and its group banks (*1) is as follows.

The basic policy for policy shareholdings (*2) is to reduce the balance for the sake of controlling financial risk from stock price fluctuations and of efficiently using capital with an awareness of the cost of capital.

*1 “Group banks” refers to the Bank of Yokohama, Higashi-Nippon Bank and THE KANAGAWA BANK.

*2 Policy shareholdings are classified according to the purpose of the holdings, (1) shares held for operating purposes and (2) shares held for business strategy purposes. (1) accounts for the majority.

- (1) Shares held for operating purposes refer to shares in companies that play a central role in the regional economy, companies that contribute to regional development such as community development, companies that aim to support revitalization, etc., and companies that offer a risk-return ratio that is commensurate with the cost of capital.
- (2) Shares held for business strategy purposes refer to shares in companies that are expected to have strategic business effects through business alliances and other means.

We periodically review the significance and economic rationale of our shareholdings, and if the holdings are not deemed appropriate, we sell them while considering relevant factors, including negotiations to improve profitability and market impact. Even in cases where holdings are deemed appropriate, we may sell some of the shares in accordance with our basic policy of reducing outstanding balances, and taking into consideration the market environment, management, and financial strategies. Furthermore, where cross shareholders demonstrate an intention to sell Company shares, the Company will take no actions to prevent those sales.

2. Efforts to reduce policy shareholdings

Beginning in FY2025, we have revised our target to reduce the ratio of the balance held at market value (the total of listed stocks and unlisted stocks [excluding shares reserved voting rights (no ownership rights)] held by the Bank of Yokohama, Higashi-Nippon Bank and THE KANAGAWA BANK) to the consolidated net assets to less than 10% by the end of March 2030. We will continue to work even harder to reduce policy shareholdings.

No transfer from policy shareholdings to net investment stocks will be made.

3. Evaluation of the significance of holdings and the economic rationale

The Company's Board of Directors regularly verifies each company whose listed shares are held by the Company as policy shareholdings for the significance of holdings (its contributions to regional development, strengthening of long-term and stable business relationships, etc.) and the economic rationale (risk-return commensurate with cost of capital).

In order to verify the economic rationale, we set standard values for return on risk-weighted assets (RORA) and for return on capital employed (risk quantity base) according to the target return on shareholder's equity (ROE).

In addition, the Company periodically checks the progress of efforts for sale negotiations and profitability improvement.

4. Verification results, etc.

The Board of Directors verified the significance and economic rationale for holding all listed shares (approximately 140 stocks) as of the end of March 2025, and found that approximately 80% or more of all stocks met the holding criteria.

For stocks that do not meet our holding criteria, the objective is improved profitability, but if they do not improve within a certain period of time, we consider selling.

The same verification is also conducted for deemed holdings.

In FY2024, the Company sold approximately 2.2 billion yen on an acquisition cost basis.

5. Voting Rights Exercise Standards

When exercising voting rights, the Group decides whether to approve or reject proposals in a comprehensive manner, after confirming such factors as the management policies (regarding increase of corporate value over the medium to long term and sustainable growth), governance, and business details of the company whose shares are cross-held, and considering the matter from the viewpoint of share value.

In cases when there are important proposals that may cause significant fluctuations in share value or when the details of the proposal are unclear, the Company carefully decides whether to approve or reject the proposal by such means as separately engaging in dialogue with the company whose shares are cross-held as necessary.

Proposals that the Group considers important are as follows.

- Surplus appropriation proposals (in cases of large-scale losses, etc.)
- Proposals on the election of Directors and Audit & Supervisory Board Members (cases of impropriety or losses occurring over a certain continuous period)
- Proposals on anti-takeover measures
- Proposals on organizational restructuring
- Proposals on payment of retirement benefits (for Audit & Supervisory Board Members, etc.)

[Principle 1-7] (Related Party Transactions)

In order to protect the interests of shareholders, the Company has established the following procedures to ensure that transactions are not conducted in violation of Company and shareholder interests.

- In the Board of Directors regulations, the Board of Directors has determined that competitive transactions by directors and important transactions between the Company and its directors must be approved by or reported to the Board of Directors, which monitors such transactions.
- "Basic Regulations on Compliance," etc. are established by resolution of the Board of Directors and thorough awareness is ensured for the prohibition against actions that constitute a conflict of interest, etc., the prohibition against the provision of property benefits upon the exercise of rights by shareholders, and other matters, while the status of compliance is monitored through periodic reports to the Board of Directors and whenever necessary.

[Supplementary Principle 2-4 ①] (Ensuring Diversity in Promotions for Core Human Resources)

1. Views on ensuring diversity

The Company has established the Group Human Resource Policy as its basic policy for enhancing the value of human capital. The policy states, "In order to enhance our ability to provide solutions to the increasingly diverse and sophisticated needs of local communities and customers while flexibly responding to drastic changes in the economic and social environment, we will build a diverse talent portfolio with various backgrounds and expertise. We will also strive to create a workplace environment where employees can work with peace of mind and foster a vibrant organizational culture that enhances the well-being of each employee with such diverse values and lifestyles, allowing them to fully utilize their capacities."

Under this policy, in addition to new graduates, we are actively approaching a diverse range of human resources, including career hires and foreign nationals, in order to secure human resources with various backgrounds and expertise. In order to retain such personnel, we set targets for promoting the activities of our female employees, for the hiring and retention of mid-career hires, etc. and proactively and effectively promote approaches for attaining these targets.

<Voluntary and measurable goals and their status, etc.> (as of March 31, 2025)

Percentage of female managers: (The Bank of Yokohama and the Higashi-Nippon Bank combined): 21.6% (Target by end of FY2027: 25%)

Percentage of mid-career hires in management positions: (The Bank of Yokohama only): 18.1% (Target by end of FY2027: 14% or higher)

In addition, we have a network of overseas offices, mainly in Asia, primarily to support the overseas expansion of our customer base. Because we recognize the importance of securing and retaining human resources who are familiar with the business customs and needs of each overseas office, we actively recruit locally. As of April 1, 2025, the number of locally hired employees was 54 (The Bank of Yokohama only).

In the domestic business, we are also working to recruit and retain foreign nationals in order to realize the Group's overseas strategy and respond to foreign customers. As of April 1, 2025, the number of foreign nationals in management positions was 13 (The Bank of Yokohama only).

2. Human resources development policies and in-house environment development policies for ensuring diversity and their current status

To ensure diversity as stated in the Group Human Resource Policy, we have established a Diversity, Equity, & Inclusion Policy and are actively working to develop and retain diverse human resources by synergistically addressing the "promotion of diversity" to recognize and mutually respect diversity in human resources, work styles and careers, and "work style reform" to establish a workplace environment that allows employees to work in flexible and diverse work styles.

(Diversity, Equity, and Inclusion Policy)

<https://www.yokohamafg.co.jp/en/csr/sdgs-report/diversity/diversity-equity-inclusion/index.html>

(1) Promoting diversity

We are promoting initiatives to eliminate the gender gap in management positions and to promote diversification of the human resources who will be responsible for the next generation of management, including the introduction of a project to promote the success of female candidates in managerial positions. In addition, we encourage employees to develop their careers independently, and to grow beyond the beaten path of their career up to that point, by expanding opportunities for employees to gain diverse experience outside the company beyond banking operations, such as through the Career Innovation Support Systems including Innovation Leaves which allow employees to take concurrent positions outside the company, work side jobs, or take leave to focus on "learning," and through external secondments for educational purposes. Furthermore, we are engaged in internal training to promote diversity, including training for all employees to promote a better understanding of diversity and training on unconscious bias.

In FY2024, the three Group banks co-sponsored the DEI Promotion Month, Concordia Diversity Month, and other initiatives.

In recognition of these efforts, we were recognized as the "Best Workplace" in the "D&I Award 2024." "Best Workplace" certification was granted to our Group as the first regional bank in FY2023, and FY2024 marked the second consecutive year of certification.

(2) Promotion of diverse work styles and work style reform

We offer our employees a variety of work style options to suit their individual circumstances by enhancing our work systems, which are not restricted by time or location, such as flextime, teleworking, and shortened working hours systems to support childcare and nursing care. We also support the work-life balance of each employee through measures such as the work interval system, hourly leave system, a Refresh Month as a month to further encourage employees to take paid leave, and encouraging male employees to take childcare leave.

In FY2024, we strengthened our efforts to improve work style efficiency and to promote role models that encourage male employees to take childcare leave.

For more information on the status of efforts to ensure diversity, see this report at "III. 3. Measures to Ensure Due Respect for Stakeholders" in this report.

[Principle 2-6] (Fulfilling Functions of Corporate Pension Funds as Asset Owners)

At the Group, to increase our expertise in the management of corporate pensions and exercise the functions expected of us as an asset owner, the following systems have been put in place.

- At the Bank of Yokohama, the pension assets are managed through the Bank of Yokohama Pension Fund (hereinafter referred to as "the Fund"). Human resources with the appropriate qualities required to manage the Fund are assigned in a planned manner as the persons responsible for the Fund, and monitoring of the managing trustee organization is conducted. Furthermore, an asset management committee composed of members familiar with personnel, market operations, risk, and finance, etc. has been established for the Fund, and deliberations are held on important items including the basic policy for management and evaluation of the managing trustee organization, etc. In addition, a retirement benefit committee has been established at the parent company, the Bank of Yokohama, and from the standpoints of the independence of the Fund and the protection of the recipients, continuous monitoring of the state of the operation and management of the pension assets is conducted, and deliberations are held on important items relating to the entire retirement benefits system. The Fund has expressed its acceptance of the Asset Owner Principles and the Japanese version of the stewardship code.

(The Bank of Yokohama Pension Fund) <https://www.nenkin-kikin.jp/yokohama-bank/> (available in Japanese only)

Based on the thinking that this will lead to stable management of the Fund, the Fund also invests in companies that are committed to improving their corporate value over the long term through appropriate actions on ESG issues.

- At the Higashi-Nippon Bank, reports are received from the managing trustee organization, and the Corporate Planning Department, the Risk Management Department, and the Human Asset Department conduct monitoring. Furthermore, a corporate pension committee chaired by the director responsible for the Human Asset Department and composed of members familiar with matters such as personnel, market operations, risks and finance, deliberates on basic policy for management and evaluation of the managing trustee organization, the state of the operation and management of pension assets, and other important items relating to the entire pension fund system.

Based on the thinking that this will lead to stable management of the corporate pension fund, the corporate pension fund also invests in companies that are committed to improving their corporate value over the long term through appropriate actions on ESG issues.

- At the Group's corporate pension fund, by delegating the selection of individual investments and the exercise of voting rights to the discretion of the managing trustee organization, a system is in place to prevent conflicts of interest related to the exercise of voting rights.

[Principle 3-1(1)] (Management Principles, Management Strategy, and Management Plan)

We formulate and publicize our Management Principles and medium-term plan. The Management Principles are described in “I.1. Basic Concepts” in this report and are also on our website.
(Management Principles) <https://www.yokohamafg.co.jp/en/company/idea/index.html>
(Medium-Term Management Plan) <https://www.yokohamafg.co.jp/en/company/policy/index.html>

[Principle 3-1(2)] (Basic Concepts and Basic Policy on Corporate Governance)

“Basic Approach and Basic Policy on Corporate Governance” is given in “I. 1. Basic Concepts” in this report.

[Principle 3-1(3)] (Board of Directors Policies and Procedures for Determining Executive Management and Director Compensation)

“Board of Directors Policies and Procedures for Determining Executive Management and Director Compensation” is given in “II. 1. Organizational Structure and Operations. [Director Compensation]” in this report.

[Principle 3-1(4)] (Policies and Procedures for Election and Dismissal of Directors)

1. Policy and Procedures for Selection of Director Candidates (excluding directors who are Audit & Supervisory Committee Members, the same shall apply hereinafter in this paragraph)

(1) Candidates for director (excluding outside director candidates) are selected who satisfy the following criteria.

- Persons with abundant experience in business management and operations of the Group and extensive knowledge in the fields of finance and economics.

- Persons who can be expected to carry out business management and operations of the Group accurately, fairly, and efficiently and to contribute to promoting sustainable growth of the Group and to enhancing corporate value over the medium to long term.

(2) Candidates for outside director are selected who satisfy the following criteria.

- Persons who meet the criteria for independence set forth by the Company and who are not likely to have a conflict of interest with general shareholders.

- Persons who have abundant experience and broad knowledge in the fields of corporate management, financial affairs, finance, economics, accounting, taxation, legal affairs, etc.

- Persons who, based on their experience and knowledge, can supervise the Company's management and provide timely and appropriate opinions and proposals to the directors and management from the perspective of promoting sustainable growth of the Company and enhancing corporate value over the medium to long term.

(3) After any deliberation by the optional Compensation and Personnel Committee, candidates for director deliberated on by the Board of Directors are selected based on the thinking on the composition of the Board of Directors and this policy, taking into consideration the length of tenure as an officer of the Group and other factors.

2. Policy and Procedures for Selection of Candidates for Directors Who Are Audit & Supervisory Committee Members

(1) Candidates for directors who are Audit & Supervisory Committee Members (excluding outside director candidates) are selected who satisfy the following criteria.

- Persons with abundant experience in business management and operations of the Group and extensive knowledge in the fields of finance and economics.

- Persons who can be expected to accurately, fairly, and efficiently perform duties related to auditing the execution of duties of the Company's directors, promote the sound and sustainable growth of the Group, and contribute to the enhancement of corporate value over the medium to long term

(2) Candidates for outside directors who are Audit & Supervisory Committee Members are selected who satisfy the following criteria.

- Persons who satisfy the criteria for independence set forth by the Company and who are not likely to cause a conflict of interest with general shareholders.

- Persons who have abundant experience and broad knowledge in the fields of corporate management, financial affairs, finance, economics, accounting, taxation, legal affairs, etc.

- Persons who, based on their experience and knowledge, can supervise the Company's management and provide timely and appropriate opinions and proposals to the directors and management from the perspective of promoting sound and sustainable growth of the Company and enhancing corporate value over the medium to long term.

- Persons who is capable of forming and expressing an audit opinion in a timely and appropriate manner based on his/her own experience and knowledge, in light of the fact that he/she is required to be appointed from the viewpoint of further enhancing the neutrality and independence of the audit system.

(3) After any deliberation by the optional Compensation and Personnel Committee and with consent of the Audit & Supervisory Committee, candidates for directors who are Audit & Supervisory Committee Members deliberated on by the Board of Directors are selected based on the thinking on the composition of the Board of Directors and this policy, taking into consideration the length of tenure as an officer of the Group and other factors.

3. Dismissal Policies and Procedures for Directors

Where a Director corresponds with any of the following items, the Board of Directors will submit a proposal for the dismissal of that Director to the General Meeting of Shareholders. Furthermore, a proposal for the dismissal of a Director will be decided at a meeting of the Board of Directors following the deliberations of the Compensation and Personnel Committee, an optional committee.

(1) Where an act violating laws and regulations or public order and standards of decency is committed

(2) Where corporate value is considerably damaged

(3) Where an item specified in 1. (1) or (2), or 2. (1) or (2) above is not satisfied

[Principle 3-1 (5)] (Reasons for the Selection of Candidates for Director)

For the reasons for selection as director candidates, please refer to Pages 13-25 of the “Reference Material for the General Meeting of Shareholders” in the Notice of the 9th Ordinary General Meeting of Shareholders posted on the Company website.

[Supplementary Principle 3-1 ③] (Initiatives on Sustainability, etc.)

1. Initiatives on Sustainability

As a company-wide basic policy on sustainability for local communities, we have adopted a Group Sustainability Policy, which states, “Based on our management philosophy, we will achieve sustainable increase of corporate value, solve social issues through our core business, and contribute to the sustainable development of society by engaging as a member of the community in activities that contribute to the community”.

In order to promote concrete initiatives based on the Group Sustainability Policy, issues related to sustainability in local communities are reviewed and discussed from the perspectives of their importance to stakeholders and their priority for the Group and are identified as materialities (priority issues to be resolved) through deliberation by the Board of Directors. We aim to be “a solution company rooted in communities and selected as a partner to walk together” by reflecting materiality-based risks and opportunities in our business strategies, and by achieving sustainable development of local communities and sustainable growth of our group through value co-creation with our stakeholders.

In addition, the Group Sustainability Committee, chaired by President and Representative Director, regularly deliberates on the policies and status of sustainability initiatives. The content of the deliberations is reported to the Board of Directors about once every three months, and the Board of Directors oversees the sustainability initiatives.

2. Addressing Climate Change

The Group has identified “conserving and preserving the environment” as one of its materialities and is examining the impact on its business of the transition to a decarbonized society associated with climate change and is developing and implementing strategies in order to address climate change to address these risks and opportunities.

As risks related to climate change, the Group is working to identify and assess 2 types of risks: transition risks (risks associated with the transition to a decarbonized society) and physical risks (risks associated with severe natural disasters and extreme weather events) in line with the TCFD’s recommendations. We are conducting scenario analyses to quantify the financial impact on sectors assumed to be vulnerable to climate change, and have calculated GHG emissions in our investment and loan portfolios, particularly in the area of business lending.

As a financial institution, the Group recognizes that it can contribute to the realization of 2050 Carbon Neutrality in Japan by achieving net zero GHG emissions in its own investment and loan portfolio, and will support decarbonization efforts by providing optimal solutions tailored to the phase of customer initiatives, such as visualizing GHG emissions, setting targets for reduction, and taking action to reduce emissions.

In addition, as a member of the local community, we aim to contribute to the realization of a decarbonized society in our own business activities. We have set carbon neutrality (Scopes 1 and 2) by FY2030 as a goal and are tackling this through efforts that include energy conservation and switching to real renewable energy for the electricity we ourselves contract for.

The Company discloses information on the impact of risks and opportunities related to climate change on its business activities, earnings, etc. in its Integrated Report and on its website and such in accordance with the disclosure framework of the TCFD.

3. Investment in Human Capital

Based on the recognition that employees are important “human resources” indispensable for the realization of our Management Principles and “capital” that is a source of value creation, the Group aims to achieve sustainable growth for itself as well as sustainable development of local communities by proactively investing in “human resources” and continuously increasing their value. In addition, employees are important “stakeholders,” and our Management Principles state that we will “continue to be an attractive company where employees can be proud to work”.

Based on this thinking, we established the Group Human Resource Policy, a basic policy to enhance the value of human capital toward Our Vision of realizing “a solution company rooted in communities and selected as a partner to walk together” and we formulated our Group Human Resource Strategy in conjunction with our management strategy to build the talent portfolio that we aim for in the medium to long term. We are working to enhance the capabilities of each employee, to build a highly productive organization in which diverse human resources can use their skills to the fullest, and to maximize the value of human capital. The Group Human Resource Strategy covers the period through FY2027. In addition to enhancing number of sales personnel (Quantity) and strengthening solutions revenue per person (Quality), the Company is working on “Human Resource Development” that values the desire to grow and take on challenges, “Building an Organization” where diverse human resources can work energetically, and “Creating an Environment” that starts with the well-being of each individual based on investment in human capital enhancement to improve total attractiveness of the company (employee attitude survey) (Engagement), which is a prerequisite for this.

Also, at Group companies, we have established an organization for the management and utilization of intellectual property, such as patents and trademarks, and we are utilizing intellectual property as we advance initiatives to achieve Our Vision.

The above initiatives are disclosed in the Integrated Report and on our website.

(Initiatives on sustainability) <https://www.yokohamafg.co.jp/en/csr/index.html>

(Measures against climate change) <https://www.yokohamafg.co.jp/en/csr/ecofriendly/index.html>

(Investment in human capital, etc.) <https://www.yokohamafg.co.jp/en/shareholder/disclosure/index.html>

[Supplementary Principle 4-1 ①] (Outline of the Scope of Delegation to Management)

By defining the range of matters to be resolved by the Board of Directors via rules such as the Board of Directors regulations and by explicitly defining the range of duties entrusted to the Management Committee and the management team, the Board of Directors makes important decisions regarding such matters as Group management policies, including management plans, matters related to governance, and basic policies pertaining to risk and compliance, while also taking on a more effective function of supervising management.

[Principle 4-8] (Effective Use of Independent Outside Directors)

In order to ensure that the composition of the Board of Directors as a whole has a good balance of knowledge, experience, and abilities, and in order to take in opinions and advice with outside perspectives, and in order to ensure that the Board of Directors functions highly effectively supervising management, the Company appoints outside directors who have a standpoint independent from the Group to make up at least one third of all directors. At present, the Company has five independent outside directors out of a total of nine directors.

[Principle 4-9] (Criteria for Determining Independence)

The Company selects candidates for outside director from persons who satisfy the independence criteria provided by the financial instruments exchange on which the Company is listed, and who also meet the "Criteria for Independence of Outside Officers" below.

○Criteria for Independence of Outside Officers

In principle, a candidate for outside director or outside Audit & Supervisory Board Member of the Company or any of its Group companies shall not presently or recently fall into any of the following categories.

- (1) A. Persons for whom the Company or any of its Group companies is a major transaction counterparty or executives of an incorporated entity, etc. for which the Company or any of its Group companies is a major transacting counterparty
B. Persons who are a major transaction counterparty for the Company or any of its Group companies or who are executives of an incorporated entity, etc. that is a major transaction counterparty of the Company or Group companies
- (2) Consultants, accounting professionals, legal professionals, etc. who receive a large amount of money or other assets from the Company or any of its Group companies other than as executive compensation
- (3) Members of any consulting firm, accounting firm, law firm, etc. for whom the Company or any of its Group companies is a major client
- (4) Persons who receive a large donation, etc. from the Company or any of its Group companies or executives of an incorporated entity that does so
- (5) Major shareholders of the Company or executives of an incorporated entity that is a major shareholder of the Company
- (6) Close relatives of any of the following (except immaterial persons)
 - A. Those who fall into (1) to (5) above
 - B. A director, Audit & Supervisory Board Member, executive officer, key employee, etc. of the Company or any of its Group companies

*Definition of "recent":

A case that can be regarded as substantially current, including, for example, a case in which a person was a Director or Audit & Supervisory Board Member at the time the proposal for selection as an outside director or outside Audit & Supervisory Board Member was decided upon at a General Meeting of Shareholders.

*Definition of "major":

Judgment is made on the basis of 1% or more of consolidated net sales (or consolidated gross operating income in the case of the Company or any of its Group companies) for the most recent fiscal year.

*Definition of "incorporated entity":

Includes organizations other than corporations.

*Definition of "large amount":

Average of ¥10 million or more per year over past 3 years

*Definition of "close relative":

Relative within the second degree

*Definition of "immaterial person":

A person in a position subordinate to an officer or department manager of a company or, for persons in accounting or law firms, a person in a position subordinate to a certified public accountant or lawyer

[Supplementary Principle 4-10 ①] (Committee Independence Views, Authority, Roles, etc.)

Please refer to "II. 1. Organizational Structure and Operations [Directors] Committee's Name, Composition, and Chairman's Attributes and Supplementary Explanation".

[Supplementary Principle 4-11 ①] (Views on the Balance of Knowledge, Experience, and Abilities, Diversity, and Size of the Board of Directors as a Whole)

In order to ensure the independence of the Board of Directors and the fair and transparent performance of its functions, outside directors who are independent from the Group are selected as at least one-third of the total number of directors. Internal directors who are familiar with the Group's operations are combined with outside directors who have extensive experience and knowledge from outside the Company to give the Board of Directors a diverse membership with different backgrounds of expertise and experience, etc. ensuring that the Board of Directors has a balanced mix of knowledge, experience, and ability. For the expertise and experience required by the Company, we think that "regional operations" is an essential aspect given the business models of subsidiaries that are regional financial institutions. "Corporate management & organizational operation", "legal affairs and risk management", and "finance and accounting" are universally required for company management. Greater expertise in "international and market operation" and "IT and digital (DX)" is needed to respond to changes in the business environment. "Sustainability (environment and society)", which aims to resolve issues in the environmental and social fields toward sustainable enhancement of corporate value and "human capital", which aims to promote human resource strategy linked to management strategy and maximize human capital are necessary. Please refer to pages 30 and 31 of the "Reference Material for the General Meeting of Shareholders" in the Notice of the 9th Ordinary General Meeting of Shareholders, which is available on the Company's website, for the combination of skills possessed by directors and executive officers.

(Notice of the 9th Ordinary General Meeting of Shareholders)

<https://www.yokohamafg.co.jp/en/shareholder/stock/meeting/index.html>

[Supplementary Principle 4-11 ②] (Status of Concurrent Positions of Directors)

The status of important concurrent positions of Directors each year is given in the “Reference Materials for the General Meeting of Shareholders” of the “Notice of a General Meeting of Shareholders” of the Company.

(Notice of General Meeting of Shareholders) <https://www.yokohamafg.co.jp/en/shareholder/stock/meeting/index.html>

Information on the significant concurrent positions held by outside directors as of the date of the update of this report is given in “II. 1. Organizational Structure and Operations [Directors] Relationship with the Company (2).”

[Supplementary Principle 4-11 ③] (Analysis and Evaluation of the Overall Effectiveness of the Board of Directors)

The Company analyzes and self-evaluates the overall effectiveness of the Board of Directors every year. Based on the evaluation results, in order to further improve its effectiveness, it discusses and shares issues to be addressed and items to be strengthened in order to continuously improve the effectiveness of the Board of Directors.

The basic policy for evaluating the effectiveness of the Board of Directors is set out in Article 22 of the Corporate Governance Basic Policy.

<Evaluation Method>

In our effectiveness evaluation, we conduct questionnaires and interviews from the perspective of utilizing the viewpoints of third parties, tabulate and analyze the results, then conduct the self-evaluation. The concrete evaluation method in FY2024 is as follows.

1. We had all the directors and Audit & Supervisory Board Members, the attending members of the Board of Directors, complete a questionnaire, which was handled by a third party to ensure objectivity and transparency.
The questionnaire covers 39 items, including the composition of the Board of Directors, its operation and the content of discussions, as well as the support systems for directors and Audit & Supervisory Board Members.
2. Interviews were conducted with each director and Audit & Supervisory Board Member in order to confirm and gather specific opinions on the results of the questionnaire responses, etc.
3. After compiling and analyzing the results of 1 and 2 above, the Board of Directors deliberates on and shares about whether the Board of Directors as a whole is effective in light of the roles and responsibilities it should fulfill, and conducts a self-evaluation.

<Evaluation results summary, etc. for FY2024>

For FY2024, in light of the roles and responsibilities to be fulfilled by the Board of Directors, under the themes of “1. Strengthening Discussions on Medium- to Long-Term Strategies to Increase Corporate Value,” “2. Enhancement and efficiency improvement of Board of Directors’ operations” “3. Improving Monitoring Functions” and “4. Strengthening Stakeholder Communication,” we moved forward with various initiatives for increasing the effectiveness of the Board of Directors. As a result of these efforts, the Board of Directors conducted and shared a self-evaluation that concluded that “the Board of Directors as a whole continued to be generally effective in FY2024.”

The following is a summary of the self-evaluation of each topic shared by the Board of Directors, as well as a summary of issues to address and items to strengthen for further improvement in effectiveness.

1. Strengthening Discussions on Medium- to Long-Term Strategies to Increase Corporate Value

In preparation for the formulation of the next medium-term management plan, we set the following annual themes for discussions: grand design for corporate and individual division, initiatives for market and international division, direction of human resource strategy, strategic investments and information strategies, and direction of affiliated companies. In addition to the regular meetings, we also held a series of meetings to enhance discussions, which led to the formulation of the New Medium-term Management Plan which covers the three years from FY2025 to realize a steady growth in the home market. In the run-up to FY2025, we confirmed that we would enhance discussions on important growth strategies based on strengthening the human capital in order to achieve the New Medium-term Management Plan. We also confirmed that we would continue to deepen discussions on optimizing the capital allocation by division and the risk-return situation by sector, as well as discussions on the securities portfolio with an eye on market conditions.

2. Enhancement and efficiency improvement of Board of Directors’ operations

We confirmed that the integrated management of Boards of Directors of the Company and of the Bank of Yokohama, and the participation of Company directors as observers in the Higashi-Nippon Bank Board of Directors meetings have reduced the information gap between the directors, leading to a deeper understanding of the Company group and improved deliberations at Board meetings, and that by organizing issues through explanations in advance of meetings, the quality of discussions at the Board of Directors has been improved and its operation has become more efficient. In the run-up to FY2025, we confirmed that it is necessary to promote the sharing of information across the Group in order to improve operational efficiency and secure time for deliberations in order to further invigorate discussions in the Board of Directors.

3. Improving Monitoring Functions

A follow-up was conducted to achieve the medium-term management plan in the final fiscal year. Regarding the progress of the overall budget, it was confirmed that effective monitoring based on the changes in the monetary policy was being continued, including the implementation of flexible changes to the risk appetite statement through the follow-up. For FY2025, we confirmed that we would sophisticate the group governance to demonstrate the supervisory function led by us based on the transition to a company with an Audit and Supervisory Committee.

4. Strengthening Stakeholder Communication

With regards to efforts to expand constructive dialogue with shareholders and information disclosure, and to ensure appropriate collaboration with stakeholders other than shareholders, we confirmed that progress has been made in developing a system for strengthening stakeholder communication such as by enhancing information disclosure through financial results briefings and IR Days (management strategy briefings) for institutional investors, and continuing to hold town hall meetings for the purpose of dialogue between management and employees. Looking ahead to FY2025, we confirmed the significance of continuously

enhancing communication with investors and sharing the content, as well as enhancing opportunities for dialogue with outside directors and employees.

In FY2025, based on the issues identified through the evaluation in FY2024, we will work to further improve the effectiveness of the Board of Directors in order to enhance supervisory function and promote the sustainable growth of the Group, and the medium- to long-term enhancement of corporate value toward the gradual transition to the monitoring model in the future.

[Supplementary Principle 4-14 ②] (Training Policy for Directors)

1. Internal Executives

We provide opportunities for Directors and other officers to obtain and update knowledge and information, and to obtain advice from outside experts (hereinafter, "information provision opportunities") so that they can fulfill their roles and responsibilities. We provide opportunities for newly appointed Directors to acquire the knowledge necessary to fulfill the roles, duties, and responsibilities expected of Directors, including matters relating to the Companies Act, related laws and regulations, and corporate governance. In FY2024, 20 information provision opportunities were held for Directors and executive officers with the central themes of Macro/Market Trends, Digital/IT, Sustainability, and Open Innovation.

2. Outside Directors

To enable outside directors to fulfill their roles and responsibilities, we provide them with opportunities to acquire knowledge and information on the Management Principles, management policies, management plans, and business structure of the Group at the time of their appointment. After they assume office, in addition to the information provision opportunities described in 1. above, we provide opportunities to visit sales branches to deepen their understanding of the operations and business sites of Group banks as well as opportunities for dialogue with shareholders, analysts, etc. in order to deepen their awareness of opinions and proposals received from the market.

[Principle 5-1] (Policy on the Development of Systems and Initiatives to Promote Constructive Dialogue with Shareholders)

The following policy has been established to promote constructive dialogue with shareholders in a positive manner.

1. Dialogue with shareholders

To institutional investors, major shareholders, and analysts in Japan and overseas, we strive to explain our business performance and management strategies and actively exchange opinions through semi-annual results briefings, small meetings for each quarter's results, IR Day for management strategy briefings, and individual meetings. Furthermore, the Company shall also endeavor to engage in proactive dialogue with minority shareholders, including individual investors, through various types of IR events, including briefings. In addition, representative directors are responsible for proactively providing opportunities for dialogue in response to requests from shareholders. Officers other than representative directors, including outside directors, also participate in these dialogues.

<List of activities in FY2024>

Major Respondents in Dialogue with Investors and Shareholders and Results of Activities

- President and Representative Director: General Meeting of Shareholders, financial results briefings (2 times), IR Day (2 times), dialogue with domestic and overseas institutional investors (39 companies, including small MTG), briefing for individual investors (1 time)

- Representative Director: General Meeting of Shareholders, financial results briefings (2 times), quarterly financial results briefings (2 times), IR Day (2 times), dialogue with domestic and overseas institutional investors (IR, 93 companies)

- Corporate Communication Office, Corporate Planning Department, (department in charge of IR): Dialogue with domestic and overseas institutional investors (IR, 180 companies), dialogue with shareholders (SR, 18 companies)

<Summary of institutional investors, shareholders, and analysts with whom we have had dialogue (total number of companies, distinction between active and passive companies is as recognized by the Company)>

(1) Domestic (235 companies)

A. Active/passive etc.

Active: 127 companies

Passive: 57 companies

Sell-side: 45 companies

Policy shareholdings: 6 companies

B. Respondent's area of responsibility

Fund managers and analysts: 234

ESG and voting: 27

(2) Overseas (111 companies)

A. Active/passive etc.

Active: 111 companies

B. Respondent's area of responsibility

Fund managers and analysts: 138

Please refer to our website and Integrated Report (Disclosure Report) for the main themes of the dialogue and matters of interest. (Stakeholder Engagement) <https://www.yokohamafg.co.jp/en/csr/engagements/index.html> (Integrated Report) <https://www.yokohamafg.co.jp/en/shareholder/disclosure/index.html>

2. System to promote constructive dialogue

We have established a system to collect, analyze, and provide a variety of management information to shareholders in an appropriate form by designating the Corporate Planning Department as the contact point for shareholders to request consultation with, and by having the Corporate Planning Department collaborate with the Sales Department and Risk Management Department.

3. Strengthen means of dialogue other than individual dialogue

As part of its dialogue with shareholders, we strive to disclose information in an easy-to-understand manner through our website, Integrated Report (Disclosure Report), etc.

4. Feedback of shareholder opinions

Opinions and requests received through dialogue with shareholders and investors are reported to the Board of Directors and management in a timely and appropriate manner. For FY2024, the report was presented in the July and January Board of Directors meetings. The department in charge of IR also provides feedback in the form of reports to directors and executive officers on a weekly basis.

5. Management of insider information

We establish and disseminate internal rules for the appropriate management of important corporate information and the prevention of insider trading. In addition, to ensure fairness to shareholders, we will refrain from accepting questions or commenting on the business outlook during the period between the end of each quarter and the announcement of financial results.

[Principle 5-2] (Formulation and publication of management strategies and management plans)

As a financial group that is trusted by its customers and indispensable to the local community, the Group aims for the sustainable enhancement of corporate value to realize Our Vision of “a solution company rooted in communities and selected as a partner to walk together,” and has set a long-term goal of realizing ROE that exceeds the cost of capital.

The ROE in FY2024 was 6.4%, which is close to the lower limit of the cost of equity (calculated based on CAPM and stock yield) of around 6.0% to 9.0%. We recognize that achieving ROE above the cost of equity is essential for the enhancement of corporate value. Therefore, in the newly established medium-term management plan, we aim to achieve ROE of over 9.0% in FY2027, the final year of the plan.

[Measures to Realize Management Conscious of the Cost of Capital and Share Price]

Description	Disclosure (update) of measures
Disclosure in English	Yes
Update Date	September 29, 2025

Explanation

Please refer to the following for an overview of the measures taken to realize management conscious of the cost of capital and share price.

(IR presentation materials) <https://www.yokohamafg.co.jp/en/shareholder/presentation/index.html>

• Information Meeting (FY2024 Financial Results and initiatives to enhance corporate value) pages 17 to 35 (May 22, 2025)

(Integrated Report 2025) <https://www.yokohamafg.co.jp/en/shareholder/disclosure/index.html>

•A Message from the Director of Finance, pages 13 to 18

•Initiatives to Enhance Corporate Value, pages 41 to 114

2. Capital Structure

Foreign Shareholding Ratio	33.12%
----------------------------	--------

[Status of Major Shareholders]

Name or Title	Number of Shares Held (shares)	Shareholding Ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	184,731,900	16.14
Custody Bank of Japan, Ltd. (Trust account)	81,057,200	7.08
Mizuho Trust & Banking Co., Ltd. Employee Pension Trust, Meiji Yasuda Life Insurance Account, Re-trust Trustees, Custody Bank of Japan, Ltd.	36,494,000	3.19
Meiji Yasuda Life Insurance Company	30,061,626	2.62
STATE STREET BANK AND TRUST COMPANY 505001 (Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	25,955,527	2.26
Nippon Life Insurance Company	24,578,648	2.14
STATE STREET BANK WEST CLIENT - TREATY 505234 (Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	22,134,891	1.93
JP Morgan Securities Japan Co., Ltd.	20,777,812	1.81
JP MORGAN CHASE BANK 385781 (Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	15,439,519	1.34
SUMITOMO LIFE INSURANCE COMPANY	14,770,277	1.29

Controlling Shareholder (except for Parent)	—
---	---

Parent	None
--------	------

Supplementary Explanation

The above is as of March 31, 2025.

1. The large shareholding report made available for public inspection on October 4, 2023 shows that BlackRock Japan Co., Ltd. and seven other joint holders held the following number of shares as of September 29, 2023. However, as the Company is unable to confirm the actual number of shares held as of March 31, 2025, they are not included in the above list of major shareholders.

Details included in the large shareholding report are as follows:

Name of Large Volume Shareholder: BlackRock Japan Co., Ltd. (and seven other joint holders)

Number of Shares Held: 76,850,600 shares (including holdings of joint holders)

Percentage of Shares Held: 6.53%

2. The large shareholding report (change report) made available for public inspection on June 6, 2023 shows that Sumitomo Mitsui Trust Bank, Limited and two other joint holders held the following number of shares as of May 31, 2023. However, as the Company is unable to confirm the actual number of shares held as of March 31, 2025, they are not included in the above list of major shareholders.
Details included in the large shareholding report are as follows:
Name of Large Volume Shareholder: Sumitomo Mitsui Trust Bank, Limited (and two other joint holders)
Number of Shares Held: 60,815,217 shares (including holdings of joint holders)
Percentage of Shares Held: 5.16%
3. The large shareholding report (change report) made available for public inspection on April 19, 2024 shows that Silchester International Investors LLP held the following number of shares as of April 18, 2024. However, as the Company is unable to confirm the actual number of shares held as of March 31, 2025, it is not included in the status of major shareholders above.
Details included in the large shareholding report are as follows:
Name of Large Volume Shareholder: Silchester International Investors LLP
Number of Shares Held: 51,002,900 shares
Percentage of Shares Held: 4.37%
4. The large shareholding report made available for public inspection on August 6, 2020 shows that Nomura Asset Management Co., Ltd. held the following number of shares as of July 31, 2020. However, as the Company is unable to confirm the actual number of shares held as of March 31, 2025, it is not included in the status of major shareholders above.
Details included in the large shareholding report are as follows:
Name of Large Volume Shareholder: Nomura Asset Management Co., Ltd.
Number of Shares Held: 60,551,400 shares
Percentage of Shares Held: 5.01%

3. Company Attributes

Listed Stock Market and Market Section	Tokyo Stock Exchange Prime
Fiscal Year-End	March
Type of Business	Banks
Number of Employees (Consolidated) at End of the Previous Fiscal Year	1,000 or more
Net Sales (Consolidated) for the Previous Fiscal Year	¥100 billion or more but less than ¥1 trillion
Number of Consolidated Subsidiaries at End of the Previous Fiscal Year	From 10 to less than 50

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

5. Other Special Circumstances Which May Have a Material Impact on Corporate Governance

// Business Management Organization and Other Corporate Governance Systems Regarding Management Decision-Making, Execution and Supervision

1. Organizational Structure and Operations

Organization Form	Company with an Audit and Supervisory Committee
-------------------	---

[Directors]

Maximum Number of Directors Stipulated in Articles of Incorporation	10
Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board	President
Number of Directors	9
Appointment of Outside Directors	Appointed
Number of Outside Directors	5
Number of Independent Officers Designated From Among Outside Directors	5

Relationship with the Company (1)

Name	Attribute	Relationship with the Company (*)										
		a	b	c	d	e	f	g	h	i	j	k
Mitsuru Akiyoshi	From another company											
Mami Yoda	Scholar											
Shigeru Ishii	From another company											
Mayumi Noguchi	Certified public accountant											
Yoshikazu Suzuki	Lawyer											

*Categories for “Relationship with the Company.”

**“○” 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; “▲” when a close relative of the director fell under the category in the past

- a Executive (a person who executes business; hereinafter, the same) of the Company or its subsidiary
- b Non-executive director or executive of the parent of the Company
- c Executive of a fellow subsidiary of the Company
- d Party whose major client or supplier is the Company or an executive thereof
- e Major client or supplier of the Company or an executive thereof
- f Consultant, accounting professional or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as an audit & supervisory board member
- g Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a corporation)
- h Executive of a client or supplier of the Company (which does not correspond to any of d., e., or f.) (the director himself/herself only)
- i Executive of a corporation to which outside officers are mutually appointed (the audit & supervisory board member himself/herself only)
- j Executive of a corporation that receives a donation from the Company (the director himself/herself only)
- k Others

Relationship with the Company (2)

Name	Audit and Supervisory Committee Member	Designation as Independent Officer	Supplementary Explanation of the Relationship	Reasons for Appointment
Mitsuru Akiyoshi		○	<Important Concurrent Positions> Outside Audit & Supervisory Board Member, INPEX CORPORATION	<Reason for Appointment as an Outside Director> He has a wealth of experience as a corporate manager, having served as a representative director and executive vice president of Marubeni Corporation and president and representative director of Mizuho Marubeni Leasing Corporation. He also has a wide range of expertise from working in finance, IT, legal, CSR and environmental departments at Marubeni Corporation. He has been

				appointed as an Outside Director with the expectation that he will supervise the management of the Company and provide opinions and recommendations to Directors and top management in a timely and appropriate manner from the perspectives of promoting the sustainable growth of the Group and enhancing corporate value over the medium to long term. <Reason for designation as an Independent Director> There is no conflict with the independence criteria set by the Tokyo Stock Exchange and the conditions of the “Independence Criteria for Outside Directors” of the Company are satisfied. He served as a special advisor to directors of Marubeni Corporation until June 2018 and as President and Representative Director of Mizuho Marubeni Leasing Corporation until March 2022. However, as the transaction amount between Marubeni Corporation and Mizuho Marubeni Leasing Corporation and the Company and Group companies in FY2024 was less than 1% of the same companies’ consolidated sales and the Company’s consolidated gross operating income, his independence is not affected. Based on the above, the Company believes that there is no danger of a conflict of interest with general shareholders and has designated him as an independent officer.
Mami Yoda		○	<Important Concurrent Positions> Professor, Department of English Language, Culture, and Communication, Faculty of Arts and Sciences, Sagami Women's University Professor, Graduate School of Social Entrepreneurship, Graduate School of Sagami Women's University Director (non-executive), the Bank of Yokohama, Ltd.	<Reason for Appointment as an Outside Director> She worked rating and researching companies at Standard & Poor's International LLC for many years and currently teaches at Sagami Women's University and its graduate school as an expert in business administration. She has a high level of expertise and broad knowledge in management and organizational development as well as risk management, finance and accounting, and sustainability, etc. She has been appointed as an Outside Director with the expectation that she will supervise the management of the Company and provide opinions and recommendations to Directors and top management in a timely and appropriate manner from the perspectives of promoting the sustainable growth of the Group and enhancing corporate value over the medium to long term. <Reason for designation as an Independent Director> There is no conflict with the independence criteria set by the Tokyo Stock Exchange and the conditions of the “Independence Criteria for Outside Directors” of the Company are satisfied. Based on the above, the Company believes that there is no danger of a conflict of interest with general shareholders and has designated her as an independent officer.
Shigeru Ishii		○	<Important Concurrent Positions> Outside Director, SUMITOMO LIFE INSURANCE COMPANY Director (non-executive), the Bank of Yokohama, Ltd.	<Reason for Appointment as an Outside Director> He worked at Yamaichi Securities Co., Ltd., after which he served as representative director and president of Sony Bank, Inc. and Sony Financial Holdings, Inc. He has abundant experience and wide-ranging knowledge as a corporate manager and an expert in finance and DX. He has been appointed as an Outside Director with the expectation that he will supervise the management of the Company and provide opinions and recommendations to Directors and top management in a timely and appropriate manner from the perspectives of promoting the sustainable growth of the Group and enhancing corporate value over the medium to long term. <Reason for Designation as an Independent Director> There is no conflict with the independence criteria set by the Tokyo Stock Exchange and the conditions of the “Independence Criteria for Outside Directors” of the Company are satisfied. He served as President and Representative Director of Sony Financial Holdings, Inc., President and Representative Director of Sony Financial Ventures Inc., Director of Sony Life Insurance Co., Ltd., Director of Sony Assurance Inc. and Director of Sony

				Bank, Inc. until June 2020. However, as the transaction amount between each of these companies and the Company and Group companies in FY2024 was less than 1% of the same companies' consolidated sales and the Company's consolidated gross operating income, his independence is not affected. Based on the above, the Company believes that there is no danger of a conflict of interest with general shareholders and has designated him as an independent officer.
Mayumi Noguchi	○	○	<Important Concurrent Positions> Chief Representative, Noguchi Accounting Office Outside Audit & Supervisory Board Member, Japan Green Investment Corp. for Carbon Neutrality Outside Audit & Supervisory Board Member, JSP Corporation Outside Director, Seika Corporation	<Reason for Appointment as an Outside Director> She has a wealth of experience and wide-ranging knowledge as a specialist in finance and accounting, having served as Chief Representative at a certified public accounting firm for many years and having experience in auditing at an audit firm. She also has a wealth of experience and broad knowledge of sustainability. She has been appointed as an Outside Director who is an Audit & Supervisory Committee Member with the expectation that, by utilizing such experience and knowledge, she will supervise the management of the Company and provide opinions and recommendations to Directors and top management in a timely and appropriate manner from the perspectives of promoting the sustainable growth of the Group and enhancing corporate value over the medium to long term. Also, the Company believes that she is capable of forming and expressing audit opinions in a timely and appropriate manner from a neutral and independent standpoint. <Reason for Designation as an Independent Director> There is no conflict with the independence criteria set by the Tokyo Stock Exchange and the conditions of the "Independence Criteria for Outside Directors" of the Company are satisfied. She currently serves as Chief Representative of Noguchi Accounting Office, however there are no transactions between Noguchi Accounting Office and the Company and Group companies. Therefore, her independence is not affected. Based on the above, the Company believes that there is no danger of a conflict of interest with general shareholders and has designated her as an independent officer.
Yoshikazu Suzuki	○	○	<Important Concurrent Positions> Partner, City-Yuwa Partners Outside Audit & Supervisory Board Member, ZERO Co., Ltd. Outside Director (Audit & Supervisory Committee Member), robot home Inc.	<Reason for Appointment as an Outside Director> He has a wealth of experience and broad knowledge as a legal specialist, having been deeply involved in corporate legal affairs as an attorney for many years. He has been appointed as an Outside Director who is an Audit & Supervisory Committee Member with the expectation that he will supervise the management of the Company and provide opinions and recommendations to Directors and top management in a timely and appropriate manner from the perspectives of promoting the sustainable growth of the Group and enhancing corporate value over the medium to long term. Also, the Company believes that he is capable of forming and expressing audit opinions in a timely and appropriate manner from a neutral and independent standpoint. <Reason for Designation as an Independent Director> There is no conflict with the independence criteria set by the Tokyo Stock Exchange and the conditions of the "Independence Criteria for Outside Directors" of the Company are satisfied. He currently works as a partner at City-Yuwa Partners, however there are no transactions between City-Yuwa Partners and the Company and Group companies. Therefore, his independence is not affected. Based on the above, the Company believes that there is no danger of a conflict of interest with general shareholders and has designated him as an independent officer.

[Audit & Supervisory Committee]

Committee Composition and Chairperson's Attributes					
	Total Committee Members (people)	Full-time Member (people)	Inside Directors (people)	Outside Directors (people)	Chairperson
Audit & Supervisory Committee	3	1	1	2	Inside Director
Appointment of Directors or Employees to Assist the Audit & Supervisory Committee		Yes			

Matters Related to the Independence of Such Directors and Employees From the Executive Directors

To enhance the efficiency and effectiveness of the duties of the Audit & Supervisory Committee, the Board of Directors establishes an Office of the Audit and Supervisory Committee and assigns dedicated staff to perform the duties of the Audit & Supervisory Committee in accordance with the Audit & Supervisory Committee's instructions to assist it in its auditing duties. The Audit & Supervisory Committee may receive reports in advance on personnel changes, human resource evaluation, etc. of employees belonging to the Office of the Audit and Supervisory Committee and attach its opinions.

Cooperation Among the Audit & Supervisory Committee, Accounting Auditors, and Internal Audit Department

The Audit & Supervisory Committee works closely with the Accounting Auditors and the Internal Audit Department to conduct effective audits.

Cooperation with Accounting Auditors: The Audit & Supervisory Committee or an Audit & Supervisory Committee Member selected by the Committee holds meetings with the Accounting Auditors on a regular and as-needed basis to receive reports and exchange opinions on matters such as the audit plan and the results of audits, results of system reviews, results of on-site audits of sales branches, results of self-assessments, and results of audits of Securities Reports and Internal Control Reports. Cooperation with the Internal Audit Department: The Audit & Supervisory Committee or an Audit & Supervisory Committee Member selected by the Committee receives reports on the internal audit basic plan from the head of the Internal Audit Department and makes a unanimous resolution before the Board of Directors decision. In addition, meetings are held with the Internal Audit Department on a regular and as-needed basis to receive reports on the results of audits and exchange opinions. Furthermore, the Audit & Supervisory Committee will direct the Internal Audit Department to carry out investigations and receive reports on the results of investigations, as necessary.

[Voluntary Committees]

Establishment of Voluntary Committee(s) Equivalent to Nominating Committee or Compensation Committee	Yes
--	-----

Committee's Name, Composition, and Chairperson's Attributes

	Name of Committee	Total Committee Members (people)	Full-time Member (people)	Inside Directors (people)	Outside Directors (people)	External Experts (people)	Other (people)	Chairperson
Voluntary Committee Equivalent to Nomination Committee	Compensation and Personnel Committee	3	0	0	3	0	0	Outside Director
Voluntary committee equivalent to Compensation Committee	Compensation and Personnel Committee	3	0	0	3	0	0	Outside Director

Supplementary Explanation

For the purpose of ensuring objectivity and transparency in compensation and personnel matters of directors and executive officers (hereinafter, "Officers"), a Compensation and Personnel Committee consisting solely of outside directors has been established as a voluntary mechanism. The Compensation and Personnel Committee performs the functions of both a nominating committee and a compensation committee.

(Overview of the Compensation and Personnel Committee)

Composition/Independence: Composed solely of outside directors selected by resolution of the Board of Directors (hereinafter, "Committee Members").

In order to ensure the independence of the Compensation and Personnel Committee, all Committee Members are independent outside directors.

The Chairperson of this Committee shall be elected by the Committee Members from among themselves. In principle, the President shall provide explanations to the Committee, and if necessary, persons other than the Committee Members designated by the Chairperson may be allowed to attend the meeting and their reports or opinions to be heard.

Authority and role: Discussion and deliberation on compensation and personnel matters for directors of the Company and its subsidiaries.

1. Compensation for Directors of the Company and its subsidiaries

(1) Matters to be resolved

- Details of the Company's and its subsidiaries' compensation table by position
- Individual compensation amounts for the Company's directors (excluding Directors who are Audit & Supervisory Committee Members) and executive officers
- Amount of compensation linked to the performance of the Company and its subsidiaries
- Evaluation of achievement of performance targets for medium- to long-term incentive compensation of the Company and its subsidiaries

(2) Matters to be discussed

- Establishment, revision and abolition of systems related to compensation for directors of the Company and its subsidiaries
- Evaluation of the performance of directors and executive officers
- Individual compensation amounts for Directors who are Audit & Supervisory Committee Members

(3) Matters to be reported

- Performance evaluation of directors and executive officers of subsidiaries
- Individual compensation amounts for directors and executive officers of subsidiaries

2. Executive personnel of the Company and its subsidiaries

(1) Matters to be discussed

- Election of director candidates, dismissal of directors, appointment and dismissal of executive officers, Representative Director and President of the Company
- Appointment and dismissal of the President of subsidiaries

Names of Committee Members: (Chairperson) Mitsuru Akiyoshi (Outside Director), Mami Yoda (Outside Director), Shigeru Ishii (Outside Director)

Frequency of meetings: As necessary

Secretariat: Office of the Secretary, Corporate Planning Department

(Activities in FY2024)

Frequency of meetings: 12 times (excluding meetings held in writing)

Attendance: Mitsuru Akiyoshi (Outside Director) 12 times, Yoshinobu Yamada (Outside Director) 9 times, Mami Yoda (Outside Director) 12 times

Major items discussed:

1. Matters concerning compensation

- Establishment, revision and abolition of systems related to the compensation of the Company and its subsidiaries' directors
- Contents of the Company's and its subsidiaries' compensation table by position
- Performance-linked compensation of the Company and its subsidiaries
- Evaluations of executive directors and executive officers of the Company and its subsidiaries

2. Personnel matters

- Election of candidates for directors and dismissal of directors of the Company
- Appointment and dismissal of executive directors, representative directors, etc.
- Appointment and dismissal of the president of subsidiaries
- Operation and status of the succession plan

[Independent Officers]

Number of Independent Officers

5 persons

Matters Relating to Independent Officers

All five outside officers who meet the qualifications for independent officers are designated as independent officers. When the "Criteria for Independence of Outside Officers" in "I 1. Basic Concepts [Disclosure Based on the Principles of the Japan's Corporate Governance Code] [Principle 4-9] (Criteria for determining independence)" are met, information on "Relationship with the Company" and transactions is within the scope of minor criteria and is omitted.

[Incentives]

Implementation of Measures to Provide Incentives to directors

Performance-linked compensation system

Supplementary Explanation

For directors (excluding directors who are Audit & Supervisory Committee Members and outside directors) and executive officers with whom the Company has concluded a mandate agreement, the Company has introduced a stock compensation system using a trust. The purpose of the system is to have these directors and executive officers share interests with shareholders, to promote the sustainable growth of the Group as a whole, and to increase the incentive to enhance corporate value over the medium to long term.

Details of the stock compensation system are provided in “Disclosure of Policy for Determining Compensation Amounts or Calculation Methods Thereof.”

Recipients of Stock Options

Supplementary Explanation

[Director Compensation]

Disclosure of Individual Directors' Compensation

No individual disclosure

Supplementary Explanation

The total amount of compensation, etc. by officer category, the total amount of compensation, etc. by type, and the number of eligible officers in FY2024 are as follows:

[Directors (excluding outside directors)]: Total amount of compensation, etc.: ¥159 million, number of eligible officers: 5
<Breakdown> basic compensation: ¥91 million, short-term performance-linked compensation: ¥24 million, stock compensation: ¥43 million (of which Trust I: ¥12 million, Trust II: ¥31 million)

[Audit & Supervisory Board Members (excluding outside Audit & Supervisory Board Members)]: Total amount of compensation etc.: ¥36 million, number of eligible officers: 2

<Breakdown> basic compensation: ¥36 million, short-term performance-linked compensation: 0, stock compensation: 0

[Outside officers]: Total amount of compensation, etc.: ¥59 million, number of eligible officers: 6

<Breakdown> basic compensation: ¥59 million, short-term performance-linked compensation: 0, stock compensation: 0

*1. Amounts are rounded down to the nearest million.

2. Short-term performance-linked compensation is the amount recorded as expenses for accounting purposes in FY2024.

3. Stock compensation is the expenses relating to share distribution points granted in FY2024 based on the stock compensation system using a trust.

The total amount of consolidated compensation, etc. that reflects the compensation of the Company's subsidiaries is as follows.

[Directors (excluding outside directors)]: Total amount of compensation, etc.: ¥293 million, number of eligible officers: 5
<Breakdown> basic compensation: ¥167 million, short-term performance-linked compensation: ¥45 million, stock compensation: ¥80 million (of which Trust I: ¥22 million, Trust II: ¥57 million)

[Audit & Supervisory Board Members (excluding outside Audit & Supervisory Board Members)]: Total amount of compensation: ¥52 million, number of eligible officers: 2

<Breakdown> basic compensation: ¥52 million, short-term performance-linked compensation: 0, stock compensation: 0

[Outside officers]: Total amount of compensation, etc.: ¥65 million, number of eligible officers: 6

<Breakdown> basic compensation: ¥65 million, short-term performance-linked compensation: 0, stock compensation: 0

Policy for Determining Compensation Amounts or Calculation Methods Thereof

Yes

Disclosure of Policy for Determining Compensation Amounts or Calculation Methods Thereof

1. Policy for determining directors' individual compensation, etc.

The Company has established, by resolution of the Board of Directors, a policy regarding the determination of individual directors' (excluding directors who are Audit & Supervisory Committee Members. Hereinafter the same.) compensation (the “Policy”), a summary of which is as follows. The decision on the Policy is made after deliberation by the Compensation and Personnel Committee, which is comprised solely of outside directors.

(1) Basic policy

- The compensation system for directors shall function as an appropriate incentive to promote the sustainable growth of the Group and increase its corporate value over the medium to long term, while minimizing excessive risk-taking.
- Compensation composition, composition ratio, and compensation levels are determined through periodic comparisons and verification based on data on executive compensation from external research organizations and objective survey data, etc., using corporate groups, etc. with similar performance and business style to those of the Company as benchmarks.

(2) Compensation structure and details

[Directors (excluding non-executive directors and outside directors)]

A. Compensation structure

Compensation consists of basic compensation (fixed), short-term performance-linked compensation (performance-linked), and stock compensation (Trust I: non-performance-linked, Trust II: performance-linked).

- The amount of basic compensation and standard amounts of short-term performance-linked compensation and stock compensation are determined by job position, and the proportions of the respective compensation components for directors are “basic compensation” 50%, “short-term performance-linked compensation” 20% and “stock compensation” 30% (if short-term

performance-linked compensation and stock compensation are paid as standard amounts). (For executive officers, “basic compensation” 60%, “short-term performance-linked compensation” 20% and “stock compensation” 20%).

B. Compensation details

(a) Basic compensation

- Basic compensation is paid monthly based on the role and responsibilities.

(b) Short-term performance-linked compensation

- Short-term performance-linked compensation is an annual payment based on the Company performance and the individual performance evaluation for the fiscal year.
- The Company's performance is evaluated based on “core net business profit” (the total for the Group's banks), which shows the profitability of the core business, and the “profit attributable to owners of the parent,” which is the final operating result, and the basic amount for each position is determined according to this evaluation of the Company's performance. The basic amount for each position varies from 0% to 150% of the standard amount for the position.
- Individual performance is evaluated based on the degree of achievement of targets set at the beginning of each fiscal year (about five items are set for each person based on the department they are in charge of, such as achievement of budget, development of each measure, establishment of risk management system, etc.). The amount paid according to the individual's evaluation varies in the range of 70% to 130% of the base amount for the position. The final evaluation of company performance and individual performance is determined through deliberation by the Compensation and Personnel Committee.

(c) Stock compensation

- Stock compensation is the issuance and payment (hereinafter, “issuance, etc.”) of Company shares and cash proceeds from the conversion of Company shares (hereinafter, “Company shares, etc.”) through a trust. Two types of trusts (Trust I and Trust II) have been established as follows.
- In the event of a serious violation of a mandate contract between the Company and an officer concerning the officer's duties, or in the event of a sudden deterioration in business performance or a serious incident or scandal that damages corporate value, the Company may require that the officer forfeit stock delivery points (malus), return the issuance, etc. of Company shares, etc. (clawback), or provide compensation.

*The Company has established Stock Acquisition and Ownership Guidelines and encourages directors, etc. of the Company and its subsidiaries to acquire and hold a certain number of shares of the Company's common stock in order to make them aware of management from the perspective of shareholders.

(Stock Acquisition and Ownership Guidelines)<https://www.yokohamafg.co.jp/en/company/base/governance/guideline/index.html>

a) Trust I

- Company shares equivalent to the standard amount for each position are accumulated every month and their delivery is deferred until the end of the fiscal year. However, these shares are subject to a transfer restriction until the officer's retirement.

b) Trust II

- Company shares, etc. equivalent to the standard amount for each position are accumulated every month and their delivery is deferred until the end of the medium-term management plan, and issuance, etc. of Company shares, etc., equivalent to the amount reflecting the performance-linked coefficient is conducted.
- The performance-linked coefficient varies within the range of 0% to 200% depending on the degree of achievement, etc. of each of the “financial indicators,” “non-financial indicators,” and “share price indicators.”

The evaluation coefficient for “financial indicators” and “non-financial indicators” are important target indicators etc. for the medium-term management plan, to increase the incentive to achieve the targets of the medium-term management plan, and the evaluation coefficient for “share price indicators” shall be the relative TSR. The final performance-linked coefficient is determined by the Compensation and Personnel Committee based on qualitative matters such as responses to various risks.

*Each indicator for the three fiscal years from the fiscal year ending March 31, 2026 to the fiscal year ending March 31, 2028 is as follows.

OWS.

Stock compensation (Trust II)	Financial indicators		(i) ROE (Consolidated/TSE standard)
			(ii) Profit attributable to owners of parent
			(iii) Common equity Tier 1 ratio
	Non-financial indicators	Internal	(i) Reduction rate of in-house GHG emissions (cumulative)
			(ii) Sustainable finance (cumulative)
			(iii) Total attractiveness of the Company (employee attitude survey)
			(iv) Percentage of female managers
		Non-financial indicators	External
	(i) CDP (climate change)		
	(ii) S&P/JPX Carbon Efficient Index		
(iii) MSCI Japan Empowering Women Index			
(iv) MSCI ESG Rating			
Share price indicators		(v) FTSE ESG Rating	
Share price indicators		Relative TSR with listed regional banks	

[Non-executive directors and outside directors]

A. Compensation structure

- In view of their role supervising execution of business, compensation is not linked to performance but is only basic (fixed) compensation.

B. Compensation details

- Basic compensation is paid monthly based on the role and responsibilities.

2. Details of compensation etc. for directors who are Audit & Supervisory Committee Members

The details of compensation, etc. for directors who are Audit & Supervisory Committee Members are determined through discussions with directors who are Audit & Supervisory Committee Members and are as follows.

(1) Compensation structure

- To ensure the neutrality and independence of directors who are Audit & Supervisory Committee Members, compensation is not linked to performance but is only basic (fixed) compensation.

(2) Compensation details

- Basic compensation is paid monthly based on the role and responsibilities.

3. Matters relating to delegation associated with determining directors' individual compensation, etc.

To enhance the objectivity, transparency and fairness of the remuneration of directors, the Company entrusts the Compensation and Personnel Committee, which consists solely of Outside Directors, with the determination of the details of remuneration, etc. for individual directors (excluding directors who are Audit and Supervisory Committee Members) within the limit determined by resolution at the General Meeting of Shareholders. Since the details of compensation, etc. for each individual director has been determined through this procedure, the Board of Directors has determined that the details are in line with the Policy.

4. Date of the General Meeting of Shareholders resolution and details of the resolution

The annual amount of “basic compensation” and “short-term performance-linked compensation,” which are the monetary portions of compensation for directors (excluding directors who are Audit and Supervisory Committee Members), is no more than ¥410 million (including up to ¥50 million for outside directors), and that for directors who are Audit and Supervisory Committee Members is no more than ¥100 million, each of which was approved at the 9th Ordinary General Meeting of Shareholders held on June 20, 2025. As of the close of the General Meeting of Shareholders there are six directors (excluding directors who are Audit and Supervisory Committee Members) (including three outside directors) and three directors who are Audit and Supervisory Committee Members (including two outside directors). In addition, as a separate category from the monetary compensation, “stock compensation” for directors (excluding directors who are Audit and Supervisory Committee Members and outside directors) is available for three financial years, including executive officers who have entered into a mandate agreement with the Company, with a total maximum monetary contribution by the Company of ¥630 million (¥150 million for Trust I and ¥480 million for Trust II) and a maximum number of points (number of Company shares) granted by the Company for each financial year of 298,000 points (71,000 for Trust I and 227,000 for Trust II), as approved at the 9th Ordinary General Meeting of Shareholders held on June 20, 2025. As of the close of the General Meeting of Shareholders, three directors (excluding directors who are Audit and Supervisory Committee Members and outside directors) were eligible for this system and nine executive officers have entered into a mandate agreement with the Company.

[Supporting System for Outside Directors]

Support systems for directors, including outside directors, are as follows.

- To ensure that directors may obtain corporate information in a timely and appropriate manner, a responsible employee shall be assigned to the Corporate Planning Department, and he or she shall assist directors in obtaining information.
- To ensure that audits by Audit & Supervisory Committee Members are conducted effectively, a dedicated employee is assigned to the Office of the Audit & Supervisory Committee, and he or she shall support audits by Audit & Supervisory Committee Members.
- In order to enhance the deliberations of the Board of Directors, the Company provides explanations of matters to be discussed at the Board of Directors meetings to the outside directors in advance.
- While ensuring cooperation between outside directors, representative directors, the Internal Audit Department and the accounting auditors, the Company also endeavors to promote exchanges between outside directors and officers, etc. of Group companies.

[Status of Retired President and Representative Directors, etc.]

Names, etc. Counselors, Advisors, etc. who are Former President and Representative Directors, etc.

Name	Title/Position	Responsibilities	Working Form and Conditions (Full-time/Part-time, Paid/Unpaid, etc.)	Date of Retirement from Position Such as President	Term of Office
Sadaaki Hirasawa	Honorary Advisor, The Bank of Yokohama, Ltd.	Substantive activities for social contribution and economic society, etc.	Part-time/unpaid	June 24, 2008	1 year
Tatsumaro Terazawa	Honorary Advisor, The Bank of Yokohama, Ltd.	Substantive activities for social contribution and economic society, etc.	Part-time/unpaid	June 19, 2018	1 year
Kenichi Kawamura	Advisor, The Bank of Yokohama, Ltd.	Substantive activities for social contribution and economic society, etc.	Part-time/paid	March 31, 2020	1 year

Total Number of Counselors, Advisors, etc. who are Former President and Representative Directors, etc.

3

Other Matters

- A system of counselors/advisors does not exist in the Company.
- The above information describes the situation in which a former president of the Bank of Yokohama, Ltd., has been appointed as an advisor or counselor to the bank. No person who has served as president of the Higashi-Nippon Bank, Limited has been appointed as an advisor or counselor to the Higashi-Nippon Bank, Limited.
- Providing such persons carry out substantive activities to contribute to society, the business community, etc., a person who has held a position such as president may become a special advisor or advisor. Additionally, at the Bank of Yokohama, Ltd., a person who has held the position of Special Advisor may become an Honorary Advisor.
- The term of office shall be one year or less, although there is no restriction on holding such a position for consecutive terms. In principle, the maximum period of service for a special advisor or advisor is six years and special advisors and advisors retire from office the month in which they reach the age of 70.
- Honorary advisors, special advisors and advisors are not involved in any decision-making related to the management of business operations.
- To enhance the objectiveness and transparency of decisions regarding the appointment, compensation, etc. of honorary advisors, special advisors and advisors, outside directors shall be involved in these appointments, etc.
- The date of final retirement of the president of the Company, or the president or the chairman of the board of Bank of Yokohama, Ltd., is listed as the date of retirement from position such as president.

2. Matters Concerning Functions of Business Execution, Audit and Supervision, Appointment and Compensation Decisions (Overview of Current Corporate Governance System)

The main organizations involved in management and control of management decision-making, execution, and supervision are as follows.

(1) Board of Directors and directors

- The Board of Directors defines the scope of the resolutions of the Board of Directors meetings based on regulations such as the Regulations on the Board of Directors, and clarifies the scope of delegation to the Management Committee and the Executive Team, etc. In this way, important decisions are taken on management plans, matters related to governance, and important Group management policies, such as basic policies on risk and compliance, and the Board of Directors takes on the role of more effective management supervision.
- In order to ensure that the Board of Directors functions most effectively and efficiently, and from the perspective of revitalizing the Board of Directors, the Articles of Incorporation stipulate that the number of directors (excluding directors who are Audit and Supervisory Committee Members) be limited to 7 and the number of directors who are Audit and Supervisory Committee Members be 3. The Board of Directors is composed of a diverse range of directors with different backgrounds in expertise, experience, etc. to ensure that the Board of Directors as a whole has a well-balanced mix of knowledge, experience, and ability, combining internal directors familiar with the Group's operations with multiple outside directors having a wealth of experience and knowledge outside the Company. Currently, of the nine directors (seven men and two women), there are five independent outside directors. The members of the Board of Directors are as follows.

Title	Name
President and Representative Director (Chairman)	Tatsuya Kataoka
Representative Director	Nobuo Onodera
Director	Michifumi Katsuta

Director (outside) *	Mitsuru Akiyoshi
Director (outside)	Mami Yoda
Director (outside)	Shigeru Ishii
Director (full-time Audit & Supervisory Committee Member)	Kazuhiro Maehara
Director (outside Audit & Supervisory Committee Member)	Mayumi Noguchi
Directors (outside Audit & Supervisory Committee Member)	Yoshikazu Suzuki

*Mitsuru Akiyoshi has been selected as the lead independent outside director.

(2) Audit & Supervisory Committee

- The Audit & Supervisory Committee determines the scope of duties of the Audit & Supervisory Committee in accordance with the Regulations on the Audit & Supervisory Committee, etc., receives reports on important matters related to audits, and discusses or makes resolutions on these matters. Based on the audit policies and audit plan, the Audit & Supervisory Committee works closely with the Internal Audit Department, the Internal Control Division, and the Accounting Auditors to conduct systematic, effective, and efficient audits utilizing the Company's internal control system. In addition, the Audit & Supervisory Committee has a supervisory function over executive officers and provides opinions on the appointment, dismissal etc. and compensation etc. of directors (excluding directors who are Audit & Supervisory Committee Members).
- To ensure the effectiveness of audits, the Articles of Incorporation stipulate the number of Audit & Supervisory Committee Members as three, of which the majority are outside directors. Currently, of the three Audit & Supervisory Committee Members (two men and one woman), two are independent outside directors. The members of the Audit & Supervisory Committee are as follows.

Title	Name
Full-time Audit & Supervisory Committee Member (Chairman)	Kazuhiro Maehara
Audit & Supervisory Committee Member (outside)	Mayumi Noguchi
Audit & Supervisory Committee Member (outside)	Yoshikazu Suzuki

(3) Management Committee

- The Management Committee, which consists of representative directors, directors and others, is established under the Board of Directors.
- Based on the basic policies and management plans determined by the Board of Directors, the Management Committee discusses and decides on important business execution matters and strategies for the flexible business execution by the Group. In addition, the Management Committee holds preliminary discussions, etc. on resolutions of the Board of Directors as necessary. The members of the Management Committee are as follows. A full-time Audit & Supervisory Committee Member is also a member.

Title	Name
President and Representative Director (Chairman)	Tatsuya Kataoka
Representative Director	Nobuo Onodera
Director	Michifumi Katsuta

In addition, for important matters related to the execution of the Group's business, the following meetings are positioned as part of the Management Committee, and they deliberate intensively on matters in their respective jurisdictions.

A. The Compliance Conference

The Compliance Conference discusses and determines basic policy, etc. related to the Group's overall compliance and customer protection and monitors conditions at subsidiaries.

B. The ALM and Risk Management Conference

The ALM and Risk Management Conference discusses and makes resolutions on basic policy, planning, and key measures relating to the Group's ALM, integrated risk management, credit risk management, market risk management, liquidity risk management, operational risk management, profit management, and overall budget and monitors the status of subsidiary companies.

C. The Group Sales Strategy Conference

The Group Sales Strategy Conference discusses and determines the basic policy, plan, and key measures related to the Group's sales strategy and partner strategy, and conducts monitoring of the state of progress of the medium-term management plan, etc.

D. The Administration and IT Systems Strategy Conference

The Administration and IT Systems Strategy Conference discusses and determines the Group's overall measures on administrative optimization and system and administrative process integration, and the basic policy, plan, and key measures related to the IT strategy, and conducts monitoring of the state of progress of the policies of subsidiaries.

E. The Group Management Audit Conference

The Group Management Audit Conference discusses, determines, and reports on important matters related to internal audits as well as reports on and discusses matters related to the results of audits by the Audit & Supervisory Committee and internal audits of the entire Group.

(4) Compensation and Personnel Committee

• To ensure the objectivity and transparency of the compensation and personnel affairs of directors and executive officers, we have established a voluntary Compensation and Personnel Committee composed solely of outside directors. This committee deliberates on compensation and personnel matters for directors and executive officers. The members of the Compensation and Personnel Committee are as follows.

Title	Name
Director (Chairman, outside)	Mitsuru Akiyoshi
Director (outside)	Mami Yoda
Director (outside)	Shigeru Ishii

(5) The Group Sustainability Committee

• The Committee, chaired by the President and Representative Director of the Company, regularly deliberates on the Group's sustainability policies and initiatives, and manages their progress in an integrated manner.

(6) Internal Audit Department

• The Board of Directors has established an Internal Audit Department as an organization independent from the executive departments. The Internal Audit Department conducts internal audits on the effectiveness and appropriateness of the internal management systems and internal controls.
• The Company's Internal Audit Department works to strengthen internal auditing functions by evaluating the internal audit status of the Group companies and by performing internal audits that are consistent throughout the entire group.
• The status of the Company's accounting audit is as follows.

(Auditor's name)

Deloitte Touche Tohmatsu LLC

(Continuous audit period)

Since 1976

* The Company is a holding company jointly established in 2016 through the transfer of shares by the Bank of Yokohama, Ltd. and the Higashi-Nippon Bank, Limited. The continuous audit period above includes the continuous audit of the Bank of Yokohama, Ltd.

(Certified public accountants who have executed services)

Hiroyuki Hamahara, Yasuhiko Igarashi, Takeshi Shimoizaka

(Composition of assistants for audit engagements)

The assistants for the Company's accounting audits are 12 certified public accountants and 23 others.

3. Reasons for Adoption of the Current Corporate Governance System

At the 9th the Ordinary General Meeting of Shareholders held in June 2025, the Company resolved to change its Articles of Incorporation and changed to a Company with an Audit and Supervisory Committee. A Company with an Audit and Supervisory Committee aims to further strengthen the supervisory function over the Board of Directors and Directors by granting voting rights at the Board of Directors to Directors who are Audit and Supervisory Committee Members. The Audit and Supervisory Committee consists of a full-time Audit and Supervisory Committee Member, and a majority of outside directors who are Audit and Supervisory Committee Members. The system is designed to ensure both regular audits of business execution and the objectivity and independence of audits. In addition, the Company has established a system to ensure the transparency and objectivity of the decision-making process regarding the compensation of Directors by establishing a voluntary Compensation and Personnel Committee consisting solely of outside directors.

/// Implementation of Measures for Shareholders and Other Stakeholders

1. Status of Measures to Revitalize General Meetings of Shareholders and Facilitate Exercise of Voting Rights

	Supplementary Explanation
Early Notification of General Meeting of Shareholders	The materials for the General Meeting of Shareholders are sent out at least three weeks prior to the date of the General Meeting of Shareholders. Before sending the materials out, the Company takes measures to provide them electronically on the Company's website and on the website of the Tokyo Stock Exchange.
Scheduling OGMs Avoiding the Peak Day	The 9th Ordinary General Meeting of Shareholders was held on June 20, 2025.
Allowing Electronic or Magnetic Exercise of Voting Rights	Voting rights can be exercised via the Internet.
Participation in Electronic Voting Platform and Other Efforts to Enhance the Voting Environment for Institutional Investors	The Company uses the electronic voting rights exercise platform for institutional investors operated by ICJ, Inc.
Providing Convocation Notice in English (Translated Partially)	The Company creates an English version of the convocation notice (partial translation), discloses it to the Tokyo Stock Exchange, and posts it on the Company's website.
Others	To enhance explanations to shareholders, the Company has implemented the following measures: • One week before the date of the General Meeting of Shareholders, we publish the Business Report video to be shown at the meeting on our website. • Implement a live broadcast of the General Meeting of Shareholders on the Internet for shareholders. • Post results of acceptance or rejection of proposals on the Company's website

2. Status of IR Activities

	Supplementary Explanation	Explanation by Representative
Preparation and Announcement of Disclosure Policy	The Company has established a "Disclosure Policy", which is posted on the Company's website. https://www.yokohamafg.co.jp/en/shareholder/disc/index.html	
Regular Investor Briefings for Individual Investors	At least once a year, the management team explains the Company's performance, business strategies, etc. In FY2024, we held one online briefing in March for individual investors and explanations were given by the President and Representative Director. Approximately 2,300 people participated.	Yes
Regular Investor Briefings for Analysts and Institutional Investors	Briefings for analysts and institutional investors are held following the release of full year, interim, and quarterly financial results, where representative directors, etc. explain business performance, management strategies and other matters. In FY2024, four briefings were held and around 400 people in total participated. Each quarter, representative directors and other members of the management team meet individually with analysts and fund managers of major institutional investors in Japan to explain the business performance and management strategy. In FY2024, such meetings were held with a total of 216 companies. In addition, through interviews with the persons in charge of exercising voting rights at major domestic shareholders, we confirm the criteria for exercising voting rights and provide explanations of management strategies and initiatives related to ESG. In FY2024, such meetings were held with a total of 19 companies. In FY2024, we held two IR Days to explain our management strategy. The President and Representative Director, officers in charge of each strategy, and outside directors attended and explained the solution business and corporate governance.	Yes

Regular Investor Briefings for Overseas Investors	At least once every six months, the management team, including representative directors, explains business performance, management strategies and other matters to major overseas institutional investors in Europe, North America, and Asia through individual meetings. They also regularly participate in IR conferences held by securities companies and meet with overseas institutional investors. In FY2024, they met with a total of 111 companies.	Yes
Posting of IR Materials on Website	Various types of IR materials are posted on the Company's website promptly after their release. Major materials disclosed on the website are as follows: Securities Report (available in Japanese only)/Semi-annual Reports (available in Japanese only), Financial Summary Reports/Briefing Materials on Financial Results, Integrated Report (Annual Report), Concordia Report (available in Japanese only), IR Presentation Materials, Briefing Materials for Individual Investors (available in Japanese only), Rating Information, Bond Information (available in Japanese only), Analyst Coverage, News Releases, Materials Related to General Meeting of Shareholders, etc. Videos of financial results presentations, IR Day, and individual investor presentations as well as scripts and main Q&A sessions are also available. A dedicated page for individual investors has also been established. It explains the Group's financial results, growth strategies, and other matters in an easy-to-understand manner. We have also established a contact system for IR inquiries in order to facilitate two-way communication. Various types of IR materials for overseas institutional investors are posted on the English version of the Company's website in a timely manner. https://www.yokohamafg.co.jp/en/shareholder/disc/index.html	
Establishment of Department and/or Manager in Charge of IR	Officer in charge of IR: Nobuo Onodera, Representative Director Department in charge of IR: Corporate Communication Office, Corporate Planning Department Contact for IR administrations: General Manager of Corporate Communication Office, Corporate Planning Department	

3. Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanation
Provisions to Ensure Due Respect for Stakeholders in Internal Rules, etc.	The Company has established provisions to ensure due respect for stakeholders in its management philosophy, in the Basic Regulations on Compliance, etc.
Implementation of Environmental Activities, CSR Activities, etc.	The Company has established and announced its "Group Sustainability Policy" and implements various measures based on these views. In addition, the Company takes various opportunities to disclose the results of these measures, including on its website and through the Integrated Report (Disclosures Report).
Formulation of Policies for Information Provision to Stakeholders	The Company discloses information in a timely and appropriate manner in accordance with the Companies Act, the Banking Act, the Financial Instruments and Exchange Act and other laws and regulations, and the timely disclosure rules, etc. of financial instruments exchanges. In addition to information based on these laws, regulations, and rules, the Company also discloses information in an independent and proactive manner in order to contribute to the understanding of customers, shareholders, investors, and local communities. In addition, the Company also endeavors to provide English-language disclosure of important information.

Others

[Initiatives for ensuring diversity]

[The Bank of Yokohama]

1. Promoting diversity

(1) Promotion of women's activities

Based on its general employer action plan, the Bank has established Hamagin Woman's Action, which aims to develop female executives and managers. The Bank conducts positive actions in order to improve the careers of female employees, such as position-based training that provides support for career building. The percentage of women in management positions as of March 31, 2025 was 23.9%.

(2) Strengthening mid-career recruitment

In order to secure human resources with various backgrounds and expertise, the Bank has introduced a "Professional Human Assets System" and "Professional Style" as an initiative to help improve our competitiveness in the recruitment market and has developed competitive compensation packages. In addition, the Bank is diversifying its recruitment routes by strengthening its efforts for rehiring alumni through our Alumni Network*, referrals from bank employees, referrals from agents, and direct scouting activities. We made 116 mid-career hires in FY2024.

*Network of former employees of the Bank of Yokohama Group and the Bank Group. 209 alumni registered as of the end of FY2024 (62 new members in FY2024).

(3) Employment of persons with disabilities

A special subsidiary, Hamagin Business Challenged Co., Ltd., is at the center of the Bank's support for the independence of persons with disabilities to achieve an inclusive society. The subsidiary is working to improve the workplace environment to support the active participation of employees with disabilities by sharing information with employees through Hamagin Business Challenged Plaza, and by holding study sessions with outside lecturers for the human resources department and managers who have subordinates with disabilities. In addition, our employment rate of persons with disabilities in FY2024 was 2.58%.

2. Promoting diverse work styles

(1) Initiatives to promote a more balanced work style

To promote employees' mental and physical health and to improve productivity, we are stepping up efforts to optimize working hours and to encourage employees to take paid leave. In FY2024, the uptake ratio for paid leave was 77.3% and the average number of days taken was 14.9.

(2) Measures to support work-life balance

The Bank is working to realize flexible working styles, including more opportunities for employees with time constraints to play an active role and shortened working hours system, in accordance with employees' life events, such as raising children. In FY2024, to strengthen career support before and after taking maternity and childcare leave, the Bank conducted follow-up training for employees who have been back at work for one to two years after returning from maternity and childcare leave, as well as career support interviews for employees who wish to use the shortened working hours system. The Bank also encourages male employees to participate in childcare, and in FY2024, the percentage of male employees taking childcare leave was 111.7% and the average number of days taken was 16.9. The Bank also actively engages in awareness-raising activities for all employees, including holding training sessions under the theme of "participation of men in childrearing," "measures to prevent employees from retiring due to long-term care for their parents" and "supporting the balance between work and infertility treatment."

3. Other Initiatives

(1) Health Management

The Bank established "The Yokohama Bank Health Declaration" so that all employees can demonstrate their full potential through initiatives involving health management of its employees.

The Bank has established the Health Management Promotion Liaison Committee, which is led by the Chief Health Officer (CHO) and includes a member from each division of the Bank of Yokohama, the Yokohama Bank Health Insurance Society, and the health management center in order to promote health management by formulating specific measures for maintaining and improving employee health, ensuring these are implemented properly by checking progress as necessary, and verifying measurable effects such as in the results of regular medical checkups, thereby identifying issues and reflecting items to improve in future initiatives.

Specifically, the Bank is promoting initiatives including measures to prevent passive smoking (100% smoking free), implementation of non-smoking campaigns, expansion of persons eligible for thorough medical checkup programs, and establishment of health consultation counter for women, etc.

(2) Major external evaluations

- 2016: Received “Class 3” (the highest rank) in the “Eruboshi (L Star)” certification based on the Act on Promotion of Women’s Participation and Advancement in the Workplace
- 2018: Awarded “Japan’s Minister of State for Special Missions Prize” at the “Advanced Corporation Awards for the Promotion of Women” held by the Cabinet Office
- 2019: Received “Platinum Kurumin” certification under the Act on Advancement of Measures to Support Raising of the Next Generation of Children
Kanagawa Support Care Company Certification
- 2023: “Next Nadeshiko: Companies Supporting Dual-career and Co-parenting” by Minister of Economy, Trade and Industry
- 2025: Recognized as a Certified KENKO Investment for Health Outstanding Organization 2025, White 500 (large enterprise category) under the Certified KENKO Investment for Health Outstanding Organizations Recognition Program (for the 7th consecutive year)

[The Higashi-Nippon Bank, Limited]

1. Promoting diversity

(1) Promotion of women’s activities

Aiming to create a workplace where all employees, including women, can work positively, the Bank is reforming the entire organization to raise awareness and improve the environment, focusing on “next generation development” and “work style reform” for women. In addition, the Bank has strengthened efforts by establishing a DEI Promotion Office in April 2024 with the aim of promoting the activities of diverse human resources. As of March 31, 2025, the percentage of women in management positions is 13.8%.

(2) Strengthening mid-career recruitment

In order to secure human resources with various backgrounds and expertise, the Bank is strengthening its efforts in referrals from bank employees, referrals from agents, and direct scouting activities to diversify its recruitment routes as an initiative to improve competitiveness in the recruitment market. The number of mid-career hires in FY2024 is 11.

(3) Employment of persons with disabilities

The Bank works closely with vocational schools, employment support centers, and employment transition support offices in each municipality, aiming to realize an inclusive society in which diverse human resources can play an active role. The Bank holds study sessions with outside lecturers for the human resources department and managers who have subordinates with disabilities, to improve the workplace environment in support of the active participation of employees with disabilities.

2. Promoting diverse work styles

(1) Initiatives to promote a more balanced work style

To promote employees’ mental and physical health and to improve productivity, we are stepping up efforts to optimize working hours and to encourage employees to take paid leave. In FY2024, the uptake ratio for paid leave was 69.7% and the average number of days taken was 13.6.

(2) Measures to support work-life balance

The Bank continues to implement the Branch Registration System for Employees with Support in Work-Life Balance, which allows employees who need support in their work-life balance to register at branches close to their homes where they can work full-time, and the Bank encourages these employees to work full-time by considering transfers. The Bank also encourages male employees to participate in childcare, and in FY2024, the percentage of male employees taking childcare leave was 87.1%, and the average number of days taken was 8.9.

In addition, as part of its initiatives for employees on maternity and childcare leave, the Bank has developed the Higashi-Nippon Bank Support System that allows them to check the latest internal information and access self-development content from home. Led by the DEI Promotion Office, the Bank is also working to alleviate concerns about returning to work and provide support by holding seminars in line with the timing of their return to work and individual interviews regarding their return to work.

3. Other Initiatives

(1) Health Management

The Bank has formulated the Higashi-Nippon Bank Health Declaration to enable all employees to demonstrate their full potential through employee health management initiatives.

To put health management into practice, the Bank has established the Health Management Promotion Liaison Committee, led by the Chief Health Officer (CHO) consisting of members from relevant divisions of the Bank, the Higashi-Nippon Bank Health Insurance Society, and industrial physicians. The committee formulates specific measures to maintain and improve employee health, regularly checks the status of implementation and takes appropriate

action, and quantitatively evaluates the effectiveness based on the results of regular health checkups, etc. to identify issues and reflect areas that need improvement in future initiatives.

Specifically, the Bank is promoting measures to prevent passive smoking (100% smoke free) and providing assistance to quit smoking, as well as providing assistance with checkups for diseases specific to women.

(2) Major external evaluations

2015: Received “Kurumin” certification under the Act on Advancement of Measures to Support Raising of the Next Generation of Children

2025: Recognized as a Certified KENKO Investment for Health Outstanding Organization 2025 (large enterprise category) under the Certified KENKO Investment for Health Outstanding Organizations Recognition Program (for the 4th consecutive year)

IV Matters Related to Internal Control Systems

1. Basic Concepts and State of Implementation of Internal Control Systems

(Basic Concepts of Internal Control System)

In order to ensure that the Group complies with laws and regulations and the Articles of Incorporation and conducts its business appropriately, the Company shall establish and operate Internal Control Systems as follows, and work to improve their effectiveness by continuously assessing them and implementing improvement measures as required.

(1) Systems to ensure that execution of duties by directors and employees comply with laws and regulations and the Articles of Incorporation

A. The Board of Directors formulated the “Basic Compliance Policy” that defines basic policy on compliance for the Group and ensures thorough compliance with laws and regulations by all officers and employees of the Group in areas such as customer protection, personal information protection, rejection of relationships with anti-social forces, money laundering prevention, etc.

B. The Board of Directors established the Compliance Conference (Management Committee) and as a plan outlining specific measures to realize compliance in the Group, formulates an annual Compliance Program based on the basic policy. The Board of Directors also increases effectiveness through management and guidance based on monitoring the status of progress of the Compliance Program and the status of compliance across the overall Group.

C. The Board of Directors shall establish a division to control Group compliance, and this compliance control division shall manage and direct compliance operations uniformly across the Group.

D. The Board of Directors developed a system to allow for direct reporting to the Company’s compliance control division by all officers and employees of the Group regarding compliance issues. If a report is received, the compliance control division swiftly provides instructions for improvement, while also implementing measures for correction and improvement. The Company also established a channel within the Office of the Audit and Supervisory Committee through which the Audit and Supervisory Committee can be directly contacted from both inside and outside the Company about matters concerning violations of laws and regulations in which a director or executive officer is involved, or inappropriate behavior in regard to the Group’s accounting, internal controls for accounting, or accounting audits.

E. The Board of Directors works to maintain and improve its supervisory functions from an external viewpoint by appointing outside directors who have a standpoint independent from the Group to make up at least one-third of all directors.

F. The Board of Directors established an Internal Audit Department as an organization independent from executive departments. This Internal Audit Department conducts internal audits of the effectiveness and appropriateness of matters such as the compliance system.

(2) System for storage and management of information related to execution of directors’ duties

Information related to execution of directors’ duties, the minutes of each meeting, documents, etc. shall be stored and managed in accordance with the regulations. Furthermore, Directors may view these documents, etc. at any time.

(3) Regulations and other systems for management of loss risk

A. The Board of Directors systematically develops risk regulations centered on the “Basic Regulations on Risk Management” while also setting up a risk control division across the Group and risk management divisions categorized by risk type, thus creating a system to appropriately manage risk, including the spread and concentration of risk within the Group.

B. The Board of Directors formulates a risk appetite framework as a method for clarifying and monitoring the types and sizes of risks to be accepted as part of promoting the Company’s operations, giving consideration to the balance of revenue, risk, and capital, and it strives to enhance governance related to overall risk management and to cultivate a risk culture.

C. Organizations such as the Board of Directors and Management Committee soundly and effectively implement risk management in the Group while also periodically and continuously reviewing policies and procedures on risk management in view of factors such as strategic goals and changes to the external environment of the Group. Furthermore, the ALM/Risk Management Conference, established as a Management Committee, ascertains the Group’s exposure to various risks in a unified group framework, and utilizes the ascertainment of these risks in business execution at the subsidiaries and in the establishment of management systems there, thus increasing the effectiveness of risk management.

D. The Internal Audit Department conducts internal audits of the effectiveness and appropriateness of risk management systems, etc.

(4) System to ensure the efficient execution of directors’ duties

The Board of Directors seeks to promote the efficiency of directors’ execution of their duties by establishing the following system.

A. Establishing the Management Committee composed of representative directors, directors, etc.

B. Explicitly stating the range of delegation of authority through the formulation of regulations regarding authority for duties

C. Formulation of corporate policies and management plans by the Board of Directors

D. Appropriate group business management, including performance and progress on major matters at Board of Directors meetings and Management Committee meetings

(5) System to ensure the appropriateness of financial reporting

The Board of Directors enacted Basic Rules for Internal Control over Financial Reporting in order to ensure the appropriateness of the Group’s financial reporting.

(6) Systems to ensure appropriate operations of the corporate group

A. By defining basic regulations regarding corporate management of the Group and regulations regarding deliberation and reporting and explicitly stating the roles and responsibilities of the Company and subsidiaries, the Board of Directors ensures appropriateness and efficiency in operations of the Group.

B. The Board of Directors works to optimize the distribution of management resources in the Group and establishes the stance for risk management, compliance, etc. at the subsidiaries.

C. The Internal Audit Department oversees the internal audits of the Group and, from the perspective of ensuring the appropriateness of business operations, conducts internal audits of all divisions and operations of the Company, except the Office

of the Audit and Supervisory Committee, as well as of the Group companies, and reports internal audit results to the Group Management Audit Conference, the Board of Directors and the Audit and Supervisory Committee.

(7) Matters concerning employees who are to assist the Audit and Supervisory Committee with its duties, matters concerning the independence of such employees from directors (excluding directors who are Audit and Supervisory Committee Members), and matters concerning ensuring the effectiveness of directions given to such employees

A. An Office of the Audit and Supervisory Committee has been established and dedicated employees are assigned to assist in the audit operations of the Audit and Supervisory Committee.

B. Matters such as personnel transfers and human resource evaluations for employees belonging to the Office of the Audit and Supervisory Committee are reported in advance to the Audit and Supervisory Committee, and the Audit and Supervisory Committee shall be able to state its opinion.

C. Employees belonging to the Office of the Audit and Supervisory Committee execute their duties under the direction of the Audit and Supervisory Committee.

(8) Systems for reports to the Audit and Supervisory Committee by directors (excluding directors who are Audit and Supervisory Committee Members) and employees, as well as by directors, Audit and Supervisory Board Members, and employees at subsidiaries, and systems for other reporting to the Audit and Supervisory Committee

A. If a director (excluding directors who are Audit and Supervisory Committee Members) or employee discovers facts in the Group that may have a significant damaging impact on the Company, facts that show improper conduct, or significant facts that violate laws or regulations or the Articles of Incorporation, or if a director, Audit and Supervisory Board Member, or employee of a subsidiary discovers such facts at their respective companies, such a person shall report said facts either directly or indirectly to the Company's Audit and Supervisory Committee.

B. Directors and employees of the Company and directors, Audit and Supervisory Board Members, and employees at subsidiaries report appropriately to the Company's Audit and Supervisory Committee regarding matters such as the status of execution of business.

C. The Group shall not in any way treat disadvantageously any person who reports to the Company's Audit and Supervisory Committee.

(9) Other systems to ensure effective audits by the Audit and Supervisory Committee

A. Audit and Supervisory Committee Members may attend conferences and committee meetings such as those of the Management Committee.

B. The Audit and Supervisory Committee hold periodic meetings with representative directors in order to confirm management policies of the representative directors, while also exchanging views on matters such as issues to be addressed by the Group, risks the Group faces, the provision of environments for audits by the Audit and Supervisory Committee, and significant issues in audits, etc. The Audit and Supervisory Committee also actively exchange views with accounting auditors in the same fashion.

C. Working closely with parties such as the accounting auditors, the Internal Audit Department, and subsidiaries' Audit and Supervisory Board Members, the Audit and Supervisory Committee conducts effective audits by holding periodic meetings with officers and employees of the Group.

D. The Audit and Supervisory Committee may direct the Internal Audit Department to conduct and report on, etc. any necessary investigations if such action is deemed necessary to fulfill its duties.

E. The Audit and Supervisory Committee passes a resolution of agreement beforehand for the internal audit basic plan and appointment or dismissal of the General Manager of the Internal Audit Department.

F. The Audit and Supervisory Committee may receive reports beforehand on human resource evaluations, etc. of the General Manager of the Internal Audit Department and attach their opinions on such reports.

G. Pursuant to Article 399-2, Paragraph 4 of the Companies Act, the Company shall make payment for any fees incurred during audits, based on the demands of the Audit and Supervisory Committee.

(Outline of Internal Control System Implementation Status)

In principle, the Company periodically verifies the status of the Group's internal control framework and its operation once a year and reviews it as necessary. In FY2024, the verification was carried out at a meeting of the Board of Directors held in March 2025.

The overview of the status of the operation of systems to ensure the appropriateness of the operations of the Company in FY2024 is as follows.

(1) Systems relating to compliance

A. The Compliance Conference (Management Committee) enacted a Compliance Program for FY2024, and officers and employees strove to implement this program.

B. In order to prevent the recurrence of problematic incidents and in order to prevent violation of laws, regulations, etc., the Compliance Conference (Management Committee), in principle, meets once every three months. Four meetings for discussion, etc. were held in FY2024.

C. The Compliance Hotline, which is a system of whistleblowing from the Group's officers and employees, etc. to the compliance control division, etc. was operated appropriately, and the compliance control division responded promptly to make corrections and improvements when problematic incidents, etc. were reported.

(2) Risk management systems

A. We strove for effective risk management based on risk management related regulations, such as the Basic Regulations on Risk Management enacted by the Board of Directors and various risk management basic regulations.

B. The Board of Directors and the Management Committee received regular reports on levels of various types of risk and the status of their management and made necessary resolutions in a timely manner to appropriately manage various types of risk. C. By using the risk appetite framework as a method for clarifying and monitoring the types and amounts of risk to be accepted as part of promoting the Company's operations, giving consideration to the balance of revenue, risk, and capital, we worked to enhance governance related to overall risk management and to cultivate a risk culture.

(3) Systems relating to ensuring efficient execution of duties by directors, and the storage and management of information

A. The Board of Directors has established regulations relating to the operation of the Board of Directors and to the establishment and operation of the Management Committee and its decision-making authority. In addition, regulations related to the organization of the Company and the division of operational duties are determined by the Management Committee, etc.

B. The Board of Directors determined Group management policies and Group overall budgets under the medium-term management plan covering the three-year period from FY2022 to FY2024. In addition, the Board of Directors and the Management Committee managed the progress of business performance and other important matters, and engaged in management and control in light of policies on Group management policies and Group overall budgets, based on periodic reports from the responsible divisions, etc.

C. The minutes of meetings of the Board of Directors, the Management Committee, etc. and other documents pertaining to the execution of duties by directors are appropriately stored and managed in accordance with relevant regulations.

(4) Systems related to ensuring appropriate financial reporting

Based on the Basic Regulations on Internal Controls for Financial Reporting enacted by the Board of Directors, the Risk Management Department, which is an independent evaluation department, periodically evaluates the effectiveness of internal controls on financial reporting and reports to the Board of Directors.

(5) Systems to ensure appropriate operations of the corporate group

A. In accordance with the Regulations on Group Management and Control enacted by the Board of Directors, the Board of Directors deliberated and decided on matters occurring at subsidiaries that would have a significant impact across the Group as a whole, necessary matters for internal control, etc.

B. In principle, the ALM/Risk Management Conference met monthly to receive reports related to the results of operations at companies in the Group, the status of risk management, etc. and to deliberate on policies for risk management and other matters related to internal management systems. Moreover, the Group Sales Strategy Conference (Management Committee) met monthly (in principle) to receive reports related to the business performance of companies in the Group and the implementation status of various management targets and to formulate or deliberate, etc. future sales strategies.

C. The Internal Audit Department conducted audits of all departments and operations of the Company, except the Office of Audit & Supervisory Board Members, as well as of Group companies, and in principle reported the results to the Group Management Audit Conference, the Board of Directors, and the Audit & Supervisory Board Members once every three months.

(6) Systems relating to ensuring effective audits by Audit & Supervisory Board Members

A. The Company has established the Office of Audit & Supervisory Board Members as an organization independent from executive departments, and has assigned dedicated employees to it to assist Audit & Supervisory Board Members and the Audit & Supervisory Board in accordance with directions from Audit & Supervisory Board Members.

B. The Company has taken steps to ensure thorough awareness of the fact that Company directors and employees and Group company directors, Audit & Supervisory Board Members, and employees are to make necessary reports directly or indirectly to the Company's Audit & Supervisory Board or its members.

C. Audit & Supervisory Board Members held periodic meetings with representative directors to confirm management policies and to exchange views regarding Group issues, etc. In addition, Audit & Supervisory Board Members gathered information from and exchanged views with officers of the Company and its subsidiaries, and the Accounting Auditors of the Company; etc. by holding periodic meetings with them and requesting reports and explanations as necessary, etc.

D. The Audit & Supervisory Board passed a resolution of agreement beforehand for the internal audit basic plan, etc.

E. Audit & Supervisory Board Members received reports beforehand on human resource evaluations of the Internal Audit Department General Manager and discussed the contents of these reports.

2. Basic Concepts on Eliminating Anti-Social Elements and Their State of Implementation

The Company is always aware of the importance of its public mission and social responsibility as a comprehensive financial group, and the entire organization works to fulfill the basic principle of rejecting all transactions and other relationships with anti-social forces, including resolutely refusing to provide funds to any anti-social forces that threaten the public order or safety of civil society, and firmly eliminating any unjust demands or unjust intervention by anti-social forces.

Concretely, based on this basic principle, the Company has established its Basic Compliance Policy for the Group, Basic Policy on Anti-Social Forces, etc. from the perspective of preventing harm by anti-social forces and takes steps to ensure that all officers and employees are familiar with these policies, and also has established internal systems as follows.

(1) The Risk Management Department manages the Group's handling related to anti-social forces.

(2) To counter any unjust demands, Group companies build close cooperative relationships with external specialist institutions, including the police and the National Center for Removal of Criminal Organizations.

(3) Based on information accumulated thus far by the Group companies, information gathered from external specialist institutions, etc., the Company has created a database for information related to anti-social forces and works to keep it updated.

(4) The Company utilizes external seminars on specific approaches to rejecting relationships with anti-social forces and also provides internal training at the Group companies.

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not adopted
Supplementary Explanation	

2. Other Matters Concerning the Corporate Governance System

[Overview of Timely Disclosure System]

<Disclosure Policy>

The Company shall establish the "Disclosure Policy" to prescribe the basic stance and the disclosure procedures, etc. pertaining to the disclosure of information on the contents of the management of the Company. The Company shall enhance the disclosure of information on the contents of the management of the Group through enactment of the Disclosure Policy so that stakeholders such as our depositors including all other customers, stockholders and regional communities are able to make the appropriate judgment on the execution of transactions with the Group and the decision on investment in shares of the Company, while increasing the transparency of the Group's management and aiming to be a financial group exercising the management that is trusted by our stakeholders.

The Disclosure Policy is posted on the Company's website.

(Disclosure Policy) <https://www.yokohamafg.co.jp/en/shareholder/disc/index.html>

<Internal System for Timely Disclosure>

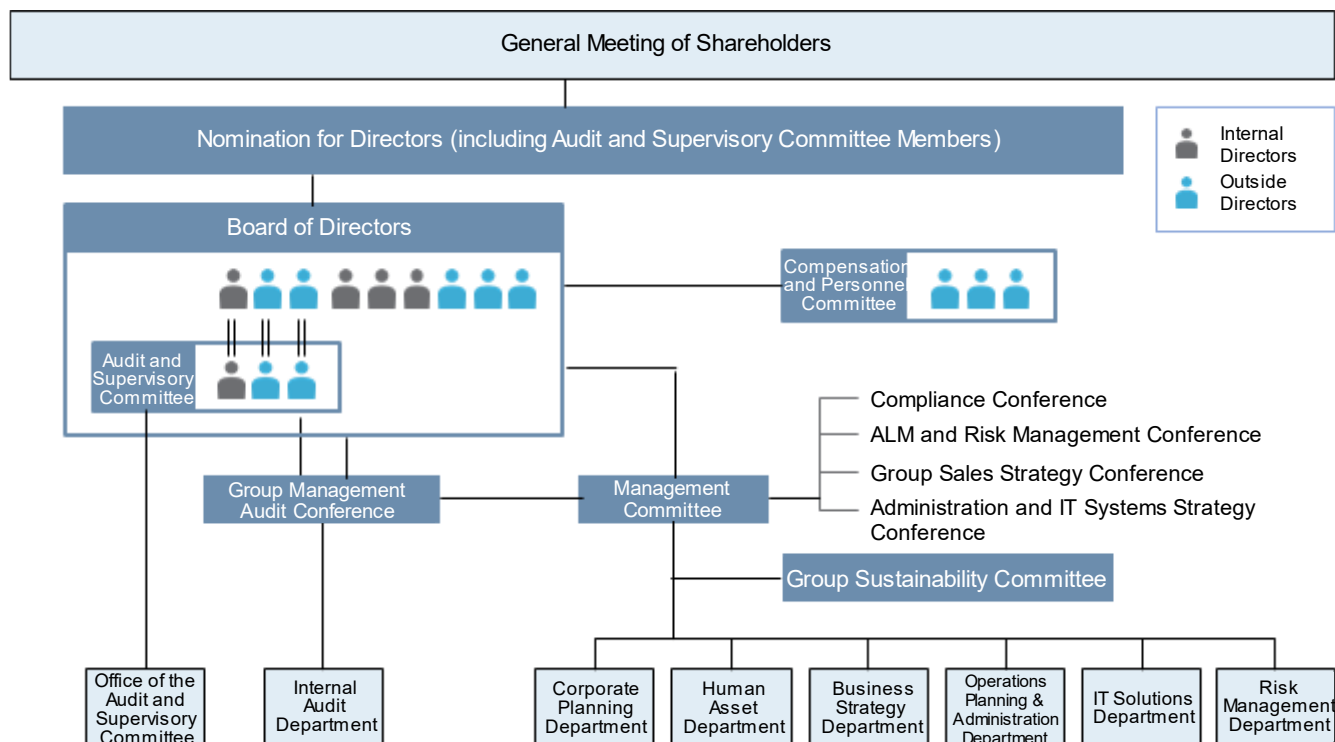
The Corporate Planning Department is responsible for the timely disclosure of corporate information. Information is disclosed through the following system.

Information from the Group companies and responsible divisions is promptly compiled in the Corporate Planning Department. The Corporate Planning Department determines the necessity of disclosure in accordance with timely disclosure rules.

If the Corporate Planning Department decides to disclose information, it consults the division responsible for the relevant matter, then prepares disclosure documents and promptly discloses the information.

Furthermore, in order to ensure the appropriateness of timely disclosure, the compliance department conducts verifications, and the Internal Audit Department audits the status of the management and handling of information for timely disclosure.

[Corporate Governance Systems]



[Overview of Timely Disclosure System]

