

Corporate Governance

In conducting our business activities, we recognize that fair practices in compliance with laws and corporate ethics are our corporate social responsibility, and we recognize corporate governance as an important management priority. Based on this understanding, we endeavor to raise our level of soundness, enhance corporate value, boost transparency and reinforce our corporate governance structure.

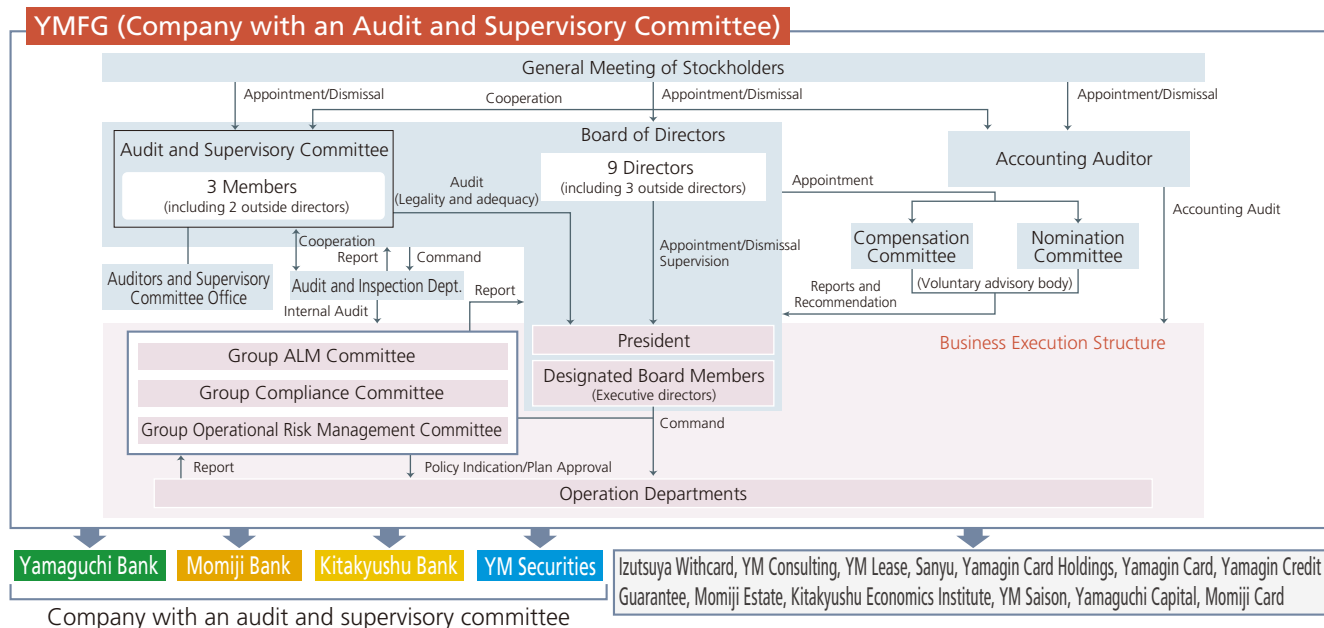
The Board of Directors, consisting of nine directors (including three outside directors), makes decisions about important matters related to the Group's management and supervises the directors. The Board of Directors meeting is held once a month in principle and is presided over by the president. Materials for discussion are sent to the outside director beforehand so the director can gain a comprehensive understanding of the subjects up for discussion and can state his/her opinions from a neutral standpoint. The Nomination Committee discusses matters related to the appointment and dismissal of directors, and the Compensation Committee discusses matters related to the compensation of the directors.

Both guarantee the objectivity and transparency of decision-making processes.

YMFG has adopted an audit and supervisory committee system. The Audit and Supervisory Committee comprises three directors, of whom two are outside directors. In principle, the committee meets monthly to audit the execution of operations by directors, configure, audit and verify the operation of internal control systems at YMFG and its subsidiaries, and prepare audit reports. Committee members, centering on outside directors, exercise the right to decide on the content of proposals made by the Board of Directors for submission to the General Meeting of Shareholders with regard to the selection, appointment, or decision not to reappoint accounting auditors, thereby supervising the execution of operations by directors.

The Group Compliance Committee, the Group Asset and Liability Management Committee and Group Operational Risk Management Committee discuss important management issues.

YMFG Corporate Governance Structure



YMFG Board of Directors and Corporate Auditors (As of July 1, 2015)

President
Koichi Fukuda
Senior Managing Director
Fumio Nosaka
Senior Managing Director
Toshio Kato

Director
Hirohide Umemoto
Director
Takeshi Yoshimura
Director
Hiroaki Tamura*

Director
Audit and Supervisory Committee Member
Mitsuhiro Hirozane
Director
Audit and Supervisory Committee Member
Kazuo Tsukuda*
Director
Audit and Supervisory Committee Member
Michiaki Kunimasa*

* Hiroaki Tamura, Kazuo Tsukuda and Michiaki Kunimasa are outside directors under Article 15 of Section 2 of the Companies Act.