



June 3, 2019

To whom it may concern:

Name of Company: Suruga Bank, Ltd.
Name of Representative: Director and President: Michio Arikuni
(Code No. 8358 First Section of Tokyo Stock Exchange)
Contact Person: Senior Executive Officer
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Notice of Partial Amendment to Articles of Incorporation Accompanying Transition to Company with Audit & Supervisory Committee

The Bank hereby announces that on June 2, 2019 the Board of Directors resolved to submit a proposal to make a partial amendment to the Articles of Incorporation described below to the 208th Ordinary General Meeting of Shareholders scheduled to be held on June 26, 2019.

Note

1. Purpose of the Amendment to the Articles of Incorporation
 - (1) The Bank has determined to transition to a company with an Audit & Supervisory Committee, subject to the approval of the 208th Ordinary General Meeting of Shareholders to be held on June 26, 2019, as separately disclosed in "Notice on Transition to a Company with Audit & Supervisory Committee" dated May 15, 2019, in order to strengthen the supervisory functions of the Board of Directors, and to further enhance corporate governance through the strengthening of the supervisory system, by adding members of the Audit & Supervisory Committee who are responsible for auditing the Directors' execution of duties to the Board of Directors. In line with this decision, we will newly establish provisions on the Directors who are Audit & Supervisory Committee members and the Audit & Supervisory Committee, as well as delete provisions on the Corporate Auditors and the Board of Corporate Auditors, as necessary for the transition to a company with Audit & Supervisory Committee.
 - (2) In order to continue recruiting competent human resources as Directors and making it possible for them to fulfill the duties expected of them, we will also newly establish Article 29 (Exemption of Liabilities of Directors) which enables the exemption of liabilities of Directors within the scope allowed by laws and regulations as well as conclude a limited liability agreement with Directors other than Executive Directors by a resolution of the Board of Directors. We have obtained the consent of each Corporate Auditor for establishment of the Article.
 - (3) In addition, we will make the necessary changes to the text in line with each of the above amendments.
2. Contents of the Amendment to the Articles of Incorporation
Details of the amendment are shown in the attachment.

3. Schedule

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| Date of the General Meeting of Shareholders for the change of the Articles of Incorporation (planned) | Wednesday, June 26, 2019 |
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| Effective date of the amendment to the Articles of Incorporation (planned) | Wednesday, June 26, 2019 |
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End

[Attachment] Contents of the amendment to the Articles of Incorporation

| Before amendment | After amendment |
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| Chapter 1 General Provisions | Chapter 1 General Provisions |
| Article 1 - Article 3 (Text is omitted) | Article 1 - Article 3 (No change) |
| Bodies | Bodies |
| Article 4 | Article 4 |
| The Bank shall have, in addition to the General Meeting of Shareholders and Directors, the following bodies: | The Bank shall have, in addition to the General Meeting of Shareholders and Directors, the following bodies: |
| (1) Board of Directors | (1) Board of Directors |
| (2) <u>Corporate Auditors</u> | (2) <u>Audit & Supervisory Committee</u> |
| (3) <u>Board of Corporate Auditors</u> | (Deleted) |
| (4) <u>Accounting Auditors</u> | (3) <u>Accounting Auditors</u> |
| Method of Public Notice | Method of Public Notice |
| Article 5 (Text is omitted) | Article 5 (No change) |
| Chapter 2 Shares | Chapter 2 Shares |
| Article 6 - Article 11 (Text is omitted) | Article 6 - Article 11 (No change) |
| Chapter 3 General Meeting of Shareholders | Chapter 3 General Meeting of Shareholders |
| Article 12 - Article 14 (Text is omitted) | Article 12 - Article 14 (No change) |
| Convener and Chairman of General Meeting of Shareholders | Convener and Chairman of General Meeting of Shareholders |
| Article 15 | Article 15 |
| (1) A General Meeting of Shareholders shall be convened and chaired by the <u>Chairman and Director or the President and Director</u> . | (1) A General Meeting of Shareholders shall be convened and chaired by the President and Director. |
| (2) In cases where the <u>Chairman and Director or the President and Director</u> is unable to act as such, another Director shall convene and chair the General Meeting of Shareholders in accordance with the order determined in advance by the Board of Directors. | (2) In cases where the President and Director is unable to act as such, another Director shall convene and chair the General Meeting of Shareholders in accordance with the order determined in advance by the Board of Directors. |
| Article 16 - Article 18 (Text is omitted) | Article 16 - Article 18 (No change) |

| Before amendment | After amendment |
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| Chapter 4 Number of Directors and Board of Directors | Chapter 4 Number of Directors and Board of Directors |
| Number of Directors | Number of Directors |
| Article 19 | Article 19 |
| The Bank shall have no more than 12 Directors. | (1) <u>The Bank shall have no more than 12 Directors (excluding Directors who are Audit & Supervisory Committee members).</u> |
| (New provision) | (2) <u>The Bank shall have three or more, and up to five Directors who are Audit & Supervisory Committee members.</u> |
| Method of election | Method of election |
| Article 20 | Article 20 |
| (1) Directors shall be elected at a General Meeting of Shareholders. | (1) <u>Directors who are Audit & Supervisory Committee members and other Directors shall be elected separately at a General Meeting of Shareholders.</u> |
| (2) A resolution on the election of a Director shall be made by a majority of the votes of the shareholders who are present at such meeting and hold at least one-third of the total voting rights of those who can exercise voting rights. | (2) (No change) |
| (3) Resolutions on the election of Directors shall not be made by cumulative voting. | (3) (No change) |
| Term of Office | Term of Office |
| Article 21 | Article 21 |
| The term of office of a Director shall expire at the conclusion of the Ordinary General Meeting of Shareholders for the fiscal year which ends within one year after the election of that Director. | (1) <u>The term of office of a Director (excluding a Director who is an Audit & Supervisory Committee member) shall expire at the conclusion of the Ordinary General Meeting of Shareholders for the fiscal year which ends within one year after the election of that Director.</u> |

| Before amendment | After amendment |
|---|---|
| (New provision) | <u>(2) The term of office of a Director who is an Audit & Supervisory Committee member shall expire at the conclusion of the Ordinary General Meeting of Shareholders for the last fiscal year ending within two years after the election of that Director.</u> |
| (New provision) | <u>(3) The term of office of a Director who is an Audit & Supervisory Committee member and is elected as the substitute for a Director who was an Audit & Supervisory Committee member and retired before the expiration of the term of office shall continue until the term of office of the retired Director who was an Audit & Supervisory Committee member expires.</u> |
| (New provision) | <u>(4) The effective term of a resolution on the election of a substitute Director who is an Audit & Supervisory Committee member under Article 329 Paragraph 3 of the Companies Act shall expire at the beginning of the Ordinary General Meeting of Shareholder for the last fiscal year ending within two years after the election of that Director.</u> |
| Representative Directors and Directors with Special Titles Article 22 | Representative Directors and Directors with Special Titles Article 22 |
| (1) The Board of Directors shall, by its resolution, elect <u>Representative Directors</u> . | (1) The Board of Directors shall, by its resolution, elect <u>one (1) President from among the Directors (excluding Directors who are Audit & Supervisory Committee members)</u> . |
| (2) The Board of Directors may, by its resolution, appoint one (1) <u>Chairman and Director, one (1) President and Director, one (1) Vice President and Director</u> , a number of Senior Managing Directors and a number of Managing Directors. (New provision) | (2) The Board of Directors may, by its resolution, appoint one (1) Chairman and Director, one (1) Vice President and Director, a number of Senior Managing Directors, and a number of Managing Directors. (3) <u>The President and Director represents the Bank.</u> |

| Before amendment | After amendment |
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| <p data-bbox="379 241 593 275">(New provision)</p> <p data-bbox="188 432 759 499">Convener and Chairman of a Meeting of the Board of Directors</p> <p data-bbox="188 512 319 546">Article 23</p> <p data-bbox="188 560 783 734">(1) The Board of Directors shall be convened and chaired by the <u>Chairman and Director or the President and Director</u>, unless otherwise specified by laws and regulations.</p> <p data-bbox="188 748 762 999">(2) In cases where the <u>Chairman and Director or the President and Director</u> is unable to act as such, another Director shall convene and chair the Board of Directors in accordance with the order determined in advance by the Board of Directors.</p> <p data-bbox="188 1048 735 1115">Notice of Convocation of a Meeting of the Board of Directors</p> <p data-bbox="188 1128 319 1162">Article 24</p> <p data-bbox="188 1176 775 1391">(1) A notice of convocation of a meeting of the Board of Directors shall be dispatched to each Director <u>and each Corporate Auditor</u> two days prior to the day of the meeting. However, this period may be reduced in case of an emergency.</p> <p data-bbox="188 1404 759 1545">(2) With the consent of all Directors <u>and Corporate Auditors</u>, a meeting of the Board of Directors may be held without the convocation procedure.</p> <p data-bbox="188 1594 557 1628">Article 25 (Text is omitted)</p> | <p data-bbox="809 241 1401 383">(4) <u>The Board of Directors may, by its resolution, appoint a number of Directors who represent the Bank in addition to the President and Director.</u></p> <p data-bbox="809 432 1378 499">Convener and Chairman of a Meeting of the Board of Directors</p> <p data-bbox="809 512 940 546">Article 23</p> <p data-bbox="809 560 1404 734">(1) The Board of Directors shall be convened and chaired by <u>the Outside Director who is appointed by the Board of Directors</u>, unless otherwise specified by laws and regulations.</p> <p data-bbox="809 748 1404 999">(2) In cases where <u>the Outside Director prescribed in the preceding paragraph</u> is unable to act as such, another <u>Outside Director</u> shall convene and chair the Board of Directors in accordance with the order determined in advance by the Board of Directors.</p> <p data-bbox="809 1048 1356 1115">Notice of Convocation of a Meeting of the Board of Directors</p> <p data-bbox="809 1128 940 1162">Article 24</p> <p data-bbox="809 1176 1398 1391">(1) A notice of convocation of a meeting of the Board of Directors shall be dispatched to each Director two days prior to the day of the meeting. However, this period may be reduced in case of an emergency.</p> <p data-bbox="809 1404 1401 1507">(2) With the consent of all Directors, a meeting of the Board of Directors may be held without the convocation procedure.</p> <p data-bbox="809 1594 1118 1628">Article 25 (No change)</p> |

| Before amendment | After amendment |
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| <p data-bbox="379 241 592 275">(New provision)</p> <p data-bbox="188 667 558 701">Article <u>26</u> (Text is omitted)</p> <p data-bbox="188 748 432 781">Remuneration, etc.</p> <p data-bbox="188 792 320 826">Article <u>27</u></p> <p data-bbox="188 837 783 1055">Remuneration, bonuses and other benefits_ (hereinafter referred to as "remuneration, etc.") received from the Bank in consideration for the execution of duties shall be determined by a resolution of the General Meeting of Shareholders._</p> <p data-bbox="379 1137 592 1171">(New provision)</p> | <p data-bbox="807 241 1302 309"><u>Delegation of Decisions on Important Business Execution</u></p> <p data-bbox="807 320 940 353"><u>Article 26</u></p> <p data-bbox="807 365 1401 622"><u>In accordance with Article 399-13, paragraph 6 of the Companies Act, the Board of Directors may, by its resolution, delegate to a Director all or part of the decisions on important business execution (excluding matters specified in the items of the same Article paragraph 5).</u></p> <p data-bbox="807 667 1118 701">Article <u>27</u> (No change)</p> <p data-bbox="807 748 1051 781">Remuneration, etc.</p> <p data-bbox="807 792 940 826">Article <u>28</u></p> <p data-bbox="807 837 1390 1095">Remuneration, bonuses and other benefits received from the Bank by Directors who are <u>Audit & Supervisory Committee members and other Directors in consideration for the execution of duties shall be determined separately by a resolution of the General Meeting of Shareholders.</u></p> <p data-bbox="807 1137 1286 1171"><u>Exemption of Liabilities of Directors</u></p> <p data-bbox="807 1182 940 1216"><u>Article 29</u></p> <p data-bbox="807 1227 1406 1518">(1) <u>Under the provisions of Article 426, Paragraph 1 of the Companies Act, the Bank may, by a resolution of the Board of Directors, exempt Directors (including former Directors) from their liabilities for damages caused by negligence in their duties within the limits stipulated by laws and regulations.</u></p> <p data-bbox="807 1529 1406 1854">(2) <u>In accordance with Article 427, Paragraph 1 of the Companies Act, the Bank may enter into an agreement with Directors (excluding Executive Directors, etc.) to limit their liabilities for damages caused by negligence in their duties. However, the limit of liability based on the agreement shall be the amount stipulated by laws and regulations.</u></p> |

| Before amendment | After amendment |
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| <u>Chapter 5 Corporate Auditors and the Board of Corporate Auditors</u> | (Deleted) |
| <u>Number of Corporate Auditors</u> | (Deleted) |
| <u>Article 28</u> <u>The Bank shall have no more than five (5) Corporate Auditors.</u> | |
| <u>Method of election</u> | (Deleted) |
| <u>Article 29</u> <u>(1) Corporate Auditors shall be elected at a General Meeting of Shareholders.</u> <u>(2) A resolution on the election of a Corporate Auditor shall be made by a majority of the votes of the shareholders who are present at such meeting and hold at least one-third of the total voting rights of those who can exercise voting rights.</u> | |
| <u>Term of Office</u> | (Deleted) |
| <u>Article 30</u> <u>(1) The term of office of a Corporate Auditor shall expire at the conclusion of the Ordinary General Meeting of Shareholders for the last fiscal year ending within four years after the election of the Corporate Auditor.</u> <u>(2) The term of office of a Corporate Auditor who is elected as the substitute for a Corporate Auditor who retired before the expiration of the term of office shall continue until the term of office of the retired Corporate Auditor expires.</u> | |
| <u>Full-time Corporate Auditor</u> | (Deleted) |
| <u>Article 31</u> <u>The Board of Corporate Auditors shall, by its resolution, elect full-time Corporate Auditors.</u> | |

| Before amendment | After amendment |
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| <u>Notice of Convocation of a Meeting of the Board of Corporate Auditors</u> <u>Article 32</u> (1) <u>A notice of convocation of a meeting of the Board of Corporate Auditors shall be dispatched to each Corporate Auditor two days prior to the day of the meeting. However, this period may be reduced in case of an emergency.</u> (2) <u>With the consent of all Corporate Auditors, a meeting of the Board of Corporate Auditors may be held without the convocation procedure.</u> | (Deleted) |
| <u>Regulations of the Board of Corporate Auditors</u> <u>Article 33</u> <u>Matters concerning the Board of Corporate Auditors shall be in accordance with the regulations of the Board of Corporate Auditors that are stipulated by the Board of Corporate Auditors, as well as laws and regulations or the Articles of Incorporation.</u> | (Deleted) |
| <u>Remuneration, etc.</u> <u>Article 34</u> <u>Remuneration, etc. for Corporate Auditors shall be determined by a resolution at a General Meeting of Shareholders.</u> | (Deleted) |
| (New provision) | <u>Chapter 5 Audit & Supervisory Committee</u> |
| (New provision) | <u>Notice of Convocation of a Meeting of the Audit & Supervisory Committee</u> <u>Article 30</u> (1) <u>A notice of convocation of a meeting of the Audit & Supervisory Committee shall be dispatched to each Audit & Supervisory Committee member two days prior to the day of the meeting. However, this period may be reduced in case of an emergency.</u> |

| Before amendment | After amendment |
|---|---|
| <p>(New provision)</p> <p>Chapter 6 Calculation</p> <p>Article <u>35</u> - Article <u>38</u> (Text is omitted)</p> | <p><u>(2) With the consent of all Audit & Supervisory Committee members, a meeting of the Audit & Supervisory Committee may be held without the convocation procedure.</u></p> <p><u>Regulations of the Audit & Supervisory Committee</u></p> <p><u>Article 31</u></p> <p><u>Matters concerning the Audit & Supervisory Committee shall be in accordance with the regulations of the Audit & Supervisory Committee that are stipulated by the Audit & Supervisory Committee, as well as laws and regulations or the Articles of Incorporation.</u></p> <p>Chapter 6 Calculation</p> <p>Article <u>32</u> - Article <u>35</u> (No change)</p> |