

# Compliance

## Compliance Structure

The Chiba Bank is constantly working on making compliance activities even more effective. We are determined to conduct all of our business activities fairly and in good faith, by complying with all laws and regulations relating to banking transactions, by observing all internal rules and regulatory requirements pertaining to our role in society and by avoiding actions that would fall short of normal social expectations.

Specific action plans and measures to ensure compliance are formulated at regular meetings of the Compliance Committee. This committee is chaired by the President and consists of directors, executive officers, and divisional general managers.

The Compliance Division is responsible for various compliance related tasks, including the administration of compliance regulations and manuals, the preparation and monitoring of training programs and periodic checks on the compliance situation. They also monitor branch-level compliance and provide advice.

## Consistent Implementation of Basic Policies

We have a clearly defined code of conduct for employees in the form of the Chiba Bank Code of Ethics. To ensure that these rules are understood and observed, all employees receive a copy of our Compliance Manual, which contains specific guidelines.

## Compliance Program

Every year, the Board of Directors establishes a compliance program to provide a specific action plan for achieving further improvements in compliance activities. The execution of this program is checked on a regular basis by the Board of Directors and Compliance Committee.

### The Chiba Bank Code of Ethics Earning Unwavering Trust

Remaining constantly aware of the social responsibility and public mission of a bank, the Chiba Bank will strive to earn the unwavering trust of society through sound, appropriate business operations based on the principle of accountability.

### Thorough Compliance with Laws, Rules and Other Fundamental Principles

Complying strictly with all laws and rules and never deviating from social standards, the Chiba Bank will conduct fair and honest business activities.

### Opposition to Antisocial Forces

The Chiba Bank will firmly oppose antisocial forces and groups that threaten the order and safety of society and that undermine healthy economic and social development.

### Transparent Management

The Chiba Bank will provide active and fair disclosure of management information and manage its operations in a transparent manner.

## Protecting Customers and Personal Information

To protect customers and offer them greater convenience, employees of the Chiba Bank receive guidance and training designed to ensure that everyone conducts business with sincerity and fairness. We pay particular attention to complex financial products with risks that include the possible loss of principal and to derivative transactions. In these cases, we comply with the Financial Instruments and Exchange Law and always perform proper solicitation and sales activities in line with the Chiba Bank Solicitation Policy. Furthermore, we plan to upgrade follow-up activities for customers who use these types of financial products.

## Prevention of Money Laundering and Financial Crimes

The Chiba Bank has established the Management Policy to Prevent Money Laundering and Terrorism Financing Activities and follows this policy in making thorough efforts aimed at preventing these problems. In addition, we are reinforcing measures to protect customers from a variety of financial crimes.

## Opposition to Antisocial Forces

The Chiba Bank maintains links with police authorities, lawyers, and other external organizations as a structure to provide appropriate countermeasures against unreasonable demands, interference, or other inappropriate approaches from antisocial forces.

Moreover, the Bank has added organized crime disclaimers to all transaction documentation, particularly deposit account regulations, bank transaction agreements, and loan agreements, and is actively adding more measures to counteract antisocial forces.

### Management Policy to Prevent Money Laundering and Terrorism Financing Activities

The Chiba Bank recognizes the importance of preventing money laundering and terrorism financing activities ("money laundering, etc.," hereinafter) and has established appropriate internal systems for the prevention of money laundering, etc.

### Unified Control

The roles and responsibilities of managers and others who are responsible for preventing money laundering, etc., are clearly defined and control is centralized based on the suitable cooperation of all related departments.

### Appropriate Administrative Procedures

The Chiba Bank has established and upgraded administrative procedures that are needed for the prevention of money laundering, etc., such as verification of customer identification, confirmation of frozen assets and other measures, and reports about suspicious transactions.

### Employee Training Programs

There are continuous employee training programs on the prevention of money laundering, etc., to ensure that all employees are aware of the related laws and regulations and administrative procedures.

### Verification of Effectiveness

The Chiba Bank monitors its internal management system regarding the prevention of money laundering, etc., verifies the effectiveness of these systems, and takes additional steps to upgrade these systems based on the outcomes of monitoring.