

Corporate Governance



Basic Stance

The Bank bases all of its corporate activities on the Chiba Bank Code of Ethics, which includes “earning unwavering trust,” “thorough compliance with laws, rules and other fundamental principles,” “opposition to antisocial forces,” and “transparent management.” Under the medium term management plan “Best Bank 2020 Final Stage—3 years of value co-creation” (FY2017–FY2019), we have raised “positive and active

action on ESG issues” as an initiative to be addressed, and we are working to advance the level of corporate governance.

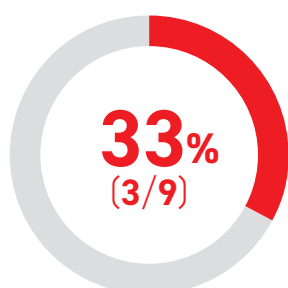
We will abide by and achieve these principals as we contribute to realizing sustainable regional communities through appropriate cooperation with diverse stakeholders, while achieving sustainable growth and enhancing corporate value over the medium to long term.

Initiatives to Strengthen Corporate Governance

2003	Introduced the executive officer system	2015	Appointed two female outside directors Established the Corporate Advisory Committee (currently the Appointment, Remuneration and Corporate Advisory Committee)
2010	Abolished directors’ retirement benefits Introduced equity-based remuneration in the form of stock options	2018	Formulated the Information Disclosure Policy Introduced the Group Chief Officer System Raised the ratio of outside directors on the Board of Directors to one-third
2011	Put the Audit and Inspection Division under direct control of the Board of Directors		
2013	Appointed an outside director		
2015	Began evaluating the effectiveness of the Board of Directors		

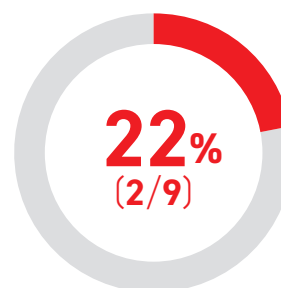
Governance Highlights

<Ratio of Independent Outside Directors>



- Organizational structure : Company with an audit & supervisory board
- Number of Directors : 9
- Number of outside directors : 3 (All of them are independent officers.)
- Number of female directors : 2
- Number of the Audit & Supervisory Board members : 5

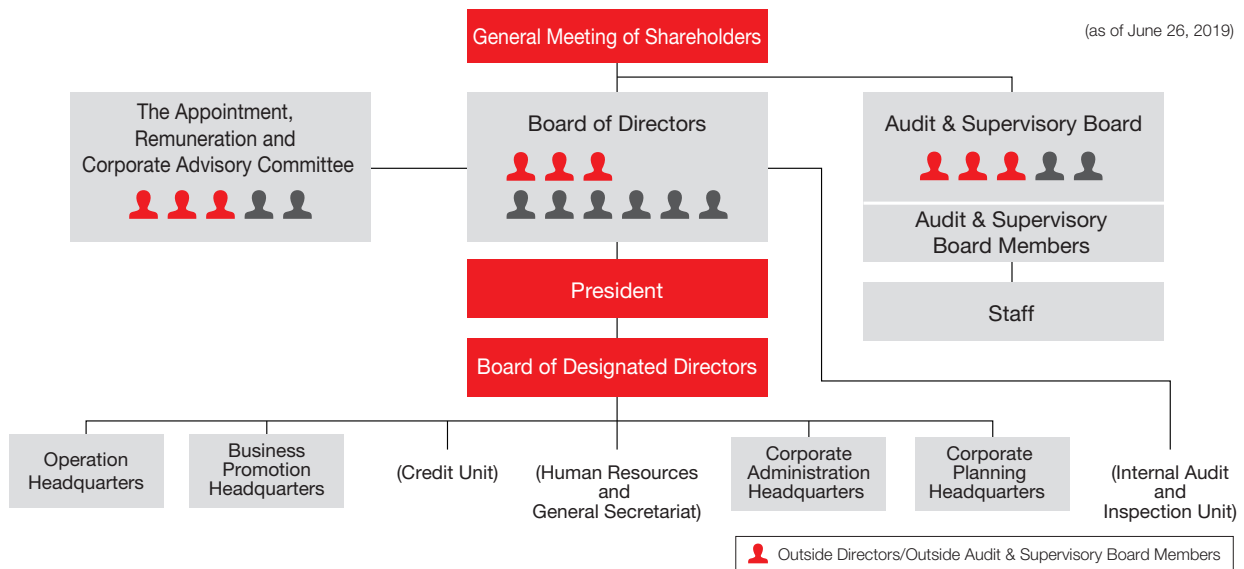
<Ratio of Female Directors>



- Number of outside Audit & Supervisory Board members : 3 (All of them are independent officers.)
- Number of executive officers : 15
- Number of female executive officers : 2
- Attendance rate of the Board of Directors meetings : 100%
(attendance rate for outside directors: 100%)
*For the Board of Directors meetings held in FY2018

(As of June 26, 2019)

Corporate Governance Structure



Board of Directors

The Board of Directors consists of nine directors, including three independent outside directors (outside directors make up one-third of the total number of directors). The Board of Directors makes decisions about management policies and other important matters and supervises the execution of business by the directors and executive officers.

The Bank has also 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.

■ Main agenda items and decisions in FY2018

	Main decisions and reports	
1 st quarter	<ul style="list-style-type: none"> Policy for the main frame and sub system Information disclosure policy Corporate governance system Status of alliance activities 	<ul style="list-style-type: none"> Progress of the medium term management plan Status of management of trust business and inheritance-related services
2 nd quarter	<ul style="list-style-type: none"> System Development to improving operational efficiency Initiatives for customer-oriented business operations External evaluation of the internal audit system 	<ul style="list-style-type: none"> Progress of appointment of women in management positions Domestic business plans for the second half Market and overseas business plans for the second half
3 rd quarter	<ul style="list-style-type: none"> Effectiveness evaluation of the Board of Directors by an external organization Progress of the reconstruction of the a new head office building Announcement of common KPIs for sales of investment trusts 	<ul style="list-style-type: none"> Responses to organized crime, etc. Corporate Governance Report Measures to prevent money laundering and funding for terrorism
4 th quarter	<ul style="list-style-type: none"> Revision of the headquarters structure Cybersecurity management Business performance planning 	<ul style="list-style-type: none"> Investment, expense budget, and personnel plan Compliance program Internal audit plan

Corporate Governance

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, and perform audits of the headquarters and branches to conduct objective and reasonable audits of the status of business execution. We believe that this system provides an adequate management supervisory function.

Appointment, Remuneration and Corporate Advisory Committee

For appointment and dismissal of directors 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 of procedures. The Board of Directors selects the committee members, a majority of which are independent outside directors.

Policies for Appointment and Dismissal of Representative Directors and Nomination of Directors

<Candidates for Internal Directors>

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. 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

<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 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.

<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.

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.

Reasons for the Appointments of Outside Directors and Audit & Supervisory Board Members

The Bank appoints outside directors who are deemed to be capable of contributing to the enhancement of corporate value over the medium to long term, through a further enhancement of the decision-making and

supervisory functions of the Board of Directors, by leveraging the knowledge and experience of said persons in the Bank’s management.

Name (Appointment)	Reasons for Appointment as Outside Director
Tomoyuki Yokota (June 2017)	Has a high level of expertise as a judge and attorney, with experience as a Supreme Court Justice and an advisor at a law firm, etc.
Yuko Tashima (June 2015)	Has a high level of expertise as an attorney, with experience as an outside director at other non-financial companies as well as experience in public service, including as a member of the Financial System Council of the Financial Services Agency
Yasuko Takayama (June 2015)	Has experience as a manager of customer service and CSR divisions and as a standing Audit & Supervisory Board member of a major cosmetics company, as well as experience as an outside director at other non-financial companies

The Bank appoints outside Audit & Supervisory Board members who are deemed to help further strengthen the audit function by

leveraging the knowledge and experience of said persons in the Bank’s management.

Name (Appointment)	Reasons for Appointment as Outside Audit & Supervisory Board Member
Tomohiko Sakamoto (June 2017)	Has a high level of expertise gained through experience as a branch manager, Director-General, Administration Department, and other positions at the Bank of Japan as well as extensive knowledge in finance overall
Kazuhiko Ishihara (June 2017)	Has a high level of expertise and extensive knowledge of overall administration gained through experience as Deputy Director-General of Minister’s Secretariat, Ministry of Finance, Director-General, Okinawa Development and Promotion Bureau, Cabinet Office, and other positions
Masakazu Yoshida (June 2019)	Has abundant experience of public administration and extensive knowledge gained through experience as Director General of the Public Enterprises Agency, Chiba Prefectural Government, etc. and has served as Representative Director and President and in other positions at a non-financial company

Support Systems for Outside Directors and Audit & Supervisory Board Members

<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>

The Bank designates assistants to Audit & Supervisory Board members who do not serve concurrently in positions involved in the execution of business operations. The assistants are employees who assist with the duties of Audit & Supervisory Board members. In order to ensure the independence from directors, the Bank obtains the consent of Audit & Supervisory Board members

regarding personnel change, etc. of such assistants to Audit & Supervisory Board members. In addition, 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.

Remuneration of Directors and Audit & Supervisory Board Members

Remuneration of the Bank’s directors is determined by the Board of Directors based on the remuneration regulations established by the Board of Directors, following deliberations by the Appointment, Remuneration and Corporate Advisory Committee, whose members include a majority of independent outside directors, to ensure transparency, fairness, and rationality. To function as a sound incentive for directors to strive for sustainable growth and enhance

corporate value over the medium to long term, equity-based remuneration in the form of stock options, linked to the Bank’s medium- to long-term earnings performance, is provided as a component of the remuneration packages. From the standpoint of emphasizing soundness as a financial institution, the Bank has not introduced remuneration linked to short-term earnings performance.

■ Remuneration Policies

- Director remuneration consists of a fixed portion comprising fixed remuneration based on rank, and a variable portion comprising fluctuating remuneration linked to stock price performance. However, outside directors only receive fixed remuneration.
- Fixed remuneration based on rank is paid to match the weight of responsibility for each position.
- The ratio of fixed remuneration based on rank to variable remuneration (equity-based remuneration in the form of stock options) is 80:20.

■ Remuneration Determination Procedure

- Remuneration of a director shall be determined by resolution of the Board of Directors within the scope of the total remuneration for directors established by resolution of the General Meeting of Shareholders.

Group Management Systems

The Group Chief Officer 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. Moreover, a responsible director is assigned to supervise each group company and meetings of the Group Supervision Committee are held to strengthen understanding, administration, and supervision of the management status of group companies. 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)

Evaluation of the Effectiveness of the Board of Directors

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 FY2018, the Bank conducted a questionnaire survey and interviews of each

director and Audit & Supervisory Board member with the assistance of a third-party specialized organization to objectively verify the effectiveness of the Board of Directors, and carried out an effectiveness evaluation using their results as reference.

The overview of the results of the evaluation of the effectiveness of the Board of Directors for FY2018 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, value customers and share the common goal and recognition to work together toward the growth of the Bank and Chiba Prefecture over the medium to long term, and are fulfilling their respective responsibilities with a strong sense of unity in the Board of Directors as a whole.
 - Systems are in place and maintained to allow the Board of Directors to perform its functions, and Audit & Supervisory Board members are also contributing to the improvement of the discussion quality in the Board of Directors, by actively making comments from perspectives different from those of directors.
 - Based on the results of the effectiveness evaluation for FY2017, the Bank and its group companies strengthened the management systems, through the adoption of the Group Chief Officer System. The Bank also provided occasions to discuss medium- and long-term issues by holding meetings of directors for information sharing and by other means. As a result, discussions at the Board of Directors have become further activated.
- (2) The Bank recognizes that it is important to continue discussions on medium- and long-term issues, further strengthen the group management systems, and deepen discussions on matters related to governance at the Appointment, Remuneration and Corporate Advisory Committee, while maintaining the direction of the current initiatives. Through these efforts, the Bank will strive to further enhance the effectiveness of the Board of Directors.

Compliance

The Bank is committed to compliance and enhancement of the administration including the protection of customers.

Compliance Structure

The Bank positions compliance at the foundation of all its business operations, and believes it important 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. The Bank thus constantly works to strengthen compliance across the bank.

As for specific measures, the Bank regularly convenes the Compliance Committee, which

is chaired by the President and consists of directors, executive officers, and general managers as members, to review concrete practical plans and measures, etc. to ensure compliance.

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.

The Chiba Bank Code of Ethics

Earning Unwavering Trust

- ① Remaining constantly aware of the social responsibility and public mission of a bank, the 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

- ② Complying strictly with all laws and rules and never deviating from social standards, the Bank will conduct fair and honest business activities.

Opposition to Antisocial Forces

- ③ The 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

- ④ The Bank will provide active and fair disclosure of management information and manage its operations in a transparent manner.

Formulation of 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.

Protecting Customers and Personal Information

To protect customers and offer them greater convenience, employees of the 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 Act 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.

We sincerely listen to requests and complaints from customers and properly deal with disputes, if any, in accordance with the purport of the financial ADR system*1. We

regard personal information*2 as a valuable asset entrusted to us by our customers and strictly manage customer information in accordance with the Pronouncement of Policies Concerning Appropriate Protection and Utilization of Personal Information (Pronouncement Concerning Protection of Personal Information).

*1 The financial ADR system is an out-of-court dispute settlement procedure in the financial sector, designed to solve disputes in a simplified and prompt manner without going to court through the involvement of a fair and neutral third-party organization. The Bank has signed a basic agreement to implement the procedure with the Japanese Bankers Association and the Trust Companies Association of Japan, which are designated dispute resolution organizations under laws and regulations.

*2 Personal information includes personal identification numbers and specific personal information that includes a personal identification number.

The Chiba Bank Solicitation Policy

Remaining constantly aware of social responsibility and public mission of a bank, the Bank strives to earn the unwavering trust of society through sound, appropriate business operations based on the principle of accountability. Complying strictly with all laws and rules and never deviating from social standards, the Bank conducts fair and honest business activities.

The Bank sets out the following policy, based on the stance of compliance with laws and regulations, for performing solicitation for sales, etc. of financial instruments in conducting day-to-day sales activities.

- 1 The Bank will solicit customers for products that are suitable for them taking into consideration the asset management experience they have, the status of financial assets they own, and the purpose and timeframe for the investment.
- 2 The Bank will provide explanations and information on matters necessary for making asset management decisions to ensure that customers can carry out transactions only after they adequately understand details of the products and possible risks involved.
- 3 The Bank will not make any solicitation that might mislead customers by providing inaccurate information, offering assertive judgment on the price trends of products, etc.
- 4 The Bank will give top priority to customers' convenience when making solicitation.
- 5 The Bank will strive to enhance training to help employees broaden their knowledge so that the Bank can provide high quality financial services to customers.
- 6 The Bank will respond to requests and feedback from customers promptly and appropriately.

Pronouncement of Policies Concerning Appropriate Protection and Utilization of Personal Information

The Chiba Bank sets out the following policy for handling personal information of customers considering that personal information requires cautious handling with respect for personality of individuals, and pays the utmost attention to protecting the rights and interests of our customers.

- 1 The Bank will strictly observe laws, regulations, and rules related to the protection of personal information, and appropriately protect and use personal information.
- 2 Unless provided otherwise by laws and regulations, the Bank will not use personal information beyond the scope necessary for the achievement of the purpose of use that the Bank has notified customers of.
- 3 The Bank will take necessary and appropriate safety management measures to prevent leakage, loss, or damage of personal information and for other safety management of personal information.
- 4 The Bank will continuously review the systems for the protection of personal information and improve them in a timely and appropriate manner.
- 5 The Bank will appropriately and promptly respond to feedback from customers regarding handling of personal information.

Initiatives to Prevent Money Laundering and Financial Crimes

Responding to changes in the internal and external environments, the Bank appropriately evaluates risks of money laundering and financing terrorism involved in transactions it

carries out, and takes measures responding to the risks involved. In addition, we are reinforcing measures to protect customers from a variety of financial crimes.

Management Policy to Prevent Money Laundering and Terrorism Financing Activities

The 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.

- 1 **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.
- 2 **Appropriate Administrative Procedures**
The Bank has established and upgraded appropriate 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.
- 3 **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.
- 4 **Verification of Effectiveness**
The 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.

Opposition to Antisocial Forces

The 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 put organized crime disclaimers in various contract documents and

deposit account regulations, and is actively taking measures to eliminate relationship with antisocial forces.

Furthermore, the group companies are also taking measures similar with those of the Bank to counteract antisocial forces, and the status of implementation of such measures is controlled and managed by the Bank.

Risk Management

Recognizing that it is extremely important to accurately grasp and analyze risks and manage and operate them, the Bank works to strengthen and reinforce the risk management system.

Integrated Risk Management System

The principal forms of risk to which banking operations are subject include credit risk, market risk, and operational risk.

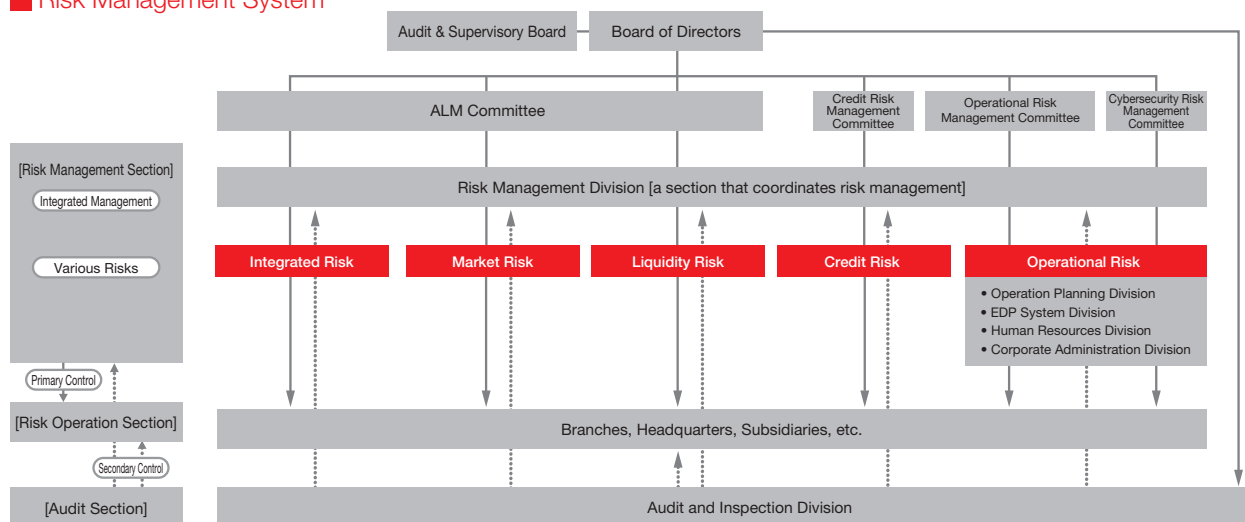
In order to improve profitability and ensure sound management, the Bank considers it necessary to not only individually manage each of these forms of risk, but also to centrally monitor those risks to control them within acceptable overall limits.

Accordingly, the Bank assigns divisions to manage risks for each form of risk, and the Risk Management Division centrally monitors these risks and discusses risk countermeasures at meetings of the ALM Committee, the Credit Risk Management

Committee, the Operational Risk Management Committee, and the Cybersecurity Risk Management Committee. The Risk Management Division controls the development and operation of the risk management system, and Group Chief Risk Officer reports the status of risks to the Board of Directors.

To ensure an effective risk management system, the Audit and Inspection Division periodically conducts audits to determine whether risk is appropriately managed and reports the audit results to the Board of Directors.

■ Risk Management System



Integrated Risk Management

The basis of risk management at the Bank is the integrated management of various risks using uniform measures to the extent possible. The term “integrated risk” refers to the sum of credit risk, market risk, and operational risk measurement, which are forms of risk that can be managed by means of risk quantification.

The Risk Management Department in the Risk Management Division, the section responsible for integrated risk management, conducts a comparison of quantified integrated risk and capital, verifies the adequacy of capital with respect to risk, and reports the results quarterly to the Board of

Directors. The department also conducts stress tests, a means of verification of capital adequacy in times of stress that involves the assumption of certain stress scenarios, such as deterioration of the corporate environment in a period of recession, or a decrease in land prices, and forecasting the increase in the amount of risk based on the scenarios.

The Bank has introduced a risk capital allocation system as a concrete framework for integrated risk management. The Chiba Bank has also introduced and utilizes a risk appetite framework (RAF) (please see page 68), which it uses to control the occurrence of losses. The framework monitors the

current status of risk capital use and risk-return performance in each business sector

and performs scenario analysis predicated on future environmental changes.

Credit Risk Management

Credit risk is the risk of incurring a loss because of a decline in, or total loss of, the value of owned assets as a result of deterioration in the financial soundness of debtors.

The Bank has developed a rigorous credit risk management system centered on an internal credit rating system and engages in individual credit management and credit portfolio management. In the self-assessment of assets, the Bank implements appropriate write-offs and provisions.

<Internal Credit Rating System>

The Bank uses an internal credit rating system to place borrowers into 15 credit rating categories on the basis of financial data such as financial condition and cash flow. We strive to enhance the identification and examination of the financial circumstances at companies, by means of

<Individual Asset Credit Management>

The Bank examines individual applications for credit by engaging in rigorous investigations in accordance with screening criteria on the basis of the basic principles of credit (safety, profitability, liquidity, growth potential and public good). The Bank also provides support for the financial soundness of borrowers who need to improve their

<Credit Portfolio Management>

The Credit Risk Management Department in the Risk Management Division monitors the state of credit risk from various perspectives, such as by country, by industry, and by customer credit rating, and works to improve the quality of the credit portfolio by taking any necessary measures, including setting the maximum credit limit.

The Bank engages in the quantification of credit risk. The quantification of credit risk is the forecasting by statistical methods of the amount of future losses (the amount of risk) forecasted to occur due to circumstances such as borrower bankruptcy or worsening

The Audit and Inspection Division audits operations in the business units involved in credit risk management.

The Credit Risk Management Committee meets regularly and considers credit risk management policy, monitors the operation of the internal credit rating system and the credit portfolio, and works to ensure the quality of loan assets.

periodic annual reviews and reviews at other times in accordance with the status of individual debtors. The internal credit rating system is the core of credit risk management and is extensively used in actual management, such as credit pricing standards and approval authorization.

operations and engages in resolution and collection activities with regard to bankrupt debtors and other borrowers. The Bank strives to accumulate high-quality loan assets and minimize future losses through this practice of advanced screening and supervision after credit has been extended.

business performance. We measure value at risk (VaR: the assumed maximum loss) as the amount of risk, and accumulate and organize default data and loan recovery data from defaulted borrowers, in order to further refine and sophisticate the quantification of credit risk to improve the accuracy of forecasting.

In addition, we strive to ensure appropriate interest rate levels that reflect credit risk by utilizing the results of quantification of credit risk in loan pricing.

Amount of credit risk

The amount of credit risk calculated by quantification is divided into expected loss and unexpected loss. Expected loss represents the expected average loss incurred over the next one year, while unexpected loss represents the maximum volatility from expected loss expected over the next one year. As a general rule, expected loss is to be covered by provisions, while unexpected loss is to be covered by capital as potential loss.

Risk Management

<Self-Assessment of Assets>

Self-assessment of assets is the practice whereby financial institutions review and analyze their own assets individually and classify them on the basis of asset value impairment and the risk of default.

At the Bank, branches conduct self-assessment of assets on the basis of Asset Self-Assessment Regulations, and the credit screening and administrative sections check details of self-assessments. According to the

results of these assessments, the Risk Management Division calculates the amounts of provisions, and the Business Support Division implements write-offs. The Audit and Inspection Division conducts an audit to verify the accuracy and appropriateness of the self-assessment results, calculation of provisions, and write-offs. Through this process, the Bank firmly maintains the soundness of its assets.

Market Risk Management

Market risk is the risk of incurring a loss due to a change in the value of owned assets as a result of fluctuations in interest rates, prices of securities or other financial instruments, or exchange rates.

As part of the Risk Capital Allocation System, within the scope of the risk capital allocated to the business sectors, the Bank sets and manages risk limits for the amount of market risk (value at risk or VaR: the assumed maximum loss) for each product, such as securities investments and other market transactions or loans and deposits. In this way, we strive to ensure management soundness. In addition to VaR management

of market transactions, the Bank sets upper limits for market investments according to the balance and alarm point of valuation differences, and implements risk control by reviewing investment policy each quarter.

The market section is divided into the transaction execution unit (front office: the Treasury Division and overseas branches) and the business administration unit (back office: the Treasury Operation Division), and the risk management unit (middle office: the Market Risk Management Department in the Risk Management Division) has been established, creating a reciprocal and mutually reinforcing management structure.

Liquidity Risk Management

Liquidity risk consists of cash flow risk and market liquidity risk. Cash flow risk is the risk of incurring a loss due to failure to maintain cash flow as a result of the inability to secure necessary funds or the necessity of procuring funds at significantly higher interest rates than usual due to the worsening of the financial institution's financial position or other circumstances. Market liquidity risk is the risk of incurring a loss due to the inability to trade on markets or the necessity of trading at prices significantly less favorable than usual due to market turmoil or other circumstances.

At the Bank, the Treasury Division is the section that manages cash flow. The division ascertains the market environment and analyzes the state of investment and procurement of funds. With respect to cash flow risk, the division engages in appropriate day-to-day cash flow management through such means as the establishment of upper limits to ensure that the amount of funds procured on the market is not excessive and the maintenance of a certain minimum level of

assets as a liquidity reserve that can be converted to cash in a short time. In addition, the Bank manages market liquidity risk by setting limits on daily positions taken in market trading.

As the section that manages risk, the Market Risk Management Department in the Risk Management Division strives to avoid increases in liquidity risk by identifying and assessing various factors that affect liquidity risk and monitoring the observance of limits.

For the control of foreign currency liquidity risk, in particular, the Bank holds current assets in an amount that matches cash outflow in stress scenarios, such as the financial crisis and works to reduce a mismatch in procurement and investment of funds.

The Bank has established a business continuity plan that provides for a rapid response across the Bank in the event of unforeseen circumstances that could affect the Bank's cash flow.

Operational Risk Management

Operational risk is the risk of incurring losses due to the inappropriateness of business processes, activities of directors and employees, or systems or external events.

The Bank classifies operational risk into clerical risk, system risk, cybersecurity risk (please see page 67), human risk, tangible asset risk, and reputational risk. Human risk is the risk of a loss occurring due to workplace safety, discrimination or the like. Tangible asset risk is the risk of a loss occurring due to damage to buildings or facilities or the like. Reputational risk is the risk of a loss occurring due to loss of public confidence resulting from deterioration of the Bank’s reputation or the like.

In its risk management structure, the Bank decides the corporate divisions having jurisdiction over the various forms of operational risk (the Operation Planning Division for clerical risk, the EDP System Division for system risk and cybersecurity risk, the Human Resources Division for human risk, and the Corporate Administration Division for tangible asset risk) and these divisions collaborate in performing risk management

<Clerical Risk Management>

Clerical risk is the risk of incurring a loss due to the failure to perform accurate clerical work, clerical accidents or fraud, or the failure to perform official obligations or provide explanations to customers.

The Bank considers accurate clerical work to be essential to obtain the trust of customers, and the Operation Planning Division collaborates with the Risk Management Division to perform exact clerical work in accordance with basic procedures in the effort to prevent clerical accidents.

Specifically, the divisions prepare clerical standards that indicate detailed clerical procedures for each operation; ensure the correct handling of cash, promissory notes, passbooks, and other important items; provide guidance on clerical management systems at branches and headquarters; and

under the overall management of the Risk Management Department in the Risk Management Division. The Risk Management Department in the Risk Management Division directly manages reputational risk and the Compliance Division and corporate divisions that have jurisdiction over operational risks jointly manage legal risk and compliance-related risk included in the various risk categories.

The Bank has an Operational Risk Management Committee in place. On the basis of direct involvement by management, the committee receives reports concerning the state of operational risk losses and develops a management structure for improving and correcting problem areas by means of a PDCA cycle involving the preparation of a risk management plan (Plan), implementation of management in accordance with the management regulations (Do), and evaluation and improvement (Check & Action). To ensure the effectiveness of management by means of this PDCA cycle, the Bank has introduced Control Self-Assessment (CSA).

conduct training to raise the standard of clerical work.

The Operation Planning Division monitors and verifies the self-assessments conducted by the branches in the efforts to ensure clerical accuracy and raise the level of clerical work.

With regard to the auditing system, the Audit and Inspection Division visits all branches, and each division and office of the headquarters at least once a year, in principle, and conducts rigorous audits of all clerical work in accordance with auditing standards. The division promptly notifies the branches, and headquarters divisions and offices of the audit results, periodically reports to the Board of Directors, and implements a framework for reflecting audit results in clerical improvements.

Risk Management

<System Risk and Cybersecurity Risk Management>

System risk is the risk of incurring a loss resulting from a leak or falsification of information owned by the Bank or the unauthorized use, failure, or incorrect operation of computer systems.

Cybersecurity risk is the risk of incurring a loss from the occurrence of a risk event that falls under system risk due to cyber-attacks.

The Bank possesses customer transaction data and various other types of information and has developed systems to process that information. To ensure the provision of various services to customers, the role of computer systems in banking operations is increasing year by year, and a system risk event or a cybersecurity risk event would result in great inconvenience to customers.

At the Bank, the EDP System Division collaborates with the Risk Management

Division to implement various measures to ensure the stable operation of computer systems. As specific measures against system risk, the Bank duplicates hardware and circuits for account systems and other backbone systems to ensure continuation of business even in the event of a failure. In addition, the Bank has implemented a rigorous data management system, measures to prevent unauthorized access or the introduction of viruses, and the preparation of a contingency plan to provide for unforeseen circumstances such as large-scale disasters.

The Bank has continuously taken various measures to address cybersecurity risk for the safety and security of customers.

As part of audit procedures, the Audit and Inspection Division conducts audits of the entire computer systems.

Business Continuity System

In addition to the risk management system described above, at the Bank, the Risk Management Department in the Risk Management Division and other sections maintain a business continuity system to allow essential operations to continue for the preservation of the financial system during an unexpected disaster such as an earthquake or pandemic disease as well as the rapid

restoration of operations that the Bank would be forced to suspend during an emergency.

Currently, the Bank is upgrading its management systems, including its countermeasures against a large-scale earthquake such as an earthquake directly under the Tokyo metropolitan area, and a variety of risks such as complex disasters involving tsunami or volcanic eruptions.

Basel III Compliance

The Basel III capital adequacy regulation has been applied since the fiscal year ended March 31, 2013. Changes to the new regulation compared with the earlier Basel II regulation include tighter rules for items included in capital and an increase in the number of items excluded with the aim of improving the quality of capital. Other changes include additional provision for risks relating to transactions with large financial institutions and derivative transactions. Basel III consists of three pillars. Pillar 1 is a minimum capital ratio, which is the level of capital required to cover a bank's risk. Pillar 2 is the development of capital strategies by banks and verification by regulatory

authorities. Pillar 3 is the assurance of market discipline through the increased disclosure of information. Under the regulation, each bank selects a method of calculating minimum required capital according to its risk profile and risk management method.

The Bank has adopted the foundation internal ratings-based (FIRB) approach for credit risk and the standardized approach for operational risk (both approaches require the approval of regulatory authorities).

A number of new requirements will be introduced going forward, including the net stable funding ratio. The Bank is currently developing and strengthening management systems to comply with these regulations.

Risk Appetite Framework (RAF)

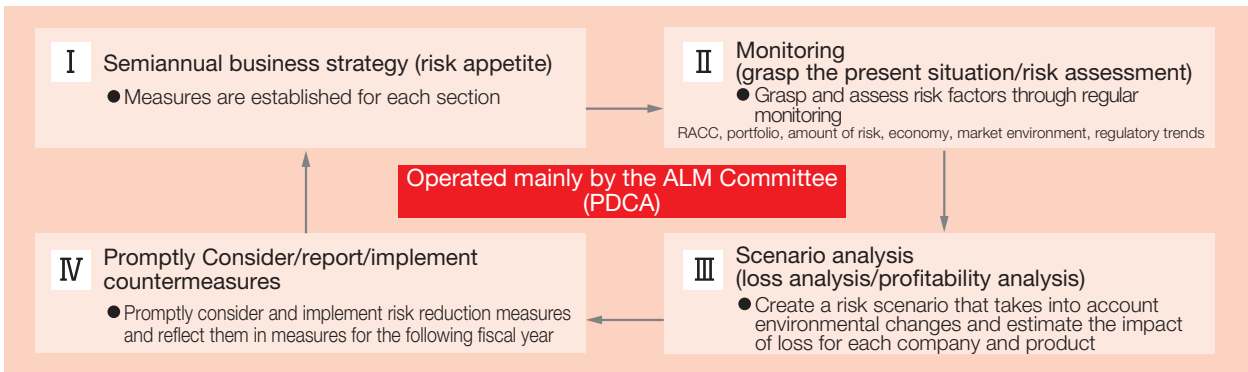
The Bank utilizes a risk appetite framework (RAF) as a system to verify the appropriateness of the risk-return balance and the estimated impact of loss in a stress scenario against its risk appetite (types and total amount of risk that needs to be assumed to achieve business plans).

Under the RAF, the Bank operates the risk capital allocation system, verifies the degree of capital adequacy by conducting stress tests, and verifies risk appetite based on concrete and highly probable scenario analysis that takes into account changes in the internal and external environment. Specifically, each division develops sales measures (risk appetite policy) at the beginning of each fiscal year, and periodically monitors changes in the external environment, such as economic conditions, markets, and regulations, and the status of the Bank’s portfolio. Based on detailed verification to see if there is any problem in the current status of

risk taking, the divisions consider and report concrete countermeasures and reflect them in measures for the following fiscal year. In addition, risk capital allocation is reviewed as necessary. RAF is thus positioned as a framework to ensure the sustainability of business model over the medium and long term and reduce the impact of loss at the time of occurrence of stress events.

The Bank monitors return after capital cost (RACC) to manage the actual amount of risk involved to earn returns. Using RACC, we verify whether or not we are earning profits that are commensurate with the amount of risk used by each division or we can withstand losses caused by economic fluctuations.

Through such operation of the RAF, the Bank is strengthening risk communication with the management team at the ALM Committee and the Board of Designated Directors.



Management Base to Support “Sustainable Management”

Internal Audit

At the Bank, the Audit and Inspection Division, which is independent of the units subject to auditing, verifies and evaluates the appropriateness and effectiveness of the internal management systems including compliance and risk management. The division also makes recommendations, etc. on improvement methods for problem areas, in order to ensure the sound and proper management of business operations.

The Audit and Inspection Division reports directly to the Board of Directors and conducts internal audits of branches, headquarters, Group companies, etc. in accordance with the Internal Audit Regulations and the Internal Audit Plan, a plan established every year. The division reports the results and findings of internal audits to

the Internal Audit Committee, which meets once a month, and to the Board of Directors on a monthly basis. Problem areas from the perspective of compliance and risk management and improvement measures are examined during this process.

In order to conduct efficient and effective internal audits, the Audit and Inspection Division works to conduct risk-based internal audits. In addition, the division strives to increase the sophistication of internal audits by taking measures, such as enhancing the check and supervisory functions, adapting to environmental changes, improving the audit quality, training specialized human resources, and strengthening audits of overseas branches and group companies.

(As of June 27, 2019)

Directors



Hidetoshi Sakuma
President
(Representative Director)
Group Chief
Executive Officer

- Apr. 1976 Joined the Bank
- Jun. 2003 Director, General Manager, Corporate Planning Division, the Bank
- Jun. 2006 Director and Managing Executive Officer, General Manager, Head Office, the Bank
- Jun. 2007 Director and Managing Executive Officer, Executive Officer in charge of Treasury Division and Treasury Operation Division, the Bank
- Mar. 2009 President, the Bank
- Jun. 2018 President, Group Chief Executive Officer, the Bank



Yukihito Inamura
Deputy President
(Representative Director)
Group Chief
Operating Officer

- Apr. 1986 Joined the Bank
- Jun. 2015 Executive Officer, General Manager, Human Resources Division, the Bank
- Jun. 2016 Director and Executive Officer, Executive Officer in charge of Corporate Administration Division, Human Resources Division and Diversity Management Division, the Bank
- Jun. 2017 Director and Managing Executive Officer, Executive Officer in charge of Workplace Revolution Development Division, Corporate Administration Division, Human Resources Division and Diversity Management Division, the Bank
- Jun. 2018 Director and Managing Executive Officer, Group Chief Risk Officer, General Manager, Corporate Administration Headquarters, Executive Officer in charge of New Head Office Project Office, Corporate Administration Division, Human Resources Division, Diversity Management Division, Risk Management Division and Compliance Division, the Bank
- Jun. 2019 Deputy President, Group Chief Operating Officer, Executive Officer in charge of Human Resources Division, Diversity Management Division and General Secretariat, the Bank



Tsutomu Yonemoto
Director and Senior Executive Officer
Group Chief
Strategy Officer

- Apr. 1987 Joined the Bank
- Jun. 2016 Executive Officer, General Manager, Business Promotion Division, the Bank
- Jun. 2017 Director and Managing Executive Officer, Executive Officer in charge of Treasury Division and Treasury Operation Division, the Bank
- Jun. 2018 Director and Managing Executive Officer, Group Chief Business Officer, General Manager, Business Promotion Headquarters, Executive Officer in charge of Business Promotion Division, Customer Service Division, Corporate Business Division, Regional Revitalization Division, Trust Business Division, Consumer Loan Business Division, Retail Business Division and Asset Management Support Division, the Bank
- Jun. 2019 Director and Senior Executive Officer, Group Chief Strategy Officer, General Manager, Corporate Planning Headquarters, Executive Officer in charge of Corporate Planning Division, Public Relations Division, New Head Office Project Office and Corporate Administration Division, the Bank



Tadayoshi Shinozaki
Director and Senior Executive Officer
Group Chief
Business Officer

- Apr. 1988 Joined the Bank
- Jun. 2017 Executive Officer, General Manager, Corporate Planning Division, the Bank
- Jun. 2018 Director and Managing Executive Officer, Group Chief Strategy Officer, General Manager, Corporate Planning Headquarters, Executive Officer in charge of General Secretariat, Corporate Planning Division and Public Relations Division, the Bank
- Jun. 2019 Director and Senior Executive Officer, Group Chief Business Officer, General Manager, Business Promotion Headquarters, Executive Officer in charge of Business Planning Division, Customer Service Division, Business Promotion Division, Corporate Business Division, Regional Revitalization Division, Trust Business Division, Consumer Loan Business Division and Payment Card Business Division, the Bank

(As of June 27, 2019)

Directors



Norio Takatsu

Director and Managing Executive Officer
Group Chief Information Officer

- Apr. 1985 Joined the Bank
- Jun. 2015 Executive Officer, General Manager, EDP System Division, the Bank
- Jun. 2016 Director and Executive Officer, Executive Officer in charge of Operation Planning Division, EDP System Division, Business Operation Division and Operation Division, the Bank
- Jun. 2017 Director and Managing Executive Officer, Executive Officer in charge of Operation Planning Division, EDP System Division, Business Operation Division and Operation Division, the Bank
- Jun. 2018 Director and Managing Executive Officer, Group Chief Information Officer, General Manager, Operation Headquarters, Executive Officer in charge of Operation Planning Division, EDP System Division, Business Operation Division and Operation Division, the Bank



Junya Wakabayashi

Director and Managing Executive Officer
Group Chief Risk Officer

- Apr. 1988 Joined the Bank
- Jun. 2016 Executive Officer, General Manager, Risk Management Division, the Bank
- Jun. 2018 Managing Director, Chibagin Securities Co., Ltd.
- Apr. 2019 Senior Executive in charge of Anti-Money Laundering, the Bank
- Jun. 2019 Director and Managing Executive Officer, Group Chief Risk Officer, General Manager, Corporate Administration Headquarters, Executive Officer in charge of Risk Management Division and Compliance Division, the Bank

Outside Directors



Tomoyuki Yokota

Non-Standing Director
(Outside Director)

- Apr. 1972 Public prosecutor, Tokyo District Public Prosecutors Office
- Jan. 2002 Director-General, the Rehabilitation Bureau, Ministry of Justice
- Apr. 2003 Director-General, the Correction Bureau, Ministry of Justice
- Aug. 2005 Superintending Prosecutor, Hiroshima High Public Prosecutors Office
- Jun. 2006 Deputy Prosecutor-General, Supreme Public Prosecutors Office
- Jan. 2008 Registered as Attorney at Law, The Dai-Ichi Tokyo Bar Association
- Advisor, Nagashima Ohno & Tsunematsu
- Jan. 2010 Justice of the Supreme Court
- Mar. 2015 Re-registered as Attorney at Law, The Dai-Ichi Tokyo Bar Association
- Advisor, Nagashima Ohno & Tsunematsu (current position)
- Jun. 2016 Outside Member of the Board, Japan Nuclear Fuel Limited (current position)
- Jun. 2017 Outside Director, the Bank (current position)



Yuko Tashima

Non-Standing Director
(Outside Director)

- Apr. 1979 Prosecutor, Tokyo District Public Prosecutors Office
- Apr. 1992 Registered as Attorney at Law, Tokyo Bar Association
- Attorney at Law, Sawayaka Law Office (current position)
- Jul. 2006 Outside Director, Meiji Yasuda Life Insurance Company
- Jun. 2015 Outside Director, the Bank (current position)
- Oct. 2015 Outside Company Auditor, Kyushu Financial Group Inc. (current position)
- Jun. 2016 Outside Audit & Supervisory Board Member, Tokio Marine & Nichido Life Insurance Co., Ltd. (current position)



Yasuko Takayama

Non-Standing Director
(Outside Director)

- Apr. 1980 Joined Shiseido Co., Ltd.
- Apr. 2006 General Manager, Consumer Information Center, Shiseido Co., Ltd.
- Oct. 2008 General Manager, Consumer Relations Department, Shiseido Co., Ltd.
- Apr. 2009 General Manager, Social Affairs and Consumer Relations Department, Shiseido Co., Ltd.
- Apr. 2010 General Manager, Corporate Social Responsibility Department, Shiseido Co., Ltd.
- Jun. 2011 Audit & Supervisory Board Member (standing), Shiseido Co., Ltd.
- Jun. 2015 Advisor, Shiseido Co., Ltd.
- Jun. 2015 Outside Director, the Bank (current position)
- Jun. 2015 Outside Director, Nippon Soda Co., Ltd.
- Jun. 2016 Outside Audit & Supervisory Board Member, Mitsubishi Corporation (current position)
- Jun. 2017 Outside Audit & Supervisory Board Member, Yokogawa Electric Corporation (current position)
- Jun. 2019 Outside Director, Cosmo Energy Holdings Co., Ltd. (current position)

(As of June 27, 2019)

Audit & Supervisory Board Members



Toshikazu Okubo

Standing Audit & Supervisory Board Member

- Apr. 1979 Joined the Bank
- Jun. 2009 Executive Officer, General Manager, Corporate Planning Division, the Bank
- Jun. 2011 Director and Managing Executive Officer, the Bank
- Jun. 2013 Director and Senior Executive Officer, the Bank
- Jun. 2016 Audit & Supervisory Board Member, the Bank (current position)



Tomohiko Sakamoto

Standing Audit & Supervisory Board Member (Outside Audit & Supervisory Board Member)

- Apr. 1980 Joined the Bank of Japan
- Apr. 2002 General Manager, Okayama Branch, the Bank of Japan
- Apr. 2009 Director-General, Administration Department, the Bank of Japan
- Jun. 2012 Senior Managing Director, the Resolution and Collection Corporation
- Jun. 2017 Outside Audit & Supervisory Board Member, the Bank (current position)



Kazuhiko Ishihara

Standing Audit & Supervisory Board Member (Outside Audit & Supervisory Board Member)

- Apr. 1981 Joined the Ministry of Finance
- Jul. 2013 Director-General, Okinawa Development and Promotion Bureau, Cabinet Office
- Jul. 2015 Vice-Minister for Policy Coordination, Cabinet Office
- Oct. 2016 Advisor, Mitsui Sumitomo Insurance Company, Limited
- Jun. 2017 Outside Audit & Supervisory Board Member, the Bank (current position)



Kazuyoshi Fukushima

Non-Standing Audit & Supervisory Board Member

- Apr. 1982 Joined the Bank
- Jun. 2013 Executive Officer, General Manager, Audit and Inspection Division, the Bank
- Jun. 2016 Audit & Supervisory Board Member, the Bank (current position)
- Jun. 2016 Audit & Supervisory Board Member, Chibagin Securities Co., Ltd. (current position)



Masakazu Yoshida

Non-Standing Audit & Supervisory Board Member (Outside Audit & Supervisory Board Member)

- Apr. 1979 Joined Chiba Prefectural Government
- Apr. 2012 Executive Director, Disaster Prevention and Crisis Management Department, Chiba Prefectural Government
- Apr. 2013 Director General, Public Enterprises Agency, Chiba Prefectural Government
- May 2016 Advisor, TOYO RAPID RAILWAY
- Jun. 2016 Representative Director and President, TOYO RAPID RAILWAY
- Jun. 2019 Outside Audit & Supervisory Board Member, the Bank (current position)

Executive Officers

Arihiko Totsuka
Managing Executive Officer
(In charge of Credit Unit)

Satoru Maki
Managing Executive Officer
(General Manager of Head Office)

Takayuki Hosokai
Managing Executive Officer
(In charge of Market and International Business)

Shunichi Ishii
Executive Officer
(General Manager of New Head Office Project Office)

Chigusa Saito
Executive Officer
(General Manager of Operation Planning Division)

Hiroshi Seki
Executive Officer
(General Manager of Audit and Inspection Division)

Hironaga Fukuo
Executive Officer
(General Manager of Human Resources Division)

Kiyomi Yamazaki
Executive Officer
(In charge of Domestic Business)

Yuichi Katayama
Executive Officer
(General Manager of EDP System Division)

Kazuyoshi Takayama
Executive Officer
(General Manager of Tokyo Head Office)

Kazuhiko Miyagi
Executive Officer
(General Manager of Business Promotion Division)

Mutsumi Awaji
Executive Officer
(General Manager of Regional Revitalization Division)

Kenichi Koseki
Executive Officer
(General Manager of Risk Management Division)

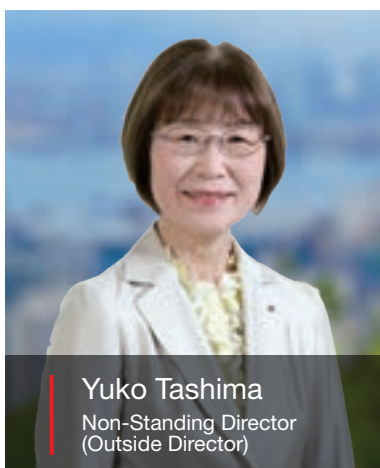
Katsunori Uematsu
Executive Officer
(General Manager of Corporate Business Division)

Masayasu Ono
Executive Officer
(General Manager of Corporate Planning Division)

Message from Outside Directors



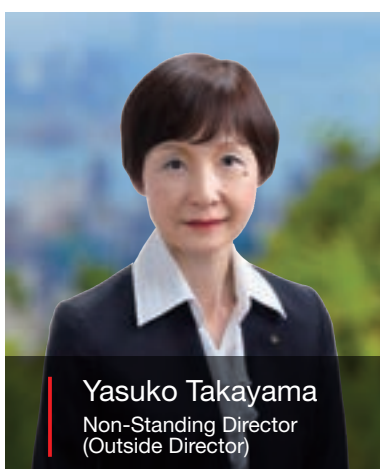
I am an attorney at law and I have about 47 years of legal career, including about 36 years as a prosecutor and about five years as a Supreme Court Justice. In the execution of duties of Outside Director, I am attempting to make the most of knowledge and experiences gained not only from criminal investigations, examinations and lawsuits but from organizational management, crisis management and human resources development which have been accumulated through my career. Meanwhile, I was born and raised in Kisarazu City, so the Bank a.k.a. “Chibagin” has been familiar to me since I was a child. Therefore, I have a special attachment for the Bank, and I would like to strongly support the Bank’s attitude to aim for making growth and development together with Chiba, my home prefecture. Recently, various corporate scandals occurred one after another, and unfortunately, regional banks are no exception. Such incidents cause me to once again think deeply about the heavy responsibilities of an Outside Director, who should oversee corporate management from an independent and objective perspective.



The Bank is active in promoting diversity, especially opening career paths to women, and it is the only regional bank selected as a Nadeshiko Brand. Based on my experiences as a prosecutor and an attorney, I have been involved in deliberating various labor bills including the Equal Employment Opportunity Act as a member of the Labor Policy Council. Making use of these experiences, I would like to focus on further promotion of diversity within the Bank.

In addition, as an attorney in a position to protect the rights of consumers, I have been involved in deliberating various financial bills at the Financial System Council. Based on these experiences, I would like to further advance the Bank’s customer-oriented operation and strengthen its role of supporting the customers’ businesses and lives from both sides of providing funds and managing assets.

I hope that the Bank will continue to meet the needs of the society in times, to be a good example of regional bank management, and to sustainably support the lives of ordinary people.



Reaching to the final stage of the medium term management plan, “Best Bank 2020,” the Chiba Bank Group is making bold efforts in multiple areas including alliances and creation of new businesses in order to respond to changes in the new business environment, while fulfilling its basic mission as a regional financial institution. I expect a great deal since these initiatives are an indication of the future of regional financial institutions.

With regard to these initiatives, I will continue to provide fairness and independence as Outside Director and give “aggressive” inspirational advice by utilizing many years of experience at non-financial companies, and at the same time, give “defensive” suggestions and advice based on my work experiences on crisis management, compliance and CSR as well as experiences as an Audit & Supervisory Board member. Through these, I would like to contribute to improving the corporate value over the medium to long term and further deepening the governance.