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Securities code: 5844
June 3, 2024

To our shareholders:

Nobuhiro Doi
Representative Director and President
Kyoto Financial Group, Inc.
700, Yakushimae-cho, Karasuma-dori, Matsubara-
Agaru, Shimogyo-ku, Kyoto, Japan

NOTICE OF THE 1ST ORDINARY GENERAL MEETING OF SHAREHOLDERS

The 1st Ordinary General Meeting of Shareholders of Kyoto Financial Group, Inc. (the “Company”) will be held as described below.

For the convocation of the General Meeting of Shareholders, the Company has taken measures to electronically provide information that constitutes the content of Reference Documents for the General Meeting of Shareholders (matters for which measures for electronically providing information are to be taken), and posted a notice on our website titled, “Notice of Convocation of the 1st Ordinary General Meeting of Shareholders.” Please access review this information on the Company’s website using the link below to check.

The Company’s website: <https://www.kyoto-fg.co.jp/ir/stock/meeting/> (in Japanese)

In addition to the website above, the matters for which measures for electronically providing information are to be taken are also available on the website of the Tokyo Stock Exchange (TSE). Please visit the TSE website (Listed Company Search) using the link below. To find the materials, enter “Kyoto Financial Group” or securities code “5844” in the relevant field and click “Search.” Then select “Basic Information” followed by “Documents for public inspection/PR information.”

Tokyo Stock Exchange website (Listed Company Search):
<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese)

If you are unable to attend the meeting on the day, please indicate your approval or disapproval of the proposals after reviewing the attached Reference Documents for the General Meeting of Shareholders, and return it by the Internet or postal mail to reach us no later than 5:00 p.m. on Wednesday, June 26, 2024 (Japan Standard Time).

1. Date and Time: Thursday, June 27, 2024 at 10:00 a.m. (Japan Standard Time) (Reception will open at 9:00 a.m.)

2. Venue: 7th floor Hall, Head office of the Bank of Kyoto, Ltd.
700, Yakushimae-cho, Karasuma-dori, Matsubara-Agaru, Shimogyo-ku, Kyoto, Japan

3. Purposes:

Items to be reported:

1. Business Report and Consolidated Financial Statements, as well as the results of audit of the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Committee for the 1st Term (from April 1, 2023 to March 31, 2024)

(Note) The Company's 1st Term is from October 2, 2023 to March 31, 2024, but the consolidated fiscal year under review is from April 1, 2023 to March 31, 2024.

2. Non-Consolidated Financial Statements for the 1st Term (from October 2, 2023 to March 31, 2024)

Items to be resolved:

Proposal 1: Election of six (6) Directors (excluding those who are Audit and Supervisory Committee Members)

Proposal 2: Election of one (1) Director who is an Audit and Supervisory Committee Member

Proposal 3: Setting the amount of remuneration, etc. for Directors (excluding those who are Audit and Supervisory Committee Members)

Proposal 4: Matters regarding determination of remuneration, etc. for awarding restricted stock to Directors (excluding Outside Directors and Directors who are Audit and Supervisory Committee Members)

Proposal 5: Setting the amount of remuneration, etc. for Directors who are Audit and Supervisory Committee Members

4. Decisions Made in Preparation for the Meeting

- (1) Although provided as part of the matters for which measures for electronically providing information are to be taken, the following items are not included in the physical documents delivered to shareholders who have requested printed materials, in accordance with legal requirements and the Company's Articles of Incorporation. Furthermore, the Audit and Supervisory Committee and the Accounting Auditor audit the applicable documents, including the following:
 - (i) In the Business Report, two items under section "1. Matters related to the current status of the Company," specifically, "(4) Status of major sales offices, etc. of the Financial Group," and "(9) Other important matters regarding the current status of the Financial Group." Also in the same report, the following sections: "5. Matters related to stock acquisition rights, etc.," "6. Matters related to the Accounting Auditor," "7. Basic policy regarding those directing decisions on financial and business policies," "8. Systems to ensure appropriate business operations," "9. Matters concerning specified wholly owned subsidiaries," "10. Matters concerning transactions with the parent company, etc.," and "11. Matters concerning the Accounting Advisor."
 - (ii) In the Consolidated Financial Statements, the following items: Consolidated Balance Sheets, Consolidated Statements of Income, Consolidated Statement of Changes in Net Assets, and Notes to the Consolidated Financial Statements.
 - (iii) In the Non-Consolidated Financial Statements, the following items: Non-Consolidated Balance Sheets, Non-Consolidated Statements of Income, Non-Consolidated Statement of Changes in Net Assets, and Notes to the Non-Consolidated Financial Statements.
 - (iv) In the Audit Report, the following items: Certified Copy of the Accounting Auditor's Report on the Consolidated Financial Statements, Certified Copy of the Accounting Auditor's Report, and Certified Copy of the Audit Report of the Audit and Supervisory Committee

- (2) If you vote both via the Internet and in writing on the Voting Rights Exercise Form, only your vote placed via the Internet will be valid. In addition, if you submit your vote more than once via the Internet, only the last vote will be valid.
 - (3) If approval or disapproval is not indicated for any proposal on a submitted Voting Rights Exercise Form, it will be treated as indication of approval for the proposal concerned.
- If you plan to attend the meeting on the day, please submit the enclosed Voting Rights Exercise Form at the reception desk.
 - Please be understanding in advance that no gift will be provided for shareholders at the meeting.
 - In the case of any amendments to the matters for which measures for electronically providing information are to be taken before the meeting, they will be available on the relevant websites above.

Reference Documents for the General Meeting of Shareholders

Items to be Resolved and Reference Documents

Proposal 1: Election of six (6) Directors (excluding those who are Audit and Supervisory Committee Members)

As the terms of office of all six (6) Directors (excluding those who are Audit and Supervisory Committee Members) will expire at the conclusion of this Ordinary General Meeting of Shareholders, the Company proposes the election of six (6) Directors (excluding those who are Audit and Supervisory Committee Members).

This Proposal has also been discussed by the Audit and Supervisory Committee, which expressed an opinion that no specific matters need to be addressed.

The candidates for Directors (excluding those who are Audit and Supervisory Committee Members) are as follows:

No.	Name			Current position in the Company	Attendance at Board of Directors meetings
1	Reelection	Nobuhiro Doi	Male	Representative Director and President	7/7 (100%)
2	Reelection	Hiroyuki Hata	Male	Representative Director	7/7 (100%)
3	Reelection	Mikiya Yasui	Male	Director	7/7 (100%)
4	Reelection	Minako Okuno	Female	Director	7/7 (100%)
5	Reelection	Kanji Habuchi	Male	Director	7/7 (100%)
6	Reelection	Etsuji Motomasa	Male	Director	7/7 (100%)

No.	Name (Date of birth)	Career summary (position and responsibilities in the Company, and significant concurrent positions outside the Company)	Number of the Company's shares owned	
Reelection 1	Nobuhiro Doi (April 25, 1956)	Apr. 1980	Joined the Bank of Kyoto, Ltd.	52,692
		June 2007	Director, General Manager, Personnel Division, the Bank of Kyoto, Ltd.	
June 2008	Managing Director, the Bank of Kyoto, Ltd.			
June 2010	Managing Director, General Manager, Head Office Business Department, the Bank of Kyoto, Ltd.			
June 2012	Managing Director, the Bank of Kyoto, Ltd.			
June 2015	President, the Bank of Kyoto, Ltd.			
June 2023	Director and Chair, the Bank of Kyoto, Ltd. (present position)			
Oct. 2023	Director and President, Kyoto Financial Group, Inc. (present position)			
	[Significant concurrent positions outside the Company]			
	Director and Chair, the Bank of Kyoto, Ltd.			
	[Reasons for selection as Director candidate] Nobuhiro Doi served as Director of the Bank of Kyoto, Ltd., in charge of the bank's business management, risk management, personnel affairs, and others. He has served as President since June 2015, and as Chair since June 2023. Doi is thoroughly experienced in management and administration and business operation of the Group as he has served as Director and President of the Company since October 2023. The Company has judged that he can contribute to strengthening the effectiveness of the decision-making and supervisory functions of the Company's Board of Directors as he will utilize his extensive business experience and broad knowledge cultivated thus far for sustainable growth and the enhancement of medium- to long-term corporate value for the Group. As such, the Company selected him again as a candidate for Director.			
Reelection 2	Hiroyuki Hata (April 16, 1963)	Apr. 1987	Joined the Bank of Kyoto, Ltd.	32,980
		June 2018	Director, General Manager of Productivity Innovation Headquarters Secretariat, the Bank of Kyoto, Ltd.	
June 2019	Managing Director, the Bank of Kyoto, Ltd.			
Aug. 2022	Managing Director, General Manager, Innovation & Digital Strategy Division, the Bank of Kyoto, Ltd.			
Oct. 2022	Managing Director, the Bank of Kyoto, Ltd.			
June 2023	Senior Managing Director in charge of Risk Management Division, Business Administration Division, Operations Support Division and Systems Division, the Bank of Kyoto, Ltd. (present position)			
Oct. 2023	Director in charge of Business Management Division, Kyoto Financial Group, Inc. (present position)			
	[Significant concurrent positions outside the Company]			
	Senior Managing Director, the Bank of Kyoto, Ltd.			
	[Reasons for selection as Director candidate] At the Bank of Kyoto, Ltd., Hiroyuki Hata served as General Manager in charge of business management, sales, risk management and personnel. He has served as Senior Managing Director since June 2023. Hata is thoroughly experienced in management and administration and business operation of the Group as he has served as Director of the Company since October 2023. The Company has judged that he can contribute to strengthening the effectiveness of the decision-making and supervisory functions of the Company's Board of Directors as he will utilize his extensive business experience and broad knowledge cultivated thus far for sustainable growth and the enhancement of medium- to long-term corporate value for the Group. As such, the Company selected him again as a candidate for Director.			

No.	Name (Date of birth)	Career summary (position and responsibilities in the Company, and significant concurrent positions outside the Company)	Number of the Company's shares owned	
Reelection 3	Mikiya Yasui (February 8, 1965)	Apr. 1987	Joined the Bank of Kyoto, Ltd.	33,444
		June 2017	Director, the Bank of Kyoto, Ltd.	
		June 2018	Managing Director, General Manager, Head Office Business Department, the Bank of Kyoto, Ltd.	
		June 2021	Managing Director, the Bank of Kyoto, Ltd.	
		June 2023	President, the Bank of Kyoto, Ltd. (present position)	
		Oct. 2023	Director, Kyoto financial Group, inc.(present position)	
		[Significant concurrent positions outside the Company]		
		President, the Bank of Kyoto, Ltd.		
[Reasons for selection as Director candidate]				
At the Bank of Kyoto, Ltd., Mikiya Yasui served as General Manager in charge of business management, sales and personnel. He has served as President since June 2023. Yasui is thoroughly experienced in management and administration and business operation of the Group as he has served as a Director of the Company since October 2023. The Company has judged that he can contribute to strengthening the effectiveness of the decision-making and supervisory functions of the Company's Board of Directors as he will utilize his extensive business experience and broad knowledge cultivated thus far for sustainable growth and the enhancement of medium- to long-term corporate value for the Group. As such, the Company selected him again as a candidate for Director.				
Reelection 4	Minako Okuno (February 23, 1966)	Apr. 1989	Joined the Bank of Kyoto, Ltd.	18,752
		June 2019	Executive Officer, General Manager, Public & Regional Affairs Division, the Bank of Kyoto, Ltd.	
		June 2022	Director in charge of Public & Regional Affairs Division, International Division and Overseas Representative Offices, the Bank of Kyoto, Ltd. (present position)	
		Oct. 2023	Director in charge of New Business Development Division, Kyoto Financial Group, Inc. (present position)	
		[Significant concurrent positions outside the Company]		
		Director, the Bank of Kyoto, Ltd.		
[Reasons for selection as Director candidate]				
At the Bank of Kyoto, Ltd., Minako Okuno served as General Manager in charge of sales and personnel. She has served as Director since June 2022. Okuno is thoroughly experienced in management and administration and business operation of the Group as she has served as a Director of the Company since October 2023. The Company has judged that she can contribute to strengthening the effectiveness of the decision-making and supervisory functions of the Company's Board of Directors as she will utilize her extensive business experience and broad knowledge cultivated thus far for sustainable growth and the enhancement of medium- to long-term corporate value for the Group. As such, the Company selected her again as a candidate for Director.				

No.	Name (Date of birth)	Career summary (position and responsibilities in the Company, and significant concurrent positions outside the Company)	Number of the Company's shares owned	
Reelection 5	Kanji Habuchi (March 10, 1969)	Apr. 1993	Joined the Bank of Kyoto, Ltd.	8,356
		June 2017	General Manager, Human Resources and General Affairs Division, the Bank of Kyoto, Ltd.	
		June 2021	Executive Officer, General Manager, Human Resources and General Affairs Division, the Bank of Kyoto, Ltd.	
		June 2023	Director in charge of Human Resources and General Affairs Division, the Bank of Kyoto, Ltd. (present position)	
		Oct. 2023	Director in charge of Human Resource Strategy Division, Kyoto Financial Group, Inc. (present position)	
		[Significant concurrent positions outside the Company] Director, the Bank of Kyoto, Ltd.		
	[Reasons for selection as Director candidate] At the Bank of Kyoto, Ltd., Kanji Habuchi served as General Manager in charge of sales and personnel. He has served as Director since June 2023. Habuchi is thoroughly experienced in management and administration and business operation of the Group as he has served as a Director of the Company since October 2023. The Company has judged that he can contribute to strengthening the effectiveness of the decision-making and supervisory functions of the Company's Board of Directors as he will utilize his extensive business experience and broad knowledge cultivated thus far for sustainable growth and the enhancement of medium- to long-term corporate value for the Group. As such, the Company selected him again as a candidate for Director.			
Reelection 6	Etsuji Motomasa (December 5, 1969)	Apr. 1993	Joined the Bank of Kyoto, Ltd.	10,988
		June 2017	General Manager, Corporate Planning Division, and General Manager, Corporate Communications and Research Office of Corporate Planning Division, the Bank of Kyoto, Ltd.	
		Apr. 2020	General Manager, Corporate Planning Division, the Bank of Kyoto, Ltd.	
		June 2021	Executive Officer, General Manager, Corporate Planning Division, the Bank of Kyoto, Ltd.	
		June 2023	Director, General Manager, Corporate Planning Division, the Bank of Kyoto, Ltd.	
		Oct. 2023	Director in charge of Corporate Planning Division, Innovation & Digital Strategy Division, and General Secretariat, the Bank of Kyoto, Ltd. (present position)	
		Oct. 2023	Director in charge of Corporate Planning Division, Kyoto Financial Group, Inc. (present position)	
		[Significant concurrent positions outside the Company] Director, the Bank of Kyoto, Ltd.		
	[Reasons for selection as Director candidate] At the Bank of Kyoto, Ltd., Etsuji Motomasa served as General Manager in charge of sales and business management. He has served as Director since June 2023. Motomasa is thoroughly experienced in management and administration and business operation of the Group as he has served as a Director of the Company since October 2023. The Company has judged that he can contribute to strengthening the effectiveness of the decision-making and supervisory functions of the Company's Board of Directors as he will utilize his extensive business experience and broad knowledge cultivated thus far for sustainable growth and the enhancement of medium- to long-term corporate value for the Group. As such, the Company selected him again as a candidate for Director.			

- Notes:
1. None of the above candidates have any special interest in the Company.
 2. Based on Article 430-3, Paragraph 1 of the Companies Act, the Company concludes a directors and officers liability insurance contract with an insurance company to compensate for any damage to the insured persons including damages and litigation expenses. The candidates for Directors will be included in the insured of the insurance contract. In addition, at the next renewal, we plan to renew the insurance contract with the equivalent content.

Proposal 2: Election of one (1) Director who is an Audit and Supervisory Committee Member

In order to strengthen and enhance our audit system and further strengthen our corporate governance, the Company would like to increase the number of Directors who are Audit and Supervisory Committee Members by one (1). Therefore, the Company requests the election of one (1) Director who is an Audit and Supervisory Committee Member. There are currently five (5) Directors who are Audit and Supervisory Committee Members (including four (4) Outside Directors). If this Proposal is approved as originally proposed, there will be six (6) Directors who are Audit and Supervisory Committee Members (including five (5) Outside Directors).

In addition, the consent of the Audit and Supervisory Committee has been obtained for this Proposal.

The candidate for Director who is an Audit and Supervisory Committee Member is as follows:

No.	Name (Date of birth)	Career summary (position and responsibilities in the Company, and significant concurrent positions outside the Company)	Number of the Company's shares owned	
New election	Shizue Izumi (March 18, 1964)	Jan. 2005	Assistant Professor, Computer Science and Intelligent Systems Program, Faculty of Engineering, Oita University	0
		Apr. 2017	Professor, Department of Data Science, Faculty of Data Science, Shiga University (present position)	
		Apr. 2018	Visiting Researcher, Graduate School of Medicine, Kyoto University	
		Apr. 2018	Visiting Professor, The Institute of Statistical Mathematics	
		Apr. 2018	Part-time lecturer, Disaster Prevention Research Institute, Kyoto University	
		Aug. 2018	Data Analysis Advisor, Policy Coordination Department, Otsu City, Shiga Prefecture (present position)	
		Apr. 2019	Professor, Graduate School of Data Science, Shiga University (present position)	
		Sept. 2019	Regional Judging Committee Member, "Regional Revitalization Policy Idea Contest 2019," Office for Promotion of Regional Revitalization, Cabinet Office	
		Mar. 2020	Outside Director, SAKATA INX CORPORATION	
<p>Reasons for selection as Outside Director candidate and expected roles</p> <p>As a university and graduate school professor with data and statistical sciences as her main areas of research, Shizue Izumi has expertise as well as broad knowledge in those and other areas. She also has experience and knowledge gained from serving as an expert for a government agency, as well as experience providing advice relating to data science as a corporate Outside Director. The Company has judged that she can contribute to further ensuring the transparency and fairness of the decision-making and further strengthening the supervisory function of the Company's Board of Directors from an objective standpoint independent from management as she will utilize her extensive experience and specialized knowledge cultivated thus far for sustainable growth and the enhancement of medium- to long-term corporate value for the Group. As such, the Company selected her as a candidate for Outside Director who is an Audit and Supervisory Committee Member. Even though she has never been involved in corporate management except as an Outside Officer, the Company believes that she could adequately carry out her duties as an Outside Director who is an Audit and Supervisory Committee Member according to the above-mentioned reasons.</p>				

- Notes:
1. Shizue Izumi is a new candidate for Director who is an Audit and Supervisory Committee Member. Izumi's name on her family register is Shizue Okubo.
 2. The above candidate has no special interest in the Company.
 3. Shizue Izumi is a candidate for Outside Director. If the election of Izumi is approved, the Company plans to register her as an Independent Officer in accordance with the rules and regulations of the Tokyo Stock Exchange.
 4. If the election of Izumi as Outside Director is approved, the Company plans to enter into the same Agreement Limiting Liability with her. Limits on liability for damages under these agreements shall be set at liability amounts stipulated by laws and regulations.
 5. Based on Article 430-3, Paragraph 1 of the Companies Act, the Company concludes a directors and officers liability insurance contract with an insurance company to compensate for any damage to the insured persons including damages and litigation expenses. The candidate for Director will be included in the insured of the insurance contract. In addition, at the next renewal, we plan to renew the insurance contract with the equivalent content.

(Reference) If Proposal No. 1 and Proposal No. 2 are approved as originally proposed, the fields in which internal Directors have experience and the fields in which the Company particularly expects from Outside Directors are as follows.

* The list below does not represent all of the knowledge possessed by each person.

Name	Gender	Position	Corporate management/Sustainability	Risk management/Legal affairs	Finance/Accounting/Economy	DX/IT/Systems	Human resources/Diversity	Regional sales/Regional development	Market management/Investment business
Nobuhiro Doi	Male	Representative Director and President	○	○	○		○	○	○
Hiroyuki Hata	Male	Representative Director	○	○	○	○	○	○	
Mikiya Yasui	Male	Director	○	○	○	○	○	○	○
Minako Okuno	Female	Director	○	○	○		○	○	○
Kanji Habuchi	Male	Director	○	○	○		○	○	
Etsuji Motomasa	Male	Director	○	○	○	○		○	○
Toshiro Iwahashi	Male	Director (Audit and Supervisory Committee Member)	○	○	○		○	○	○
Chiho Oyabu	Female	Outside Director (Audit and Supervisory Committee Member)			○		○	○	
Eiji Ueki	Male	Outside Director (Audit and Supervisory Committee Member)	○	○		○			
Hiroyuki Nakatsukasa	Male	Outside Director (Audit and Supervisory Committee Member)	○	○	○				
Motoko Tanaka	Female	Outside Director (Audit and Supervisory Committee Member)	○	○			○		
Shizue Izumi	Female	Outside Director (Audit and Supervisory Committee Member)				○	○	○	

Chiho Oyabu, Eiji Ueki, Hiroyuki Nakatsukasa and Motoko Tanaka are registered with the Tokyo Stock Exchange (TSE) as Independent Officer in accordance with the TSE's rules and regulations.

If the election of Shizue Izumi as Outside Director is approved, the Company plans to register her with the TSE as Independent Officer.

Proposal 3: Setting the amount of remuneration, etc. for Directors (excluding those who are Audit and Supervisory Committee Members)

Regarding the amount of remuneration, etc. for Directors of the Company (excluding those who are Audit and Supervisory Committee Members), Article 2, Paragraph 1 of the Supplementary Provisions of the Company's Articles of Incorporation stipulates that the remuneration, etc. for Directors of the Company (excluding those who are Audit and Supervisory Committee Members) shall be calculated from the date of establishment of the Company until the conclusion of the 1st Ordinary General Meeting of Shareholders. The total amount for all Directors is set as 500 million yen or less per year.

Therefore, the Company requests that you approve the amount of remuneration, etc. for the Company's Directors (excluding those who are Audit and Supervisory Committee Members) to take effect after the conclusion of this Ordinary General Meeting of Shareholders.

You are invited to approve this Proposal to continue limiting the total amount of monetary remuneration paid to Directors (excluding those who are Audit and Supervisory Committee Members) to no more than 500 million yen per year. This Proposal is based on careful consideration of various circumstances such as the Company's management structure and current economic conditions.

The specific amount and timing of the payment for each Director (excluding those who are Audit and Supervisory Committee Members) will be determined by a resolution of the Board of Directors.

Moreover, this remuneration for Directors (excluding those who are Audit and Supervisory Committee Members) does not include the employee-portion salaries for Directors who also serve as employees.

This Proposal was prepared by the Board of Directors after consultation with the Group Nomination and Compensation Committee. This Proposal has also been discussed by the Audit and Supervisory Committee, which expressed an opinion that no specific matters need to be addressed.

At the Board of Directors meeting held on October 2, 2023, the Company established a policy for determining remuneration, etc. for individual Directors, an outline of which can be found in "Matters Regarding Company Officers (Directors)" of the Business Report. The policy formed the basis of the remuneration, etc. stipulated in this Proposal, and the Company intends to maintain the policy whether or not the Proposal is approved. Moreover, this Proposal was prepared in consideration of the policy, the Company's management structure, and current economic conditions. The Company believes the Proposal is appropriate based on the deliberation and conclusions of the Group Nomination and Compensation Committee.

There are currently six (6) Directors (excluding those who are Audit and Supervisory Committee Members), of which zero (0) are Outside Directors. If Proposal 1 "Election of six (6) Directors (excluding those who are Audit and Supervisory Committee Members)" is approved and passed as originally proposed, the number of Directors (excluding those who are Audit and Supervisory Committee Members) will be six (6), including zero (0) Outside Directors.

Proposal 4: Matters regarding determination of remuneration, etc. for awarding restricted stock to Directors (excluding Outside Directors and Directors who are Audit and Supervisory Committee Members)

Regarding the amount of remuneration, etc. for Directors of the Company (excluding those who are Audit and Supervisory Committee Members), Article 2, Paragraph 1 of the Supplementary Provisions of the Company's Articles of Incorporation stipulates that the remuneration, etc. for Directors of the Company (excluding those who are Audit and Supervisory Committee Members) shall be calculated from the date of establishment of the Company until the conclusion of the 1st Ordinary General Meeting of Shareholders. The total amount for all Directors is set as 500 million yen or less per year.

Regarding remuneration, etc. for the Company's Directors (excluding Outside Directors and those who are Audit and Supervisory Committee Members; hereinafter, "Eligible Directors") to take effect after the conclusion of this Ordinary General Meeting of Shareholders, the Company would like this to consist of monetary compensation, as outlined in Proposal 3, and restricted stock compensation, as outlined in this Proposal. The Company is making these Proposals based on careful consideration of various factors such as the Company's management structure and current economic conditions.

Therefore, as a separate system of compensation from that outlined in Proposal 3, "Setting the amount of remuneration, etc. for Directors (excluding those who are Audit and Supervisory Committee Members)," the Company would like to request your approval of this proposal to provide compensation to Eligible Directors in the form of restricted stock.

Please note that these two systems for remuneration, etc. are the same as those used to compensate the Directors of the Bank of Kyoto, Ltd.

Restricted stock compensation

The payment of remuneration for granting restricted shares to the Eligible Directors based on this proposal provides incentive to the Eligible Directors to continuously improve the corporate value of the Company, and aims to further share value with the shareholders.

The remuneration to be paid for granting restricted shares to Eligible Directors shall be monetary claims (hereinafter referred to as "Monetary Remuneration Claims"), and the total amount shall be 150 million yen or less per year, as a suitable amount according to the above objectives. In addition, based on the formal resolution process, the Board of Directors shall determine the specific timing and allocation of payments to each Eligible Director.

Please note that the above remuneration amount does not include the employee-portion salaries for Directors who also serve as employees.

Also, the Eligible Directors shall be paid the entirety of the Monetary Remuneration Claims per this Proposal based on the resolution of the Board of Directors of the Company as contributed assets, and receive the issuance or disposal of common shares of the Company, of which the total amount that is newly issued or disposed of shall be 100,000 shares or less annually. (However, after the date that this Proposal is approved and passed, if the common shares of the Company are split (including free allotment of common shares of the Company) or consolidated, the Company will adjust the total number using the stock split or consolidation ratio concerned.)

The amount to be paid per share of the Company shall be determined by the Board of Directors to the extent that the Eligible Directors are not paid a particularly advantageous amount in common shares based on the closing price of common shares of the Company on the Tokyo Stock Exchange on the business day prior to the date of each resolution of the Board of Directors (if the transaction isn't completed on the same day, it shall be based on the closing price of the most recent trading day prior to that). Also, to issue or dispose of the Company's common shares, a restricted share allotment agreement (hereinafter, the "Allotment Agreement") including the following content shall be concluded between the Company and the Eligible Directors.

(1) Transfer restriction period

The Eligible Directors shall not transfer, set security interests or otherwise dispose of (hereinafter referred to as “Transfer Restrictions”) shares that were allotted based on this Allotment Agreement (hereinafter referred to as “Allotted Shares”), for the period from the date that they are allotted based on this Allotment Agreement to the date that they retire as a Director and Executive Officer of the Company (hereinafter referred to as “Transfer Restriction Period”).

(2) Cancellation of transfer restrictions

The Company shall consider the Transfer Restrictions void once the Transfer Restriction Period expires, regarding all of the Allotted Shares, provided that the Eligible Director has continued to be in the position that is stipulated in (1) above, during the period that the Board of Directors of the Company has stipulated (hereinafter “Service Provision Period”). However, if the Eligible Director retires from the position that is stipulated in (1) above before the Service Provision Period expires, due to death or other reasons deemed justifiable by the Board of Directors of the Company, the number of Allotted Shares for which the Transfer Restrictions will be canceled, and the timing of cancellation, shall be reasonably adjusted as needed.

In addition, the Company shall naturally acquire the Allotted Shares for which the Transfer Restrictions have not been canceled immediately after the Transfer Restrictions are canceled according to the above provisions, for free.

(3) Handling of retirement for reasons other than those deemed justifiable by the Board of Directors of the Company

If the Eligible Director retires from the position stipulated in (1) above due to reasons other than those deemed justifiable by the Board of Directors of the Company during the Service Provision Period, the Company will naturally acquire all of the Allotted Shares for free.

(4) Reasons for free acquisition of Allotted Shares by the Company

If during the Transfer Restriction Period, the Eligible Director violates any laws or regulations, the Company’s internal rules, or the Allotment Agreement, the Company shall naturally acquire the individual’s Allotted Shares for free. This condition also applies to other violations as specified by the Company’s Board of Directors that warrant such acquisition.

(5) Handling in organizational restructuring, etc.

Regardless of the provisions of (1) above, if matters relating to a merger agreement where the Company becomes a consolidated company, share exchange agreement where the Company becomes a wholly owned subsidiary, or other organizational restructuring like a share transfer plan are approved by the Company’s general meeting of shareholders (or the Company’s Board of Directors if approval by the Company’s general meeting of shareholders is not needed for organizational restructuring) during the Transfer Restriction Period, the Transfer Restrictions shall be canceled prior to the effective date of the reorganization, etc. for the number of Allotted Shares reasonably determined based on the period from the start of the Service Provision Period to the date of approval of the reorganization, etc. per the resolution of the Board of Directors of the Company.

In addition, in the case stipulated above, the Company shall naturally acquire the Allotted Shares for which the Transfer Restrictions have not been canceled immediately after the Transfer Restrictions are canceled, for free.

(6) Other matters

Other matters related to this Allotment Agreement shall be stipulated by the Board of Directors of the Company.

Provided that this Proposal is approved and passed as originally proposed, we plan on granting the same restricted shares to the Executive Officers of the Company as well.

This Proposal was prepared by the Board of Directors after consultation with the Group Nomination and Compensation Committee. This Proposal has also been discussed by the Audit and Supervisory Committee, which expressed an opinion that no specific matters need to be addressed.

At the Board of Directors meeting held on October 2, 2023, the Company established a policy for determining remuneration, etc. for individual Directors, an outline of which can be found in “Matters Regarding Company Officers (Directors)” of the Business Report. The policy formed the basis of the remuneration, etc. stipulated in this Proposal, and the Company intends to maintain the policy whether or not the Proposal is approved. Moreover, this Proposal was prepared in consideration of the policy, the Company’s management structure, and current economic conditions. The Company believes the Proposal is appropriate based on the deliberation and conclusions of the Group Nomination and Compensation Committee.

There are currently six (6) Eligible Directors. If Proposal 1, “Election of six (6) Directors (excluding those who are Audit and Supervisory Committee Members),” is approved and passed as originally proposed, the number of Eligible Directors will be six (6).

Proposal 5: Setting the amount of remuneration, etc. for Directors who are Audit and Supervisory Committee Members

Regarding the amount of remuneration, etc. for Directors of the Company who are and Supervisory Committee Members, Article 2, Paragraph 2 of the Supplementary Provisions of the Company's Articles of Incorporation stipulates that the remuneration, etc. for Directors of the Company who are Audit and Supervisory Committee Members shall be calculated from the date of establishment of the Company until the conclusion of the 1st Ordinary General Meeting of Shareholders. The total amount for all Directors is set as 100 million yen or less per year.

Therefore, the Company requests that you approve the total amount of remuneration, etc. for the Company's Directors who are Audit and Supervisory Committee Members to take effect after the conclusion of this Ordinary General Meeting of Shareholders.

You are invited to approve this Proposal to continue limiting the total amount of cash remuneration paid to Directors who are Audit and Supervisory Committee Members to no more than 100 million yen per year. This Proposal is based on careful consideration of various circumstances such as the Company's management structure and current economic conditions.

The specific amount and timing of the payment for each Director who is an Audit and Supervisory Committee Member will be determined by consultation of Directors who are Audit and Supervisory Committee Members.

This Proposal was prepared by the Board of Directors after consultation with the Group Nomination and Compensation Committee.

This Proposal has also been discussed by all Directors who are Audit and Supervisory Committee Members, who expressed an opinion that no specific matters need to be addressed.

This Proposal was prepared in consideration of the Company's management structure, and current economic conditions. The Company believes the Proposal is appropriate based on the deliberation and conclusions of the Group Nomination and Compensation Committee.

There are currently five (5) Directors who are Audit and Supervisory Committee Members, of which four (4) are Outside Directors. If Proposal 2, "Election of one (1) Director who is an Audit and Supervisory Committee Member," is approved and passed as originally proposed, the number of Directors who are Audit and Supervisory Committee Members will be six (6), including five (5) Outside Directors.

End

(Reference) Shareholder return

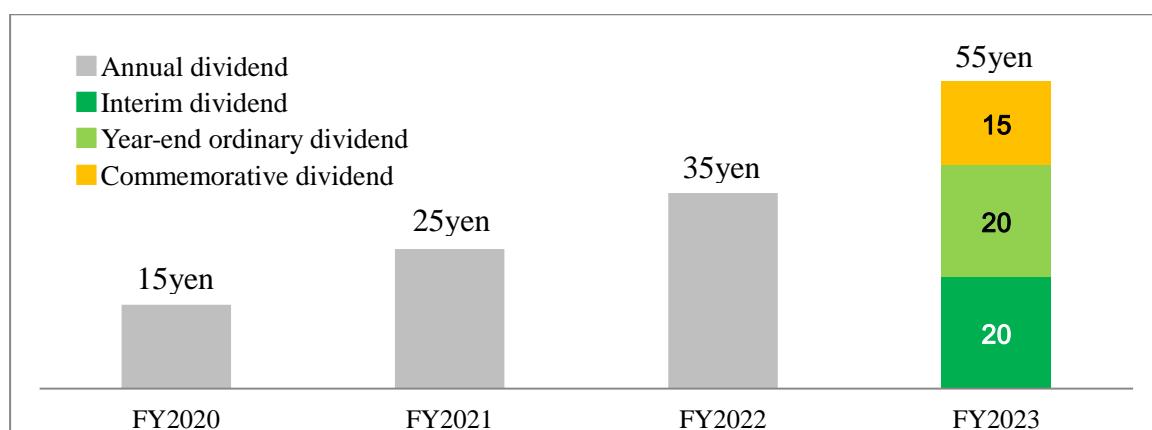
Shareholder Return Policy	Total payout ratio: 50% or more	FY2023 Results 92%
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Changes in Dividends per Share

Annual dividend for FY2020	Annual dividend for FY2021	Annual dividend for FY2022	Interim dividend for FY2023	Year-end dividend for FY2023
15yen*	25yen*	35yen*	20yen*	35yen 〔ordinary 20yen commemorative 15yen〕
(Full year, 55yen* in real terms)				

(* Dividend per share after 1-for-4 stock split, taking into account the said stock split)

(Note) Annual dividend for FY2020, annual dividend for FY2021, annual dividend for FY2022, and interim dividend for FY2023 are dividends of the Bank of Kyoto, Ltd.

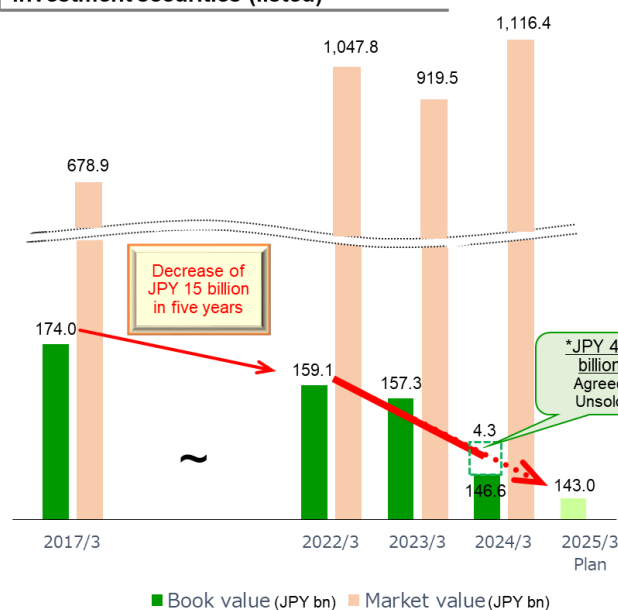


Total amount of share repurchase

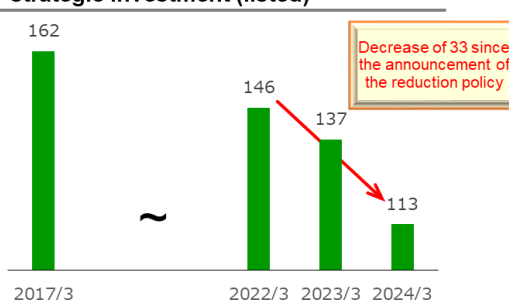
FY2021	FY2022	FY2023
2.5 billion yen	5.0 billion yen	13.0 billion yen

(Reference) Reducing Strategic Equity Holdings

Changes in balance of strategic investment securities (listed)



Changes in number of stocks held as strategic investment (listed)



Accumulated reduction in strategic investment securities (listed)

	2022/3	2023/3 (1 year elapsed)	2024/3 (2 years elapsed)
Book value	159.1	157.3	146.6
Accumulated reduction	-	-1.8	-12.5