

Board of Directors Operation Rules

Enacted on April 25, 2019

CHAPTER I. General Rules

Purpose

- Article 1-1 The purpose of these rules is to stipulate the matters necessary for the operation of the Board of Directors based on the provisions of Article 43 of the Articles of Incorporation of the Tokyo International Financial Organization (hereinafter referred to as the “organization”).

Chapter II. Convocation of Board of Directors

Convener

- Article 2-1 The Board of Directors meetings shall be convened by the representative director. Provided, however, that such meeting may be convened pursuant to the Act on General Incorporated Associations and General Incorporated Foundations (hereinafter referred to as the “General Incorporated Association and Foundation Act”) or the Articles of Incorporation of the organization if otherwise provided therein, or if the representative director is absent, by any director.
- Article 2-2 Each director can convene a Board of Directors meeting immediately after the reelection of all directors.

Convocation notice

- Article 3-1 The director who convenes a Board of Directors meeting shall issue notice thereof in writing stating the date, place and purpose of the meeting, to each director and auditor at least one week prior to the date of said Board of Directors meeting.
- Article 3-2 In lieu of issuing a notice in writing as set forth in the preceding paragraph, if the consents of the directors and auditors have been obtained, such notice may be issued by electronic means.
- Article 3-3 Notwithstanding the provisions of the preceding two paragraphs, a Board of Directors meeting may be held without due convocation procedures, provided that there is a consensus among all directors and auditors.

CHAPTER III. Agenda of Board of Directors Meeting

Chairman

- Article 4-1 The chairman of the board of directors meetings shall be the Representative Director.
- Article 4-2 Notwithstanding the preceding paragraph, if the Representative Director is absent or if said post is vacant, then the Managing Director shall be the chairman, and when both the Representative Director and the Managing Director are absent or said positions are vacant, and at a meeting called immediately after the reelection of all

directors, the person mutually elected from among all attending directors shall become the chairman.

Quorum

Article 5-1 A Board of Directors meeting may not be held without the presence of a majority of the directors.

Attendance of related parties

Article 6-1 When deemed necessary, the Board of Directors may seek the attendance of those involved with the agenda to obtain their opinions.

Report or explanation of directors

Article 7-1 The chairman may, when he/she deems necessary after declaring the agenda to be discussed, request the directors, auditors or those who made a proposal pertaining to the agenda to report or explain the matters regarding such agenda or proposal pertaining thereto. In this case, the directors, auditors or those who made a proposal pertaining to the agenda, may, with the permission of the chairman, have an assistant such as administrative office's staff, report or explain the same.

Article 7-2 If a director requests for convocation of a meeting under the provisions of Article 93, Paragraph 2 of the General Incorporated Association and Foundation Act, the chairman must ask the director to explain the agenda thereof, and if necessary, cause the Representative Director, the Managing Director or the auditor to express their opinions concerning the same.

Motions to Conduct Proceedings

Article 8-1 A director may submit a motion with regard to the proceedings of the Board of Directors meeting.

Article 8-2 The chairman must promptly take a vote on the motion pursuant to the preceding paragraph.

Article 8-3 When a motion as in paragraph 1 is submitted as a means of obstructing the proceedings of a Board of Directors meeting, or is unlawful or constitutes an abuse of rights, or it is clear that there are no reasonable grounds for the motion, the chairman may immediately reject such motion.

Non-confidence motion against chairman

Article 9-1 When a non-confidence motion against the chairman is submitted, the chairman must promptly take a vote.

Article 9-2 When a motion in the preceding paragraph is adopted, the manager of administrative office shall become temporary chairman and elect the chairman of such Board of Directors meeting from among the attending directors.

Article 9-3 When the chairman of the Board of Directors meeting is elected from among the attending directors at such Board of Directors meeting, a non-confidence motion against the chairman may not be submitted.

Votes

- Article 10-1 When it is deemed that questions and answers and discussions on the agenda have been thoroughly carried out, the chairman may declare the end of the deliberation and take a vote. In this case, the chairman may collectively take a vote on the agendas discussed at the same time.
- Article 10-2 When an amendment proposal is submitted to the original agenda, the chairman shall take a vote on the proposed amendment prior to the original agenda.
- Article 10-3 When multiple amendment proposals are submitted, a vote shall be taken in the order from one that the chairman considers the farthest from the original agenda. However, if a number of amendment proposals are submitted, a vote may be taken on the original agenda prior to amendment proposals, regardless of the provisions of the preceding paragraph.
- Article 10-4 The chairman may use any means to confirm the pros and cons of the vote.
- Article 10-5 The chairman may not state any opinions on the agenda, the proposal or his/her exercise of the voting right prior to the vote. The chairman may exercise his/her voting right only immediately before confirming the result of the voting, which may not be counted in the voting.

Minutes

- Article 11-1 With respect to agenda of the Board of Directors meeting, the minutes shall be prepared in writing or by means of electromagnetic recording.
- Article 11-2 Minutes must list the matters listed in Appendix.

Distribution of minutes

- Article 12-1 The chairman shall distribute a copy of the minutes and related documents to report on the progress and results of the proceedings without delay to the directors and auditors who were absent.

CHAPTER IV. Authority of Board of Directors

Matters to be resolved

- Article 13-1 The matters to be resolved by the Board of Directors shall be as follows:
- (1) Matters stipulated in laws and regulations:
 - (a) Determination on the business of the organization
 - (b) Election and dismissal of the Representative Director
 - (c) Determination on the date and place of general meeting of members and the matters to be discussed at the meeting
 - (d) Disposition and acquisition of important assets
 - (e) Large borrowings
 - (f) Appointment and dismissal of important employees
 - (g) Establishment, change, or closure of secondary offices and other key organizational units
 - (h) Approval of a director's transaction as prescribed in Article 31 of the Articles of Incorporation
 - (i) Approval of business reports and financial statements

- (j) Other matters stipulated by laws and regulations
- (2) Matters set out in the Articles of Incorporation:
 - (a) Establishment, amendment and abolition of the following rules:
 - Duties and Authority of Directors Rules;
 - Board of Directors Operation Rules;
 - Rules for Handling of Funds;
 - Accounting Rules;
 - Information Disclosure Rules; and
 - Other rules for necessary matters
 - (b) Appointment and removal of the Managing Director(s)
 - (c) Determination on necessary matters for the duties, composition and operation of committees
 - (d) Exemption from liability under Article 32 of the Articles of Incorporation
 - (e) Approval of business plans and budget for revenue and expenditure
 - (f) Any other matters specified in the Articles of Incorporation
- (3) Other important matters related to the administration of the business operation
 - (a) Conclusion, cancellation and amendment to important business and other contracts
 - (b) Handling of disputes over important business and other matters
 - (c) Any other matters that the Board of Directors deems necessary

Approval of directors' transaction

- Article 14-1 If a director intends to carry out a transaction as prescribed in Article 31 of the Articles of Incorporation, the director shall obtain the approval of the Board of Directors by specifying the following matters:
- (1) Reasons to carry out such transaction
 - (2) Details of the transaction
 - (3) Counterparty, amount, time and location of the transaction
 - (4) Reference documents showing that the transactions are legitimate
 - (5) Any other necessary matters

- Article 14-2 When the director wishes to change any of the matters described in the preceding paragraph, he/she shall obtain the approval of the Board of Directors in advance.

Exemption from liability

- Article 15-1 Article 15 Pursuant to Article 32 of the Articles of Incorporation, the Board of Directors may exempt any officer from his/her liability for compensation for damages under Article 111 Paragraph 1 of the General Incorporated Association and Foundation Act up to the amount obtained by deducting the minimum amount of liability specified by laws and regulations from the amount of liability for compensation for damages, when any of the requirements specified by laws and regulations is met.
- Article 15-2 Submission of a proposal for the exemption of a director from the liability to the Board of Directors pursuant to the provisions of the preceding paragraph requires the consent of each auditor.
- Article 15-3 Pursuant to the provisions of Paragraph 1, if a resolution has been adopted to exempt any officer from the liability, the Representative Director must, without delay,

notify the members to raise any objection they may have against the exemption of the matters and liability set forth in each item of Article 113, Paragraph 2 of the Act on General Incorporated Associations and Foundations within one month.

Article 15-4 If members representing more than 1/10 of the voting rights of all members raise any objection within one month, the Board of Directors may not grant an exemption under the provisions of Paragraph 1.

Matters to be reported

Article 16-1 The Representative Director and the Managing Director must report on the status of the execution of their duties twice or more at intervals in excess of four months for each business year.

Article 16-2 When the auditor determines that a director engages in misconduct or is likely to engage in such conduct, or that there are facts in violation of laws and regulations or the Articles of Incorporation or significantly unfair facts, the auditor must report to that effect to the Board of Directors.

Article 16-3 When a director has carried out a transaction prescribed in Article 14, such director must report the important facts of the transaction to the Board of Directors without delay.

CHAPTER V. Administrative Office

Administrative office

Article 17-1 The manager of administrative office shall carry out the administrative affairs of the Board of Directors.

CHAPTER VI. Miscellaneous

Bylaws

Article 18-1 Article 18 Other than as stipulated in these rules, any matters necessary for the implementation of these rules shall be specified separately by the Representative Director.

Revision and abolition

Article 19-1 These rules shall be revised or abolished by the resolution of the Board of Directors meeting.

Supplementary provisions

These rules shall enter into effect on the registration date of the incorporation of the organization (April 1, 2019).

Appendix

Matters to be Specified in the Minutes

- (1) Regular Board of Directors meetings
 - (a) The date, time and location of the Board of Directors meeting (including the method of attendance of directors or auditors who were not at such location if they attended the meeting remotely);
 - (b) If the Board of Directors meeting was convened at the request of any of the following items, to that effect:
 - at the request of a director other than the Representative Director under Article 35, Paragraph 3, Item 2 of the Articles of Incorporation;
 - at the request of a director other than the Representative Director under Article 35, Paragraph 3, Item 3 of the Articles of Incorporation;
 - at the request of an auditor pursuant to the first part of Article 35, Paragraph 3, Item 4 of the Articles of Incorporation; and
 - at the request of an auditor pursuant to the latter part of Article 35, Paragraph 3, item 4 of the Articles of Incorporation
 - (c) The substance of the proceedings of the Board of Directors meeting and the results thereof
 - (d) The name of the director, if such director has any special interest in the matters to be resolved
 - (e) If opinions or oral statements are offered at the Board of Directors meeting pursuant to the following provisions, a summary of those opinions or oral statements:
 - Report of directors under Article 26, Paragraph 5 of the Articles of Incorporation;
 - Report of the auditors under Article 27, Paragraph 1, Item 4 of the Articles of Incorporation;
 - and
 - Opinions of the auditors under the provisions of Article 27, Paragraph 1, Item 3 of the Articles of Incorporation
 - (f) The name of the chairman
- (2) Deemed Board of Directors meetings as specified in Article 40 of the Articles of Incorporation
 - (a) Description of the matters considered to have been resolved by the Board of Directors
 - (b) The names of the directors who submitted the proposal of the matters referred to in 1 above
 - (c) The date on which the resolution of the Board of Directors was deemed to have been adopted.
 - (d) The names of the directors who took charge of the duties to prepare the minutes
- (3) Omission of reporting under Article 41 of the Articles of Incorporation
 - (a) The matters which are exempted from the requirement of reporting to the Board of Directors
 - (b) The day when the requirement of reporting to the Board of Directors was exempted
 - (c) The names of the directors who took charge of the duties to prepare the minutes