



# News Release

February 26, 2021

Kyushu Financial Group, Inc.

## **Notice of Transition into a Company with an Audit and Supervisory Committee**

At the board of directors meeting held today, Kyushu Financial Group, Inc. (the company) has decided to transit from a company with board of auditors into a company with an audit and supervisory committee, provided that the relevant amendment to the articles of incorporation to be approved at the 6<sup>th</sup> ordinary general meeting of shareholders which is scheduled to be held in June this year. The company's subsidiaries The Higo Bank, Ltd. and The Kagoshima Bank, Ltd., equally have decided at their respective board of directors meeting to transit from a company with a board of directors into a company with an audit and supervisory committee.

### 1. Purpose of transition

The company and the subsidiaries The Higo Bank, Ltd. and The Kagoshima Bank, Ltd. have decided to transit into a company with an audit and supervisory committee for further strengthening corporate governance. Audit and supervisory committee are established with outside directors as a majority of the members, and grant voting rights to directors who are the audit and supervisory committee members at the board of directors meeting to enhance its supervisory function. By delegating authority, speed up and streamline decision-making and further enhance discussions on medium- to long-term management strategies at the board of directors meeting.

### 2. Transition period

The company transits into a company with an audit and supervisory committee after the approval of necessary amendments to the articles of incorporation at the 6<sup>th</sup> ordinary general meeting of shareholders scheduled to be held on June 18, 2021.

In addition, The Higo Bank, Ltd. and The Kagoshima Bank, Ltd. are scheduled to transit into a company with an audit and supervisory committee by a resolution of the general meeting of shareholders scheduled for June 2021.

### 3. Additional matter

Details of change to the articles of incorporation related to the company will be disclosed as soon as they are finalized.

<p>For inquiries regarding this topic please contact to Tadataka Tokunaga Director and Executive Officer, Manager, Corporate Planning Dept. Kyushu Financial Group, Inc. kfgir@kyushu-fg.co.jp</p>
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