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**The Chiba Bank, Ltd.**

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<https://www.chibabank.co.jp/english/>

The corporate governance of The Chiba Bank, Ltd. (“the Bank”) is described below.

## I. Basic Stance on Corporate Governance, Capital Structure, Corporate Profile, and Other Basic Information

### 1. Basic Stance

The Bank bases all of its corporate activities on “The Chiba Bank Group's Corporate Code of Conduct,” which includes “establishing unwavering trust,” “providing high quality financial services,” “contributing to the regional economy and society,” “thorough compliance with laws, rules and other fundamental principles,” “transparent management,” “respect for human rights,” “Responsibility for the realization of the sustainable society,” “opposition to antisocial forces and prevention of money laundering.” Under the medium term management plan “Engagement Bank Group – Phase 1 –” (FY2023-FY2025), the group governance is positioned as one of the value creation bases, and we are working to advance the level of corporate governance.

The Bank shall abide by and achieve these principles as it strives to further strengthen and enhance corporate governance, thereby contributing to realizing sustainable regional communities through appropriate cooperation with diverse stakeholders, while achieving sustainable growth and enhancing corporate value over the medium- to long-term.

The Policy on Corporate Governance is posted on the Bank’s website.

([https://www.chibabank.co.jp/english/corporate/governance/pdf/20190701\\_01.pdf](https://www.chibabank.co.jp/english/corporate/governance/pdf/20190701_01.pdf))

### [Reasons for Non-compliance with the Principles of the Corporate Governance Code]

The Bank complies with all of the principles of the Corporate Governance Code.

### [Disclosure Based on the Principles of the Corporate Governance Code]

[Principle 1.4] Cross-shareholdings

- Policy on Cross-shareholdings

The Bank’s basic policy is to maintain cross-shareholdings on a limited basis if a meaningful rationale for holding the shares is recognized, such as contributing to the development of the regional economy and the enhancement of the bank's corporate value through the maintenance and advancement of favorable relationships with clients, while reducing overall cross-shareholdings after having sufficient dialogue with clients, etc. from the perspective of controlling the risk of holding shares and capital efficiency, etc.

The quantitative effect of holding listed shares is determined using indicators that are calculated by deducting deemed reserves and capital costs for such shareholdings from the profit from loans and deposits, fees and commissions, and dividend income for each business partner. The Board of Directors verifies the validity of the rationale for cross-shareholdings every year based on the economic rationale of cross-shareholding for each issuer of the cross-held shares and projections of future share value, taking into consideration the financial structure and the business performance of the issuers of the cross-held shares.

For the current fiscal year, validations were made using March 31, 2023 as the base date.

- Reduction in Cross-shareholdings

In FY 2022, the Bank reduced by 20 clients and 13.8 billion yen (acquisition costs). As of the end of March 2023, the balance sheet amount (market value) of cross-shareholdings was 211.1 billion yen, accounting for 19.90% of total equity (consolidated net assets).

- Standards for Exercising Voting Rights

When exercising voting rights for cross-held shares, the Bank decides whether to vote for or against proposals in a comprehensive manner, from the perspective of enhancing the corporate value of the Bank and the issuer of those shares, taking account of the status of governance at the issuer. For important proposals shown below, which may have significant impact on the medium- to long-term enhancement of corporate value of the issuer of cross-held shares and the economic interests of the Bank, the Bank engages in dialogue, etc. with the issuer as required to decide whether to vote for or against those proposals.

- Proposal for appropriation of surplus (when appropriation significantly lacks balance with financial soundness and retained earnings)
- Proposal for revising Directors' remuneration
- Proposals for the election of Directors and Audit & Supervisory Board Members, and proposals for the payment of retirement benefits (on occasions where scandals occur at the issuer or the issuer has posted an operating loss for certain consecutive periods, etc.)
- Proposals for organizational restructuring
- Proposals for anti-takeover measures, etc.

[Principle 1.7] Related Party Transactions

The Bank has set forth the following procedures to prevent transactions between the Bank and Directors, etc. of the Bank from harming shareholders' interests.

In accordance with the Bank's Board of Directors Regulations, the Bank requires Directors to obtain prior approval of the Board of Directors for competitive transactions by Directors and important transactions between the Bank and Directors.

After the completion of such transactions, the Board of Directors receives reports of the results of the transaction and monitors the status thereof.

[Supplementary Principle 2.4.1] Ensuring Diversity in the Promotion of Core Human Resources

- Approach to Ensuring Diversity

Based on the belief that "providing societal value by contributing to the resolution of regional issues" is what the Chiba Bank Group should commit to, we have made its core purpose "to create a local community better suited to bringing each person's hope to life" and corporate vision of "an Engagement Bank Group that works closely with the community".

Diversity in human resources is also essential within the Group in order to respond to the diverse thoughts of each customer and contribute to their realization. We are striving to create the Bank to work for by creating an organization in which diverse human resources can play an active role through the promotion of diversity and by developing human resources and recruiting externally for employees to have specialized fields.

In addition, we are expanding support systems and promote awareness and behavior change aimed at utilizing a wide variety of human resources, including women, people from different countries, and mid-career recruits, through the establishment of new forms of employment that are not perceived by existing work schemes and remuneration, as well as the review of the personnel evaluation system. This will lead to measures that contribute to the sustainable growth of the Bank.

- Targets and Status of Promotion of Women to Management Positions

The Bank have set numerical targets for the promotion of women and made up the plan in promoting and developing motivated and capable women. Through various training programs aimed at supporting career advancement, mentor systems, networking support, and follow-up through individual interviews, we are working to foster women's motivation to expand their job fields and develop their abilities. In addition, we are promoting awareness and action reforms through various training and incorporation into evaluation items in order to review unconscious bias and other the perception of gender division of roles among managers, including general managers.

[Status of promotion of women] As of July 3, 2023

- Three of the nine Directors are women. (First internal female Director appointed in June 2021)
- There are one female Executive Officers concurrently serving as General Managers, four female General Managers, and 114 female employees in positions such as branch General Manager and Senior Deputy General Manager.
- 7 of the Directors of 16 group companies are women.
- Number of women in leadership positions or higher is 551 (ratio of women: 28.4%).

Since July 2, 2021, we have formulated a new action plan for the promotion of women, and we will continue to promote women.

Percentage of women in leadership positions or higher: Current 28.4% (as of July 3, 2023), Target: 30% or higher, Date of achievement: July 1, 2026

\* “Leadership positions” refer to employees who share organizational responsibilities in their roles as managers of their assigned operations. These employees are in positions supervising subordinates or hold an equivalent post.

- The difference in the wages of men and women full-time employees is that when the average annual wage of men full-time employees is set at 100%, the average wage of women employees is 67.0%. In the Bank Group, there is no difference in wages or other treatment between men and women for the same role. However, there is a wage gap between men and women resulting from the high ratio of men for employees ranked above the leadership positions. In order to eliminate these differences, we have set numerical targets for the ratio of women in leadership positions and above, and are working to promote the active participation and promotion of women.

- Targets and Status of Promotion of foreign nationality staffs to managerial posts

The Bank employs foreign human resources, primarily at three overseas branches and three representative offices. Currently, 37 employees (five domestic and 32 overseas), of whom seven are in management positions (seven overseas). In 2004, we appointed foreign nationality manager to the position of London Branch General Manager. In addition to promoting the active participation of foreign nationality staffs for some time, we have dispatched foreign nationality staff to Japan and hired new graduates with the aim of creating a corporate culture that creates new ideas by accepting diverse human resources. Currently, the ratio of managers in foreign nationality is 18.9% (as of July 3, 2023). We will work to ensure diversity in FY2023 and beyond with the aim of maintaining or improving the current level.

- Targets and Status of Promotion of mid-career recruits to managerial positions

Against the backdrop of the rapidly changing era, including advances in digital technology, it is extremely important to secure highly specialized human resources in order to aim to become a new financial company group that transcends the framework of existing banks. Each year, we formulate a mid-career recruitment plan and recruit mainly IT and digital divisions and other specialist human resources. Currently, there are 181 mid-career employees, of whom 60 are managers, and the current ratio of managers in mid-career recruits is 33.1% (as of July 3, 2023). In FY 2023 and beyond, we will work to ensure diversity with the aim of maintaining or improving the current level.

- Human Resource Development and Internal Environmental Improvement for Securing Diversity, Policy, and Implementation Status

The Bank Group's most important management capital is "human resources," and we believe that the growth of "human resources" is essential for the Group's sustainable growth. Our aim is to create a virtuous cycle in which the growth of human resources enables us to provide social value to our customers, which in turn leads to the sustainable growth of regional communities and the Bank Group, and the profits generated from this will once again become an investment in human resource development.

In addition, we are conducting specific activities to resolve social and environmental issues in order to realize sustainable regional growth for the materiality of the five fields identified in the Chibagin Group Declaration on SDGs established in May 2019. One of these materiality issues is "Promote diversity and work style reforms." We are working to utilize diverse human resources and realize work style reforms.

Please refer to " III. Implementation of Measures for Shareholders and Other Stakeholders," "3. Measures to Ensure Due Respect for Stakeholders" described below regarding details of human resources development policy and internal environmental policy.

#### [Principle 2.6] Roles as Asset Owner of Corporate Pension Fund

The Bank has established a corporate pension fund (the “fund”) to conduct management, payment, and other related administration of pension assets related to the defined benefit pension plan.

The Bank allocates personnel with professional experience of asset management to the Fund Secretariat so that the fund can perform functions expected of an asset owner, such as deciding on concrete management methods and proactively considering risk control, etc.

Important matters such as modifications of terms, the budget for each fiscal year, business reports, financial reports, and management of the pension fund are decided by resolutions of the fund’s Board of Representatives consisting of members selected by the employer (the Bank) and those chosen by the

beneficiaries, each accounting for half of the Board, to appropriately control conflicts of interest between the beneficiaries of the corporate pension fund and the company. In addition, the Bank has established a system to ensure appropriate management of the pension finances by taking measures including deliberating the allocation of portfolio assets, strategies for newly added funds, and other matters at the Asset Management Committee, which consists of persons with expertise in human resources, finance, risk management, market operations, etc. The fund has announced that it accepts the Japanese Stewardship Code, and requires that investment trustees strive to increase the corporate value of investee companies and increase medium-to long-term investment returns in accordance with the Code.

[Principle 3.1] Enhancing Disclosure

(i) Basic management policy and management strategy

- Basic management policy

The Chiba Bank Group believes that “providing societal value by contributing to the resolution of regional issues” is what we should commit to. In order to align its views with the Bank’s stakeholders, which include customers, shareholders, and employees, as well as continue to be a close presence for each person and company within the local community and “a place where our stakeholders’ hopes can come to life”, Chiba Bank has made its core purpose “to create a local community better suited to bringing each person’s hope to life”. For this purpose, the Bank Group aims to achieve a corporate vision of “an Engagement Bank Group that works closely with the community”, while Chiba Bank will strive to provide social value to the region by refining its existing business initiatives, and taking on challenges in new business areas.

- Medium term management strategy

Under the Mid-term plan for the planning period from FY2023 to FY2025, “Engagement Bank Group – Phase 1 –,” the Chiba Bank Group has established a set of operational guidelines “the evolution of the customer-focused business model”.

Under the three basic policies of "Creating the optimal customer experience," "Enhancing the quality of existing businesses," and "Providing new value," while strengthening the value creation bases in the five areas of "DX," "GX," "Alliances," "Human Capital," and "Group Governance," the Bank Group's officers and employees are united in implementing various strategies and measures.

Details of the Mid-term plan are posted on the Bank’s website.

<https://www.chibabank.co.jp/english/corporate/plan/>

(ii) Basic stance and basic policy on corporate governance

The basic stance on corporate governance is described in “I 1. Basic Stance” in this report. In accordance with the Basic Stance, the Bank positions establishment of appropriate supervisory systems and efficient business execution structure as its basic policies.

(iii) Policy and procedures for determination of remuneration

1. Basic concept

While emphasizing its soundness as a financial institution, the Bank adopt a system of executive remuneration that contributes to the enhancement of management awareness and business performance through further sharing of value with shareholders.

The remuneration system for Directors and the percentage of remuneration by type are considered by the Appointment, Remuneration and Corporate Advisory Committee, the majority of which comprise independent Outside Directors, as appropriate in response to changes in the business environment, with reference to companies of similar size to the Bank and related industries and business categories.

In order to ensure transparency, fairness, and rationality, the remuneration for Directors is determined by the Board of Directors in accordance with the remuneration rules determined by the Board of Directors after the deliberation by the Appointment, Remuneration and Corporate Advisory Committee.

Please refer to [Director Remuneration] described in this report regarding policies for determining the compensation structure, content, and the content of individual director compensation.

(iv) Policies and procedures for appointment and dismissal of senior managements and nomination of candidates for Directions and Audit & Supervisory Board Members

- Selection of candidates for internal Directors (meaning Directors other than Outside Directors; the same shall apply hereafter.)

Candidates for internal Directors are determined by the Board of Directors, following deliberations by the

Appointment, Remuneration and Corporate Advisory Committee, the majority of which comprise independent Outside Directors, based on the President's recommendations of persons who, based on a deep understanding of the Bank's basic management policy, possess knowledge and experience to enable the appropriate, fair, and efficient execution of bank business management, as well as sufficient social trust, with the aim of achieving our management strategy.

Representative Directors are determined by the Board of Directors following deliberations by the Appointment, Remuneration and Corporate Advisory Committee on persons suitable for representing the Bank selected from among internal Directors based on the 14 criteria for a representative Directors. In the event of occurrence of a serious obstacle to the execution of duties as a Representative Director or when a Representative Director falls under reasons for disqualification\*, dismissal of such Representative Director shall be determined by the Board of Directors following deliberations by the Appointment, Remuneration and Corporate Advisory Committee.

\*Reasons for disqualification

- The Representative Director is deemed to have a relationship with antisocial forces
- The Representative Director is deemed to have violated laws, regulations, or internal regulations

- Nomination of candidates for Outside Directors

Candidates for Outside Directors are determined by the Board of Directors, following deliberations by the Appointment, Remuneration and Corporate Advisory Committee, the majority of which comprise independent Outside Directors, based on the President's recommendations of persons who possess specialist knowledge and experience mainly in areas other than the Bank's business operations and are deemed capable of contributing to the Bank's sustainable growth and corporate value enhancement over the medium to long term based on their insights.

- Nomination of candidates for Audit & Supervisory Board Members

Candidates for Audit & Supervisory Board Members are determined at a meeting of the Board of Directors that is participated by independent Outside Directors, following deliberations by the Appointment, Remuneration and Corporate Advisory Committee and consent by the Audit & Supervisory Board, based on the President's recommendations of persons who possess knowledge and experience to enable the appropriate, fair, and efficient performance of audits on the execution of duties by Directors, as well as sufficient social trust.

(v) Reasons for Appointment and dismissal of senior managements and selection, dismissal and nomination of candidates for Directors and Audit & Supervisory Board Members

- Candidates for Directors (elected as Directors at the 117th Annual General Meeting of Shareholders held on June 28, 2023)

- Hidetoshi Sakuma (Re-nominated)

Hidetoshi Sakuma has been a Director since June 2003. He assumed the position of President in March 2009 and has been Chairman since June 2021. He has the knowledge and experience necessary to perform the business administration of a bank in an appropriate, fair and efficient manner. As he has properly executed the duties of Director, the Bank has re-nominated him as a candidate for Director.

- Tsutomu Yonemoto (Re-nominated)

Tsutomu Yonemoto has been a Director since June 2017 and has also been President since June 2021. He has the knowledge and experience necessary to perform the business administration of a bank in an appropriate, fair and efficient manner. As he has properly executed the duties of Director, the Bank has re-nominated him as a candidate for Director.

- Kiyomi Yamazaki (Re-nominated)

Kiyomi Yamazaki has served in various important positions within the Bank, including General Manager of the Business Promotion Division, General Manager of the Chuo Branch and Keisei-ekimae Branch, and General Manager of the Head Office and Saiwaicho Sub Branch, and has been a Director since June 2021. This has given him the knowledge and experience necessary to perform the business administration of a bank in an appropriate, fair and efficient manner. The Bank has thus re-nominated him as a candidate for Director.

- Mutsumi Awaji (Re-nominated)

Mutsumi Awaji has served in various important positions within the Bank, including General Manager of the Regional Revitalization Division and General Manager of the Corporate Business Division, and has been a Director since June 2021. This has given her the knowledge and experience necessary to perform the business administration of a bank in an appropriate, fair and efficient manner. The Bank has thus re-nominated her as a candidate for Director.

- Takashi Makinose (Newly nominated)

Takashi Makinose has served in various important positions within the Bank, including General Manager of the Corporate Planning Division, General Manager of the Hong Kong Branch and General Manager of the Human Resources Division. This has given him the knowledge and experience necessary to perform the business administration of a bank in an appropriate, fair, and efficient manner. The Bank has thus nominated him as a candidate for Director.

- Masayasu Ono (Newly nominated)

Masayasu Ono has served in various important positions within the Bank, including General Manager of the Compliance Division, General Manager of the Corporate Planning Division, and assumed the position of President and Representative Director of Chibagin Market Co., Ltd. in May 2021. This has given him the knowledge and experience necessary to perform the business administration of a bank in an appropriate, fair, and efficient manner. The Bank has thus nominated him as a candidate for Director.

- Yuko Tashima (Re-nominated)

Yuko Tashima has a high level of expertise as an attorney at law and experience as an Outside Director at other companies as well as in government positions including as a member of the Financial System Council of the Financial Services Agency. The Bank determined that its corporate value would increase over the mid- to long-term through the further enhancement of the decision-making and supervisory function of the Board of Directors achieved by leveraging her knowledge and experience in the management of the Bank.

The Bank also expects that she will supervise the execution of duties by Directors and provide them with advice, particularly from the viewpoint of an expert in compliance and legal affairs, and has thus nominated her as a candidate for Outside Director.

She does not have any experience engaging in the business management of a company other than by serving as an Outside Officer of several companies in the past; however, for the reasons above, the Bank believes that she will properly perform her duties as an Outside Director and has thus nominated her as a candidate for the position.

She will have served as an Outside Director of the Bank for eight years as of the conclusion of this General Meeting of Shareholders.

- Yasuko Takayama (Re-nominated)

Yasuko Takayama has been in charge of the Consumer Relations and Corporate Social Responsibility Departments of Shiseido Co., Ltd. and served as an Audit & Supervisory Board Member (standing) while gaining experience as an Outside Director at other companies. The Bank determined that its corporate value would increase over the mid- to long-term through the further enhancement of the decision-making and supervisory function of the Board of Directors achieved by leveraging her knowledge and experience in the management of the Bank.

The Bank also expects that she will supervise the execution of duties by Directors and provide them with advice particularly from the viewpoint of an expert in corporate governance, and has thus nominated her as a candidate for Outside Director.

She will have served as an Outside Director of the Bank for eight years as of the conclusion of this General Meeting of Shareholders.

[Supplementary Principle 3.1.3] Measures for Sustainability

• Measures for Sustainability

The Bank Group are working to achieve “Sustainable Management” aimed at balancing economic value and social value, based on “the Chiba Bank Group Sustainability Policy.” We, as a unified group, proactively promote measures that contribute to solving social issues through its business activities, focusing on five materiality (key) issues identified in “the Chiba Bank Group Declaration on SDGs.”

The Bank announced its endorsement to the TCFD recommendations in December 2019, and we are

disclosing on "Governance," "Strategy (physical risks and transition risks)," "Risk Management," and "Indicators and Targets" regarding risks and opportunities associated with climate change, which TCFD recommends. In March 2022, the Bank declared "CO2 emissions (SCOPE1 + SCOPE2) will be virtually zero by FY2030" and is working to reduce CO2 emissions.

Please refer to the Annual Securities Report, the Integrated Report and website for disclosures on sustainability initiatives and the impacts of climate change based on TCFD recommendations.

Annual Securities Report (Japanese only) (<https://www.chibabank.co.jp/company/ir/library/report/>)

Integrated Report ([https://www.chibabank.co.jp/english/ir/library/annual\\_report/](https://www.chibabank.co.jp/english/ir/library/annual_report/))

Websites (Japanese only) (<https://www.chibabank.co.jp/company/sustainability/>)

- Investment in human capital and intellectual property

In order to continuously provide valuable products and services to our customers in the region, the Chiba Bank Group makes maximum use of its financial capital, such as its asset size and profitability, which are among the highest in the regional banking industry; social capital, such as its strong business bases and the growth potential of Chiba Prefecture, human capital, such as its highly specialized employees, and intellectual property, such as the comprehensive financial services provided by the Group as a whole. These capitals are "strength of the Chiba Bank Group" for realization of "Sustainable Management."

(1) Human capital

In order for the Bank Group to provide social value and realize sustainable development together with regional communities, we believe that it is imperative to develop our employees, who provide services as partners to customers and local communities, and we have adopted a policy of expanding human capital investment.

The amount of human capital investment in human resource development, such as training expenses, has secured, and we are expanding external training for specialist and on-demand learning content. In addition, we have set up "trainees" we are continuously focusing on developing highly specialized human resources by participating in programs that strengthen our consulting proposal capabilities in the fields of corporations and individuals, and actively dispatching employees from to other industries such as DX and ICT consulting.

Integrated Report ([https://www.chibabank.co.jp/english/ir/library/annual\\_report/](https://www.chibabank.co.jp/english/ir/library/annual_report/))

(2) Intellectual property

In order to create new value beyond the framework of banking, based on the changes of customers' needs and environment, in addition to the various know-how accumulated within the Bank Group, we are promoting the use of intellectual property, such as measures for new businesses through collaboration with alliance banks, collaborating with external businesses that have contact with many customers, both finance and non-finance businesses.

In addition, the use of human capital and intellectual property is reported to and overseen by the Board of Directors as appropriate.

[Supplementary Principle 4.1.1] Scope of Delegation to the Management

In addition to matters stipulated in laws and regulations, the Board of Directors decides on matters related to the formulation of the medium term management plan and important business measures in light of the plan pursuant to Board of Directors Regulations, etc.

Matters related to business execution operations other than those subject to resolutions by the Board of Directors are decided by Representative Directors. In addition, pursuant to internal regulations, authority for business execution operations is delegated to Executive Officers, etc. within an appropriate scope, and the Board of Directors supervise the execution status.

[Supplementary Principle 4.1.3] Succession Planning

Successors to the Representative Directors are determined by the Board of Directors following deliberations by the Appointment, Remuneration and Corporate Advisory Committee, the majority of which comprise independent Outside Directors, in view of desired personnel requirements, personnel training policy and plan, as well as the status of training, etc. The status of deliberation is reported, as appropriate, to the Board of Directors.

- Desired personalities of candidates (nomination policy)

Images of desired personalities of candidates are deliberated by the Appointment, Remuneration and Corporate Advisory Committee in view of qualities and abilities required as management, as well as the business environment surrounding our group and the direction of its future business strategies, and are shared by the Board of Directors. Whether to review the images of desired candidates for successors or not in accordance with changes in the business environment, etc. is deliberated as appropriate.

- Review of candidates' personalities and training schemes

The Appointment, Remuneration and Corporate Advisory Committee members review personalities of candidates based on a third-party evaluation, etc. by an external specialized organization. The committee then considers policies and plans for training candidates to help them become a person qualified for the position.

- Candidate selection process

Candidates are proposed by the President (including reappointment, replacement and dismissal of Directors including Representative Directors) and determined by the Board of Directors following deliberations on the consistency, etc. with the nomination policy and training policy by the Appointment, Remuneration and Corporate Advisory Committee.

[Principle 4.9] Independence Standards for Independent Outside Directors

The Independence Standards primarily intended to ensure the independence of Outside Directors are provided in "II 1. [Independent Directors/ Audit & Supervisory Board Members] Matters relating to Independent Directors/ Audit & Supervisory Board Members" in this report.

[Supplementary Principle 4.10.1] Concept, Authority, and Roles of Independence regarding the Nomination, Compensation, and Management Advisory Committee

"The Nomination, Compensation, and Management Advisory Committee" has been established as an advisory body to the Board of Directors. The committee is composed of three independent outside Directors and two internal Directors who are elected by resolution of the Board of Directors, and the Chairperson of the committee has been an outside Director from October 2022, thereby ensuring independence. "The Nomination, Compensation, and Management Advisory Committee" is responsible for ensuring the objectivity, timeliness, and transparency of deliberations regarding the appointment and dismissal of Directors and compensation. The Board of Directors decides on these matters after fully respecting the content of such deliberations.

[Supplementary Principle 4.11.1] Stance on the Balance, Diversity and Size of the Board of Directors

The Bank's stance on the balance, diversity, and size of the Board of Directors as a whole is as follows.

- (1) In order to ensure that the Board of Directors performs its functions in an effective and efficient manner, the Board of Directors selects the required number of candidates for Director, which shall not exceed 18 persons, as set forth in the Articles of Incorporation.
- (2) The Board of Directors consists of internal Directors with expertise in the Bank's business operations and Outside Directors who perform supervision from an independent and objective standpoint, taking into consideration the balance and diversity of the knowledge, experience, and abilities of the Board of Directors as a whole.
- (3) By defining knowledge and experience considered important to the Bank's Board of Directors as "Corporate management and Organizational management," "Finance, Financial accounting and Financial business," "Risk management and Legal," "Regional sales and Regional revitalization," "International and Market management," and "IT and Digital." The skill matrix for Directors and Audit & Supervisory Board Members is described on the final page of this report.

- Methods and procedures for the election of Directors

Described in this report [Principle 3.1] (Enhancing Disclosure) (iv) Policies and procedures for appointment and dismissal of senior managements and nomination of candidates for Directions and Audit & Supervisory Board Members.

[Supplementary Principle 4.11.2] Positions Concurrently Held by Directors and Audit & Supervisory Board Members

The Bank discloses the status of significant positions concurrently held by its Directors and Audit & Supervisory Board Members in the Reference Documents attached to the Notice of Convocation of the



General Meeting of Shareholders, and the Business Report, etc. As of the submission date of this report, the positions at other listed companies, etc. concurrently held by Directors and Audit & Supervisory Board Members are as follows.

- Yuko Tashima: Outside Director, Kyushu Financial Group Inc. (Audit and Supervisory Committee Member)  
Outside Audit & Supervisory Board Member, Tokio Marine & Nichido Life Insurance Co., Ltd.
- Yasuko Takayama: Audit & Supervisory Board Member, Yokogawa Electric Corporation  
Outside Director, Cosmo Energy Holdings Co., Ltd. (Audit and Supervisory Committee Member)

[Supplementary Principle 4.11.3] Analysis and Evaluation of the Effectiveness of the Board of Directors as a Whole

- Since FY2015, the Bank has been verifying whether the Board of Directors is properly performing the functions of decision making and supervision, which are expected of them. The Bank carries out an evaluation of the effectiveness of the Board of Directors annually to enhance those functions.
- In FY2022, the Bank conducted a questionnaire and individual interviews survey of each Director and Audit & Supervisory Board Member to assess the effectiveness of the system from two perspectives: quantitative and qualitative.
- The overview of the results of the evaluation of the effectiveness of the Board of Directors for FY2022 is as follows.
  - (1) Considering the findings below, the Bank has judged that the functions of decision making and supervision are performed properly by the Board of Directors and its effectiveness is ensured.
    - All Directors and Audit & Supervisory Board Members, whether they are internal or outside officers, aim together for becoming the Chiba Bank Group that continues to grow together with the region by providing value based on deep ties with customers, employees, shareholders, and other stakeholders, and exchange opinions freely and openly based on mutual understanding while maintaining a strong sense of unity, including deepening discussions on key issues such as the formulation of Mid-term plans, DX strategies, and human resource strategies.
    - Discussions are deepened through opinions made by Internal Directors based on extensive experience in each specialized field of financial, and proposals based on specialized knowledge and opinions from an independent and objective standpoint from Outside Directors and Audit & Supervisory Board Members.
    - The quality of discussions at the Board of Directors has been improved by strengthening the provision of information to outside Directors, including resuming visits to Group companies and offices, accompanying Audit & Supervisory Board Member on visits and audits, and interviews with senior management.
    - The effectiveness of the Board of Directors is further enhanced by strengthening management and providing feedback on instructions and recommendations made at the Board of Designated Directors and the Board of Directors.
    - The Appointment, Remuneration and Corporate Advisory Committee played an appropriate role by deepening discussions on corporate governance, and the committee chairperson was changed to be appointed from outside Directors to ensure objectivity, timeliness, and transparency.
  - (2) The Bank recognizes the importance of maintaining the direction of its current measures, deepening discussions based on changes in the environment surrounding the Bank Group, and taking measures to enhance the level of group governance through the involvement of the Group Chief Officer, by mainly Group Strategy Division, which was newly established to oversee all aspects of group company execution, including sales and administration. Through these efforts, the Bank will strive to further enhance the effectiveness of the Board of Directors.

[Supplementary Principle 4.14.2] Training policy for Directors and Audit & Supervisory Board Members

To ensure that Directors and Audit & Supervisory Board Members can appropriately fulfill the roles and responsibilities expected of them, the Bank offers opportunities for training for individual Directors and Audit & Supervisory Board Members, including the provision of information regarding the Bank's business operations, participation in training held by external institutions, etc., and supports the costs thereof, when and after Directors and Audit & Supervisory Board Members are appointed, on an ongoing basis.

The support system for Outside Directors and Outside Audit & Supervisory Board Members are as follows.

- **Outside Directors**

The Bank provides Outside Directors with information and support necessary for the execution of their duties in an appropriate and timely manner to ensure that Outside Directors fully play their roles as a supervisor of the management. We continuously give Outside Directors opportunities for deepening their understanding about the Bank's management strategy and activities with the aim to enhance deliberations by the Board of Directors, by means such as provision of materials and explanations for the Board of Directors meeting in advance, provision of individual explanations on important matters, attendance to main committee meetings, visiting and holding dialogues at affiliated business offices in the group, participation in main IR events, etc., and provision of information related to the Bank's activities whenever necessary. In addition, the Bank provides Outside Directors with opportunities to undergo training by third-party organizations at the Bank's expense.

- **Outside Audit & Supervisory Board Members**

In order to facilitate the smooth operation of audits and other operations by Audit & Supervisory Board Members, the Bank has established the Audit and Supervisory Support Office, which is independent from the business executives, and the General Manager of the Audit & Supervisory Board Member's Office is responsible for these roles and for prompt reporting to, communication with, and close cooperation with the Audit & Supervisory Board Members. Audit & Supervisory Board Members attend meetings of the Board of Directors and other important meetings, and are provided with important documents of the Bank, which ensure that information is communicated timely and properly. In addition, interviews with Directors, General Managers, and Presidents of group companies are held as appropriate to ascertain the risks and issues facing the Bank group.

[Principle 5.1] Policy for Constructive Shareholder Engagement

- **Constructive shareholder engagement**

For constructive shareholder engagement, the President, other Directors and Audit & Supervisory Board Members, including Outside Directors engage in dialogue to a reasonable extent. Additionally, the Director in charge of the Corporate Planning Division, serving as a responsible person for IR activities, supervises the overall management of operations related to IR activities.

- **System to support constructive engagement**

The Corporate Planning Division, the division in charge of IR, discloses information in an appropriate manner in coordination with sales promotion departments and risk management sections.

- **Enriching means of shareholder engagement**

To enrich the means of shareholder engagement, the Bank engages in the following measures.

- (1) Disclosure through the IR website, annual reports, etc.
- (2) Visits to major institutional investors both in Japan and abroad after earnings announcements
- (3) Regular briefings for individual investors
- (4) Semiannual financial results briefings by the President for analysts and institutional investors, etc.

- **Opinions and feedback from shareholders**

Feedback received from shareholders through the dialogue is reported to Directors and Board of Directors.

- **Management of insider information**

Upon engaging with shareholders, we keep insider information under strict control based on internal regulations established to prevent insider trading.

[Measures for Achieving Management that is Conscious of the Capital Cost and Stock Price]

The Bank recognizes the importance of allocating management resources with full awareness of capital cost and return on capital in order to meet the expectations of investors and other stakeholders and achieve sustainable growth and medium- to long-term improvement in corporate value. The Board of Directors discussed measures to achieve management with awareness of capital cost and stock price and will continue to regularly discuss and examine the issue and disclose the results.

Please refer to the Bank's financial results briefing materials for the Six Months (First Half) of FY 2023 ending March 2024 for the disclosure of the measures for achieving management the is conscious capital cost and stock prices.

IR briefing materials (<https://www.chibabank.co.jp/english/ir/library/presentation/>)

[Status of Dialogue with Shareholders]

The Bank strives to enhance disclosure through such as general meetings of shareholders, financial results briefings, and briefings for individual investors. Last fiscal year, in addition to briefings on financial results and one-on-one interviews, we held outside Director discussion meeting and briefings on DX strategies and sustainability. Various briefings and one-on-one interviews are held utilizing online to enable shareholders and investors to participate in these meetings according to their needs, and we will continue to actively disseminate information through a variety of opportunities. The topics of dialogue cover a wide range of topics, including business performance, capital policies, alliance strategies, DX strategies, sustainability, and human capital. Questions and answers to analysts and institutional investors' meetings are disclosed on the Bank's website. Please refer to the Integrated Report for details of the explainers and the number of participants in the various briefings.

Integrated Report ([https://www.chibabank.co.jp/english/ir/library/annual\\_report/](https://www.chibabank.co.jp/english/ir/library/annual_report/))

## 2. Capital Structure

Foreign Shareholding Ratio	From 20% to less than 30%
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### [Status of Major Shareholders]

Name / Company Name	Number of Shares Owned	Percentage (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	98,931,700	13.65
Custody Bank of Japan, Ltd. (Trust Account)	40,574,500	5.59
Nippon Life Insurance Company	26,870,393	3.70
STATE STREET BANK AND TRUST COMPANY 505223	25,923,145	3.57
The Dai-ichi Life Insurance Company, Limited	20,984,799	2.89
Meiji Yasuda Life Insurance Company	18,291,495	2.52
SUMITOMO LIFE INSURANCE COMPANY	17,842,000	2.46
Sompo Japan Insurance Inc.	16,287,968	2.24
MUFG Bank, Ltd.	14,166,373	1.95
STATE STREET BANK WEST CLIENT – TREATY 505234	12,767,342	1.76

Controlling Shareholder (except for Parent Company)	-
Parent Company	None

### Supplementary Explanation

-

## 3. Corporate Attributes

Listed Stock Market and Market Section	Tokyo Stock Exchange Prime Market
Fiscal Year-End	March
Type of Business	Banks
Number of Employees (consolidated) as of the End of the Previous Fiscal Year	1000 or more
Sales (consolidated) as of the End of the Previous Fiscal Year	From ¥100 billion to less than ¥1 trillion
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	Less than 10

## 4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholder

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## 5. Other Special Circumstances which may have Material Impact on Corporate Governance

The Bank has no parent company and listed subsidiaries, and there are no other facts which may have material impact on corporate governance.

## II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management

### 1. Organizational Composition and Operation

Organization Form	Company with Audit & Supervisory Board System
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#### [Directors]

Maximum Number of Directors Stipulated in Articles of Incorporation	18
Term of Office Stipulated in Articles of Incorporation	2 years
Chairperson of the Board	Chairman (except in the case of a person who concurrently serves as president.)
Number of Directors	9
Status of appointment of Outside Directors	Appointed
Number of Outside Directors	3
Number of Independent Directors	3

#### Outside Directors' Relationship with the Bank (1)

Name	Attribute	Relationship with the Bank*											
		a	b	c	d	e	f	g	h	i	j	k	
Yuko Tashima	Lawyer									○			
Yasuko Takayama	From another company									○			
Takahide Kiuchi	From another company									○			

\* Categories for "Relationship with the Bank"

\* "○" when the Director presently falls or has recently fallen under the category;

"△" when the Director fell under the category in the past

\* "●" when a close relative of the Director presently falls or has recently fallen under the category;

"▲" when a close relative of the Director fell under the category in the past

a. Executive of the Bank or its subsidiaries

b. Non-executive Director or executive of a parent company of the Bank

c. Executive of a fellow subsidiary company of the Bank

d. A party whose major client or supplier is the Bank or an executive thereof

e. Major client or supplier of the Bank or an executive thereof

f. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Bank besides compensation as a Director/ Audit & Supervisory Board Member

g. Major shareholder of the Bank (or an executive of the said major shareholder if the shareholder is a legal entity)

h. Executive of a client or supplier company of the Bank (which does not correspond to any of d, e, or f) (the Director himself/herself only)

i. Executive of a company, with which the Bank mutually appoints outside officers (the Executive himself/herself only)

j. Executive of a company or organization that receives a donation from the Bank (the Executive himself/herself only)

k. Others

Outside Directors' Relationship with the Bank (2)

Name	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons of Appointment
Yuko Tashima	○	Yuko Tashima has transactions with the Bank, but they are normal transactions as a general depositor. Description of the details of the transactions is omitted as the transactions are judged to have no impact on the decisions of shareholders and investors in light of their size and characteristics.	Yuko Tashima has a high level of expertise as an attorney at law and experience as Outside Director at other companies, as well as in government positions including as a member of the Financial System Council of the Financial Services Agency. The Bank expects that the corporate value of the Bank would increase over the mid- to long-term through further enhancement of the decision-making function and the supervisory function of the Board of Directors by leveraging her knowledge and experience in the management of the Bank. Accordingly, she was appointed as an Outside Director. She also satisfies the requirements for independent officers that are set forth in the provisions of the Tokyo Stock Exchange to protect general shareholders, and has no risk for conflict of interest with general shareholders. Accordingly, she was designated as an Independent Director.
Yasuko Takayama	○	Yasuko Takayama has transactions with the Bank, but they are normal transactions as a general depositor. Description of the details of the transactions is omitted as the transactions are judged to have no impact on the decisions of shareholders and investors in light of their size and characteristics.	Yasuko Takayama has been in charge of the Consumer Relations and Corporate Social Responsibility Departments as well as served as an Audit & Supervisory Board Member (standing) of a major cosmetic company, and gained experience as Outside Director at other companies. The Bank expects that the corporate value of the Bank would increase over the mid- to long-term through further enhancement of the decision-making function and the supervisory function of the Board of Directors by leveraging her knowledge and experience in the management of the Bank. Accordingly, she was appointed as an Outside Director. She also satisfies the requirements for independent officers that are set forth in the provisions of the Tokyo Stock Exchange to protect general shareholders, and has no risk for conflict of interest with general shareholders. Accordingly, she was designated as an Independent Director.

Takahide Kiuchi	○	<p>Takahide Kiuchi has transactions with the Bank, but they are normal transactions as a general depositor. The Bank has general credit transactions with Nomura Research Institute, Ltd. that he works.</p> <p>Description of the details of the transactions is omitted as the transactions are judged to have no impact on the decisions of shareholders and investors in light of their size and characteristics.</p>	<p>Takahide Kiuchi has a high level of expertise gained through his career in Japan and other countries as an economist at a major think tank, as well as experience in deliberating monetary policies as a member of the Policy Board, the highest decision-making body of Bank of Japan, for five years. The Bank determined that the corporate value of the Bank would increase over the mid- to long-term through further enhancement of the decision-making function and the supervisory function of the board of directors by leveraging his knowledge and experience in the management of the Bank. He also satisfies the requirements for independent officers that are set forth in the provisions of the Tokyo Stock Exchange to protect general shareholders, and has no risk for conflict of interest with general shareholders. Accordingly, he was designated as an Independent Director.</p>
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Voluntary Establishment of Committee(s) Corresponding to Nomination Committee or Remuneration Committee	Established
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**Committee's Name, Composition, and Attributes of Chairperson**

	Committee Corresponding to Nomination Committee	Committee Corresponding to Remuneration Committee
Committee's Name	Appointment, Remuneration and Corporate Advisory Committee	Appointment, Remuneration and Corporate Advisory Committee
All Committee Members	5	5
Full-time Members	0	0
Internal Directors	2	2
Outside Directors	3	3
Outside Experts	0	0
Other	0	0
Chairperson	Outside Director	Outside Director

**Supplementary Explanation**

The Bank has established the Appointment, Remuneration and Corporate Advisory Committee, whose members include a majority of independent Outside Directors, in order to ensure appropriate involvements of independent Outside Directors and advice from them when considering proposals related to the selection and remuneration of candidates for Directors and other matters.

(Activities of the Appointment, Remuneration and Corporate Advisory Committee)

- May 12, 2022
  - (1) Payment of bonuses to a Director/ Audit & Supervisory Board Member
- August 26, 2022
  - (1) Changes in Executive Officers
- September 29, 2022
  - (1) Review of the system of the Appointment, Remuneration and Corporate Advisory Committee
  - (2) Candidates for Successors and Executive Officers
- March 2, 2023
  - (1) Changes in Executive Officers
  - (2) Compensation for a Director/ Audit & Supervisory Board Member

**[Audit & Supervisory Board Members]**

Establishment of Audit & Supervisory Board	Established
Maximum Number of Audit & Supervisory Board Members Stipulated in Articles of Incorporation	5
Number of Audit & Supervisory Board Members	5

**Cooperation among Audit & Supervisory Board Members, Accounting Auditors and Internal Audit Departments**

- (1) Audit & Supervisory Board Members monitor and validate whether proper audits are carried out through opinion exchange, which was held 13 times in FY2022, by measures including receiving explanation on the audit policy, the audit plans, and the audit methods from the Accounting Auditor, as well as attending the onsite audits and audit reviews by the Accounting Auditor. At the same time, Audit & Supervisory Board Members work to ensure efficient and effective audits taking account of the Accounting Auditor's opinions.
- (2) Audit & Supervisory Board Members exchange information as necessary with the Audit and Inspection Division, an internal audit unit independent from units subject to audit. Audit & Supervisory Board Members also receive reports on the results of internal audits, in principal, at monthly meetings of the Internal Audit Committee (met 10 times in FY2022). In this manner, close cooperation is sought between these parties.
- (3) Audit & Supervisory Board Members, the Internal Audit and Inspection Unit and the Accounting Auditor hold a Three-Pillar Audit Liaison Meeting to ensure sufficient cooperation.
- (4) Information on the Accounting Auditor  
Audit compensation paid to Ernst & Young ShinNihon LLC, the Bank's Accounting Auditor, is as follows.
 

Compensation for audit certification services:	78 million yen
Compensation for non-audit services:	15 million yen
Total:	93 million yen

  - (Notes) 1. Compensation for non-audit services is compensation paid for financial consultation services, etc.
  2. The total compensation, etc. to be paid by the Bank and its consolidated subsidiaries to the Accounting Auditor is 122 million yen.
  3. The above amount is exclusive of consumption tax and local consumption tax.

Appointment of Outside Audit & Supervisory Board Members	Appointed
Number of Outside Audit & Supervisory Board Members	3
Number of Independent Audit & Supervisory Board Members	3

**Outside Audit & Supervisory Board Members' Relationship with the Bank (1)**



Name	Attribute	Relationship with the Bank*												
		a	b	c	d	e	f	g	h	i	j	k	l	m
Kazuhiro Kikuchi	From another company										○			
Norikazu Takahashi	From another company										○			
Wataru Takahashi	From another company										○			

\* Categories for “Relationship with the Bank”

\* “○” when the Member presently falls or has recently fallen under the category;

“△” when the Member fell under the category in the past

\* “●” when a close relative of the Member presently falls or has recently fallen under the category;

“▲” when a close relative of the Member fell under the category in the past

a. Executive of the Bank or its subsidiaries

b. Non-executive Director or accounting advisor of the Bank or its subsidiaries

c. Non-executive Director or executive of a parent company of the Bank

d. Audit & Supervisory Board Member of a parent company of the Bank

e. Executive of a fellow subsidiary company of the Bank

f. A party whose major client or supplier is the Bank or an executive thereof

g. Major client or supplier of the Bank or an executive thereof

h. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Bank besides compensation as an Audit & Supervisory Board Member

i. Major shareholder of the Bank (or an executive of the said major shareholder if the shareholder is a legal entity)

j. Executive of a client or supplier company of the Bank (which does not correspond to any of f, g, or h) (the Audit & Supervisory Board Member himself/herself only)

k. Executive of a company, with which the Bank mutually appoints outside officers (the Audit & Supervisory Board Member himself/herself only)

l. Executive of a company or organization that receives a donation from the Bank (the Audit & Supervisory Board Member himself/herself only)

m. Others

Outside Audit & Supervisory Board Member's Relationship with the Bank (2)

Name	Designation as Independent Audit & Supervisory Board Member	Supplementary Explanation of the Relationship	Reasons of Appointment
Kazuhiro Kikuchi	○	<p>Kazuhiro Kikuchi has transactions with the Bank, but they are normal transactions as a general depositor. Description of the details of the transactions is omitted as the transactions are judged to have no impact on the decisions of shareholders and investors in light of their size and characteristics.</p>	<p>Kazuhiro Kikuchi has a high level of expertise gained through experience as Councillor of Cabinet Secretariat and Senior Executive Director of the Federation of National Public Service Personnel Mutual Aid Associations, etc., as well as extensive knowledge in public administration overall. The Bank expects that further enhancement of the audit function would be ensured by leveraging his knowledge and experience in the management of the Bank. Accordingly, he was appointed as an Outside Audit &amp; Supervisory Board Member.</p> <p>He also satisfies the requirements for independent officers that are set forth in the provisions of the Tokyo Stock Exchange to protect general shareholders, and has no risk for conflict of interest with general shareholders. Accordingly, he was designated as an Independent Audit &amp; Supervisory Board Member.</p>
Norikazu Takahashi	○	<p>Norikazu Takahashi has transactions with the Bank, but they are normal transactions as a general depositor. In addition, the Bank has transactions such as deposits and borrowings with the Bank of Japan where he served as a business executor. Description of the details of the transactions is omitted as the transactions are judged to have no impact on the decisions of shareholders and investors in light of their size and characteristics.</p>	<p>Norikazu Takahashi has a high level of expertise gained through experience as General Manager of branches and General Manager of Information System Services Department of the Bank of Japan, etc., as well as extensive knowledge in finance overall. The Bank expects that further enhancement of the audit function would be ensured by leveraging his knowledge and experience in the management of the Bank. Accordingly, he was appointed as an Outside Audit &amp; Supervisory Board Member.</p> <p>He also satisfies the requirements for independent officers that are set forth in the provisions of the Tokyo Stock Exchange to protect general shareholders, and has no risk for conflict of interest with general shareholders. Accordingly, he was designated as an Independent Audit &amp; Supervisory Board Member.</p>

<p>Wataru Takahashi</p>	<p>○</p>	<p>Wataru Takahashi has transactions with the Bank, but they are normal transactions as a general depositor. In addition, the Bank has a deposit transaction with Chiba Prefecture, where he served as Vice-Governor, the Bank has transactions as a designated financial institution, transactions such as deposits and loans, and temporarily dispatches to and accepts personnel from the prefecture. However, the aforementioned transactions are on an arm's length basis and profits generated from the said transactions account for less than 1% of the Bank's consolidated gross business profits. Hence The Bank has determined that there is "no risk of conflict of interest with general shareholders" Description of the detail of each transaction noted above is omitted as they are judged to have no impact on the decisions of shareholders and investors in light of their size and characteristics.</p>	<p>Wataru Takahashi has extensive knowledge mainly in public administration gained through holding numerous important positions including Vice-Governor of Chiba Prefecture. The Bank expects that further enhancement of the audit function would be ensured by leveraging his knowledge and experience in the management of the Bank. Accordingly, he was appointed as an Outside Audit &amp; Supervisory Board Member. He also satisfies the requirements for independent officers that are set forth in the provisions of the Tokyo Stock Exchange to protect general shareholders, and has no risk for conflict of interest with general shareholders. Accordingly, he was designated as an Independent Audit &amp; Supervisory Board Member.</p>
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## [Independent Directors/ Audit & Supervisory Board Members]

Number of Independent Directors/ Audit & Supervisory Board Members
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6
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### Matters relating to Independent Directors/ Audit & Supervisory Board Members

- The Bank has designated all Outside Directors as Independent Directors as long as they satisfy the criteria for Independent Directors.
- Independence Standards stipulated by the Bank is as follows.

#### <Independence Standards>

Candidates for Outside Directors and Outside Audit & Supervisory Board Members of the Bank must, in principle, not fall under any of the following currently or recently (Note 1).

- (1) A person whose major business partner is the Bank (Note 2), or an executive of such entity if it is a corporation, etc.
- (2) A person who is a major business partner of the Bank (Note 3), or an executive of such entity if it is a corporation, etc.
- (3) A consultant, an accounting professional or a legal professional receiving money or other property benefits, other than remuneration of Directors and Audit & Supervisory Board Members, of average 10 million yen or more per annum for the past three years
- (4) A member or an employee of a consulting firm, an accounting firm or a legal office, etc., whose major business partner (Note 2) is the Bank
- (5) A person who received donations, etc. of average 10 million yen or more per annum for the past three years from the Bank, or an executive of such entity if it is a corporation, etc.
- (6) The Bank's major shareholder (Note 4) or an executive of such entity if it is a corporation, etc.
- (7) A close relative (Note 5) of a person falling under any of the following (excluding those who are not an important person (Note 6))
  - A. A person falling under any of the items (1) through (6) above
  - B. A Director, an Audit & Supervisory Board Member, an Executive Officer or an important employee, etc. of the Bank or its subsidiary

- Notes:
1. Refers to a person who could be substantially deemed to fall under the items currently; e.g. a person who fell under the items when the contents are resolved for the agenda of the general meeting of shareholders, where such person is to be selected as an Outside Director or an Outside Audit & Supervisory Board Member
  2. A business partner who has received payments from the Bank in an amount of 1% or more of such partner's consolidated net sales during the most recent fiscal year
  3. A business partner who has made payments to the Bank in an amount of 1% or more of the Bank's consolidated gross business profit during the most recent fiscal year
  4. A shareholder who holds 10% or greater of the total voting rights
  5. An officer or an employee who is equivalent to a general manager of a department of a company, or a certified public accountant or a lawyer in case of those affiliated with an accounting firm or a legal office
  6. A relative within the second degree of kinship

## [Incentives]

Incentive Policies for Directors	Performance-linked remuneration system, etc.
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### Supplementary Explanation

Performance-linked remuneration, etc. shall be paid as cash remuneration at a certain time each year as a bonus based on the amount calculated by taking into account profit attributable to owners of the parent for each fiscal year, etc. in order to heighten awareness of the improvement in performance for each fiscal year. In addition, the Bank has introduced a restricted stock remuneration system to strengthen the linkage between the Bank's stock price and the remuneration of Directors, and to increase management awareness through the willingness to contribute to the enhancement of corporate value and further sharing of value with shareholders. The remuneration will be paid at a certain time each year.

(Note) At the Ordinary General Meeting of Shareholders held on June 25, 2021, the resolution was passed to allocate restricted stock to Directors (excluding Outside Directors) not exceeding ¥140 million per annum. The Bank shall pay a portion equivalent to approximately 20% of the individual remuneration in shares of the Bank's common stock with transfer restrictions.

### Recipients of Stock Options

### Supplementary Explanation

## [Director Remuneration]

Disclosure of Individual Directors' Remuneration	No Individual Disclosure
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### Supplementary Explanation

The Bank does not disclose individual Directors' remuneration.  
Remuneration for Directors and Audit & Supervisory Board Members of the Bank are as follows.

Remuneration, etc. for Directors:	422 million yen
Remuneration, etc. for Audit & Supervisory Board Members:	105 million yen
Total:	528 million yen

(Notes)

1. The upper limits on the annual remuneration for Directors and Audit & Supervisory Board Members that were determined at a General Meeting of Shareholders are 560 million yen and 150 million yen, respectively. The maximum amount of remuneration for restricted stock remuneration for Directors is 140 million per annum, and the total number of shares of the Bank's common stock to be issued or disposed of is 0.5 million shares per annum, apart from the remuneration noted above.
2. As performance-linked remuneration, bonuses are paid to Directors excluding outside Directors. Bonuses are calculated by taking into account profit attributable to owners of parent and other factors for each fiscal year. Bonuses are paid annually as cash compensation at a certain time. Profit attributable to owners of parent for the fiscal year under review was ¥60.2 billion.

Policy on Determining Remuneration Amounts and Calculation Methods	Established
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### Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods

1. Remuneration structure and content  
○Directors (excluding outside Directors)  
(1) Remuneration structure
  - Remuneration consists of “basic remuneration”, “bonuses”, and “stock remuneration.”
  - Remuneration breakdown is 75% for “basic remuneration,” 5% for “bonuses,” and 20% for “stock remuneration.”
  - The amounts of basic remuneration, bonuses, and stock remuneration are determined by position.
- (2) Contents of each remuneration, etc.

- "Basic remuneration" is a monthly fixed remuneration by position, and the fixed remuneration by position is paid according to the weight of responsibility for each position.
- The amount calculated by considering current profit attributable to owners of parent, etc. of every fiscal year as "bonuses," be paid as monetary remuneration at a fixed time every year. Bonuses have been introduced as an incentive for short-term performance, but in order to maintain sound management, the percentage shall be limited to 5% of the total, and will be designed so as not to become an incentive for management to focus on short-term performance. The final amount to be paid will be deliberated by the Appointment, Remuneration and Corporate Advisory Committee, of which a majority of the members are independent Outside Directors, and the content of deliberations will be respected and determined.
- The Bank has introduced the restricted stock remuneration system to strengthen the linkage between the Bank's stock price and the remuneration for Directors, and to enhance management awareness to improve corporate value through further sharing of value with shareholders. The stock remuneration will be paid at a certain time each year. Shares of the Bank with transfer restrictions, which correspond to the standard amount for each position, shall be allocated, and the transfer restrictions shall be lifted upon the retirement of each executives.

○Outside Directors

(1) Remuneration structure

- Based on the role in supervising the execution of business, the remuneration system is not linked to performance, but rather is limited to "basic remuneration."

(2) Remuneration content

- "Basic remuneration" shall be a fixed monthly remuneration and shall be paid in cash.

○Audit & Supervisory Board Member

(1) Remuneration structure

- In order to ensure independence, remuneration for Audit & Supervisory Board members is not linked to performance, but is limited to "basic remuneration." The amount of remuneration is determined through consultation with Audit & Supervisory Board members.

(2) Remuneration content

- "Basic remuneration" shall be a fixed monthly remuneration and shall be paid in cash.

2. Date of resolution of the General Meeting of Shareholders and the contents of such resolution, etc.

The amount of "basic remuneration" and "bonuses," which are monetary remuneration for Directors, are approved within ¥560 million per year, and the amount of remuneration for Audit & Supervisory Board members are approved within ¥150 million per year at the 104th annual Shareholders' Meeting held on June 29, 2010. At the conclusion of the General Meeting of Shareholders, the Bank had nine Directors and five Audit & Supervisory Board members. Apart from monetary remuneration, the 115th annual Shareholders' Meeting held on June 25, 2021 resolved that the amount of "stock remuneration (restricted stock)" for Directors, excluding Outside Directors, is limited to ¥140 million per annum, and the number of shares of the Bank's common stock to be issued or disposed of is limited to 0.5 million shares. At the conclusion of this General Meeting of Shareholders, the Bank had nine Directors (including three Outside Directors).

3. Policy on determination of individual remuneration, etc. for Directors

At the Board of Directors held on April 19, 2021, the Bank resolved to adopt a policy for determining the content of individual remuneration for Directors. At the time of the resolution of the Board of Directors, the Bank consults with the Appointment, Remuneration and Corporate Advisory Committee regarding the content of the resolution in advance, and receives reports. In addition, the Board of Directors has confirmed that the method for determining the contents of remuneration, etc. and the contents of remuneration, etc. determined for the relevant fiscal year are consistent with the decision policy decided by the Board of Directors, and that the reports from the Appointment, Remuneration and Corporate Advisory Committee are respected. Therefore, the Board of Directors has determined that the remuneration, etc. is in accordance with the said decision policy.

The details of the decision-making policy concerning the content of individual remuneration, etc. for directors are as follows.

(1) Basic Policy

The basic policy is that the remuneration for Directors of the Bank shall, in order to ensure transparency, fairness, and rationality, be determined by the Board of Directors in accordance with the remuneration rules determined by the Board of Directors after the deliberation by the Appointment, Remuneration and Corporate Advisory Committee, of which an independent Outside Directors have the majority. Specifically, the remuneration of Directors consists of basic remuneration, performance-linked remuneration, and stock

remuneration as fixed remuneration, while the remuneration of the Outside Directors who commit to supervisory function is fixed remuneration only.

(2) The Policy for Determination of Amount of Individual Remuneration, etc. of Basic Remuneration (Monetary Remuneration), Including the Policy for Determination of Timing and Conditions of Granting Remunerations, etc.

The basic remuneration of Directors of the Bank shall be a fixed monthly remuneration by position, and such fixed remuneration by position shall be paid in accordance with the weight of the responsibilities of each position.

(3) The Policy for Determination of Contents, Amount, and the Method of Calculating Number of Performance-Linked Remuneration and Non-Monetary Remuneration, etc., Including the Policy for Determination of Timing and Conditions of Granting Remunerations, etc.

Focusing on soundness as a financial institution, the Bank shall have the Appointment, Remuneration and Corporate Advisory Committee appropriately consider management enhancement by shareholders' point of view and executive remuneration system for performance improvement. The performance-linked remuneration, etc. shall, to raise awareness of performance improvement per fiscal year, the amount calculated by considering current profit attributable to owners of parent, etc. of every fiscal year as a bonus, be paid as monetary remuneration at a fixed time every year. The non-monetary remuneration, etc. shall, with the introduction of the restricted stock remuneration system to strengthen the linkage of stock price of the Bank and remuneration for Directors, and to raise contribution willingness for improvement of corporation value as well as management awareness through further value sharing with shareholders, be paid at a fixed time every year.

(4) The Policy for Determination of the Ratio of the Amount of Monetary Remuneration, the Amount of Performance-Linked Remuneration, etc., and the Amount of Non-Monetary Remuneration in the Amount of Individual Remuneration, etc. for Directors.

Referring to companies of similar size to the Bank and in related industries and business categories, in accordance with changes in the business environment as appropriate, the executive remuneration system for Directors and the remuneration ratio by kinds shall be considered by the Appointment, Remuneration and Corporate Advisory Committee, of which independent Outside Directors have the majority. Representing the Board of Directors, the President, as described in item 5 below, shall determine the contents of individual remuneration, etc. of Directors to the extent of remuneration ratio by kinds, paying respect to the Appointment, Remuneration and Corporate Advisory Committee. The guide ratio for each kind of remuneration, etc. shall be "basic remuneration : bonus : non-monetary remuneration, etc. = 75 : 5 : 20."

(5) Matters Related to the Determination of the Contents of Individual Remuneration, etc. of Directors

In regards to the amount of individual remuneration, based on the resolution of the Board of Directors, the President, being authorized for detailed contents, shall evaluate and allocate. The Board of Directors, based on the deliberation by the Nomination, Compensation, and Management Advisory Committee, of which independent Outside Directors have the majority, for such right is to be appropriately exercised by the President, must respect the contents of the deliberation and decide. In regards to the stock remuneration, based on the deliberation by the Appointment, Remuneration and Corporate Advisory Committee, the amount of individual allotted shares for Directors shall be determined by the Board of Directors.

#### **[Supporting System for Outside Directors and/or Audit & Supervisory Board Members]**

- **Outside Directors**

The Bank provides Outside Directors with information and support necessary through assigning staff to support outside Directors within General Secretariat and Corporate Planning Division, for the execution of their duties in an appropriate and timely manner to ensure that Outside Directors fully play their roles as a supervisor of the management.

We continuously give Outside Directors opportunities for deepening their understanding about the Bank's management strategy and activities with the aim to enhance deliberations by the Board of Directors, by means such as provision of materials and explanations for the Board of Directors meeting in advance, provision of individual explanations on important matters, attendance to main committee meetings, dialog with Directors, Executive Officers and General Managers of divisions and offices, visiting and holding dialogues at affiliated business offices in the group, participation in main IR events, etc., and provision of information related to the Bank's activities whenever necessary. In addition, the Bank provides Outside Directors with opportunities to undergo training by third-party organizations at the Bank's expense.

- **Outside Audit & Supervisory Board Members**

In order to facilitate the smooth operation of audits and other operations by Audit & Supervisory Board Members, the Bank has established the Audit and Supervisory Support Office, which is independent from the business executives, and the General Manager of the Audit & Supervisory Board Member's Office is responsible for these roles and for prompt reporting to, communication with, and close cooperation with the Audit & Supervisory Board Members. Audit & Supervisory Board Members attend meetings of the Board of Directors and other important meetings, and are provided with important documents of the Bank, which ensure that information is communicated timely and properly. In addition, interviews with Directors, General Managers, and Presidents of group companies are held as appropriate to ascertain the risks and issues facing the Bank group.

**[Retired Presidents/CEOs Holding Advisory Positions (Counsellor, Advisor, etc.)]**

Information on retired presidents/CEOs holding advisory positions (Counsellor, Advisor, etc.)

Name	Job title/ position	Responsibilities	Employment terms (Full/part time, with/without compensation, etc.)	Date when former role as president/ CEO ended	Term
-	-	-	-	-	-

Number of retired presidents/CEOs holding advisory positions (Counsellor, Advisor, etc.)	0
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**Others**

- There is a system in which the former president can be appointed as Senior Advisor or Honorary Advisor for the purpose of engaging in economic organization activities and social contribution activities, but there are currently no eligible persons.
- At the time of appointment, following deliberation by the Appointment, Remuneration and Corporate Advisory Committee and a resolution by the Board of Directors. Senior Advisor and Honorary Advisor are not involved in management.



## 2. Matters on Functions of Business Execution, Auditing, Oversight, Nomination, and Remuneration Decisions (Overview of Current Corporate Governance System)

- Directors and Board of Directors

The Board of Directors consists of nine Directors, including three Outside Directors. The Board of Directors makes decisions about management policies and other important matters and supervises the execution of business by Directors and Executive Officers. The Bank strives to enhance the effectiveness of the Board of Directors through measures including having Outside Directors make up one-third or more of the Board of Directors and holding free, active, and constructive discussions.

- Board of Designated Directors

The Bank holds a meeting of the Board of Designated Directors, consisting of Internal Directors and Executive Officers who were nominated by the Board of Directors, three times a month as a rule, to discuss policies on important matters related to the execution of business operations, thereby responding to changes in the business environment accurately and promptly.

Moreover, the Bank has adopted an executive officer system. This system provides for the clear separation of the roles of the Directors, who reach decisions on important matters, supervise the execution of business operations, and perform other tasks, and the role of the executive officers, who conduct business operations.

- The Appointment, Remuneration and Corporate Advisory Committee

For appointment and remuneration of Directors and Audit & Supervisory Board Members, the Appointment, Remuneration and Corporate Advisory Committee has been established to ensure objectivity, timeliness, and transparency. The Board of Directors selects the committee members, a majority of which are independent Outside Directors. Since October 2022, the committee chairperson was appointed as outside Directors.

- Audit & Supervisory Board and Its Members

The Bank has adopted an audit & supervisory board system with five Audit & Supervisory Board Members, including a majority of three outside Audit & Supervisory Board Members. In particular, three of the Audit & Supervisory Board Members, including two outside Audit & Supervisory Board Members, are standing Audit & Supervisory Board Members. They attend meetings of the Board of Directors and other important meetings, check important documents to conduct objective and reasonable audits of the status of business execution. The Bank believes that this system provides an adequate management supervisory function.

- Committees, etc.

In order to establish a compliance structure and risk management system that cover group companies, the Bank convenes the Compliance Committee once a month as a rule, which deliberates on important matters regarding compliance, the ALM Committee once a month as a rule, the Credit Risk Management Committee once a quarter as a rule, the Operational Risk Management Committee semiannually as a rule, and the Cybersecurity Risk Management Committee once a quarter as a rule, which deliberate on important matters. In addition, the Group Supervision Committee is held twice for the purpose of grasping the business conditions and various issues of each group company, and the Group Promotion Committee, in order to realize synergistic effects through further cooperation among the Bank and group companies, is held twice.

Group Strategy Division was newly established to oversee overall business execution, including sales and administrative aspects, in order to realize integrated group management and sophisticated group governance. Additionally, from the perspective of clarifying responsibilities, the department in charge of operations at each company was designated as one department at one company, and the scope of group-wide management of management resources, which had been conducted only for risk management, was expanded, and management departments were designated for each management resource.

Moreover, the Bank has established the Digital Promotion Committee once a quarter as a rule in order to reinforce the Group's structure for promoting digital strategies under the medium term management plan, and the Sustainability Promotion Committee once a quarter as a rule to discuss and promote cross-organizational activities, including the formulation of priority measures and activities concerning sustainability, and reporting on the status of initiatives.

- Group Management Systems

The Group Chief Officer (CxO) System\* was introduced and under the overall supervision of the Group CEO, the Group Chief Officers are assigned responsibility for their areas of supervision, thereby creating a group-wide corporate management system. The Bank appointed the Group CHRO to oversee human resources strategies for the entire group in order to promote management strategies in line with changes in the environment, such as the advancement of digital technology since April 2021. Moreover, a responsible Director is assigned to supervise each group company and meetings of the Group Supervision Committee and

Group Promotion Committee are held to strengthen understanding, administration, and supervision of the management status of group companies based on Group Companies Management Regulations. In addition, the Bank's internal audit units conduct internal audits of subsidiaries and assure proper operations throughout the group.

\*The following Group Chief Officers are assigned:

- Group CEO (Chief Executive Officer)
- Group COO (Chief Operating Officer)
- Group CSO (Chief Strategy Officer)
- Group CRO (Chief Risk Officer)
- Group CBO (Chief Business Officer)
- Group CIO (Chief Information Officer)
- Group CDTO (Chief Digital Transformation Officer)
- Group CHRO (Chief Human Resources Officer)

### **3. Reasons for Adoption of Current Corporate Governance System**

The Bank has adopted a company with Audit & Supervisory Board System under which the Board of Directors and Audit & Supervisory Board Members are responsible for management supervisory functions. Three Standing Audit & Supervisory Board Members, including two Outside Audit & Supervisory Board Members, attend meetings of the Board of Directors, the Board of Designated Directors, and other important meetings, check important documents, and perform audits of the headquarters and branches on a regular basis to conduct objective and reasonable audits of the status of business execution. The Bank believes that this system provides an adequate management supervisory function. In addition, the Bank appoints Outside Directors to further strengthen the management decision-making and supervisory functions of business operations.

Considering that these systems are fully providing audit and supervisory functions, the Bank has adopted the current corporate governance system.

### III. Implementation of Measures for Shareholders and Other Stakeholders

#### 1. Measures to Vitalize the General Shareholder Meetings and Smooth Exercise of Voting Rights

	Supplementary Explanations
Early Notification of General Shareholder Meeting	The notice of convocation of the 117th Annual General Meeting of Shareholders held on June 28, 2023 was dispatched on June 6, 2023 (22 days before the meeting).
Allowing Electronic Exercise of Voting Rights	The electromagnetic means of exercising voting rights have been available since the 100th Annual General Meeting of Shareholders held on June 29, 2006. A simplified method via smartphone has also been available as a means of exercising voting rights since the 113th Annual General Meeting of Shareholders held on June 26, 2019.
Participation in Electronic Voting Platform	The Bank has used an electronic voting platform for institutional investors operated by ICJ, Inc. since the 102nd Annual General Meeting of Shareholders held on June 27, 2008.
Providing Convocation Notice in English	The notice of convocation has been available in English since the 108th Annual General Meeting of Shareholders held on June 27, 2014. It was posted on the Bank's website, the Timely Disclosure network of the Tokyo Stock Exchange, and the electronic voting platform.
Other	Notices of convocation of the General Meeting of Shareholders, etc. have been posted on the Bank's website since the 102nd Annual General Meeting of Shareholders held on June 27, 2008. Extraordinary reports containing the results of the exercise of voting rights have been posted on the Bank's website since the 104th Annual General Meeting of Shareholders held on June 29, 2010. In addition, from the 116th Annual General Meeting of Shareholders (held on June 28, 2022), the notice of convocation has been made in full color, and the skill matrix and facial photographs of Directors and Audit & Supervisory Board Members are posted.

#### 2. IR Activities

	Supplementary Explanations	Availability of explanation by the representative
Preparation and Publication of Disclosure Policy	The Bank's disclosure policy describing the stance on disclosure, information subject to disclosure, and method of disclosure is posted on the Bank's website.	
Regular Investor Briefings for Individual Investors	In FY2022, the Bank held briefings for individual investors six times. (Briefings were held in February and March 2023, attended by 1,360 persons in total.)	No
Regular Investor Briefings for Analysts and Institutional Investors	Briefings are held for analysts and institutional investors after semiannual earnings announcements. (In FY2022, briefings were held twice in May and November, attended by 286 persons in total.) Financial results briefings for the first and third quarters are also held. (In FY2022, briefings were held twice in August and February, attended 102 persons in total.)	Yes
Regular Investor Briefings for Overseas Investors	In FY 2022, meetings with overseas investors were held 55 times, mainly online interviews and in-person interviews in Japan (Representatives, officers in charge, etc. responded). In the future, we will consider the resumption of interviews by representatives visiting overseas investors, which had been conducted before the spread of COVID-19.	Yes

Posting of IR Materials on Website	In addition to posting of materials such as financial summary reports, securities reports (Japanese only), and financial results briefing materials, audio or video data (in Japanese) of the briefings for investors is available on the website. <a href="https://www.chibabank.co.jp/english/ir/library/">https://www.chibabank.co.jp/english/ir/library/</a>	
Establishment of Department and/or Manager in Charge of IR	The Financial Management Department of the Corporate Planning Division is in charge of IR. The Executive Officer responsible for Corporate Planning Division is the officer in charge of IR.	

### 3. Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanations
Stipulation of Internal Rules for Respecting the Position of Stakeholders	The Bank sets forth management strategies that will contribute to enhanced value for diverse stakeholders, including customers, shareholders, employees, and regional communities, and works to achieve those strategies from a medium- to long-term perspective so that the Bank can grow steadily together with stakeholders.
Implementation of Environmental Activities, CSR Activities etc.	<p>&lt;Chiba Bank Group Sustainability Policy&gt;            We aim to realize sustainable regional communities through our core businesses such as demonstrating the financial intermediation function. Additionally, we engage in honest and fair corporate activities, as well as activities to solve various issues facing the region, including climate change and other environmental problems, as part of sustainable management with the aim of balancing economic value and social value.            Each executive and employee of our group is actively working with awareness of their involvement in these activities. Through information disclosure, we will foster a better relationship of trust with our stakeholders and create a “new future for regional communities.”</p> <p>&lt;Approach to environmental issues&gt;            [Establishment of environmental policy]            In November 2020, the Bank established the Chiba Bank Group Environmental Policy to clarify the Group's stance on environmental conservation. This policy establishes policies for measures aimed at resolving environmental issues, including climate change.</p> <p>[Contribution to environmental protection through our core business]            The Bank offers a wide range of supports to customers increasing use of renewable energy. The Bank is strengthening its efforts through measures such as supporting project finance for mainly solar power generation, and biomass and wind power generation.</p> <p>[Publishing the policies on loans to specific industrial sectors]            The Bank published the policies on loans to specific industrial sectors (new coal-fired thermal power plants, cluster munitions manufacturers, developments of palm oil plantations and deforestation operations), which are expected to have a significant impact on the environment and society, in order to clarify its commitment to lending.</p> <p>[Measures against climate change]            In December 2019, the Bank endorsed the recommendations of TCFD (Task Force on Climate-related Financial Disclosures). In March 2022, the Bank declared its intention to achieve "carbon neutral by FY2030" and announced that CO2 emissions (SCOPE1 + SCOPE2) will be virtually zero by FY2030.</p> <p>[Completion of new head office building]            In September 2020, the Bank's new head office building was completed. This building utilizes natural energy and promotes energy conservation. It is a highly environmentally friendly building using Low-e double glazing and a complex air-conditioning system with enhanced environmental performance.</p> <p>[Forest development activities]            Since 2003, the Bank conducts “Chibagin Forest” forest development activities with the purpose of protecting and maintaining forests. Volunteers from the Bank, including executives, employees, and alumni continue to plant and cultivate trees in “Chibagin Forest.”</p>

	<p>Recently, in October 2022, approximately 250 officers and employees of the Bank planted 7,350 trees at “Chibagin Forest (sixth)” on the Tsurigasaki coast of Torami, Ichinomiya-machi, Chosei-gun.</p>
Development of Policies on Information Provision to Stakeholders	<p>In “The Chiba Bank Group's Corporate Code of Conduct,” it is set forth that the Bank will provide active and fair disclosure of management information and manage its operations in a transparent manner as a basic policy. To that end, the Bank strives to provide information to stakeholders in a timely and appropriate manner by using financial results briefings, general meetings of shareholders, annual reports, the corporate website, materials related to financial results, and other tools.</p>
Other	<p>[Human Resource Development Policy]</p> <p>The Bank Group believe it is necessary to create an organization that creates new value by bringing together diversity specialists to realize core purpose “To create a local community better suited to bringing each person’s hope to life”. Accordingly, we have established the Group Human Resources Development Policy “Become someone who keeps fighting for the customer” with the idea that each and every employee should be “To be a partner who continues to keep fighting with customers, communities and colleagues.”</p> <p>The three core elements of the Human Resource Development Policy are “Think things through,” “Utilize your own strengths,” and “Gain more supporters.” We strive to develop and retain human resources by providing a variety of “learning, challenge, and practice” opportunities so that employees can refine their own skills and maximize their abilities.</p> <p>Regarding our HR strategy based on the Human Resources Development Policy, the two pillars of “development of a Chiba Bank Group where people grow” and “creation of an Organization with high personnel engagement,” and we are promoting the establishment of an organization that creates new social value.</p> <p>[Internal Environmental Improvement Policy]</p> <p>Based on the belief that promoting the creation of the company where each employee can work in good physical and good mental health, and is rewarding leads to the provision of high-quality services to customers, we are working to create a work environment where employees can work in good health and with a high level of engagement.</p> <p>We have formulated the “Health Management Declaration”, which is headed by the officer in charge of human resources, and is led by the Human Resources Division, the Health Insurance Society, and other organizations to promote measures to maintain and promote employee health.</p> <p>In addition, we have conducted an employee awareness survey (morale survey) since 1991 from the perspective of improving the work environment and measuring employee job satisfaction. Beginning in FY 2023, we have begun designing engagement surveys that are measured in our own questions under the consulting of outside experts in order to better understand the status of employee engagement at the Bank and lead to improvements in our human resource strategies and measures.</p> <p>We believe that “Financial Wellness,” which supports economic stability, is also important in pursuing employee well-being, as well as mental and physical health and job satisfaction. Therefore, we concluded a corporate service agreement with On Ad Co. Ltd, which is an affiliate established by Chiba Bank jointly with Daishi Hokuetsu Bank, the Chugoku Bank, and Nomura Holdings. In addition to receiving seminars and information materials for employees, we provide employees with a fee-based asset management consultation service as welfare benefits. In this way, we provide support for employees' life plan design and asset management, and are working to create an environment where employees can work with relief</p>



by eliminating their concerns about future money.

[Support for balancing careers and private life]

Aiming to create a workplace culture in which everyone can balance work and private life, we support careers and private life balance by improving the environment through the enhancement of various support systems, as well as through career development support.

In the area of childcare, we enhance the leave system for childbirth and childcare purposes, and have programs to support early return to work (Online learning tools, e-mail magazines, and seminars during childcare leave) for childcare leave workers to return to work as soon as possible, and training for employees returning to work accompanied by partners, as well as two in-house childcare centers (Himawari Nursery CIT, jointly established with the Chiba Institute of Technology, and Himawari Nursery Chiba, under independent operation).

We also promote the participation of men in child-rearing, the rate of men taking childcare leave reached 112.4%\* in FY2022 through such measures as recommending the formulation of action plans for balancing careers and private life of male employees who are planning to have a child.

For nursing care, we provide information through training and guidebooks for employees of a certain age, and have also established a consultation desk with advisors to prevent nursing care turnover.

The male childcare leave acquisition rate is calculated as the number of male employees who took childcare leave during the fiscal year / the number of male employees whose spouses gave birth during the fiscal year.

[Work style reforms]

In order to improve productivity and create a workplace environment where employees can feel motivated, and to promote the active participation of diverse human resources, we are actively working on work style reforms. We take measures to improve productivity with flexible work styles and the correction of long working hours, through the introduction of telework, flextime systems, staggered working hours, and other systems, as well as business reforms through the utilization of IT and the review of operational processes. The paid leave utilization rate for FY2022 is 77%.

In addition, we promote measures that make the most of diversity, such as the Diversity Forum (attended by all executives and workplace representatives), which aims company-wide understanding and behavior reforms, understanding of LGBT and other gender minorities, hiring of people with disabilities, and supporting the active participation of senior citizens.

[Major external evaluations]

- October 2014: Received Special Encouragement Award in Ikumen Award 2014 from the Ministry of Health, Labour and Welfare
- March 2015: Received Diversity Management Selection 100 from the Ministry of Economy, Trade and Industry
- December 2015: Received Awards to Commend Leading Companies Where Women Shine (Prime Minister's Award) from the Cabinet Office
- April 2016: Received Excellent Enterprise Certification Mark "L-Star" (top-ranked) based on the Act on Promotion of Women's Participation and Advancement in the Workplace (Chibagin Securities Co., Ltd. and Chibagin Computer Service Co., Ltd. also received L-Star in June and August in the same year, respectively)
- February 2017: Certified as an Excellent Enterprise of Health and Productivity Management - White 500 by the Ministry of

	<p>Economy, Trade and Industry</p> <ul style="list-style-type: none"> <li>- March 2017: Received Encouragement Award in Excellent Workplace Award for Companies with Pleasant Working Environment and High Productivity from the Ministry of Health, Labour and Welfare</li> <li>- August 2017: Certified as “Platinum Kurumin” based on the Act on Advancement of Measures to Support Raising Next-Generation Children</li> <li>November 2018: Received Minister Prize in Equal Empowerment/Work-Life Balance Excellence Award (Family-Friendly Enterprises Category) from the Ministry of Health, Labour and Welfare</li> <li>- March 2020: Selected for New Diversity Management Selection 100 Prime by the Ministry of Economy, Trade and Industry (first in a financial institution)</li> <li>- March 2021: Grand Prize in the Advance Category of the NPO J-win’s “2021 J-win’s Diversity Award” (first in a regional bank)</li> <li>- Recognized as a “Distinctive Example” of a financial institution contributing to regional development by the Cabinet Office</li> <li>- February 2022: Received "Platinum Eruboshi" certification based on the Law for the Promotion of Women's Advancement (first in the banking industry)</li> <li>- March 2022: Selected as a “Nadeshiko Brand” by the Ministry of Economy, Trade and Industry and Tokyo Stock Exchange (for the fifth consecutive year since 2018)</li> </ul> <p>Information on specific measures is provided on the Bank’s website.  (<a href="http://www.chibabank.co.jp/company/info/diversity/">http://www.chibabank.co.jp/company/info/diversity/</a>)</p>
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## IV. Matters Related to the Internal Control System

### 1. Basic Stance on Internal Control System and the Progress of System Development

- Development of systems for ensuring the proper operations  
The Bank engages in the development and enhancement of internal control as shown below based on the basic policies regarding the development of systems for ensuring proper operations (internal control systems) set forth by the Board of Directors.
1. Systems for ensuring that business execution by Directors and employees comply with laws and regulations, as well as the Articles of Incorporation
    - (1) We established the Compliance Regulations including The Chiba Bank Group's Corporate Code of Conduct and Action Guidelines for Executives and Employees to clarify the guidelines for executives and employees, ensure implementation through the "Compliance Manual" which is a concrete guide. (2) We firmly oppose antisocial forces that threaten the order and safety of society and that undermine healthy economic and social development.
    - (3) We reinforce a compliance structure by measures including setting up the Compliance Committee that deliberates on important matters concerning compliance and by defining a division responsible for compliance.
    - (4) We formulate a compliance program on a regular basis to provide a specific action plan for achieving improvements in compliance and implement it.
    - (5) The Board of Directors decides on important matters concerning compliance and receives regular reports on compliance.
    - (6) Audit & Supervisory Board Members and internal audit units, which are independent from business operating units, conduct audits on compliance regarding the effectiveness and appropriateness of the compliance structure.
    - (7) We have a whistle-blowing system to receive reports directly from employees, etc., concerning violations of laws committed by officers and employees, and the employees who made reports based on the system are not treated disadvantageously. In this manner, we are operating the system properly.
  2. Systems concerning storage and control of information related to the execution of duties by Directors  
Concerning information related to the execution of duties by Directors, important documents such as minutes of meetings and requests for approval are stored and controlled properly in accordance with relevant laws, regulations, and internal rules, and are kept in an accessible condition as necessary.
  3. Rules and other systems for managing risk of losses
    - (1) We have set forth the Basic Policy on Risk Management and other risk management rules and clearly define the divisions responsible for the management of each risk as well as the division in charge of the overall management of risks faced by the Bank, thereby developing a risk management system.
    - (2) The Board of Directors decides on important matters concerning risk management and receives regular reports on risk management.
    - (3) Audit & Supervisory Board Members and internal audit units conduct audits on risk management regarding the effectiveness and appropriateness of the risk management structure.
    - (4) We have set forth a contingency plan that anticipates unforeseen circumstances such as large-scale disasters and large-scale system failures, and conduct drills as necessary.
  4. Systems for ensuring the efficient execution of duties by Directors
    - (1) The Board of Directors decides on the execution of important business matters such as the medium term management plan and business measures and receives reports on their progress, etc.
    - (2) The Board of Designated Directors, consisting of Directors and Executive Officers who are appointed by resolution of the Board of Directors, discusses a wide range of matters concerning the execution of duties by Directors.
    - (3) Adopting an executive officer system, we have separated decision-making and the Directors' supervisory functions from executive functions, thereby expediting and streamlining decision-making and business execution.
    - (4) Concerning Directors' execution of business, we set forth executive authorities and execution procedures, etc., in the Organizational Regulations, the Administrative Authorities Regulations, the Division of Duties Regulations, etc. to ensure efficient operations.
  5. Systems for ensuring the proper operations at the corporate group consisting of the Bank and its

subsidiaries

- (1) To ensure the proper operations at a corporate group consisting of the Bank and its subsidiaries (the "Chiba Bank Group"), we have established "Group Companies Management Regulations" that describe the basic framework for group management, including management methods for our group companies, and the Bank dispatches Directors and Audit & Supervisory Board Members to its subsidiaries as necessary, thereby developing an integrated management system.
  - (2) A system is in place whereby subsidiaries set forth their own regulations in accordance with the Bank's Compliance Regulations and other risk management regulations, and their compliance and risk management are supervised by the Bank's management sections. In addition, the Bank's internal audit units conduct internal audits of each subsidiary to ensure the proper operations of the Chiba Bank Group as a whole.
  - (3) We have a system in which important business operations of subsidiaries are discussed with and reported to the Bank in a timely and appropriate manner. In addition, officers of the Bank and subsidiaries exchange opinions regularly to share information on management issues faced by the Chiba Bank Group.
  - (4) The Bank and its subsidiaries comply with the arm's length rule set forth by the Banking Act not to cause disadvantages to each other.
  - (5) The Bank and its subsidiaries set forth the Internal Control Regulations concerning financial reporting and define the divisions responsible for internal control, thereby developing a system for ensuring the reliability of financial reporting.
6. Matters concerning employees who support the duties of Audit & Supervisory Board Members and matters concerning the independence of such employees from Directors
- (1) Audit and Supervisory Support Office shall be as an organization independent of the executive officers.
  - (2) The Bank assigns assistants to Audit & Supervisory Board Members as employees to support the duties of Audit & Supervisory Board Members under the direction by Audit & Supervisory Board Members.
  - (3) Assistants to Audit & Supervisory Board Members do not concurrently serve in positions involved in business execution, and their personnel changes, etc., require the consent of Audit & Supervisory Board Members. Their independence from Directors is ensured in this manner.
7. Systems for reporting from Directors and employees to Audit & Supervisory Board Members and other systems for reporting to Audit & Supervisory Board Members
- (1) Directors immediately report to the Audit & Supervisory Board if they find any facts that may cause severe damage to the Bank.
  - (2) Notwithstanding the foregoing, the Audit & Supervisory Board may request Directors and employees to make reports as necessary.
8. Other systems for ensuring the effective audit by Audit & Supervisory Board Members
- (1) The Bank ensures effective audits by Audit & Supervisory Board Members by having them attend Board of Directors' meetings and other important meetings while coordinating with internal audit units and the Accounting Auditor.
  - (2) Representative Directors exchange opinions with Audit & Supervisory Board Members regularly to maintain mutual understanding and relationship of trust.
  - (3) Expenses necessary for the execution of duties by Audit & Supervisory Board Members are borne by the Bank upon request by the Audit & Supervisory Board Members.

- Overview of the implementation status of the systems for ensuring proper operations

An overview of the implementation status of the systems for ensuring proper operations at the Bank in FY2022 is as follows.

1. Execution of duties by Directors

In order to realize sustainable growth and improvement of medium to long term corporate value, Chiba Bank Group established and published the Policy on Corporate Governance. The Group has introduced the Group Chief Officer (CxO), and has established an integrated group management system by assigning a Group Chief Officer as the person in charge of the area under his/her jurisdiction under the overall supervision of the Group CEO. We held a Regular Meeting of the Board of Directors 12 times and an Extraordinary Meeting of the Board of Directors four times, whereby decisions were made on important

business execution such as formulation of Mid-term plans, performance plans and human resource strategies, and reports were made on the progress of the Mid-term plan. Through these efforts, we properly supervise the execution of duties by Directors. In the operation of the Board of Directors, we devote sufficient time to the discussion of important agenda items and invigorate the debate, taking into account the evaluation of the effectiveness of the Board of Directors. In addition to the agenda items of the Board of Directors, we held free discussions on important medium-to long-term themes and the Board of Directors camps, discussed on important management strategies. Also, the Board of Designated Directors, consisting of Directors and Executive Officers appointed by the Board of Directors, met 43 times in total to discuss a wide range of matters concerning the execution of duties by Directors. In order to further transparency and objectivity in governance, the Chairman of the Appointment, Remuneration and Corporate Advisory Committee was changed to an outside Director. (Basic Policy 1, 2, 3 and 4)

## 2. Compliance structure

The compliance program was established by the Board of Directors for each year and the Compliance Committee met 12 times to deliberate as needed on matters such as the status of the execution of the program, measures to prevent recurrence of compliance violations based on root cause analysis, and efforts for further enhancement of countermeasures against money laundering and terrorism financing activities. Important matters related thereto were reported to the Board of Directors. In addition, in light of the revision of the Whistleblower Protection Act, the Group has established the “Chibagin Group Compliance Hotline Rules,” and has further strengthened the system for internal reporting desks established inside and outside the Group. The rules for protecting whistleblowers are being operated appropriately, such as by continuously disseminating the prohibition of disadvantageous handling to whistleblowers. (Basic Policy 3 (1), (2) and (4))

## 3. Risk management system

The ALM Committee met 12 times, the Credit Risk Management Committee met four times, and the Operational Risk Management Committee met twice to discuss policies for each risk. Reports were also made to the Board of Directors on the status of integrated risk management, market liquidity risk and credit risk semiannually. In addition, Audit and Inspection Division, which is independent from the audited divisions, conducts internal audits of the headquarters, branches, subsidiaries, etc., and reports the results of internal audits, matters pointed out, etc., to the "Internal Audit Committee" and the Board of Directors on a monthly basis. Top-level Risk Meetings were also held regularly in all divisions and group companies. Discussions with outside Directors and Audit & Supervisory Board Members were held to report to the Board of Directors on the status of responses to key initiatives and the results of deliberations on the selection of risk items. The state of cyber-attack occurrence and strengthening of countermeasures thereto, and management systems for cyber-attacks, etc., were regularly reported to the Board of Directors. We conducted drills to set up an emergency headquarters in anticipation of the occurrence of critical situations and to handle important businesses and communications drills for the initial response in the event of a complete ATM failure on a holiday. Besides, revised the "Manuals for Response to Large-Scale Typhoons" based on storm and flood damage drills in anticipation of a major typhoon. We also worked out appropriately by reporting the status of response to COVID-19 and BCP measures to the Board of Designated Directors. (Basic Policy 1 (1) – (5) and (7))

## 4. Ensuring the proper operations at the Chiba Bank Group

The Group Chief Officers are assigned responsibility for their areas of supervision, thereby creating a group-wide corporate management system. In addition, we assign responsible Directors to supervise each group company, dispatch Audit & Supervisory Board Members, oversee the compliance and risk management of each company via Compliance and Risk Management Division, and conduct internal audits at each company via the Bank's internal audit units, thereby ensuring proper operations at the Chiba Bank Group, based on the "Group Companies Management Regulations." The Group Supervision Committee is held twice for the purpose of grasping the business conditions and various issues of each group company, and the Group Promotion Committee, in order to realize synergistic effects through further cooperation among the Bank and group companies, is held twice. Group Strategy Division was newly established to oversee overall business execution, including sales and administrative aspects, in order to realize integrated group management and sophisticated group governance. Additionally, from the perspective of clarifying responsibilities, the department in charge of operations at each company was designated as one department at one company, and the scope of group-wide management of management resources, which had been

conducted only for risk management, was expanded, and management departments were designated for each management resource. (Basic Policy 5)

5. Ensuring the effective audit by Audit & Supervisory Board Members

The Bank has adopted an Audit & Supervisory Board system. Audit & Supervisory Board Members conducted objective and reasonable audits through means such as attendance at meetings of the Board of Directors and other important meetings, checks on important documents, onsite audits at headquarters and branches, holding of interviews with Directors and General Managers, and having group-wide Audit & Supervisory Board Members Meetings. In addition, Audit & Supervisory Board Members regularly exchange opinions with Representative Directors and Outside Directors, and the system has established for receiving direct monthly reports from Audit and Inspection Division on the results of audits, etc. through the Internal Audit Committee. The Audit & Supervisory Board Members hold three-way audit liaison meetings, etc. Through close cooperation, the Audit & Supervisory Board Members strive to improve the effectiveness of their auditing functions. Audit & Supervisory Board Members also maintain close coordination with internal audit units and the Accounting Auditor. In order to facilitate the smooth operation of audits and other operations by Audit & Supervisory Board Members, the Bank has established the Audit and Supervisory Support Office, which is independent from the business executives, and the General Manager of the Audit & Supervisory Board Member's Office is responsible for these roles and for prompt reporting to, communication with, and close cooperation with the Audit & Supervisory Board Members. (Basic Policy 1 (6), 3 (3), 6, 7 and 8)

## 2. Basic Stance on Eliminating Antisocial Forces and the Progress of System Development

1. Basic stance on eliminating antisocial forces (basic policies)

The Bank's basic policy is to firmly oppose and eliminate antisocial forces that threaten the order and safety of society and that undermine healthy economic and social development.

2. Progress of system development for eliminating antisocial forces

(1) Responsible divisions and persons in charge of prevention of damage from antisocial forces

The division responsible for compliance manages and administrates efforts to eliminate antisocial forces. We also allocate persons in charge of prevention of damage from antisocial forces at all business bases.

(2) Links with external organizations

The Bank maintains links with police authorities and lawyers on a regular basis as a structure to provide appropriate countermeasures against unreasonable demands.

(3) Collection and management of information concerning antisocial forces

We concentrate information concerning antisocial forces at the division responsible for compliance to allow unified management of such information by the division.

(4) Development of the response manual

We have the Compliance Manual and the Regulations Concerning the Prevention of Damage from Antisocial Forces, which set forth basic matters toward eliminating antisocial forces, and a practical manual that covers specific methods to respond to antisocial forces.

(5) Status of implementation of trainings

We provide thorough training to employees on basic policies for firmly opposing and eliminating antisocial forces and specific methods to respond to antisocial forces through level-specific and operation-specific training and e-learning programs, etc.

## V. Other

### 1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not Adopted
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Supplementary Explanation
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Not applicable.
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### 2. Other Matters Concerning Corporate Governance System

#### 1. Basic stance on information disclosure

In order to establish the trust of stakeholders including customers, shareholders, employees, and regional communities and to enhance the transparency of management, the Bank will disclose information in a fair, timely, and appropriate manner so that stakeholders can understand it easily.

#### 2. Information subject to disclosure and method of disclosure

The Bank will disclose information in accordance with the Companies Act, the Banking Act, the Financial Instruments and Exchange Act, the Timely Disclosure Rules set forth by the Tokyo Stock Exchange, and other related rules and regulations, etc. If important corporate information is found, the Bank will make proper public announcement immediately pursuant to the Timely Disclosure Rules, and posts the same content on the Bank's website promptly.

Aside from such information, in response to the needs of stakeholders, we will actively disclose information voluntarily on such matters as management policies and business content through the use of the Internet and printed publications, etc.

#### 3. Internal structure concerning disclosure

The Bank complies with laws and regulations and to establish and pursue corporate ethics based on corporate code of conduct. Disclosure required by related laws and regulations and voluntary disclosure are conducted properly pursuant to the provisions of various regulations.

Corporate information subject to timely disclosure is concentrated at Corporate Planning Division and is monitored and managed pursuant to internal rules. The Corporate Planning Division discloses information in a timely manner based on the approval of President and responsible Directors in charge for disclosure, timing of disclosure and contents, obtained in accordance with internal rules (including reports to the Board of Directors and the Board of Designated Directors as appropriate), after the compliance divisions examine the legal requirements, etc. as necessary.

In addition, the properness of the procedures for disclosure is validated and assessed by the Audit and Inspection Division, which is the division responsible for internal audits, and is reported to management.

[Administrative actions against the Bank and the Bank's consolidated subsidiary, Chibagin Securities Co., Ltd. ("Chibagin Securities") and future initiatives]

On June 23, 2023, Chiba Bank was issued with business improvement order for situations where a problem related to the investors protection is recognized by the Kanto Local Finance Bureau, pursuant to Article 51, Paragraph 2 of the Financial Instruments and Exchange Act, regarding the financial instruments intermediary business related to the solicitation and sales of structured bonds. In accordance with Article 51 of the Financial Instruments and Exchange Act, Chibagin Securities was issued with Business Improvement Order from the Kanto Local Finance Bureau regarding business operations that violate the suitability principle for solicitation sales of structured bonds.

Chiba Bank and Chibagin Securities have accepted this situation with the utmost gravity, and we will continue our efforts to improve operations and prevent a recurrence of these issues while striving to rebuild the trust of all of our stakeholders, including our customers.

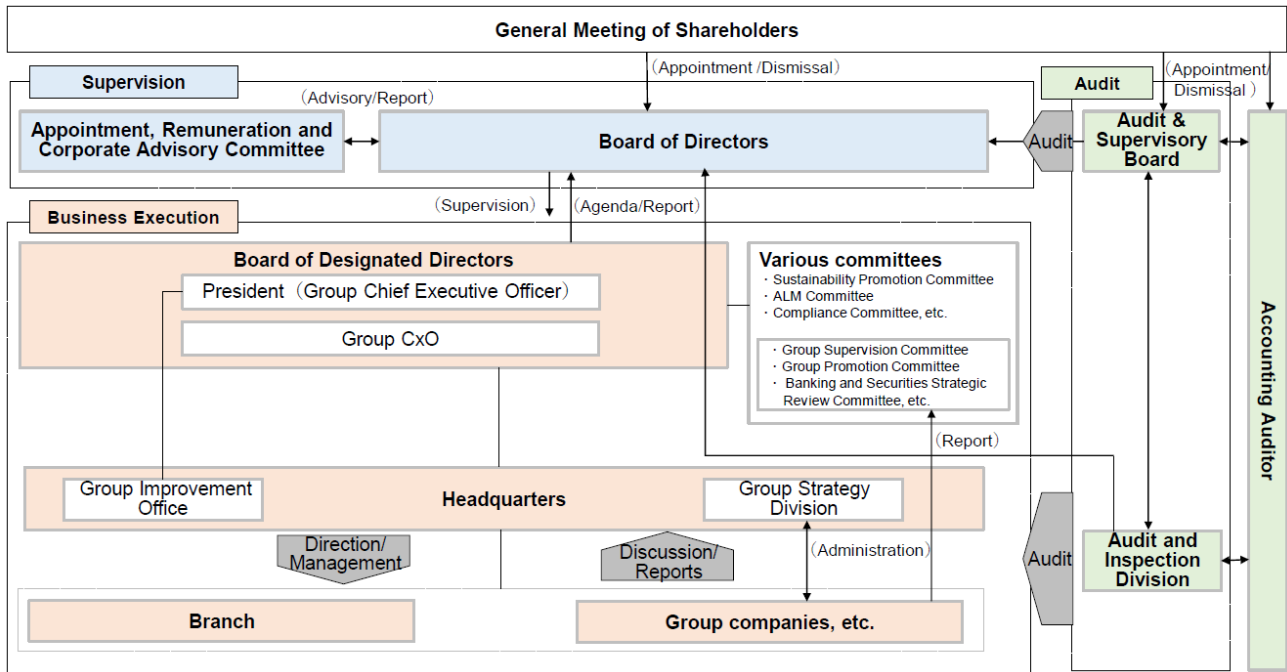
The Bank and Chibagin Securities submitted their respective business improvement report to the Kanto Local Finance Bureau based on their respective business improvement orders.

Release ([https://www.chibabank.co.jp/english/pdf/topic20230724\\_01.pdf](https://www.chibabank.co.jp/english/pdf/topic20230724_01.pdf))

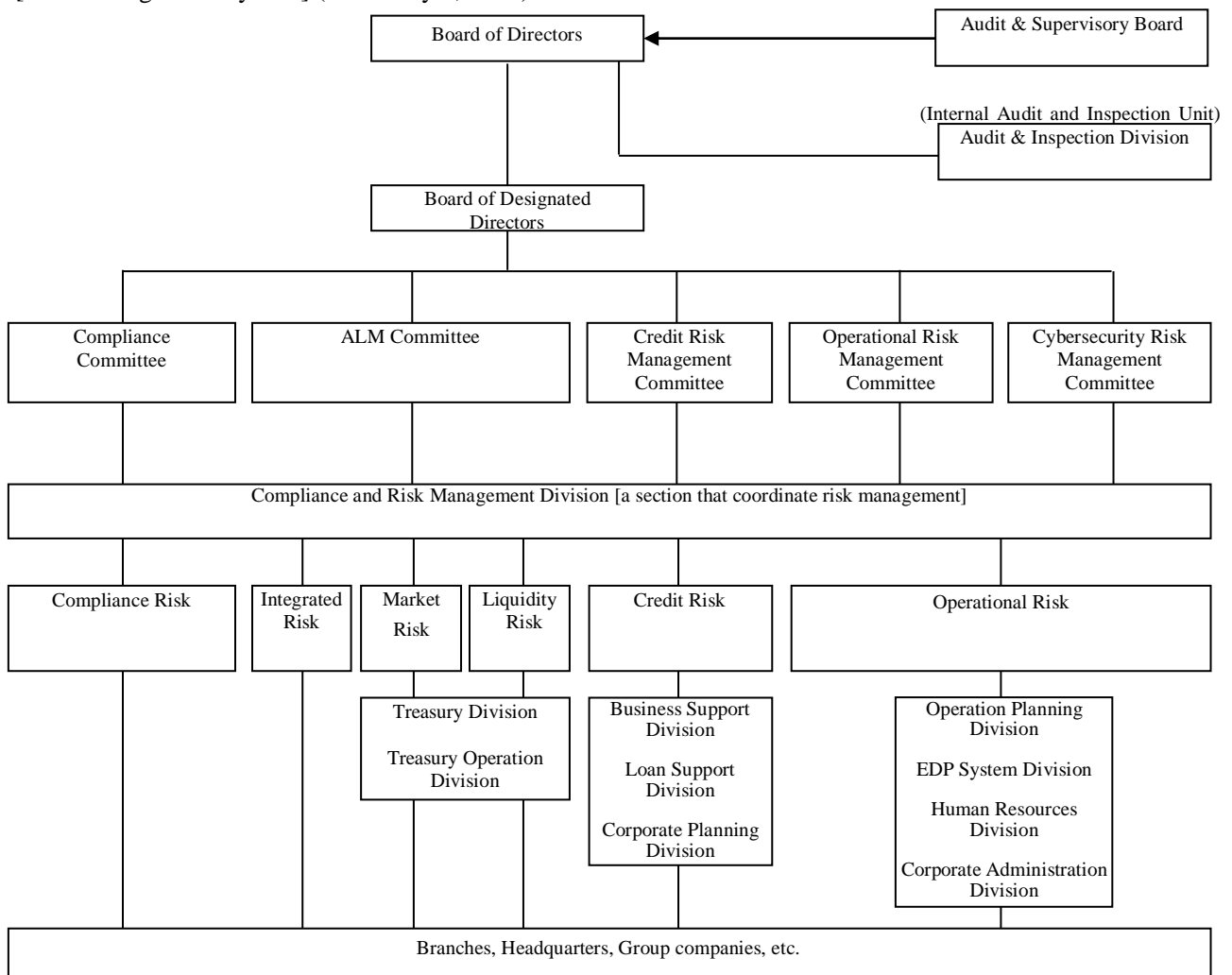
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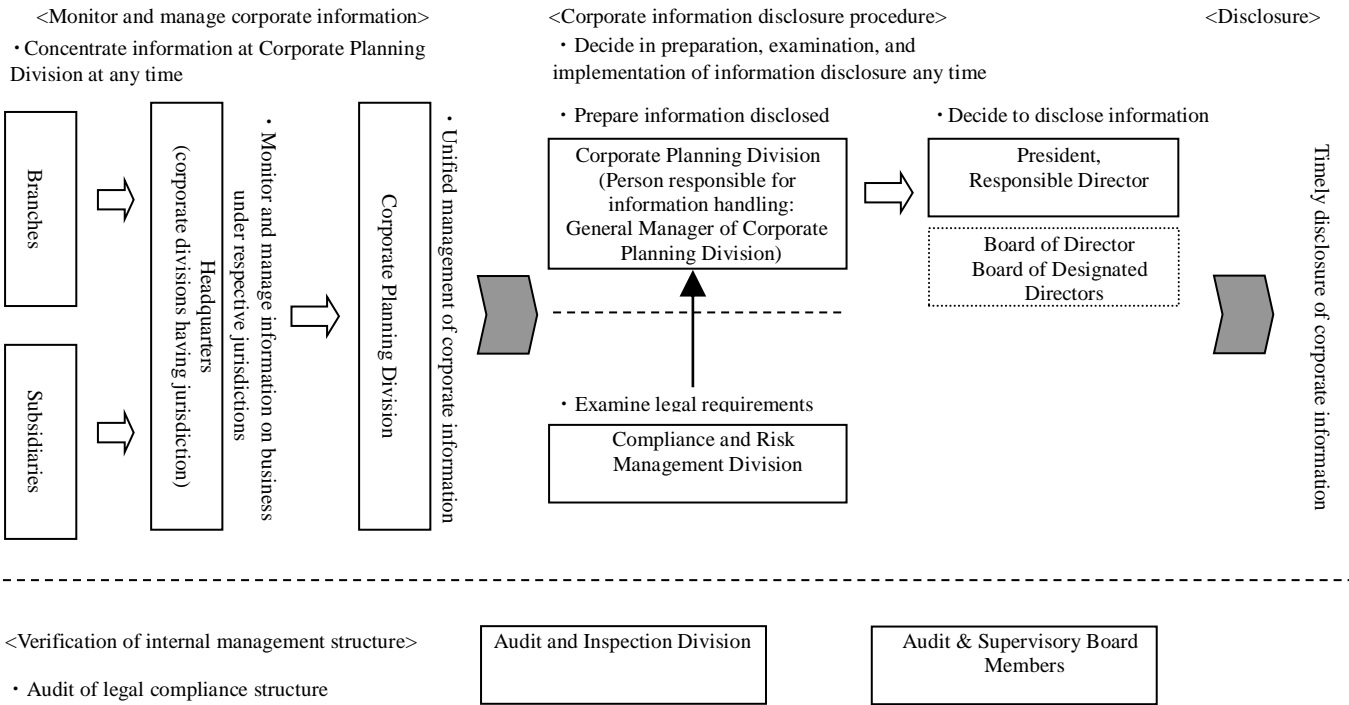
[Corporate Governance System] (As of October 2, 2023)



[Risk Management System] (As of July 3, 2023)



[Status of internal systems relating to timely disclosure of corporate information] (As of July 3, 2023)





[Skills Matrix]

List of Directors and Audit & Supervisory Board Members		Expertise and Experience of Directors and Audit & Supervisory Board Members					
Name	Position	Corporate management/ Organizational management	Corporate finance and accounting/ Finance	Risk management/ Legal affairs	Regional sales/ Regional revitalization	International businesses/ Market operations t	IT/ Digital technology
Hidetoshi Sakuma	Chairman	●	●	●	●	●	●
Tsutomu Yonemoto	President	●	●	●	●	●	●
Kiyomi Yamazaki	Director	●	●	●	●	●	
Mutsumi Awaji	Director	●	●	●	●		●
Takashi Makinose	Director		●	●	●	●	
Masayasu Ono	Director	●	●	●	●	●	
Yuko Tashima	Outside Director	●		●			
Yasuko Takayama	Outside Director	●		●			
Takahide kiuchi	Outside Director		●	●		●	●
Hironaga Fukuo	Audit & Supervisory Board Member	●	●	●	●		
Kazuhiro Kikuchi	Outside Audit & Supervisory Board Member	●	●	●	●	●	
Norikazu Takahashi	Outside Audit & Supervisory Board Member	●	●	●		●	●
Chigusa Saito	Audit & Supervisory Board Member	●	●	●	●		
Wataru Takahashi	Outside Audit & Supervisory Board Member	●	●	●	●		

※The matrix does not exhaustively show the specialty and experience of each of the Directors and Audit & Supervisory Board Members.