

ARTICLES OF INCORPORATION
OF
AOZORA BANK, LTD.

As of March 2, 2023

ARTICLES OF INCORPORATION
OF
AOZORA BANK, LTD.

CHAPTER 1 General Provisions

(Corporate Name)

Article 1

The Bank shall be called “Kabushiki Kaisha Aozora Ginko,” and in English, “Aozora Bank, Ltd.”

(Purpose)

Article 2

The purposes of the Bank shall be to engage in the following businesses:

1. The acceptance of deposits or installment savings, the lending of funds or the discounting of notes, and exchange transactions;
2. The guaranteeing of debts or the acceptance of notes, and other businesses incidental to the banking business listed in the previous item;
3. The underwriting, the handling of flotation or resale, the buying and selling of national government bonds, local government bonds, government guaranteed bonds, or other securities, and any of the businesses authorized for banks to carry out under the Financial Instruments and Exchange Act;
4. Trust business;
5. In addition to the businesses listed in any of the foregoing items, any business authorized to be carried out under the Banking Law (*ginkou hou*), the Secured Bonds Trust Law (*tanpo tsuki shasai shintaku hou*) or any other laws; and
6. Any matter incidental or relating to the business mentioned in any of the foregoing items.

(Location of Head Office)

Article 3

The Bank shall have its head office in Chiyoda-ku, Tokyo.

(Organization)

Article 4

In addition to general meetings of shareholders and directors, the bank shall have the following organizations:

1. Board of Directors
2. Audit & Supervisory Board Members
3. Audit & Supervisory Board
4. Accounting Auditors

(Method of Public Notice)

Article 5

The Bank shall adopt an electronic Public Notice as its method for Public Notice; provided, however, that in the event that the Bank can not use the electronic Public Notice due to accidents or any other unavoidable cause, the Bank shall publish its Public Notice on the “Nihon Keizai Shimbun.”

CHAPTER 2 Shares

(Total Number of Issuable Shares)

Article 6

The total number of shares that the Bank is authorized to issue shall be two hundred eighty-nine million eight hundred twenty-eight thousand two hundred (289,828,200) shares; provided, however, that if any share is retired, the number of shares so retired shall be subtracted from the total number of shares that the Bank is authorized to issue.

(Number of Shares Constituting One Unit)

Article 7

The number of shares constituting one unit (*tan-gen*) shall be one hundred (100) shares.

(Rights of Shares Constituting less than One Unit)

Article 8

Shareholders of the Bank shall not be entitled to exercise any rights other than the following rights in respect of shares constituting less than one unit:

- (1) Rights listed in each item of the Company Law, Article 189, Paragraph 2.
- (2) Right to demand in accordance with the provisions of the Company Law, Article 166, Paragraph 1.
- (3) Right to receive the allocation of offered shares and share purchase warrants according to the number of shares already held by the shareholder.
- (4) Right to demand as provided in the following Article.

(Additional Purchase of Shares of less than One Unit)

Article 9

In accordance with the provisions of the Regulations for Handling of Shares, any shareholder shall be entitled to demand that the Bank sell such number of shares as may, together with the number of shares constituting less than one unit held by them, constitute one unit of shares.

(Shareholder Registry Administrator)

Article 10

1. The Bank shall appoint one or more shareholder registry administrators.
2. The shareholder registry administrator and the handling office of shareholder registry administrator shall be decided by a resolution of the Board of Directors and a public notice thereof shall be given.
3. Preparation and keeping of the register of shareholders, the register of share purchase warrants of the Bank and other operations relating to the register of shareholders, the register of share purchase warrants shall be entrusted to the shareholder registry administrator, and shall not be handled by the Bank.

(Regulations for Handling of Shares)

Article 11

The handling of shares of the Bank and the procedures regarding the exercise of shareholders' rights and fees thereof shall be governed by the Regulations for Handling of Shares enacted by the Board of Directors, as well as laws and regulations or these Articles of Incorporation.

CHAPTER 3 General Meetings of Shareholders

(Convocation)

Article 12

1. An ordinary general meeting of shareholders shall be convened within three (3) months from April 1 of each year.
2. An extraordinary general meeting of shareholders may be convened whenever necessary.

(Record Date for Ordinary General Meetings of Shareholders)

Article 13

The record date for the voting rights of an ordinary general meeting of shareholders of the Bank shall be March 31 of each year.

(Chairperson)

Article 14

1. Either of the Chairperson or the President whoever has been elected as the Chief Executive Officer by the Board of Directors, shall act as chairperson of general meetings of shareholders.
2. In the event that the person set forth in the foregoing fails or becomes unable to act, the other directors shall act in his or her place as determined in advance by the Board of Directors.

(Measures for Electronic Provision)

Article 15

1. The Bank shall, upon the convocation of a general meeting of shareholders, provide information contained in the reference documents for the general meetings of shareholders, etc. electronically.
2. Among the matters to be provided electronically, the Bank may choose not to include all or a part of the matters stipulated in the Ministry of Justice Order in the paper copies to be delivered to shareholders who have requested delivery of paper copies by the record date for voting rights.

(Method of Resolution)

Article 16

1. Except as otherwise provided by laws and regulations or hereby, all resolutions at a general meeting of shareholders shall be adopted by a majority of the voting rights held by the shareholders attending the meeting entitled to exercise voting rights.
2. Resolution of a general meeting of shareholders governed by Article 309, Paragraph 2 of the Company Law shall require the attendance of shareholders holding not less than one-third (1/3) of the total number of voting rights held by all the shareholders who are entitled to exercise voting rights and shall be adopted by a vote of two-thirds (2/3) or more of the voting rights held by such shareholders attending the meeting.

(Exercise of Voting Rights by Proxy)

Article 17

1. A shareholder may exercise his or her voting rights at a general meeting of shareholders by proxy, which shall be one (1) shareholder entitled to vote at the relevant general meeting of shareholders of the Bank.
2. The shareholder or his/her proxy shall submit to the Bank a document evidencing the authority of such proxy to act as such at each meeting of shareholders.

CHAPTER 4 Directors and Board of Directors

(Number of Directors and Election)

Article 18

1. The number of directors of the Bank shall not be more than twelve (12).
2. A resolution of election of a director shall require the attendance of shareholders holding not less than one-third (1/3) of the total number of voting rights held by all the shareholders who are entitled to exercise voting rights and shall be adopted by a majority of the voting rights held by such shareholders attending the meeting.
3. No cumulative voting shall be used for the election of directors.

(Tenure of Office of Directors)

Article 19

1. The tenure of office of a director shall expire at the closing of the ordinary general meeting of shareholders concerning the business year ending within one (1) year after his or her assumption of such office.
2. The tenure of office of a director who has been elected to fill a vacancy or in order to increase the number of directors shall expire when the tenure of the other directors then serving would have expired.

(Representative Directors)

Article 20

1. The Board of Directors shall appoint the Representative Directors by its resolution.
2. Each Representative Director shall severally represent the Bank.

(Appointment of the Chairperson, the President, etc.)

Article 21

1. The Board of Directors may appoint one (1) President from among the directors.
2. The Board of Directors may appoint one (1) Chairperson, one (1) or more Vice Chairmen and Deputy Presidents from among the directors.

(Constitution and Power of the Board of Directors)

Article 22

1. The Board of Directors shall consist of the directors.
2. The Board of Directors shall determine the business management of the Bank and supervise the directors in exercising their duties.

(Notice of Convocation of Meetings of Board of Directors)

Article 23

The notice of convocation of a meeting of the Board of Directors shall be given to each director and Audit & Supervisory Board Member three (3) days prior to the day set for such meeting; provided, however, that in the case of emergency, such period may be shortened. In addition, with the consent of all directors and Audit & Supervisory Board Members, a meeting of the Board of Directors may be held without conducting the procedures of convocation.

(Omission of Resolutions of the Board of Directors)

Article 24

If all the requirements of Article 370 of the Company Law of Japan are met, the resolutions of a meeting of the Board of Directors shall be deemed to be adopted.

(Chairperson of Board of Directors)

Article 25

1. The Chairperson or the President shall act as chairperson of meetings of the Board of Directors as determined in advance by the Board of Directors.
2. In the event that the person set forth in the foregoing fails or becomes unable to act, the other directors shall act in his or her place as determined in advance by the Board of Directors.

(Method of Resolutions at Meetings of the Board of Directors)

Article 26

Except as otherwise provided by laws and regulations, a majority of all directors in office shall constitute a quorum for any meeting of the Board of Directors, and all resolutions at a meeting of the Board of Directors shall be adopted by the affirmative vote of a majority of the directors present thereat.

(Directors' Liability Exemption, etc.)

Article 27

1. The Bank may, according to the provisions of Article 426, Paragraph 1 of the Company Law, exempt the Directors (including the former Directors) from their liabilities for compensation damages incurred in neglecting to perform their duties, to the extent permitted by laws, by way of resolution of the Board of Directors.
2. The Bank may, according to the provisions of Article 427, Paragraph 1 of the Company Law, with the Directors (excluding Executive Directors, etc. (*gyomushikkou torishimari yaku tou*)), enter into agreements to limit the liabilities of such Directors for compensation damages incurred in neglecting to perform their duties. However, the limit of the liability of such Directors under such agreement shall be the amount provided for in laws.

CHAPTER 5 Audit & Supervisory Board Members and Audit & Supervisory Board

(Number of Audit & Supervisory Board Members and Election)

Article 28

1. The number of Audit & Supervisory Board Members of the Bank shall not be more than five (5).
2. A resolution of election of an Audit & Supervisory Board Member shall require the attendance of shareholders holding not less than one-third (1/3) of the total number of voting rights held by all the shareholders who are entitled to exercise voting rights and shall be adopted by a majority of the voting rights held by such shareholders attending the meeting.

(Tenure of Office of Audit & Supervisory Board Members)

Article 29

1. The tenure of office of an Audit & Supervisory Board Member shall expire at the closing of the ordinary general meeting of shareholders concerning the last business year ending within four (4) years after his or her assumption of such office.
2. The tenure of office of an Audit & Supervisory Board Member who has been elected to fill a vacancy of an Audit & Supervisory Board Member who has retired before the expiration of the tenure of his/her office shall expire when the remaining tenure of the predecessor would have expired.

(Election of Standing Audit & Supervisory Board Members)

Article 30

The Audit & Supervisory Board shall appoint a Standing Audit & Supervisory Board Member by its resolution.

(Constitution and Power of the Audit & Supervisory Board)

Article 31

1. The Audit & Supervisory Board shall consist of the Audit & Supervisory Board Members.
2. The Audit & Supervisory Board shall, in addition to the matters provided for by laws and regulations or hereby, determine the auditing policy for the Bank, the method of investigation of conditions of business and assets and any other matters relating to execution of duties of the Audit & Supervisory Board Members. Provided, however, that the Audit & Supervisory Board shall not prevent the Audit & Supervisory Board Members from exercising their power.

(Notice of Convocation of Audit & Supervisory Board)

Article 32

The notice of convocation of a meeting of the Audit & Supervisory Board shall be given to each Audit & Supervisory Board Member three (3) days prior to the day set for such meeting; provided, however, that in the case of emergency, such period may be shortened. In addition, with the consent of all Audit & Supervisory Board Members, a meeting of the Audit & Supervisory Board may be held without conducting the procedures of convocation.

(Method of Resolutions at the Audit & Supervisory Board)

Article 33

Except as otherwise provided by laws and regulations, all resolutions at a meeting of the Audit & Supervisory Board shall be adopted by the affirmative vote of a majority of the Audit & Supervisory Board Members.

(Audit & Supervisory Board Members' Liability Exemption, etc.)

Article 34

1. The Bank may, according to the provisions of Article 426, Paragraph 1 of the Company Law, exempt the Audit & Supervisory Board Members (including the former Audit & Supervisory Board Members') from their liabilities for compensation damages incurred in neglecting to perform their duties, to the extent permitted by laws, by way of resolution of the Board of Directors.
2. The Bank may, according to the provisions of Article 427, Paragraph 1 of the Company Law, with the Audit & Supervisory Board Members, enter into agreements to limit the liabilities of the Audit & Supervisory Board Members for compensation damages incurred in neglecting to perform their duties. However, the limit of the liability of the Audit & Supervisory Board Members under such agreement shall be the amount provided for in laws.

CHAPTER 6 Accounting

(Business Year)

Article 35

The business year of the Bank shall be from April 1 each year to March 31 of the ensuing year.

(Decision-Making Body for Dividends of Surplus)

Article 36

Except as otherwise provided by laws and regulations, the Bank may, by a resolution of the Board of Directors, stipulate the dividends of surplus etc. prescribed in the items of Article 459, Paragraph 1 of the Company Law.

(Record Date for Dividends of Surplus)

Article 37

1. Dividends of surplus may be made with the record date being March 31, June 30, September 30 and December 31 of each year.
2. In addition to the forgoing paragraph, the Bank may set a record date for a dividend of surplus.

(Exclusion Period of Dividends, etc.)

Article 38

If dividends of surplus are monetary form, the Bank shall not be obliged to pay any dividends remaining unaccepted for more than five (5) years after the date on which the Bank commenced the payment thereof.