

These documents are partial translations of the Japanese originals for reference purposes only. In the event of any discrepancy between these translated documents and the Japanese originals, the originals shall prevail. The Company assumes no responsibility for these translations or for direct, indirect or any other forms of damage arising from the translations.

(Securities Code: 8418)  
December 3, 2021

Dear Shareholders:

Keisuke Mukunashi  
President, Representative  
Director and Group CEO  
Yamaguchi Financial Group, Inc.  
2-36, 4-chome Takezaki-cho  
Shimonoseki, Yamaguchi

## NOTICE OF CONVOCATION OF AN EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS

We would like to notify you that an Extraordinary General Meeting of Shareholders (the “Meeting”) of Yamaguchi Financial Group, Inc. (the “Company”) will be held as described below.

In response to the recent novel coronavirus (COVID-19) pandemic, as a result of careful consideration, we will hold the Meeting after taking appropriate infection prevention measures when holding the Meeting. If you intend to attend the Meeting in person, please check the status of the pandemic and your physical condition on the day of the Meeting and cooperate with preventing the spread of infection.

We also recommend that you consider exercising your voting rights for the Meeting in advance via the Internet or in writing to prevent the spread of infection.

If you exercise your voting rights in advance via the Internet or in writing, please review the Reference Materials for the General Meeting of Shareholders (described hereinafter) and exercise your voting rights by 5:30 p.m. on Thursday, December 23, 2021 Japan time, following the instructions in “Guidance on Exercise of Voting Rights” and “Guidance on Exercise of Voting Rights via the Internet” on pages 3 and 4, respectively.

- 1. Date and Time:** 10:00 a.m., Friday, December 24, 2021  
(Reception of attendees begins at 9:00 a.m.)
- 2. Place:** 8F Hall, Head Office of Yamaguchi Bank  
2-36, 4-chome Takezaki-cho, Shimonoseki, Yamaguchi

In order to prevent the spread of infection, we will secure space between seats at the Meeting, thus the number of seats available for shareholders will be reduced. Therefore, admission may be restricted on the day of the Meeting. We may also restrict the admission of shareholders if we determine that the pandemic will pose a risk to the health of our shareholders.

In addition, we will not be giving souvenirs to shareholders attending the Meeting. Thank you for your understanding and cooperation.

**3. Agenda:**

**Matters to be resolved:**

Proposal 1: Dismissal of Director Takeshi Yoshimura

Proposal 2: Election of One (1) Director (Excluding Directors Who Serve as Audit and Supervisory Committee Members)

- ~~~~~
- If you attend the Meeting in person, please submit the enclosed Voting Rights Exercise Form to reception on the day of the Meeting. Please also bring this Notice of Convocation to the Meeting to save paper. For attendance by proxy, please present to the Meeting receptionist a document evidencing the proxy's authority, together with the Voting Rights Exercise Form. Please note that the proxy must be a shareholder of the Company entitled to exercise his or her own voting rights at the Meeting.
  
  - Any revisions to the Reference Materials for the General Meeting of Shareholders will be posted on the Company's website (<https://www.ymfg.co.jp>).

## GUIDANCE ON EXERCISE OF VOTING RIGHTS

**1. Exercise of Voting Rights via the Internet, Etc.**

Please access the website to exercise voting rights (<https://evote.tr.mufg.jp/>) and follow the on-screen instructions to indicate your approval or disapproval of the proposals by 5:30 p.m. on Thursday, December 23, 2021 Japan time.

**2. Exercise of Voting Rights by Mail**

Please indicate your approval or disapproval of the proposals on the enclosed Voting Rights Exercise Form and return it by 5:30 p.m. on Thursday, December 23, 2021 Japan time.

If you do not indicate approval or disapproval of the proposals on the said enclosed voting form, the Company will deem that you approve these proposals.

**3. Exercise of Voting Rights by Attending the Meeting**

If you attend the Meeting, please submit the enclosed Voting Rights Exercise Form to reception on the day of the Meeting.

Date and Time: 10:00 a.m. on Friday, December 24, 2021 Japan time

## GUIDANCE ON EXERCISE OF VOTING RIGHTS VIA THE INTERNET

### Scanning QR code

You can log in to the Voting Website via a QR code without entering the Log-in ID and provisional password printed in your Voting Rights Exercise Sub-Form.

(1) Please scan the QR code printed on your Voting Rights Exercise Sub-Form (right portion).

\* “QR code” is a registered trademark of DENSO WAVE INCORPORATED.

(2) After scanning the QR code, please follow the on-screen instructions and indicate your approval or disapproval of each proposal.

You can log in by using the QR code only once. In case of exercising your voting rights again or exercising your voting rights without using the QR code, please follow the instruction in “Entering Log-in ID and provisional password” below.

### Entering Log-in ID and provisional password

Voting Website (<https://evote.tr.mufg.jp/>)

(1) Access the Voting Website.

(2) Enter the log-in ID and provisional password printed on your Voting Rights Exercise Form and click “Log in.”

(3) Enter your “New password” and click “Submit” to register.

(4) Follow the on-screen instructions and indicate your approval or disapproval of each proposal.

[Notes for exercising voting rights via the Internet]

■ Shareholders will be responsible for the Internet connection charges, communication charges, etc., arising from accessing the Voting Web Site.

■ Voting right exercised multiple time

- Please note that if a voting rights are exercised by both mail and the Internet, only the Internet vote will be treated as valid irrespective of the arrival date and hour of voting.
- If a voting rights are exercised via the Internet more than one time, the last vote will be treated as valid.

If you have any inquiries on how to operate your computer or smartphone when exercising your voting rights via the Internet, please contact the following.

#### CONTACT FOR SYSTEM INFORMATION

Help Desk: Security Agency, Mitsubishi UFJ Trust & Banking Corporation

Tel.: 0120-173-027 (9:00–21:00 JST, toll-free in Japan)

Institutional investors can use the electronic voting platform for institutional investors operated by ICJ, Inc.

## REFERENCE MATERIALS FOR THE GENERAL MEETING OF SHAREHOLDERS

### Proposals and References

#### Proposal 1: Dismissal of Director Takeshi Yoshimura

Director subject to dismissal:  
Director Mr. Takeshi Yoshimura

Reasons for the proposal:

As explained in the “Notice Concerning the Investigation Report by the Internal Investigation Division and Next Steps,” released on October 14, 2021, the Internal Investigation Division examined “how the new bank establishment project had been carried out” and the related events, with guidance from external legal counsel to ensure the transparency and fairness of the investigation. The results were compiled in the “Investigation Report (by the Internal Investigation Division; hereinafter, the “Investigation Report”),” which determined that Mr. Takeshi Yoshimura violated the Company’s Board of Directors Regulations and had been executing duties related to the “new bank establishment project” without obtaining any resolution from the Board of Directors and deviating from his authority, as well as exhibiting conduct that raises concerns over his qualification as a representative director of a bank holding company.

The report called into question Mr. Takeshi Yoshimura’s qualification as a director of a bank holding company expected to possess superior characteristics according to the Banking Act and the Comprehensive Guidelines for Supervision of Regional Financial Institutions. The report also recommended that the Company’s Board of Directors (the “Board”), Representative Directors and Nomination Committee discuss and review the Company’s management control system, including the qualifications of Mr. Takeshi Yoshimura’s qualification as a director of a bank holding company.

Furthermore, to carefully discuss and review Mr. Takeshi Yoshimura’s qualification as a Director of the Company, the Board also needs to ensure the validity of its judgment as well as the objectivity and transparency of its decision-making process. Accordingly, the Board consulted with the Nomination Committee on October 6, 2021 about whether Mr. Takeshi Yoshimura is suitable as a Director of the Company, and the Committee found him unqualified.

The Board carefully discussed and reviewed Mr. Takeshi Yoshimura’s qualification as a Director of the Company, duly considering the investigation results and recommendations in the Investigation Report as well as the Nomination Committee’s findings. The discussion and review concluded Mr. Takeshi Yoshimura’s overall conduct regarding “how the new bank establishment project had been carried out” and the related events determined in the Investigation Report are as follows: (1) his conduct is considered to clearly contradict the philosophy of “being always conscious of the weight of the public mission of a financial group and striving to gain unwavering trust through sound business operations” by “strictly complying with all laws and rules and conducting sincere and fair corporate activities without deviating from social norms,” as set forth in the YMFG Charter of Conduct, which the Company’s officers and employees should follow; (2) Mr. Takeshi Yoshimura was in a position expected to comply with the YMFG Charter of Conduct and all the more set an example for the Company’s employees as a Director, nevertheless he failed to fulfill his role; (3) his conduct is deemed to have jeopardized the relationship of trust with other Directors, including Outside Directors, of the Board, deviated from the rule on the division of authority between the Board, Chairman and Representative Director, lacked timely and appropriate information sharing with the Board, as well as undermined the supervisory function of the Board, which requires an extremely high standard of effectiveness for a bank holding company; and (4) Mr. Takeshi Yoshimura, serving as the CEO,

repeatedly referred to his own resignation to the Board in relation to the establishment of the investigation committee that had conducted the previous internal investigation, which amounts to abandoning his responsibilities as a Director, and since he repeated such remarks, Mr. Takeshi Yoshimura cannot be expected to fulfill the important responsibilities of being a Director to check and curb the execution of duties by Representative Directors and to actively participate in the decision-making and supervision of business execution at the Board. On the basis of the above, the Company determined that if it failed to address governance issues arising from Mr. Takeshi Yoshimura's business execution, it cannot avoid the risk of impairing the Company's corporate value, and that Mr. Takeshi Yoshimura is not qualified to serve as a Director of the Company. As a result, the Board meeting held on October 14, 2021 resolved to urge Mr. Takeshi Yoshimura to resign as a Director of the Company, and the request for resignation was served accordingly. The Company gave Mr. Takeshi Yoshimura opportunities to present his views at Board meetings held on October 7 and 14, 2021 and from the perspective of improving the Company's corporate value, hoped that Mr. Takeshi Yoshimura would decide to take the request for resignation from the Board seriously. However, Mr. Takeshi Yoshimura has remained adamant that the investigation results in the Investigation Report are unreasonable and so far has refused to resign, with no offer of resignation made to date.

The Company believes that the Internal Investigation Division conducted the investigation with transparency and fairness through guidance from external legal counsel, and the investigation results were compiled in the Investigation Report accordingly. Moreover, after the Board meeting held on October 14, 2021, the Company was still after the Board meeting held on October 14, 2021, the Company is still of the opinion that in consideration of Mr. Takeshi Yoshimura's overall conduct regarding "how the new bank establishment project had been carried out" and the related events described in the Investigation Report as mentioned above, if such governance issues arising from Mr. Takeshi Yoshimura's business execution continue to be left unresolved, the sustainable improvement of the Company's corporate value may be hampered. As such, the Company has determined that Mr. Takeshi Yoshimura does not have the required qualifications of a Director of the Company.

For the above reasons, the Board proposes to dismiss Mr. Takeshi Yoshimura as a Director of the Company.

This proposal was reviewed at the Audit and Supervisory Committee with no objections raised. Furthermore, in submitting this proposal, the Board consulted with the Nomination Committee to ensure the validity of its judgement and the objectivity and transparency of the decision-making process. On October 21, 2021, the Board received a recommendation from the Nomination Committee that it was right to submit this proposal at the Meeting and propose Mr. Takeshi Yoshimura's dismissal to shareholders, as it was determined that he is not suited to be a Director of the Company.

**<Dismissal of Director Mr. Takeshi Yoshimura (Summary of Reasons for the Proposal)>**

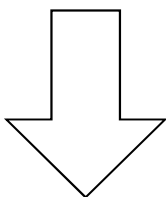
Investigation Report by  
the Internal Investigation  
Division  
  
[released on October 14,  
2021]

**Investigation results**

- Determined that Mr. Takeshi Yoshimura violated the Board of Directors Regulations and had been executing duties without obtaining any resolution from the Board of Directors
- Conducted that Mr. Takeshi Yoshimura's conduct raises concerns over his qualifications as a representative director of a bank holding company

**Recommendations**

- Recommended that the Company's Board of Directors, Representative Directors and Nomination Committee discuss and review Mr. Takeshi Yoshimura's qualification as a director of a bank holding company and other matters



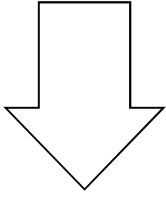
To carefully discussion and review, the Board of Directors consulted with the Nomination Committee on October 6, 2021 regarding Mr. Takeshi Yoshimura's qualifications as a Director of the Company, and the Committee found him unqualified.

Resolution of the Board of  
Directors to urge Mr.  
Takeshi Yoshimura to  
resign  
  
[held on October 14, 2021]

**Reasons for the request for resignation**

- Mr. Takeshi Yoshimura's conduct is considered to clearly contradict the philosophy of the YMFG Charter of Conduct, which the Company's officers and employees should follow
- Mr. Takeshi Yoshimura was in a position expected to comply with the YMFG Charter of Conduct and all the more set an example as a Director, but he failed to do so
- His conduct jeopardized the relationship of trust with other Directors of the Board, deviated from the rule on the division of authority between the Board, Chairman and Representative Director, lacked timely and appropriate information sharing with the Board, as well as undermined the supervisory function of the Board of Directors
- Mr. Takeshi Yoshimura, serving as the CEO, repeatedly referred to his own resignation, which amounts to abandoning his responsibilities as a Director, and since he repeated such remarks, he cannot be expected to fulfill important responsibilities of being a Director

The Company determined that if it failed to address governance issues arising from Mr. Takeshi Yoshimura's business execution, it cannot avoid the risk of impairing the Company's corporate value, and that Mr. Takeshi Yoshimura is not qualified to serve as a Director of the Company. Accordingly, the Board of Directors resolved to urge Mr. Takeshi Yoshimura resign as a Director of the Company



For submitting this proposal to the Extraordinary General Meeting of Shareholders, the Board of Directors consulted with the Nomination Committee on October 21, 2021 to ensure the validity of its judgment and the objectivity and transparency of the decision-making process, and received a recommendation that it was right to propose Mr. Takeshi Yoshimura's dismissal to shareholders, as it was determined that he is not suited to be a Director

Resolution of the proposal  
at the Extraordinary  
General Meeting of  
Shareholders  
  
[held on November 1,  
2021]

Proposal

- Dismissal of Director Takeshi Yoshimura

Reasons for the proposal

- The Board meeting held on October 14, 2021 resolved to urge Mr. Takeshi Yoshimura to resign as a Director, and the request for resignation was served accordingly
- Mr. Takeshi Yoshimura so far has refused to resign and has not yet offered his resignation
- The Board of Directors is still of the opinion that governance issues arising from Mr. Takeshi Yoshimura's business execution cannot be left unresolved and that he does not have the required qualifications of a Director

For the "Investigation Report by the Internal Investigation Division," please scan the QR code on the right.





**Proposal 2: Election of One (1) Director (Excluding Directors Who Serve as Audit and Supervisory Committee Members)**

Reasons for the proposal:

If Proposal 1 for the Meeting is passed, President and Representative Director Keisuke Mukunashi will be the only internal Director of the Company. If for some reason it becomes difficult for President and Representative Director Keisuke Mukunashi executing to continue his duties as a Director, there will be no internal Director, posing a risk that the continuation of the Company's business execution may be hampered. In addition, as described in "Reasons for selection as candidate for Director" below, there is a need to further strengthen the management system for the purpose of sustainably improving the Company's corporate value through the steady formulation, implementation, and achievement of the next medium-term management plan currently being prepared.

For the above reasons, the Company proposes the election of one (1) candidate for Director described below. This proposal shall take effect on the condition that Proposal 1: Dismissal of Director Takeshi Yoshimura is approved as originally proposed and the dismissal of Mr. Takeshi Yoshimura based on Proposal 1 results.

This proposal was reviewed at the Audit and Supervisory Committee with no objections raised. Furthermore, in presenting this proposal, the Board of Directors consulted with the Nomination Committee to ensure the validity of its judgment and the objectivity and transparency of the decision-making process. On October 21, 2021, the Board of Directors received a recommendation from the Nomination Committee that in accordance with the criteria for electing Directors set forth by the Board of Directors, the Director candidate described below has the required qualifications and is suitable as a Director of the Company.

The candidate for Director is as follows:

<b>Narumasa Soga</b> (New appointment) (Male, date of birth: July 5, 1963)		Number of the Company's shares held	29,400
		Years as a Director	—
Brief personal profile, position and principal duty in the Company, and important concurrent positions			
April 1987	Joined The Yamaguchi Bank, Ltd.	June 2019	Managing Executive Officer, General Manager of the Corporate Banking Business Group and General Manager of the Regional Business Development Group of the Company
April 2006	General Manager, Hatsukaichi Branch of the said bank		
May 2008	General Manager, Kobe Branch of the said bank		
April 2010	General Manager, Business Strategy Planning Department of the Company	June 2019	Senior Managing Director of Momiji Bank, Ltd.
April 2014	General Manager, Tokyo Branch of The Yamaguchi Bank, Ltd.	November 2019	Executive Officer and General Manager of the Corporate Banking Business Group of the Company
June 2015	Director and General Manager, Tokyo Branch of the said bank	June 2020	President and Representative Director of YM CONSULTING CORPORATION
June 2017	Director and General Manager, Ube Branch of the said bank	June 2021	Senior Managing Executive Officer and General Manager of the Financial Unit of the Company (present position)
[Reasons for selection as candidate for Director] The Company takes to heart the findings of the "Investigation Report (by the Internal Investigation Division)," which was prepared by the Internal Investigation Division and released on October 14, 2021, and the investigation report by the investigation committee established in May 2021, which found the need for an investigation by the Internal Investigation Division, as well as recommendations for improvement. Preparation is currently under way to promptly formulate and implement improvement measures. Under such circumstances, the Company faces the need to enhance more than ever the governance system that forms the basis of management and to further increase the effectiveness of each measure currently being implemented under a sound governance system. The specific			

details of these efforts will be presented in the next medium-term management plan (hereinafter, the “MTP”), which is already under preparation.

Steadily formulating, implementing and achieving the MTP are the most important tasks for sustainably improving the Company’s corporate value. The analysis of the skills possessed by the current Directors of the Company led to the conclusion that, to steadily formulate, implement and achieve the MTP, it is necessary to add a person who has the knowledge and experience to organically link the financial division, which was the starting point for establishing the group of the Company (hereinafter, the “Group”) as a financial holding company and is still a dominant source of earnings, and the consulting/life planning division, which is positioned as a field targeted for future business expansion. In this regard, Mr. Narumasa Soga has a wealth of knowledge and experience in business implementation/strategy and corporate strategies, through having served as a general manager of several large-scale branches as a Director and Executive Officer of subsidiaries of the Company, and having held important positions equivalent to General Manager of the Financial Unit and General Manager of the Regional Co-creation Unit in the current organizational structure and served as an executive of an affiliated company. Thus, he supplies the skills lacking in the Board of Directors, brings new perspectives and can be relied on to drive the formulation, implementation and achievement of the MTP. The Company also believes that as Mr. Narumasa Soga has held important positions in both business and administrative divisions, he can be expected to engage in business operations from the perspectives of a wide range of stakeholders, from a standpoint that the current Directors do not have, and thus sustainably improve the Company’s corporate value.

In light of Mr. Narumasa Soga’s professional experience and the abilities mentioned above, it can be said that he possesses excellent qualifications and abundant experience necessary for the sound and effective operation of the Group, as he is familiar with the Group’s business and has a deep understanding of the Company’s governance system. Accordingly, the Company deems him capable of appropriately executing the duties of Director of the Company and selected him as a candidate for Director. The above-mentioned expertise of Directors of the Company and their roles within the Company are also shown in the attached Skills Matrix.

(Notes)

1. No special interests exist between Mr. Narumasa Soga and the Company.
2. The Company has concluded a Directors and Officers liability insurance contract stipulated in Article 430-3 of the Companies Act insuring all its Directors. If Mr. Narumasa Soga is elected as Director at the Meeting, he will be insured under the insurance contract. The insurance contract covers damages incurred by Directors arising from legal liability assumed when executing their duties.

**<Skills Matrix> Internal Directors' skill categories and areas of financial business experience, as well as expected priority areas of Outside Directors**

Skills, etc., of Directors of the Company upon approval of Proposals 1 and 2 at the Meeting are as follows:

Name	Position	Skill Categories/Financial Business Experience (internal directors)									
		Corporate governance/Sustainability	Regional revitalization	Corporate banking sales	Retail banking sales	Market investment	Corporate strategy/Planning	Personnel/Human resource development	Risk management	New business development	Digital transformation (DX)
Keisuke Mukunashi	President, Representative Director and Group CEO	○	○	○			○	○		○	
Narumasa Soga	Director	○	○	○	○	○	○	○			
Susumu Fukuda	Director, Audit and Supervisory Committee Member (Full-time)								○		
Yumiko Nagasawa	Director (Outside, Independent)										
Noriyuki Yanagawa	Director (Outside, Independent)										
Minako Suematsu	Director (Outside, Independent)										
Yuzuru Yamamoto	Director (Outside, Independent) * Chairs of the Nomination Committee and Compensation Committee										
Tomoko Mikami	Director (Outside, Independent)										
Kazuo Tsukuda	Director, Audit and Supervisory Committee Member (Part-time, Outside, Independent)										
Michiaki Kunimasa	Director, Audit and Supervisory Committee Member (Part-time, Outside, Independent)										

Name	Position	Expected Priority Areas (outside directors)						
		Corporate management/ Corporate governance	Sustainability	Financing (theory, administration, market)	Corporate legal affairs (practice, theory)	Macroeconomics	Digital transformation (DX)	Regional economy/ Administration
Keisuke Mukunashi	President, Representative Director and Group CEO							
Narumasa Soga	Director							
Susumu Fukuda	Director, Audit and Supervisory Committee Member (Full-time)							
Yumiko Nagasawa	Director (Outside, Independent)	○	○	○				
Noriyuki Yanagawa	Director (Outside, Independent)	○	○			○	○	
Minako Suematsu	Director (Outside, Independent)	○	○				○	○
Yuzuru Yamamoto	Director (Outside, Independent) * Chairs of the Nomination Committee and Compensation Committee	○	○					○
Tomoko Mikami	Director (Outside, Independent)	○	○				○	○
Kazuo Tsukuda	Director, Audit and Supervisory Committee Member (Part-time, Outside, Independent)	○		○		○		
Michiaki Kunimasa	Director, Audit and Supervisory Committee Member (Part-time, Outside, Independent)	○			○			

<Executive Officers of Yamaguchi Financial Group>

Name	Position	Department in Charge
		Title
Shuji Tanabe	Senior Managing Executive Officer	General Manager of Audit and Inspection Department
Narumasa Soga	Senior Managing Executive Officer	General Manager of Financial Unit
Hideyuki Taga	Senior Managing Executive Officer	General Manager of Compliance & Risk Administration Group
Yoshichika Araki	Senior Managing Executive Officer	General Manager of Capital Markets and Treasury Business Group
Koji Hamada	Managing Executive Officer	General Manager of Innovation Investment Strategy Business Group, General Manager of Investment Co-creation Department
Daisuke Yoshinaka	Executive Officer	General Manager of Retail Banking Business Group
Takeki Kaneko	Executive Officer	General Manager of Regional Co-creation Unit
Yoshiro Yasudomi	Executive Officer	General Manager of IT & Operations Administration Group
Rie Ohmoto	Executive Officer	In charge of Corporate Strategy Planning Department, Overseas Strategy Planning Department and Mobility Strategy Planning Department
Yuko Ogawa	Executive Officer	In charge of Retail Banking Business affiliates
Hirofumi Hiranaka	Executive Officer	General Manager of Corporate Planning Administration Group and General Manager of Human Resource & General Affairs Administration Group