

# Governance Structure

## Board of Directors and Audit & Supervisory Committee Members (As of July 31, 2021)



**President**  
**Hidefumi Kobayashi**

Apr. 1981 Joined the Bank  
Jun. 2006 General Manager, Treasury Div., the Bank  
Jun. 2008 General Manager, General Planning & Coordination Div., the Bank  
Jun. 2010 Director and General Manager, General Planning & Coordination Div., the Bank  
Jun. 2013 Director and General Manager, Head Office Business Div., the Bank  
Jun. 2014 Managing Director and General Manager, Head Office Business Div., the Bank  
Jun. 2015 Managing Director, the Bank  
May. 2016 Managing Director, the Bank, General Manager, Ishinomaki Branch and Minato Branch  
Jun. 2016 Managing Director, the Bank  
Jun. 2017 Representative Director and Deputy President, the Bank  
Jun. 2018 Representative Director and President, the Bank (current position)

**Chairman**  
**Teruhiko Ujiie**

Apr. 1969 Joined The Industrial Bank of Japan, Limited  
Aug. 1992 Associate Director-General, Related Business Department, The Industrial Bank of Japan, Limited  
Jun. 1993 Director and General Manager, Business Development Div., the Bank  
Jun. 1995 Director and General Manager, Business Promotion Div., the Bank  
Jun. 1997 Director and General Manager, Head Office Business Div., the Bank  
Jun. 1998 Managing Director and General Manager, Head Office Business Div., the Bank  
Jun. 1999 Managing Director and General Manager, Investigation Div., the Bank  
Mar. 2000 Managing Director, the Bank  
Jun. 2002 Senior Managing Director, the Bank  
Jun. 2005 Representative Director and Deputy President, the Bank  
Jun. 2010 Representative Director and President, the Bank  
Jun. 2018 Representative Director and Chairman, the Bank (current position)

**Senior Managing Director**  
**Makoto Igarashi**

Apr. 1980 Joined the Bank  
Sep. 2000 General Manager, Onahama Branch, the Bank  
Jun. 2002 General Manager, Bashonotsuji Branch, the Bank  
Jun. 2004 General Manager, Shiroishi Branch, the Bank  
Jun. 2005 General Manager, General Affairs Div., the Bank  
Jun. 2006 General Manager, Personnel Div., the Bank  
Jun. 2009 Director and General Manager, Tokyo Branch, the Bank  
Jun. 2012 Director and General Manager, Business Promotion Div., the Bank  
Jun. 2013 Managing Director, the Bank  
Jun. 2017 Senior Managing Director, the Bank  
Jun. 2018 Representative Director and Senior Managing Director, the Bank (current position)

**Managing Director**  
**Atsushi Shitoh**

Apr. 1985 Joined the Bank  
Jun. 2005 Chief Secretary, the Bank  
Jun. 2008 General Manager, Fukushima Branch, the Bank  
Jun. 2010 General Manager, Izumi Branch, the Bank  
Jun. 2012 General Manager, Treasury Administration & International Div., the Bank  
Jun. 2014 Executive Officer and General Manager, Tokyo Branch, the Bank  
Jun. 2016 Director, Executive Officer and General Manager, Head Office Business Div., the Bank  
Jun. 2018 Managing Director and General Manager, Head Office Business Div., the Bank  
Jun. 2019 Managing Director, the Bank (current position)

**Managing Director**  
**Takuji Tabata**

Apr. 1986 Joined the Bank  
Sep. 2007 General Manager, Koriyama Branch, the Bank  
Jun. 2009 General Manager, Tokyo Liaison Office, the Bank  
Jun. 2012 General Manager, Treasury Div., the Bank  
Jun. 2015 General Manager, Credit Supervision Div., the Bank  
Jun. 2016 Executive Officer and General Manager, Credit Supervision Div., the Bank  
Jun. 2018 Senior Executive Officer and General Manager, Credit Supervision Div., the Bank  
Jun. 2019 Managing Director, the Bank (current position)

**Outside Director**  
**Masahiro Sugita**

Apr. 1967 Joined the Bank of Japan  
May. 1996 General Manager, International Dept., the Bank of Japan  
Jun. 1998 Director, Research Institute of Overseas Investment, the Export-Import Bank of Japan  
Sep. 1999 Auditor, the Bank of Japan  
Dec. 2003 Standing Audit & Supervisory Board Member, Banyu Pharmaceutical Co., Ltd. (currently MSD K.K.)  
Jun. 2006 Director, Horiba, Ltd.  
Jun. 2007 Audit & Supervisory Board Member, the Bank  
Oct. 2009 Audit & Supervisory Board Member, Banyu Pharmaceutical Co., Ltd. (currently MSD K.K.)  
Jun. 2013 Director, the Bank (current position)

**Outside Director**  
**Emiko Okuyama**

Apr. 1975 Joined the Sendai City Government  
Aug. 2009 Mayor, Sendai City  
Jun. 2018 Director, the Bank (current position)

**Director, Audit & Supervisory Committee Member**  
**Koichi Suzuki**

Apr. 1984 Joined the Bank  
Mar. 2005 General Manager, Wakuya Branch, the Bank  
Sep. 2007 General Manager, Masuda Branch, the Bank  
Jun. 2009 General Manager, General Affairs Div., the Bank  
Jun. 2013 General Manager, Business Promotion Div., the Bank  
Jun. 2014 Executive Officer and General Manager, Business Promotion Div., the Bank  
Jun. 2015 Director, Executive Officer and General Manager, Oroshimachi Branch, the Bank  
Jun. 2018 Managing Director, the Bank  
Jun. 2021 Director, Audit & Supervisory Committee Member, the Bank (current position)

**Director, Audit & Supervisory Committee Member (Outside Director)**  
**Toshio Suzuki**

Apr. 1970 Joined Tohoku Electric Power Co. Inc.  
Jun. 2001 Deputy Director and General Manager, Human Resources Division, Tohoku Electric Power Co. Inc.  
Jun. 2005 Director and General Manager, Human Resources Division, Tohoku Electric Power Co. Inc.  
Jun. 2006 Director and General Manager, Miyagi Branch, Tohoku Electric Power Co. Inc.  
Jun. 2007 Senior Executive Officer and General Manager, Miyagi Branch, Tohoku Electric Power Co. Inc.  
Jun. 2009 Standing Statutory Auditor, Tohoku Electric Power Co. Inc.  
Jun. 2010 Corporate Auditor, The Dashi Bank, Ltd.  
Jun. 2013 Audit & Supervisory Board Member, the Bank  
Jun. 2013 Chairman and Representative Director, Tohoku Intelligent Telecommunication Co., Inc.  
Jun. 2015 Advisor, Tohoku Intelligent Telecommunication Co., Inc.  
Jun. 2017 Director, Audit & Supervisory Committee Member, the Bank (current position)

**Director, Audit & Supervisory Committee Member (Outside Director)**  
**Yoko Ushio**

May 2001 Senior Managing Director and General Manager, Fujisaki Comfortable Lifestyle Research Institute Co., Ltd.  
May 2003 Director, Department Store Fujisaki Co., Ltd.  
Jan. 2011 Advisory Fellow, Tohoku Regional Advancement Center  
Apr. 2012 Fellow, Tohoku Regional Advancement Center  
Apr. 2016 Auditor, Tohoku University (current position)  
Jun. 2019 Director, Audit & Supervisory Committee Member, the Bank (current position)  
Aug. 2020 Representative Director, K.K. Shinsei Sogo Jimusho (current position)

**Senior Executive Officers**

General Manager, Head Office Business Division, and Basho no Tsuji Branch  
**Masanori Muranushi**

General Manager, Business Promotion Division  
**Yoshihiro Endo**

General Manager, Audit & Inspection Division  
**Naoshi Aoyagi**

General Manager, Ishinomaki Branch and Kokucho Branch  
**Shuichi Ibuka**

**Executive Officers**

General Manager, Oroshimachi Branch  
**Kazuhiro Chida**

General Manager, Tokyo Branch  
**Hirokimi Fukushi**

General Manager, Credit Supervision Division  
**Kazutoshi Saito**

General Manager, Digital Strategy Division  
**Masahide Kato**

General Manager, Personnel Division  
**Takashi Kuroda**

General Manager, Compliance Management Division  
**Kuniaki Endo**

General Manager of General Planning & Coordination Division  
**Hiroshi Kobayashi**

General Manager, Operations Management Division  
**Hiroshi Kitazono**

**Managing Director**  
**Yoshikazu Onodera**

Apr. 1985 Joined the Bank  
Sep. 2007 General Manager, Hachimannmachi Branch, the Bank  
Mar. 2009 General Manager, Yoshioka Branch, the Bank  
Jun. 2011 General Manager, Operations Management Div., the Bank  
Jun. 2013 General Manager, General Planning & Coordination Div., the Bank  
Jun. 2014 Executive Officer and General Manager, General Planning & Coordination Div., the Bank  
Jun. 2016 Director, Executive Officer and General Manager, Ishinomaki Branch and Minato Branch, the Bank  
Jun. 2018 Managing Director, the Bank (current position)

**Managing Director**  
**Atsushi Kobayashi**

Apr. 1988 Joined the Bank  
Jun. 2008 General Manager, Okino Branch, the Bank  
Jun. 2010 General Manager, Sendai Haranomachi Branch, the Bank  
Jun. 2012 General Manager, Tokyo Law Office, the Bank  
Jun. 2015 General Manager, Treasury Div., the Bank  
Jun. 2016 Executive Officer and General Manager, General Planning & Coordination Div., the Bank  
Jun. 2017 Executive Officer and General Manager, General Planning & Coordination Div., the Bank  
Jun. 2019 Senior Executive Officer, General Manager, Head Office Business Div. and Basho no Tsuji Branch, the Bank  
Jun. 2021 Managing Director, the Bank (current position)

**Outside Director**  
**Ken Nakamura**

Apr. 1974 Registered as Attorney-at-Law (Sendai Bar Association)  
Sep. 1977 Opened Nakamura Ken Law Office (current position)  
Jun. 1996 Audit & Supervisory Board Member, KOHSOKU CORPORATION  
Nov. 2004 Auditor, HOKUSHU Co., Ltd. (current position)  
Jun. 2007 Audit & Supervisory Board Member, the Bank  
Jun. 2013 Director, KOHSOKU CORPORATION  
Jun. 2015 Director, the Bank (current position)  
Jun. 2016 Director (Audit & Supervisory Committee Member), KOHSOKU CORPORATION (current position)

**Outside Director**  
**Seiichi Ohtaki**

Oct. 1987 Assistant Professor, Faculty of Economics, Tohoku university  
Apr. 1992 Professor, Faculty of Economics, Tohoku university  
Apr. 1999 Professor, Graduate School of Economics and Management, Tohoku university  
Apr. 2011 Dean Graduate School of Economics and Management / Faculty of Economics, Tohoku University  
Jul. 2014 President, The Sanaburi Foundation (current position)  
Jun. 2016 Auditor, Yurtec Corporation  
Nov. 2016 President, Organization for Creating LocalGood (current position)  
Apr. 2018 Vice-President, Shizenkan University (current position)  
Jun. 2020 Director, the Bank (current position)

**Director, Audit & Supervisory Committee Member**  
**Mitsuo Chubachi**

Apr. 1985 Joined the Bank  
Mar. 2011 General Manager, Nihonbashi Branch, the Bank  
Jun. 2013 General Manager, Risk Management Div., the Bank  
Jun. 2015 Audit & Supervisory Board Member, MIYAGI SYOJI Co., Ltd.  
Jul. 2016 Director and General Manager, Administration Div., 77 Securities Co., Ltd.  
Jun. 2019 Director, Audit & Supervisory Committee Member, the Bank (current position)

**Director, Audit & Supervisory Committee Member (Outside Director)**  
**Masai Yamaura**

Oct. 1973 Joined the Sendai City Government  
Sep. 2005 Vice Mayor, Sendai City  
Apr. 2006 Chief Director, Sendai Green Association  
Jun. 2007 President and Representative Director, Sendai Software Center Co., Ltd.  
Jun. 2008 Auditor, Sendai Meat Wholesale Market Co., Ltd. (current position)  
Apr. 2014 Chairman, Sendai Council of Social Welfare (current position)  
Jun. 2015 Audit & Supervisory Board Member, the Bank  
Jun. 2017 Director, Audit & Supervisory Committee Member, the Bank (current position)

**Director, Audit & Supervisory Committee Member (Outside Director)**  
**Akira Inukai**

Apr. 1979 Joined the Miyagi Prefectural Government  
Apr. 2013 Director-General, Commerce, Industry and Tourism Department, Miyagi Prefectural Government  
Apr. 2015 Public Corporation Administrator, Miyagi Prefectural Government  
Jun. 2015 Director, Miyagi-ken Kaihatsu K.K.  
Apr. 2017 Vice Chairman, Miyagi University  
Apr. 2019 Chairman, Miyagi Prefecture Land Development Corporation  
Jun. 2019 Representative Director and President, Miyagi-ken Kaihatsu K.K.  
Jun. 2021 Director, Audit & Supervisory Committee Member, the Bank (current position)

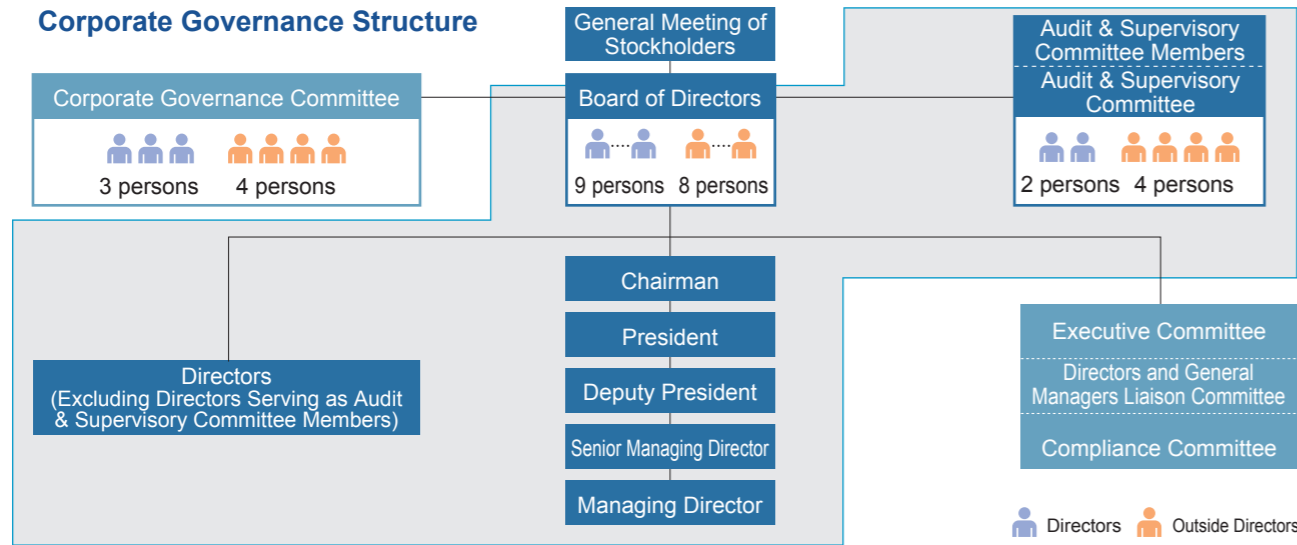
# Governance Structure

## Basic stance toward corporate governance

We will work to strengthen and enhance corporate governance in accordance with the following basic stance.

- In accordance with the Bank Creed, which is our basic principle of management, we will operate business that give constant consideration to the public mission of a regional bank — contributing to the development of the regional economy and society — through banking operations.
- We will improve the transparency of management and the appropriateness of processes and work together appropriately with stakeholders including the regional society, clients, and shareholders for the Bank's sustained growth and improvements in corporate value over the medium- to long-term.

## Corporate Governance Structure



## Main members by organization

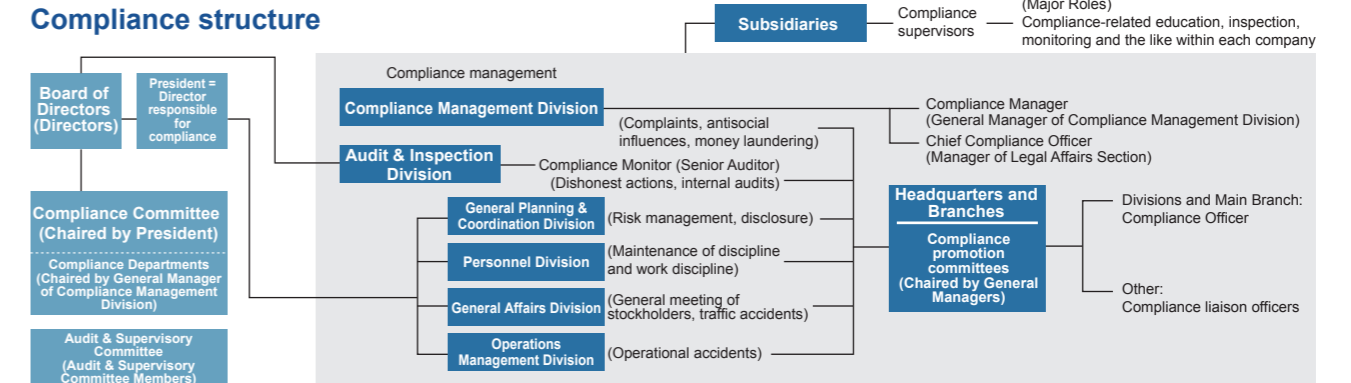
Title	Name	Board of Directors	Executive Committee	Corporate Governance Committee	Audit & Supervisory Committee	Compliance Committee
(Representative Director) Chairman	Teruhiko Ujiie	○ (Chairperson)	○	○		
(Representative Director) President	Hidefumi Kobayashi	○	○ (Chairperson)	○		○ (Chairperson)
(Representative Director) Senior Managing Director	Makoto Igarashi	○	○	○		○
Managing Director	Atsushi Shitoh	○	○			○
Managing Director	Yoshikazu Onodera	○	○			○
Managing Director	Takuji Tabata	○	○			○
Managing Director	Atsushi Kobayashi	○	○			○
Director	Masahiro Sugita	○		○ (Chairperson)		
Director	Ken Nakamura	○		○		
Director	Emiko Okuyama	○		○		
Director	Seichi Ohtaki	○		○		
Director, Audit & Supervisory Committee Member	Koichi Suzuki	○	△ (*3)		○ (Chairperson)	△ (*3)
Director, Audit & Supervisory Committee Member	Mitsuo Chubachi	○	△ (*3)		○	△ (*3)
Director, Audit & Supervisory Committee Member	Toshio Suzuki	○			○	
Director, Audit & Supervisory Committee Member	Masai Yamaura	○			○	
Director, Audit & Supervisory Committee Member	Yoko Ushio	○			○	
Director, Audit & Supervisory Committee Member	Akira Inukai	○			○	
Other members			General Manager of General Planning & Coordination Division			General Manager of General Planning & Coordination Division, General Manager of Compliance Management Division, General Manager of Audit & Inspection Division

\*1 A Deputy President has not been appointed.  
 \*2 Directors Masahiro Sugita, Ken Nakamura, Emiko Okuyama, Toshio Suzuki, Masai Yamaura, Yoko Ushio, and Akira Inukai are Outside Directors prescribed in Article 2, Item 15 of the Companies Act.  
 \*3 Standing Directors who are Audit & Supervisory Committee Members attend the Executive Committee and Compliance Committee, and state their opinions as necessary.  
 \*4 The Chairperson of the Audit & Supervisory Committee observes the Corporate Governance Committee.

## Thorough compliance

The Bank formulated the Compliance Policies in order to clarify its stance on compliance and to ensure the effectiveness thereof. Further, as part of our endeavor to ensure thorough compliance, the Bank established the Compliance Guidelines (Compliance Standards) to articulate specific guidelines and a code of conduct so that the executives and employees place importance on compliance, thereby ensuring the lawful conduct of business.

## Compliance structure

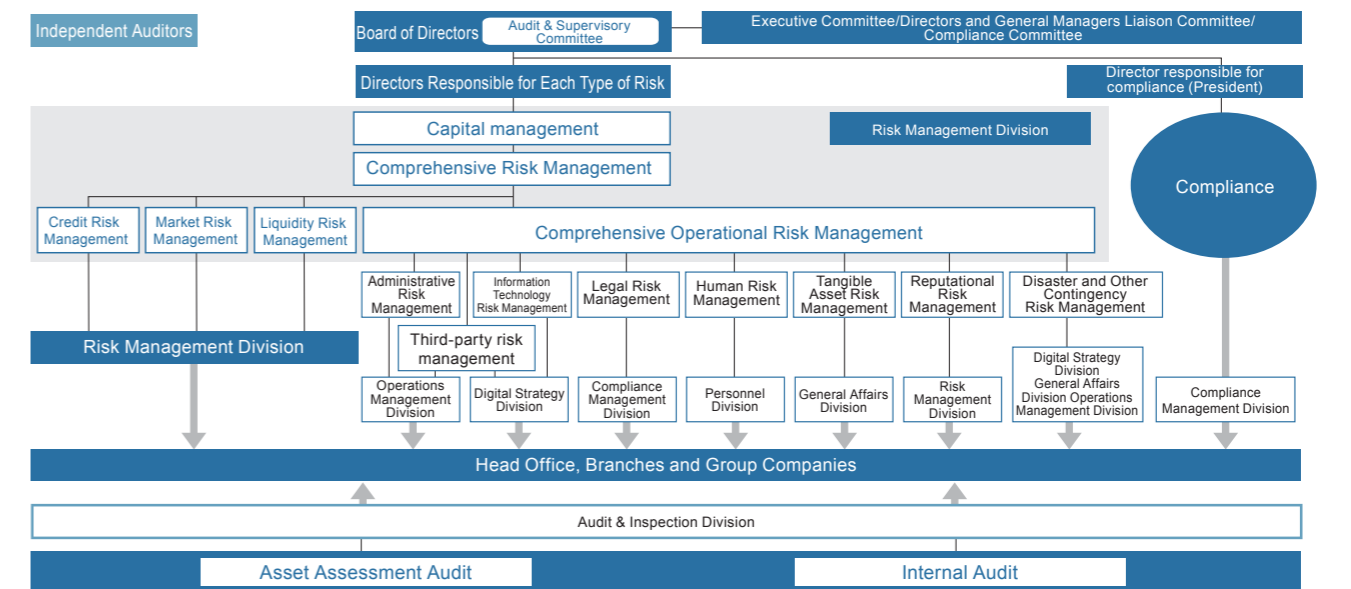


\* Compliance officers and compliance liaisons maintain their independence in the performance of their duties related to compliance and do not follow the instructions of higher-ranking individuals.

## Strengthening risk management systems

In accordance basic policies on risk management determined by the Board of Directors, the Bank has determined controlling divisions and managing divisions for each type and category of risk requiring management, and the Audit & Inspection Division also audits the appropriateness of the execution and management of the operations of each department as an internal audit department.

## Risk management structure



## Third-party risk management

"Third-party risk" refers to the risk of losses arising as a result of administrative errors, system faults, fraudulent transactions, and other issues at third parties that are companies or organizations that the Bank has an operational partnership or relationship with.

The Bank appropriately manages this risk, having established the "Policies on Third-Party Risk Management" as a basic policy for managing risk.

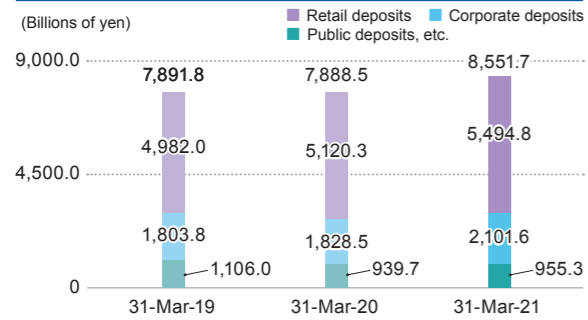
In particular, in event that third parties work with services linked to customers' accounts or personal data, such as in the cash of fund transfer business operators, the Bank implements stricter risk management, based on the "Personal Data Management Standards," etc., and manages risk on an ongoing basis during the period of the agreement, through such methods as regular monitoring of the safety, reliability, etc., of third parties.

The Bank takes every possible precaution to ensure that in the event of administrative issues, system faults, or other issues, the impact on our customers and the operations of the Bank is minimized, including securing alternative methods and formulating measures to respond in the event of emergency.

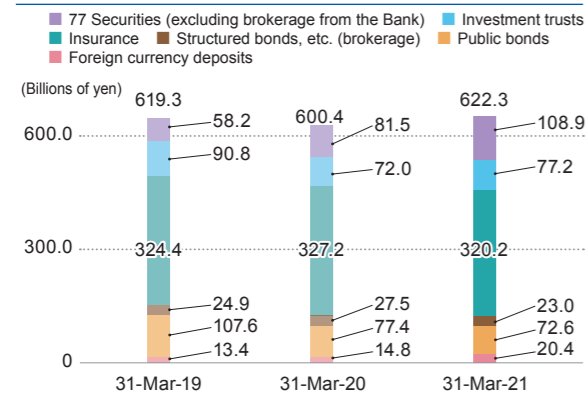
# Financial and Non-financial Highlights

## Financial information

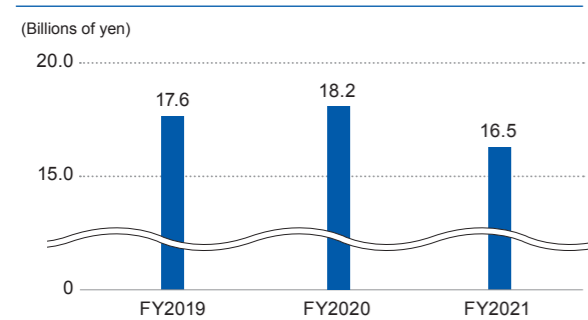
### Balance of deposits and certificates of deposit **¥8,551.7 billion**



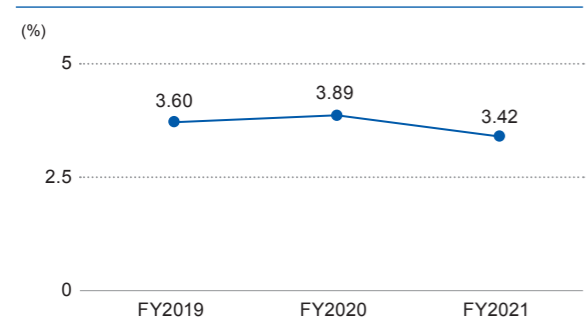
### Balance of assets in custody (the Group) **¥622.3 billion**



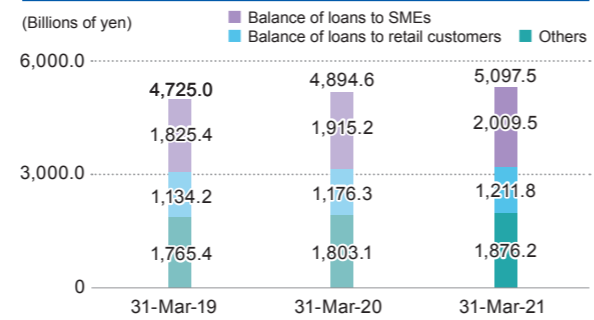
### Net income (consolidated) **¥16.5 billion**



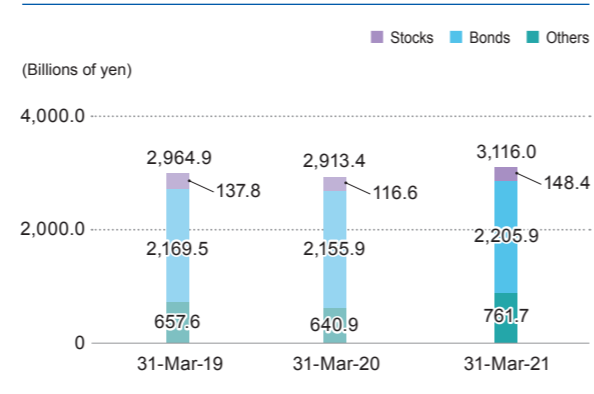
### ROE (consolidated) **3.42 %**



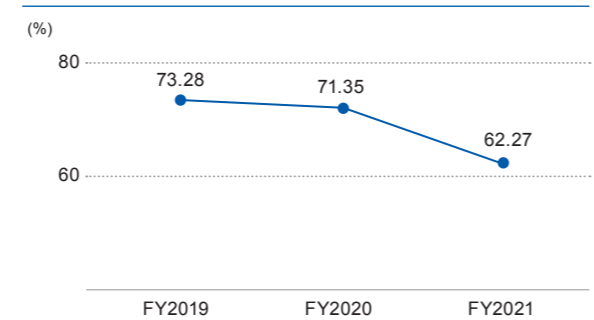
### Balance of loans and bills discounted **¥5,097.5 billion**



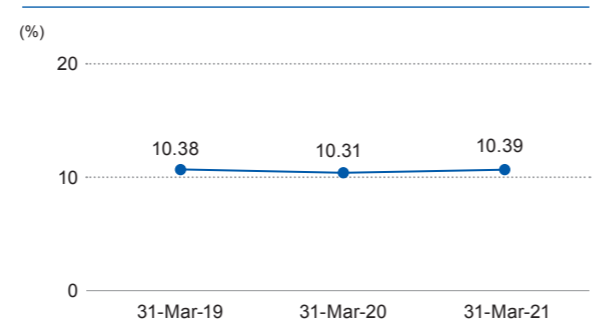
### Securities balance **¥3,116.0 billion**



### Core OHR (core gross operating income expense ratio) **62.27 %**



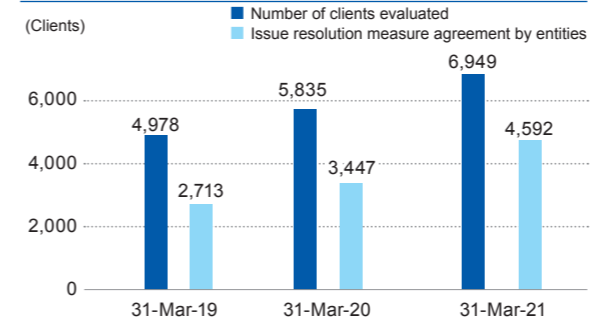
### Capital adequacy ratio (domestic standards/consolidated) **10.39 %**



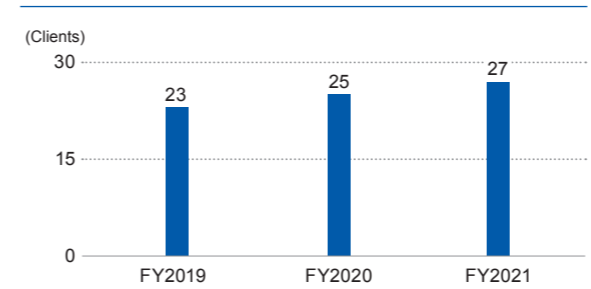
## Non-financial information

### Consulting

#### Number of clients evaluated **6,949 clients** Issue resolution measure agreement by entities **4,592 clients**



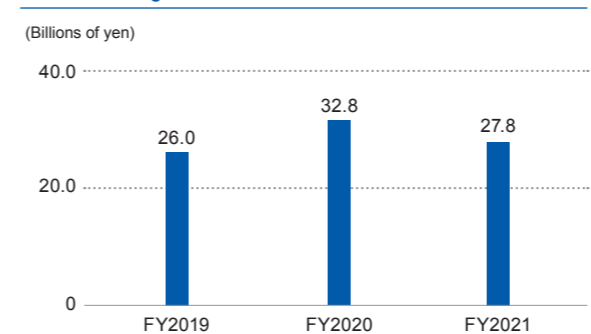
#### Number of M&A support\* clients **27 clients**



\* Entered into M&A advisory contract

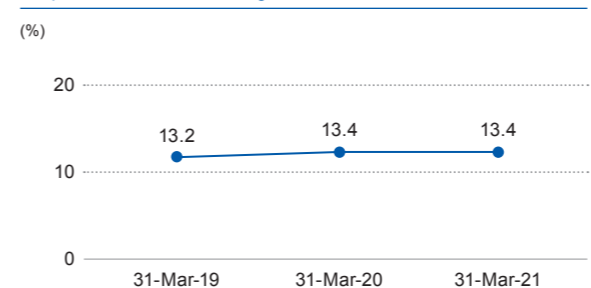
### ESG

#### Renewable energy-related funding **354 cases / ¥162.7 billion**

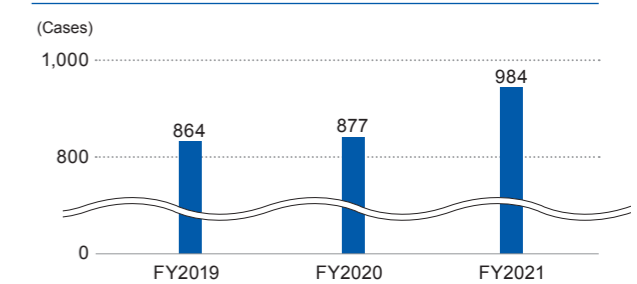


\* Cumulative results from after the Great East Japan Earthquake of 2011 through March 31, 2021

#### Proportion of female managers **13.4 %**

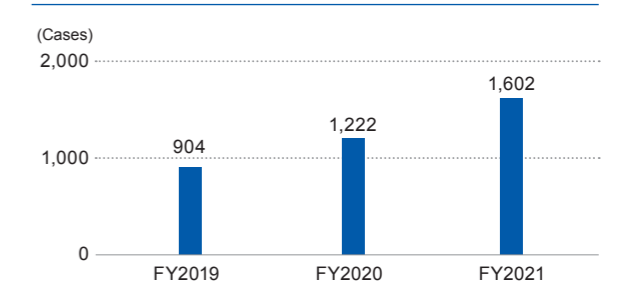


#### Number of start-up support projects (\*) **984 cases**



\* Start-up plan formulation support, financing clients in the start-up stage, introduction of government-affiliated financial institutions and start-up support organizations, subsidies, financing, and investment in venture companies

#### Number of business succession, inheritance, and asset succession support recipients **1,602 cases**



#### SG-based investment and lending Privately placed corporate bonds <sup>1,2,3</sup>

Green bonds **23 cases / ¥30.2 billion<sup>1</sup>**

Sustainability bonds **7 cases / ¥3.7 billion**

Social bonds **12 cases / ¥9.5 billion**

Sustainability-linked bonds **2 cases / ¥0.4 billion**

Sustainability-linked loans **2 cases / ¥1.7 billion<sup>5</sup>**

77 Privately Placed Corporate Bonds for Social Contribution (Donation-Type) **378 cases / ¥30.5 billion**

77 ESG Privately Placed Corporate Bonds **47 cases / ¥6.2 billion**

<sup>1</sup> Green bonds and other bonds refer only to investments with newly issued bonds.  
<sup>2</sup> Purchases of green bonds and other bonds, as well as sustainability-linked loans: Cumulative results from April 2018 through March 31, 2021.  
<sup>3</sup> Privately placed corporate bonds: Cumulative results from product launch through March 31, 2021.  
<sup>4</sup> Of which, ¥1.1 billion is denominated in US dollars. The Bank's middle rate as of March 31, 2021 (USD 1 = JPY 110.71) has been used for yen conversion.  
<sup>5</sup> Denominated in US dollars. The Bank's middle rate as of March 31, 2021 (USD 1 = JPY 110.71) has been used for yen conversion.

## Profile (As of March 31, 2021)

**Company Name** The 77 Bank, Ltd.  
**Head Office** 3-20, Chuo 3-chome, Aobaku, Sendai, Miyagi 980-8777, Japan  
**Founded** December 9, 1878  
**Paid-in Capital** ¥24.6 billion  
**Number of Employees** 2,742

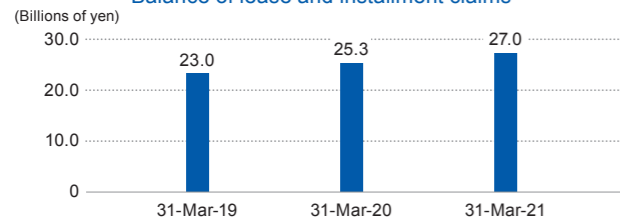
**Number of Branches** 143 (Head Office/Branches: 137, Sub-Branches: 6)  
**Capital Adequacy Ratio (domestic standards)** non-consolidated 10.14% / consolidated 10.39%  
**Total Assets** ¥9,817.9 billion  
**Certificates of Deposits** ¥8,551.7 billion  
**Loans and Bills Discounted** ¥5,097.5 billion

## Group companies

### 77 Lease

Supports customers' capital expenditure via finance leases, etc., for office equipment, transportation equipment, industrial machinery, medical devices, engineering and construction machinery, etc.

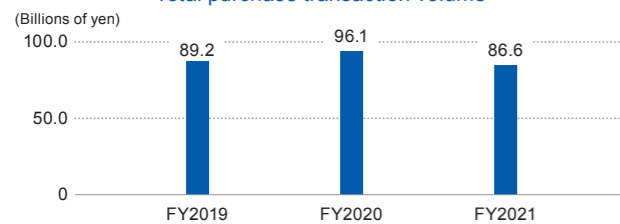
#### Balance of lease and installment claims



### 77 Card

Issues JCB, Visa, MasterCard, and other credit cards to retail and corporate customers, provides support for the introduction of cashless devices, and provides card loan guarantees.

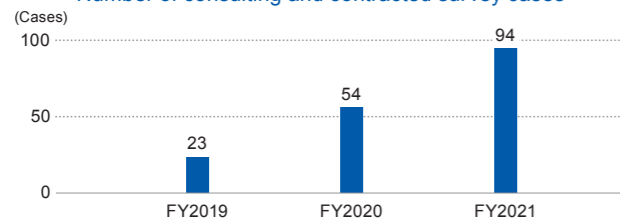
#### Total purchase transaction volume



### 77 Research and Consulting

Provides services with expertise and a high level of added value, mainly centered on membership organization management, survey and research, and consulting.

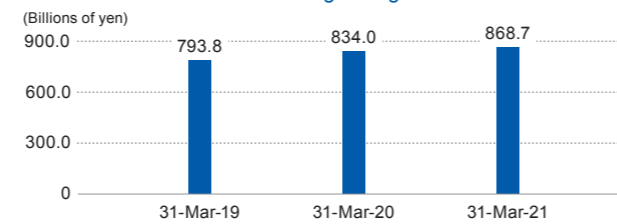
#### Number of consulting and contracted survey cases



### 77 Shin-Yo Hosyo

Provides debt guarantees for customers using housing loans, car loans, and other unsecured loans, as well as credit management and other services.

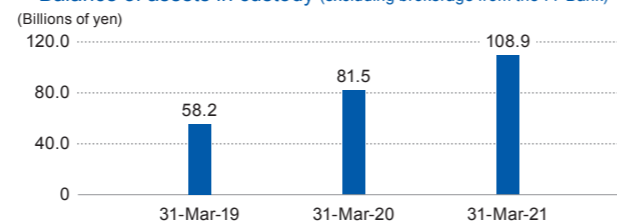
#### Balance of housing loan guarantees



### 77 Securities

As the only securities company headquartered in Miyagi Prefecture, provides quality services and products with a high level of expertise from the customer's perspective, based on "bank-securities company cooperation" with the 77 Bank.

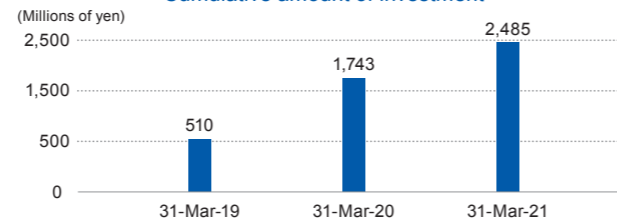
#### Balance of assets in custody (excluding brokerage from the 77 Bank)



### 77 Capital

Main business activities include the formation and management of investment limited partnerships (funds), as well as providing a wide range of funding tailored to the business characteristics and projects of companies, and engaging in company development and company support through investment, etc.

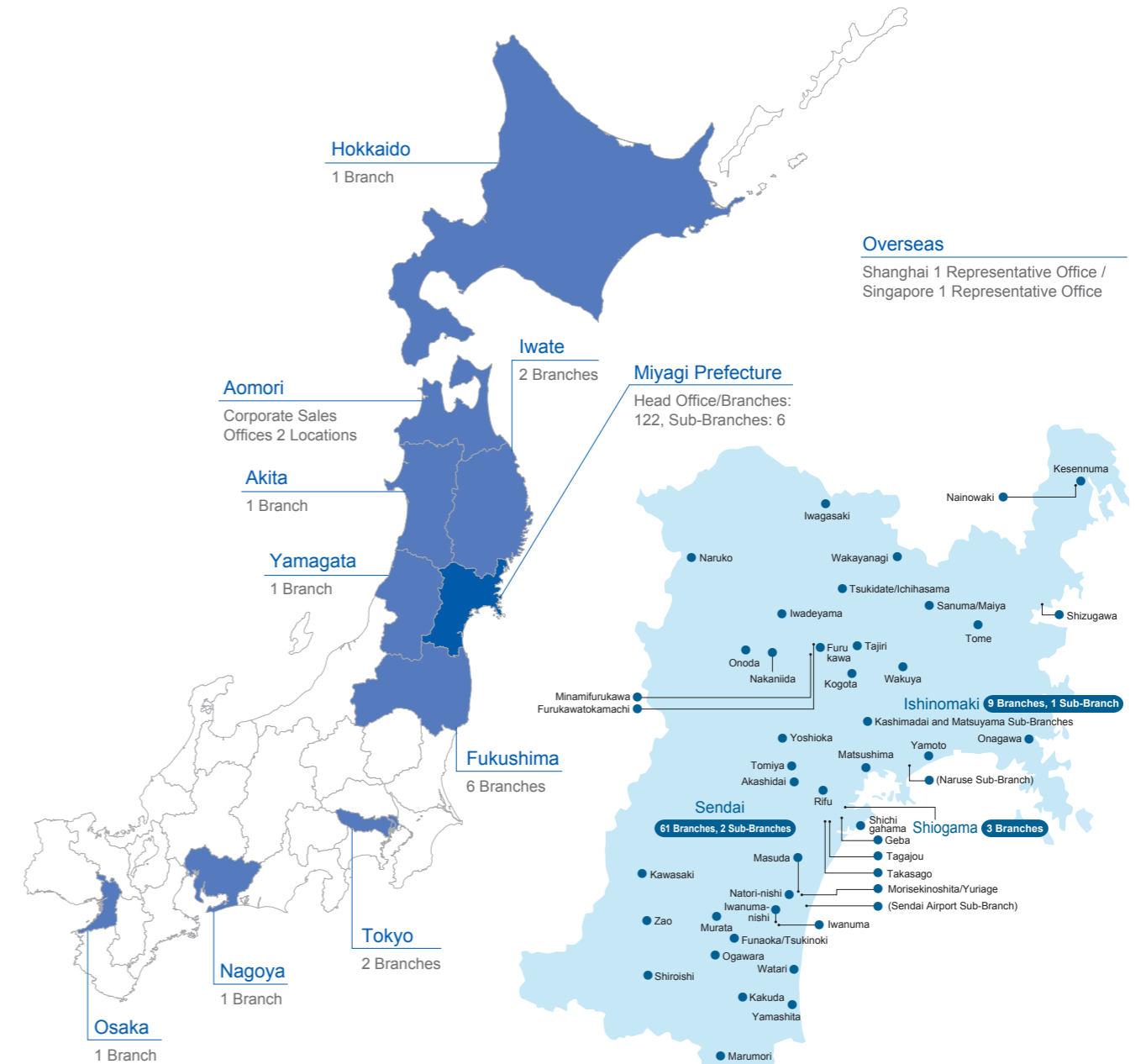
#### Cumulative amount of investment



## 77 Bank Group characters



## Service Network (As of July 31, 2021)



Scan the QR code to read the branches and cash service corners.



\* Japanese Language only

## Service Network Data

	Number of municipalities with Miyagi Prefecture	Of which, areas with the Bank's location	Total number of the Bank's locations		Number of ATMs
				Of which branches within branches	
Within Miyagi Prefecture	35	31	128	13	710
Cities	14	14	109	12	618
[Of which, Sendai City]			[63]	[5]	[393]
Towns	20	17	19	1	91
Villages	1	—	—	—	1
Outside of Miyagi Prefecture			15	—	28
Within Tokyo			2	—	3
Other prefectures			13*1	—	25
<b>Total</b>	<b>35 municipalities</b>	<b>31 cities and towns</b>	<b>143 locations*2</b>	<b>13 locations</b>	<b>738 ATMs</b>

\*1 Other branch locations: Sapporo City, Morioka City, Kitakami City, Akita City, Yamagata City, Fukushima City, Koriyama City, Soma City, Minamisoma City, Iwaki City (2 branches), Nagoya City, and Osaka City

\*2 The total number of 143 locations includes one branch that only offers transfers, and the number of locations is 135, taking into account seven branches within branches.