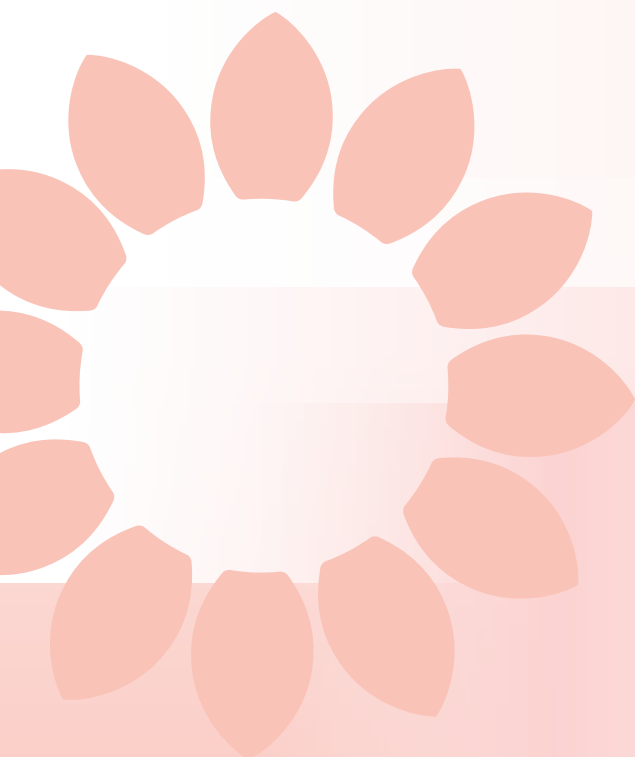


2024

The Chiba Bank, Ltd.

Integrated Report





Purpose

Vision

To create a local community better suited to bringing each person's hope to life

The Bank Group is once again strengthening its commitment to “providing social value by contributing to the resolution of regional issues” as part of its corporate group purpose.

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”.

An Engagement Bank Group that works closely with the community

In order to achieve this purpose, the Bank Group has established a corporate vision of “an Engagement Bank Group that works closely with the community,” while aiming to become “a Bank Group that seeks to keep growing together along with the entire region by providing value through deep connections with all of its stakeholders including customers, shareholders, and employees.” Chiba Bank will strive to provide social value to the region by continually prioritizing this “deep connection” with its stakeholders, refining its existing business initiatives, and taking on challenges in new business areas.



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Financial and Corporate Data

Short movie introducing Chiba Bank

A video introducing the Chiba Bank Group's strengths, growth strategy, etc.



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

▲ Chiba Bank website (for individual investors) (in Japanese)

Message from the President



Tsutomu Yonemoto
President
Group Chief Executive Officer (CEO)

“A world with interest rates” accelerates our growth

The business environment in which banks operate is changing rapidly as digitalization progresses and climate change issues become more pressing, while commodity prices soar and labor shortages worsen. Moreover, now that the monetary easing policy has ended after persisting for many years, with the advent of “a world with interest rates”, which signals a turning point for the Chiba Bank Group. We have been steadily improving our earnings in an exceptionally challenging environment of “negative interest rate”. To diversify earnings, we offered various services in addition to earning interest income from loans. For example, in the corporate business, we offered consulting services to tackle diverse management issues, such as digital transformation (DX) and green transformation (GX), in addition to supporting the core business, business restructuring, and advisory services related to M&A and business succession. In the retail business, we expanded the choice of products and services we offer, ranging from sales of financial products, such as investment trusts and insurance products, and inheritance-related services, to credit/debit card

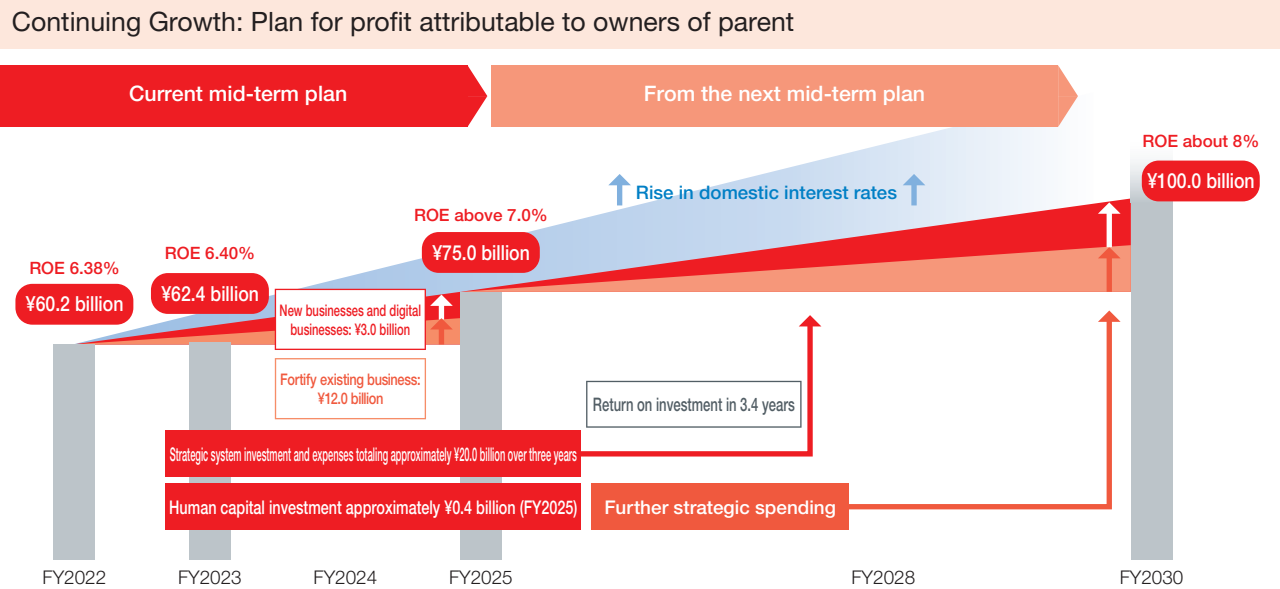
issuance, franchise locations, and most recently, non-financial services offered in partnership with a regional trading company.

Moreover, we have built a lean management structure by focusing relentlessly on productivity. Initiatives in this regard include improving operational efficiency through DX, thorough reviewing and elimination of poorly performing operations, and reviewing the branch network in each area.

In a challenging business environment, we have maintained high profitability thanks to these initiatives. Recognizing that rising interest rates are a tailwind for us, I am convinced that the Bank Group is poised for the next round of growth, signaling a further advance in our ongoing development.

Through further evolution of the Bank Group’s manifold strengths and implementation of aggressive management strategies to “fortify existing business” and “take on challenges in new business areas”, I am confident that we can achieve not only the quantitative targets of the Mid-term Plan, but also “consolidated ROE of 8%” and “profit attributable to owners of the parent of 100 billion yen” for the fiscal year ending March 31, 2031 (FY2030).

Next Round of Growth for the Chiba Bank Group’s Further Advancement



KPIs				
	(Reference)	(Initial Year)	(Final Year)	
	FY2022 Results	FY2023 Results	FY2025 Targets	Goals for FY2030
Consolidated ROE (shareholders' equity basis)	6.38%	6.40%	Above 7%	About 8%
Profit attributable to owners of parent	¥60.2 billion	¥62.4 billion	¥75.0 billion	¥100.0 billion
Consolidated net business income	¥81.8 billion	¥91.7 billion	¥120.0 billion	
Consolidated Tier 1 common equity capital ratio*	10.57% (Before the application of Basel III full implementation)	11.87%	10.5% to 11.5%	
Consolidated OHR	47.37%	48.76%	About 45%	

*Basel III finalization basis (excluding unrealized gains/losses on securities)

Further enhancing the Bank Group's strengths

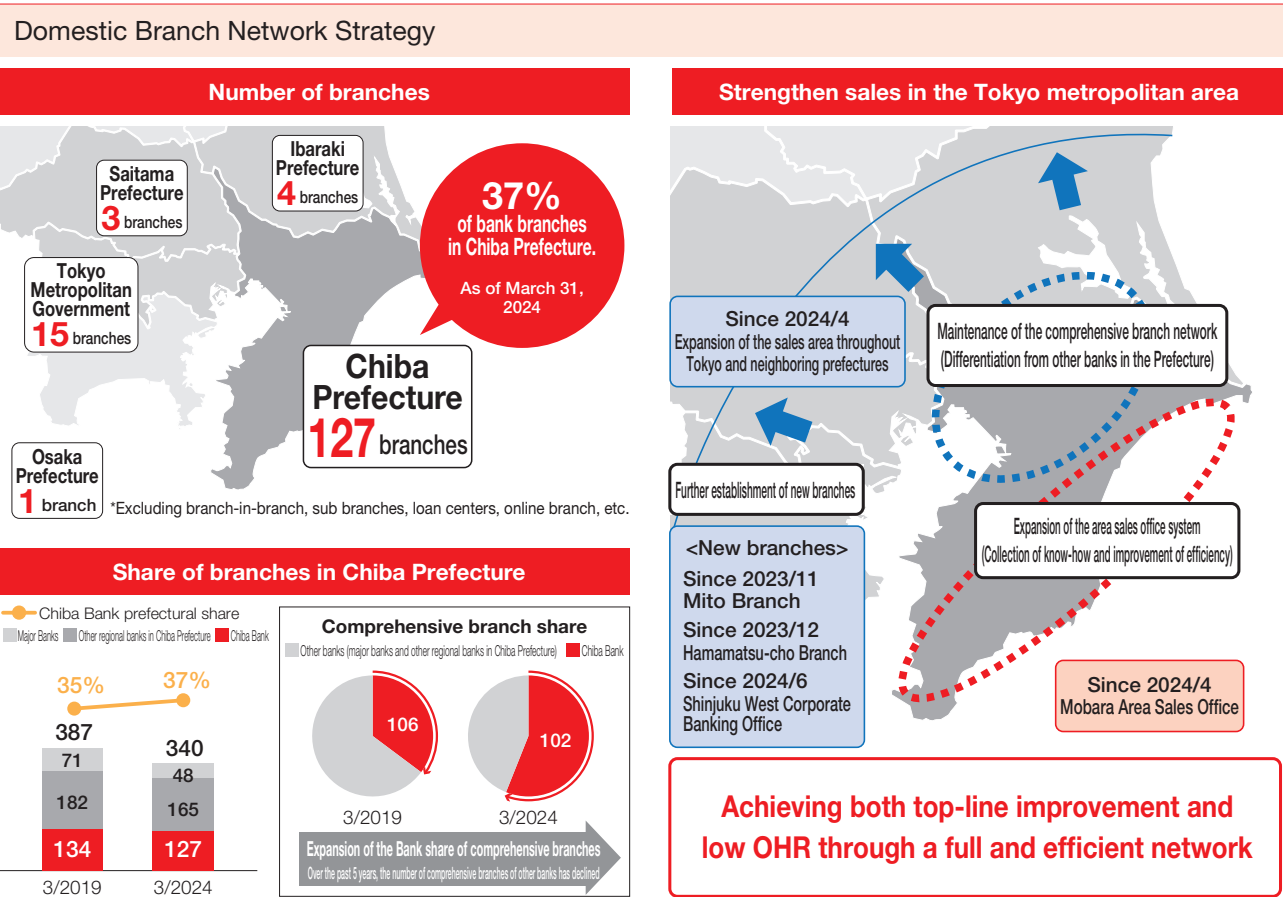
Operating Base

I believe the Bank Group's defining strengths are in three areas: "the operating base", "the financial base", and "alliances". Regarding our first strength, the operating base, we have built a stable business by achieving an extremely high lending share of approximately 40% in Chiba Prefecture, which with its population of 6.26 million and gross prefectural product of 20 trillion yen is a sizable economy, and by capturing the demand for funds and other resources that this economy creates. Furthermore, approximately 40% of the companies in Chiba Prefecture use the Chiba Bank as their main bank and around 11 trillion yen of some 15 trillion yen in domestic deposits with the Bank are sticky retail deposits, which I believe gives the Bank a significant advantage in "a world with interest rates".

Going forward, we intend to extend this advantage by offering a superior customer experience by applying DX and reinforcing our

stable funding base. In addition, to differentiate us from other banks, we will build a formidable branch network attuned to the characteristics of each areas. Whereas other banks operating in Chiba Prefecture have reduced the numbers of comprehensive branches that handle loans for corporate customers, the Bank has a policy of maintaining branches of this type and has increased its share of such branches to approximately 60%. For regional revitalization, we have expanded the area sales office system, which allows us to offer more sophisticated services by sharing know-how while improving efficiency through the use of lightweight branches. Following Tateyama and Togane, we established "the Mobara Area Sales Office" in April 2024.

Beyond Chiba Prefecture, we established "the Shinjuku West Corporate Banking Office" in June 2024 and expanded our sales territory to include all of Tokyo and neighboring prefectures. We will continue to aggressively open new branches in the Tokyo metropolitan area, where significant growth is expected.



Financial Base

The second strength is our financial base. Through business development leveraging our strong sales capabilities as well as the pursuit of top-line improvement and cost reduction by promoting DX, we have been maintaining a low overhead ratio (OHR). The OHR was 48.76% for the fiscal year ended March 31, 2024 (FY2023), which is low compared to other banks. We intend to further increase productivity, aiming for an OHR of around 45% in the final year of the Mid-term Plan and in the lower 40% range by FY2030. With regard to credit costs, we have a strict risk management system and vigorously use "Solution Review Meetings", where the headquarters credit department and sales departments collaborate and discuss ways of supporting customers. As a result, we have maintained a low non-performing loan ratio of 0.92%.

The Bank's Tier 1 common equity capital adequacy ratio on a Basel III finalization basis (excluding unrealized gains/losses on securities) is 11.87%, based on a calculation using the consolidated balance sheet for FY2023. We will continue to strategically utilize capital and aggressively invest in further growth, expand human resources, and enhance shareholder returns.

Alliances

The third strength is "alliances", namely, the TSUBASA Alliance, the Chiba-Musashino Alliance, and the Chiba-Yokohama Partnership. We are strengthening initiatives to deepen our three alliances while also collaborating with Sony Bank in various fields centering on digitalization.

In March 2024, the TSUBASA/JUUDANKAI Joint Research Group was established to achieve greater efficiency in the operation of systems and the execution of business processes. With task forces established in the three areas of systems, business efficiency, and cyber security, joint research is progressing.

As the alliance strategy contributes significantly to the low OHR, which is one of the Bank's strengths, we are endeavoring to reinforce these initiatives.

Fortifying existing business

To achieve the "evolution of the customer-focused business model," as envisaged in the Mid-term Plan, I believe the most important thing

is to meticulously attend to each retail customer and corporate customer. This means proposing the optimal services to each customer, serving as a "comprehensive money consultant" for retail customers and as an "assistant to management" for corporate customers. Moreover, we will transition to a much more sophisticated business model by enhancing our ability to offer hybrid responses leveraging our strengths. This will involve combining the convenience of the digital channel with the specialized responsiveness of the face-to-face channel.

In the retail business, our focus is on increasing the number of "Chibagin app" users and other digital customers. The number of registered the app users had already exceeded 1 million by May 2024, accounting for approximately 30% of the 3 million active accounts. Analyzing the associated in-app digital transactions will enable us to enhance customer resolution and make proposals tailored to each customer. It is our earnest desire that customers will gradually increase the frequency of their transactions with the Bank as they evolve from "customers who have accounts with Bank" to "users of the Bank's products and services," and then to "cross-use customers who use multiple products of the Bank." Our aim is to encourage them to become fans of the Bank. For the Bank, the expansion of transactions will lead to higher gross profit per customer and lower costs per transaction. We aim to build a win-win relationship that will both increase customer loyalty and achieve growth of the Bank.

In the corporate business, similar to the case of the retail business, what is most important is to facilitate customers' use of "Chibagin Business Portal", a digital channel. By precisely addressing not only emerging needs, but also latent ones, we want corporate "customers who use the Bank only for deposit transactions" to become "users of the Bank's products and services" and "loan customers." We want to encourage our corporate customers, including their employees, to use the Bank as their main bank.

The issues confronting enterprises are growing in number and complexity with every passing year. As executives grapple with such issues as DX/GX, labor shortages, and business succession, we will offer increasingly sophisticated consulting services and appropriate support tailored to changes in the current interest rate environment. Our aim is to exceed customer expectations by providing meticulous support aligned with customer needs.

Message from the President

Taking on challenges in new business

We are stepping up our initiatives in new businesses that will be growth drivers for the Group. Chibagin Market Co., Ltd., which promotes business as a regional trading company, strengthened its initiatives for “the Chibagin Housing Concierge” housing-related services, in addition to the crowdfunding business for local products, etc., which has been making progress. On Ad Co., Ltd., a provider of remote financial consulting services, is strengthening services for corporate customers. In the real estate fund business, the Bank is upgrading its solution function by expanding the scope of the business to include logistics facilities and hotels, in addition to office and residential buildings. Regarding the advertising business, we have been offering advertising services at all our branches and offices since October 2023. The positive responses from customers are exceeding our expectations and the number of contracts for advertising services is growing rapidly. In the energy sector, Himawari Green Energy Co., Ltd. acquired Kimitsu Power Plant in April 2024, in addition to Asahi Power Plant that began operation in December 2023. Approximately 35% of the Group’s annual electricity consumption is met by these two plants. Besides, the Group is also emphasizing loans related to renewable energy, such as solar power and biomass, as well as project finance. The generating capacity of renewable energy projects in Chiba Prefecture for which the Group has extended loans is sufficient to power approximately 550,000 households or around 20% of the 2.8 million households in the



▲ Kimitsu Power Plant

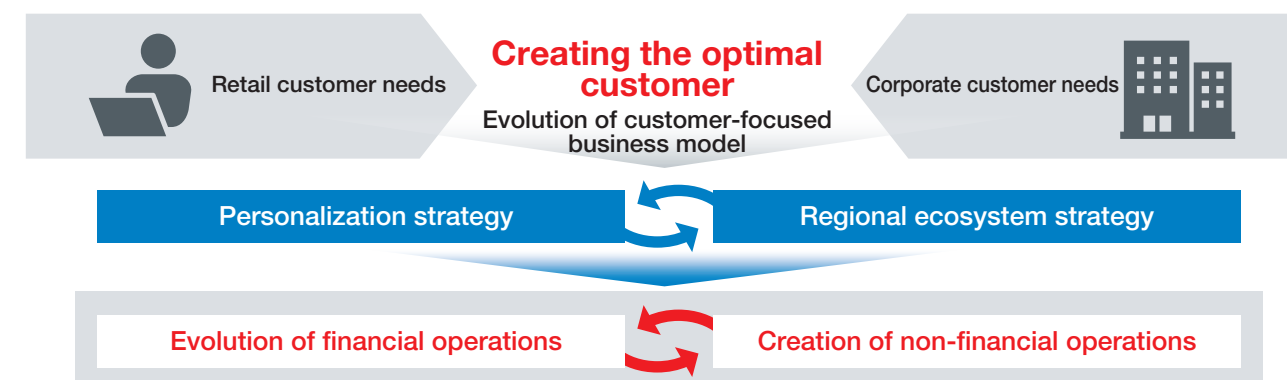
prefecture, and thus is a substantial contribution to Chiba Prefecture in its efforts to achieve carbon neutrality. Under the “GX for the whole region” slogan, we will continue to promote GX throughout the region in close cooperation with local governments.

In addition, we are considering use of the metaverse for business development in the housing-related field. In the future, we would like to offer comprehensive support to customers in virtual space, covering every phase from consideration of purchase of a residence to handling of residential loan processes. Unconstrained by traditional concepts, we will continue to vigorously take on challenges in various fields as we chart a growth strategy maximizing the Group’s potential.

DX supporting transformation

For the Group’s sustainable growth, using DX as a means of transformation, it will be essential to not only provide attractive products and

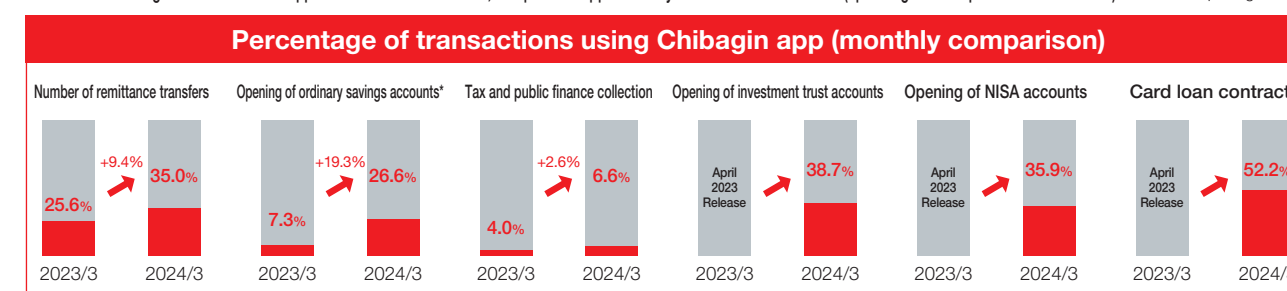
DX Strategy



Transforming Customer Experience Through DX

Realized changes

The number of registered users of the app increased to over **1 million**, compared to approximately 3 million active accounts. (operating account penetration rate: **33%**)
*Only open ordinary savings accounts is web accounts opening



services, but also to continue to offer a customer experience that resonates with customers. By harnessing the power of digital channels, such as “the Chibagin app” and “the Chibagin Business Portal”, we will provide various products and services, in both financial and non-financial fields, to all retail and corporate customers so as to deliver an outstanding customer experience.

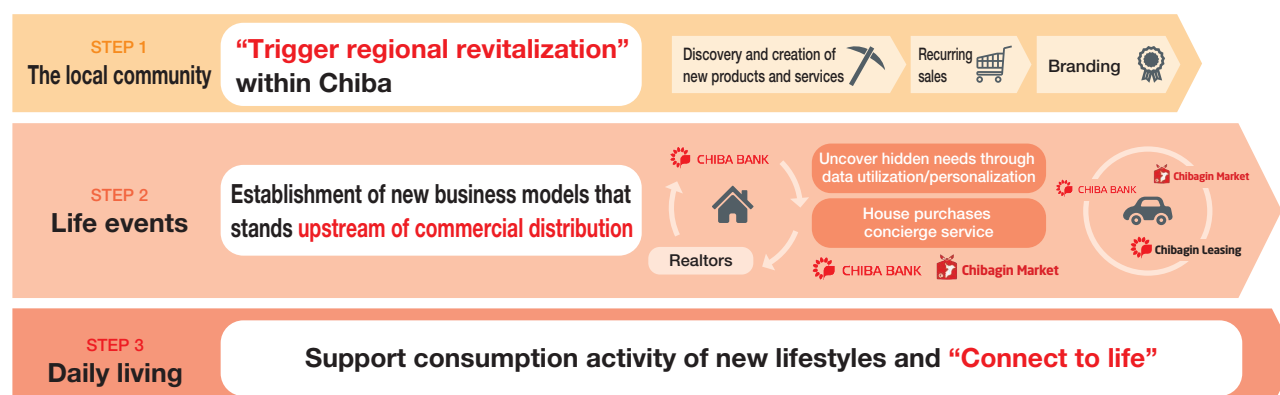
Promotion of DX is having a major impact as evidenced by significant changes in customer transactions that are already apparent. Reflecting big increases in the number of app users, in addition to remittance transfers and opening of ordinary savings accounts, approximately 30% to 40% of transactions, such as opening of investment trust accounts, opening of NISA accounts, and card loan contracts, are already conducted via the app. It is noteworthy that the penetration of the app has led to an approximately 30% increase in the number of remittance transfers compared with three years ago and total transfer fees have increased by more than 20%, boosting profitability. Naturally, the cost borne by the

Bank is significantly lower in the case of handling via the app than by tellers at branches and offices, contributing greatly to productivity.

Furthermore, analysis of transaction data gathered through digital channels and use of Artificial Intelligence will enable us to focus on proposing products and services aligned with the needs of each customer. In January 2024, the Bank agreed to a joint business plan with Google Cloud Japan, LLC to address these matters and we are strengthening sophisticated digital marketing initiatives. We will also aim to enrich the customer experience through timely interventions so customers feel that “Just when I am interested in something, I receive a proposal from Chiba Bank or a notification on the app about it” and “Chiba Bank understands me well.”

Currently, approximately 60% of residents in Chiba Prefecture have accounts with the Bank. I believe the Group’s DX initiatives are helping resolve regional issues and enriching lifestyles throughout the region. We will further strengthen our initiatives under the slogan “DX for the whole region.”

Chibagin Market Business road map



Message from the President

Human capital supporting transformation

Successful implementation of sophisticated strategies hinges on our ability to maximize the capabilities of all Group employees and create high-performance workplaces where they are highly motivated to fulfill their responsibilities. To reward individual employees for their hard work and deepen their engagement, we are continuously increasing salaries, including starting salaries. Under the current Mid-term Plan, in order to enhance the expertise of our employees, we are accelerating “investment in people” to strengthen human resources development. The number of employees to be trained through temporary transfer to external organizations and trainee programs is 280, double the number of the previous plan.

Moreover, we have enhanced the attractiveness of the personnel system by establishing new professional courses and a transfer system from Group companies. To foster an environment where talented people are highly motivated regardless of age, we have drastically revised the personnel system for employees over 55 years old, improving compensation and expanding opportunities for promotion. In addition, we began unified Group recruiting for new graduates and mid-career hires whereby the Bank handles all the recruitment processes for itself and other Group companies. We also took steps to optimize deployment of the Group’s resources by promoting personnel exchanges among Group companies.

Furthermore, we are strengthening initiatives to directly capture the “voice of employees” through engagement surveys, various questionnaire surveys, and an internal hotline system. We are strengthening diversity and inclusion initiatives to foster a workplace environment where

employees can continue to work enthusiastically while deriving satisfaction from their work.

Thus, with regard to investment in human resources, which are the Group’s most important management resource, we will continue to spare no effort in developing a framework that ensures all employees achieve personal development and in creating organizations whose members can recognize they are fulfilling their potential.

Enhance corporate value through implementation of the business improvement plan

In June 2023, the Bank and Chibagin Securities were issued with administrative actions by the Kanto Local Finance Bureau pursuant to the Financial Instruments and Exchange Act. Subsequently, over a period of approximately two months, we thoroughly analyzed the true causes, examined improvement measures, and formulated a business improvement plan. The problems were attributable to three major causes, namely, “the operational management system”, “the internal control systems”, and “the business management system”. We implemented 57 improvement measures corresponding to these issues, and completed them by the end of March 2024, except for certain measures involving system development.

Based on the conviction that ensuring thorough penetration of the Purpose and Vision throughout the organization is the key to achieving improvement with respect to all these issues, we have established the Purpose and Vision Penetration Project Team to strengthen cross-organizational initiatives, while reflecting the expertise of external advisors. In addition, to realize the Purpose and Vision, we have

established the “Three Pledges.” (Whenever making a proposal to a customer or making a business decision, we always stop and consider, “Will this proposal or decision lead to the realization of the customer’s wish, a solution to the customer’s problem, or the realization of a prosperous lifestyle for the customer?”) To disseminate the Three Pledges among all officers and employees of the Group, we are proactively implementing measures to raise awareness, such as morning chants and workshops at each workplace.

The positive impact of these initiatives on the Bank’s business is already becoming apparent. First, as a result of the introduction of the App Investment Trust, the ratio of non-face-to-face sales of investment trusts has increased from approximately 20% to 50%, as we shift to an operational management system that allows more time for meticulous explanations to customers and confirmation of their needs. In addition, we abolished profit targets for retail departments in the performance award system and revised the evaluation system to emphasize efforts in pursuit of customers’ best interests and to conduct interviews with customers. Indeed, the number of customer interviews has doubled, with such contacts gradually leading to sales. The change in how business is being done is apparent.

I have long believed that what is most important for achieving significant growth in the retail business is to equip sales representatives, who are mainly engaged in the sale of financial products to retail customers, with more versatile skills enabling them to respond to a wide range of customer needs. Triggered by the initiatives of the business improvement plan, we reviewed the role of retail sales representatives and positioned them as “comprehensive retail consultants” handling all types of products for retail customers. I view this positively as a move that has enabled us to achieve transformation ahead of schedule.

Going forward, in view of the importance of steadily implementing the PDCA cycle for the measures we are working on, I believe it is essential to promote both objective external surveys and internal verification so as to directly capture the voice of employees.

With regard to external surveys, we conduct fixed-point observations of the CX index^{*1} to measure customer loyalty, monthly NPS^{®*2}



questionnaire surveys to measure customer satisfaction concerning transactions with the Bank for all retail customers who had face-to-face transactions of financial products, and interviews with customers by headquarters staff. Through these surveys we are striving to analyze the issues. Our initiatives for internal verification include an engagement survey, a compliance questionnaire survey, and the internal hotline system. In addition, officers, including me, meet with employees to directly solicit their opinions. Although we have a way to go in disseminating the Purpose and Vision, we have received plenty of positive feedback from our employees. We feel our initiatives are resulting in solid progress toward enhanced engagement.

I believe steady implementation of these initiatives will accelerate the Group’s growth while significantly enhancing corporate value. Striving to regain the trust of our customers and all other stakeholders, we will continue making concerted Group-wide efforts to achieve improvements and prevent recurrence so that we can be “a bank the region can be proud of” for our customers as well as for our employees, and indeed for everyone in the region.

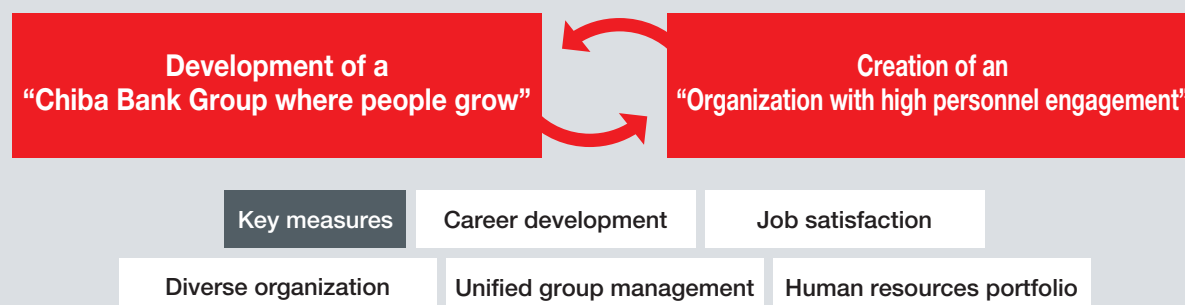
We will continue to do our utmost to achieve results exceeding everyone’s expectations as we aim to become a Bank Group that continues to grow in order to create a local community better suited to bringing the hope of each person that interacts with the Bank, including our customers, shareholders, and employees, to life.

We sincerely appreciate your ongoing support.

^{*1} CX index is based on CXMM[®] of Nomura Research Institute, Ltd. CXMM[®] is a registered trademark of Nomura Research Institute, Ltd.
<https://www.nri.com/en/service/solution/fis/cxmm>

^{*2} NPS[®] is a registered trademark of Bain & Company, Inc., Fred Reichheld, and NICE Systems, Inc.

Human Resources Strategy



Initiatives for Business Improvement and Recurrence Prevention in Response to Administrative Actions

On June 23, 2023, the Bank was the subject of administrative actions (Business Improvement Order) for situations where a problem related to investor 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. Also, in accordance with Article 51 of the Financial Instruments and Exchange Act, Chibagin Securities was the subject of administrative actions (Business Improvement Order) from the Kanto Local Finance Bureau regarding business operations that violated the suitability principle for solicitation of sales of structured bonds.

Recognizing these to be matters of the utmost gravity, following thorough root cause analysis, on July 24, 2023, the Bank and Chibagin Securities submitted to the Kanto Local Finance Bureau their respective business improvement reports including recurrence prevention measures. In addition, having clarified management responsibility, we imposed disciplinary action on those involved.

We have subsequently continued to report quarterly on the progress of our initiatives for business improvement and recurrence prevention based on the business improvement reports.

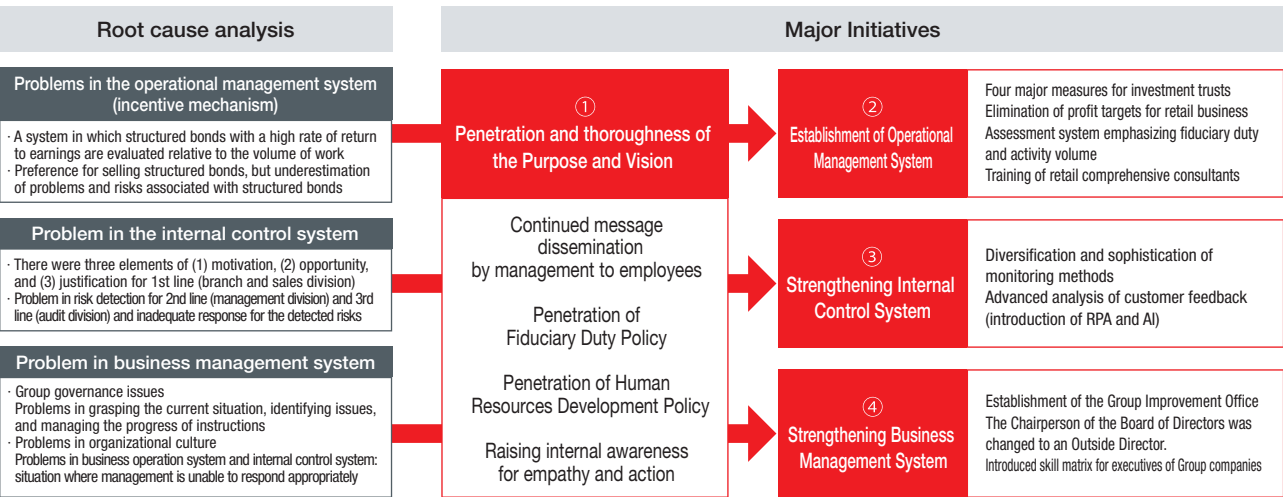
Root cause analysis and formulation of a business improvement plan

Following confirmation of the facts and root cause analysis by the Investigation and Improvement Planning Committee and discussions at several meetings of the Board of Directors and the Nomination, Remuneration and Corporate Advisory Committee, the Bank recognizes that the root causes of the matters subject to the administrative actions were issues concerning operational management, internal control, and business management systems and has formulated respective improvement and recurrence prevention measures.

Moreover, considering that ensuring thorough penetration of the Purpose and Vision throughout the organization is the key to achieving improvement with respect to all these issues, the Purpose and Vision Penetration Project Team is spearheading cross-organizational initiatives, while reflecting the expertise of external advisors.



▲ Process for formulation of the business improvement plan



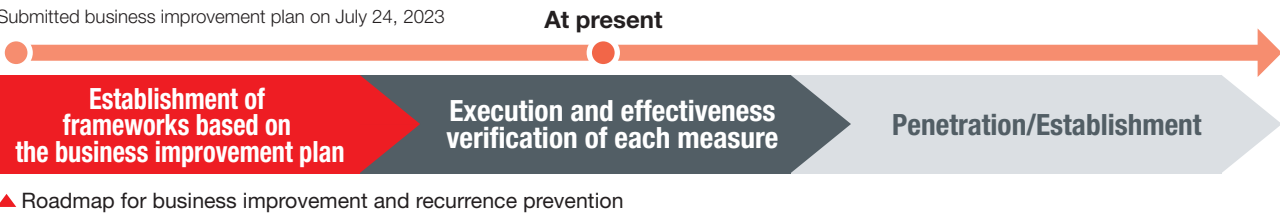
▲ Overview of the business improvement plan based on root cause analysis

Progress of initiatives for business improvement and recurrence prevention

Regarding the progress of the initiatives, we implemented various measures based on the business improvement plan, including review of the organizational structure and assessment system and planning of training and study sessions. Of the total of 57 measures, implementation of major measures was completed by the end of March 2024, except for certain measures involving system development. In addition, we have conducted verification of the effectiveness of these measures through various internal and external surveys and questionnaires, such as an engagement survey and NPS® questionnaire surveys, in an effort to enhance effectiveness through a Plan-Do-Check-Act (PDCA) cycle.

The progress of the initiatives is disclosed on our website in conjunction with quarterly reports to the Kanto Local Finance Bureau. * NPS® is a registered trademark of Bain & Company, Inc., Fred Reichheld, and NICE Systems, Inc.

Progress of the initiatives as of March 31, 2024:
https://www.chibabank.co.jp/english/pdf/topic/2024/topic20240415_01.pdf



List of Major Measures				
① Penetration and thoroughness of the Purpose and Vision	Implementation timing	Implementation ^{*1}	Addition ^{*2}	
Displaying the Purpose and Vision on internal PCs and business cards	September 2023	●		1st line
Reviewed Fiduciary Duty Policy, established Fiduciary Duty Handbook	October 2023	●		
Established Three Pledges	October 2023	●	●	
Monthly Fiduciary Duty Study Meeting involving all employees	October 2023	●		
Career support based on human resource development policies at personnel interviews	October 2023	●	●	2nd line
Discussion by project team (two subcommittees under the project team)	December 2023	●	●	
On the 23rd of every month, distributed video messages by Directors	December 2023	●		
Start of Fiduciary Duty Hearing	December 2023	●	●	
Senior management and compliance training	December 2023	●		3rd line
Implemented Fiduciary Duty Special Award	2H of FY2023	●	●	
Linking performance reviews to human resource development policies	April 2024	●	●	
② Establishment of operational management system	Implementation timing	Implementation ^{*1}	Addition ^{*2}	
Implemented the four major measures concerning investment-type financial instruments	April 2023	●		Proposed ability
Specialist training in retail comprehensive consulting	April 2023	●		
Training and video distribution for Fiduciary Duty, behavioral change to focus on activity volume	September 2023	●	●	Incentive
Elimination of the Bank's profit targets for the retail departments	October 2023	●		
Eliminated return-of-profit incentives completely from Chibagin Securities' transactions based on the Bank referral	October 2023	●		
*1 Implementation completed or ongoing (out of a total of 57 measures, major measures are listed.)				
*2 Additional measures after submission of the business improvement plan				
*3 Measures scheduled for implementation (highlighted)				

③ Strengthening internal control system	Implementation timing	Implementation ^{*1}	Addition ^{*2}	
Conducted engagement survey	September 2023	●		1st line
Opened Chotto line to Group companies	September 2023	●		
Newly established practical training for newly appointed internal administration supervisors	October 2023	●		
Introduced conformity verification tools	March 2024	●		
Introduced 360-degree evaluation to Group companies ^{*3}	August 2024			2nd line
Review of the 2nd line system (establishment of the Customer Support Monitoring Office)	October 2023	●		
Customer interviews by headquarters staff about sales of financial products	December 2023	●	●	
Advanced analysis of customer feedback ^{*3} (introduction of RPA and AI)	September 2024			
Diversification and sophistication of monitoring methods ^{*3} (Phone recording system, voice and video recording of visits)	September 2024			3rd line
President is in charge of the Audit Department and deeply involved in PDCA.	October 2023	●		
Introduced culture audits	March 2024	●		
Strengthening Group cooperation in auditing departments through participation of the Bank's Audit Department in the meetings of Chibagin Securities' Audit Department	September 2023	●		
④ Strengthening business management system	Implementation timing	Implementation ^{*1}	Addition ^{*2}	
Dispatch of Directors and general managers from the Bank to Chibagin Securities	April 2023	●		Group governance
Establishment of the Group Improvement Office	October 2023	●		
Implemented customer satisfaction surveys at all Group companies	November 2023	●	●	
The Chairperson of the Board of Directors was changed to an Outside Director.	April 2024	●		Organizational culture
One on one meetings between the President and Group company presidents	September 2023	●		
Opinion exchange meetings between the Bank's Directors and Group companies	September 2023	●		
Introduced skill matrix for executives of Group companies	April 2024	●		

*1 Implementation completed or ongoing (out of a total of 57 measures, major measures are listed.)
*2 Additional measures after submission of the business improvement plan
*3 Measures scheduled for implementation (highlighted)

Initiatives for Business Improvement and Recurrence Prevention in response to Administrative Actions

Major initiatives for business improvement and recurrence prevention

Penetration of the Purpose and Vision and establishment of the Three Pledges

When formulating the business improvement plan, the Bank emphasized that the Purpose and Vision should serve as the axis of action and judgment for the Bank’s officers and employees.

Now, the Purpose and Vision are at the heart of all the Bank’s policies and guidelines, including the Fiduciary Duty Policy and the Human Resources Development Policy.

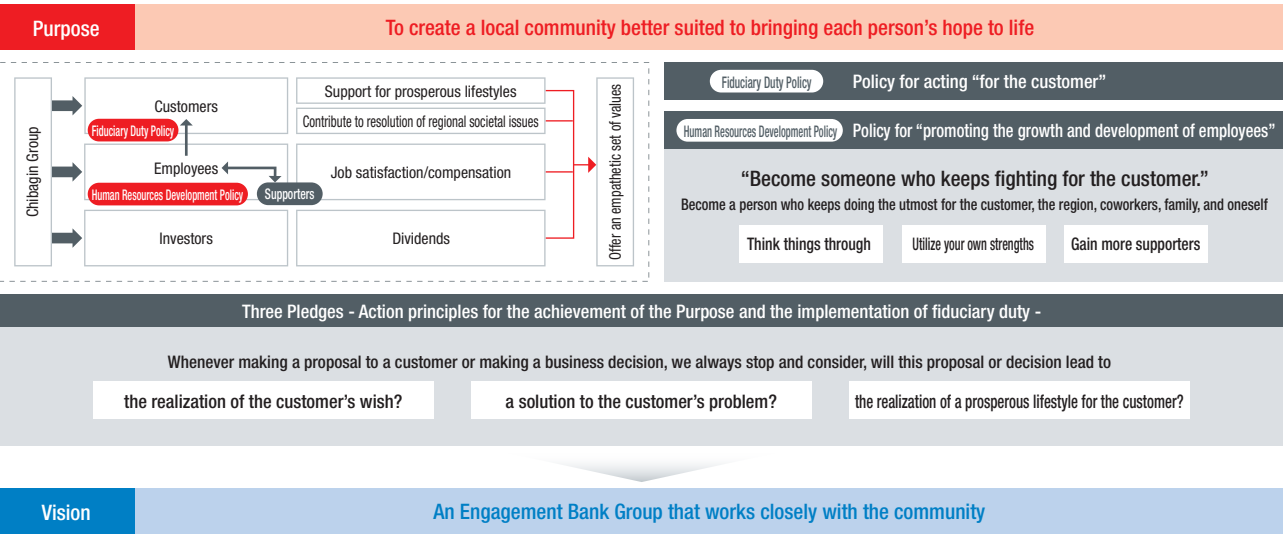
In order to enhance recognition internally and externally, the Purpose and Vision are displayed on business cards of officers and employees, the news release form, etc. In addition, we established the Three Pledges.

The Three Pledges are: Whenever making a proposal to a customer or making a business decision, we always stop and consider, “Will this proposal or decision lead to the realization of the customer’s wish, a solution to the customer’s problem, or the realization of a prosperous lifestyle for the customer?” We have created a card on which the Three Pledges are printed so that officers and employees always carry it with them together with the Fiduciary Duty Handbook, which outlines the mindset for customer-oriented business operations (fiduciary duty).

By positioning the Three Pledges as the action principles for achievement of the Purpose and the fulfillment of fiduciary duty, we aim to cultivate a sound organizational culture.



▲ Purpose indicated on a business card



▲ Conceptual diagram of the Purpose, the Vision, and the Three Pledges

Initiative to ensure administrative actions never fade away - Establishment of “Fiduciary Duty Day” -

To ensure the administrative actions (Business Improvement Order) imposed by the Kanto Local Finance Bureau on June 23, 2023 never fade away, we have designated the 23rd of every month “Fiduciary Duty Day.” Fiduciary Duty Day is an opportunity for all officers and employees to remember the gravity of the administrative actions and our pledge that there will be no recurrence. For example, they receive video messages from the president and other members of the management team on Fiduciary Duty Day.

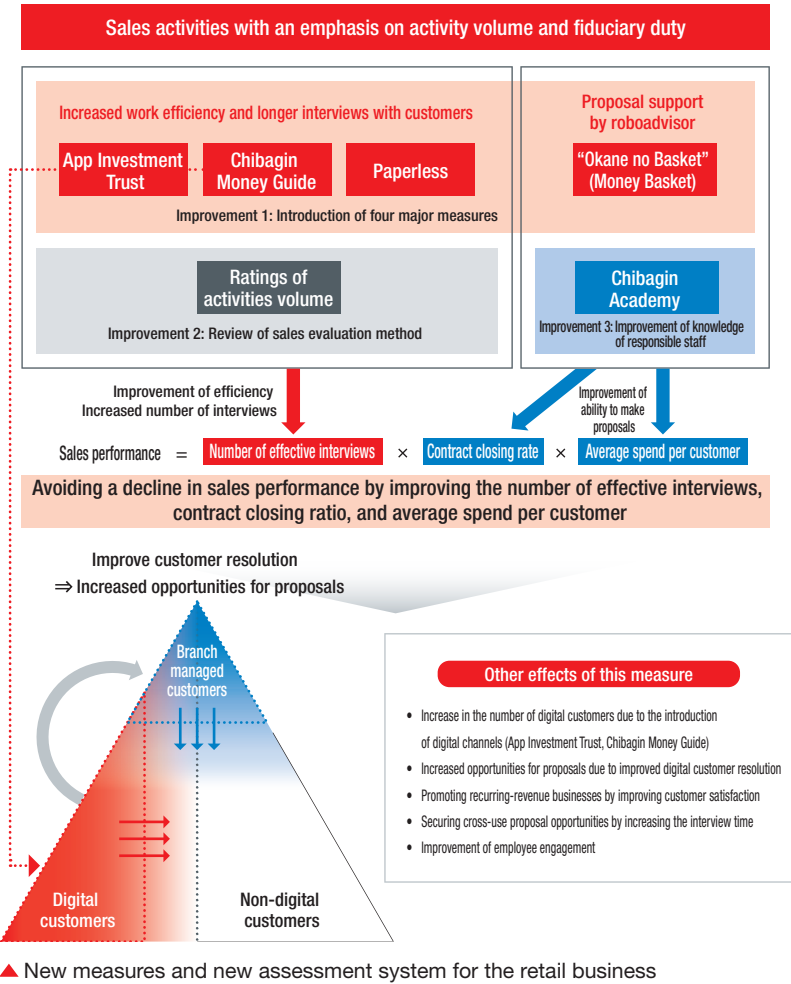
Moreover, we have increased opportunities for dialogue between officers and employees. Interactive communication is leading to enhancement of employee engagement.

Strengthening comprehensive proposal capabilities in the retail business

From April 2023 onward, we introduced four measures for sales of investment trusts: Okane no Basket (Money Basket), a new proposal tool; App Investment Trust, a non-face-to-face channel; paperless investment trust procedures; and Chibagin Money Guide, a web portal. In addition, we abolished profit targets for retail departments of the Bank’s branches in October and revised the personnel assessment system to emphasize fiduciary duty, activity volume, etc.

The number of effective interviews with customers by sales representatives is approximately twice that before the revision of the assessment system. Making proposals using Okane no Basket, the average spend per customer has increased and thus the positive impact is apparent.

The Bank completely suspended sales of structured bonds, which were the direct cause of the administrative actions and, in principle, suspended referral of its customers to Chibagin Securities.



Re-establishing the monitoring system

In order to strengthen functions of the second line (administrative departments), which oversees operations of branches and offices, in October 2023 the Customer Support Monitoring Office was established in the Compliance and Risk Management Division and the workforce of this division was increased.

Moreover, we conduct NPS® questionnaire surveys every month for retail customers who had face-to-face transactions of financial products to measure customer loyalty (degree of likelihood that customers will recommend the Bank’s products and services to their family members and friends).

Furthermore, we are promoting development of new infrastructure for effective performance of the second line functions. A tool for gathering and analyzing customer feedback and a recording system using smartphones for business purposes are scheduled for introduction in the first half of FY2024.

* NPS® is a registered trademark of Bain & Company, Inc., Fred Reichheld, and NICE Systems, Inc.

Strengthening governance

Effective from April 2024, the Chairperson of the Board of Directors was changed to an Outside Director for supervision of corporate management from an objective standpoint independent from those who execute business. Moreover, the Group Improvement Office, which directly reports to the President, implemented 360-degree evaluations of headquarters organizational units, in which sales branches evaluate headquarters.

Furthermore, since FY2023 the Bank has been handling all the recruitment processes for itself and other Group companies. Other initiatives include holding of meetings between executives of the Bank and employees of Group companies to exchange opinions and personnel exchanges among Group companies.

Message from the CSO/CDTO

Aiming to be a banking group that truly serves its customers and the regions

Mutsumi Awaji

Director and Senior Executive Officer
(Representative Director)
Group Chief Strategy Officer (CSO)
Group Chief Digital Transformation Officer (CDTO)



Even further acceleration of DX strategy

It has been two years since I assumed the Group Chief Digital Transformation Officer (CDTO) in April 2022. In that time, the Digital Innovation Division has evolved into the Digital Strategy Division, and we have built a structure for the integrated implementation of all relevant operations, from improving the convenience of direct channels to the planning and development of products and services and their promotion to customers. In addition to enhancing the functions of the Chibagin app and Chibagin Business Portal and improved operational efficiency, we have taken on challenges in new areas such as the Metaverse and the advertising business. With the number of registered users of the Chibagin app now exceeding 1 million, non-face-to-face channels are becoming important for more and more transactions, including opening new accounts and applying for investment trusts. Our customers seem to be quite happy with these channels, and we will continue to accelerate our DX strategy even further.

Creating the optimal customer

The diagram on the opposite page shows our overall DX strategy. The promotion of this strategy will involve generating a virtuous cycle of “increase in transactions” and “redeployment of personnel to growth areas,” through the expansion of the channels that connect us to customers, including digital, face-to-face, and remote channels, as well as promoting data-based one-to-one marketing. The important thing is to continue “creating the optimal customer.” This means increasing the number of customer contact points, analyzing data obtained from those contact points, making appropriate proposals when customers want them, and receiving compensation with smooth procedures, including follow-up inquiries. We will strengthen both non-face-to-face channels, which allow customers to communicate with us regardless of time and place, and face-to-face channels, which allow customers to consult with us in person.

Diverse DX personnel and their development

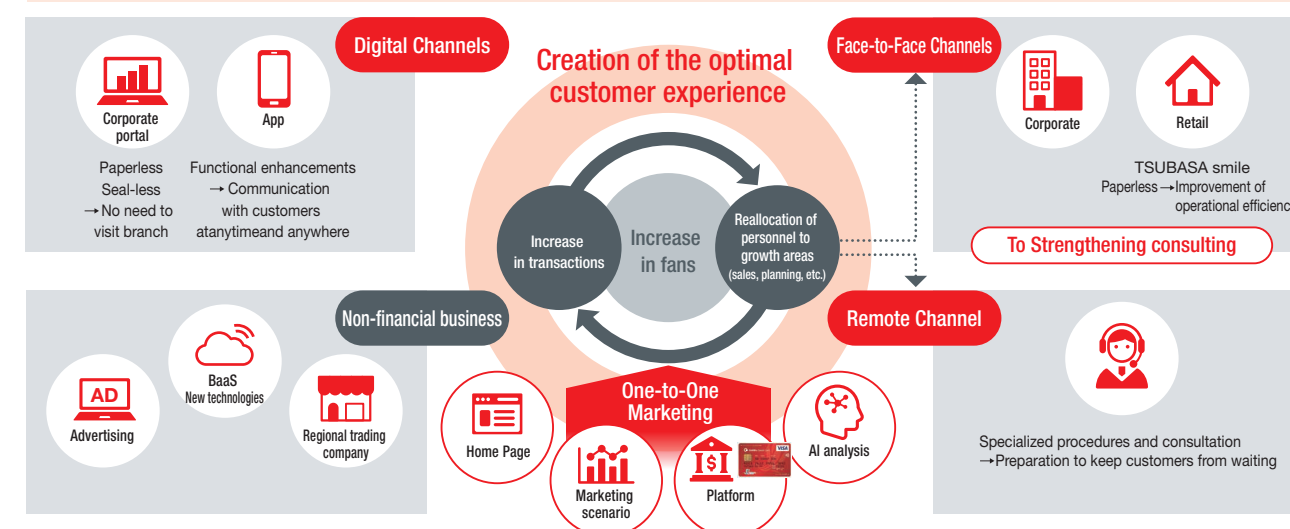
From my experience as Group CHRO, I am strongly aware of the strength of an organization that attracts diverse personnel and the importance of human resources development. Here at the Digital Strategy Division, many mid-career hires, as well as employees returning from external trainee programs and employees assigned voluntarily through open recruitment, are working toward their mission of “creating the optimal customer.” This is a field of advanced diversity, with women playing leading roles in projects such as development of the Chibagin app, new businesses launched in the last year including the advertising business, and data marketing. Thanks to efforts to broaden the DX personnel base, we now have approximately 1,700 DX base personnel, and we have recently embarked on the development of personnel who are able to use AI. Alongside this expansion of the DX personnel base, we will also take on the challenge of advancing employees’ skills. It is the powerful team strengths of our diverse human resources that underpin the evolution of DX, and we will continue to enhance those strengths.

Challenge of “DX for the whole region”

Regarding face-to-face channels, we are strengthening our customer consulting functions through the development and redeployment of personnel. On the other hand, we use our remote channels, which are halfway between our digital and in-person channels and are used to provide customers with more specialized consultations about inheritance procedures remotely. In this way,

we have established a system that enables customers to undertake the necessary procedures with peace of mind without having to wait. Our aim is to eventually reach 1.5 million registered users of the Chibagin app. This figure represents about half of the active accounts of retail customers and is equivalent to one-fourth of the population of Chiba Prefecture. While we are working to enhance the functions of the Chibagin app, my sense is that we still have a long way to go before our customers will truly appreciate it as being “convenient” and “useful”. Simply adding more and more functions will not necessarily mean that we are providing customers with truly valuable services. With the addition of an engagement function in the first half of FY2024, I believe that we have reached a phase in which we can start working on functions that will allow us to have “dialogue” with customers. The information we deliver to customers will give those customers new insights, which will in turn prompt them to take new actions. Through the ongoing repetition of this cycle, we will pursue deeper transactions with customers. In addition, we will actively work to provide services to support our business partners’ own digitalization efforts and help local governments to promote cashless and paperless operations. We will also take on the challenge of promoting DX across the entire community, including customers (“DX for the whole region”). Our goal is to increase the number of “fans of Chiba Bank” by further accelerating the DX strategy in both digital and in-person channels, improving the convenience and stability of non-face-to-face (digital) channels, and giving customers trust and peace of mind through our consulting proposals via in-person channels.

Accelerating DX Strategy



Outside Directors Discussion Meeting

To become a banking group that continues to grow with the region, with our Purpose and Vision as the focal point of management



Outside directors, Yuko Tashima, Yasuko Takayama, and Takahide Kiuchi, alongside newly appointed Outside director, Ryoji Yoshizawa, held a discussion meeting to reflect on the first year of the Mid-term Plan and to exchange opinions on the business improvement plan and medium- to long-term corporate value enhancement.

Could you please reflect on FY2023, the first year of the Mid-term Plan?

Takayama In FY2023, the Bank proceeded with its initiatives for the first year of the Mid-Term Plan and initiatives based on the business improvement plan pertaining to the administrative actions. My assessment is that the management team is executing the business improvement plan with strong conviction and an unflagging resolve to regenerate the company.

The Mid-Term Plan overlapped with the business improvement plan, and there are three points where initiatives made more progress than I initially expected. The first point is the thorough efforts undertaken to achieve the understanding, penetration, and practice of the Purpose and Vision. The second point, involving

“enhancing the quality of existing business,” one of the basic policies of the Mid-Term Plan, is that the Bank is being thoroughly implemented especially in the retail business, a stance of offering value that supports the lifestyles of individual customers and the pursuit of customers’ best interests. The third point is that group governance has been strengthened. In addition to the reinforcement of internal management systems, I was pleased to see deep, wide-ranging initiatives being undertaken to achieve collaboration between the Bank and the Group companies, as well as the independence of the Group companies. My view is that these initiatives have laid the foundations for future sustainable growth.

Kiuchi I commend the fact that the Purpose and Vision have penetrated throughout the Group in such a short time and that they have

taken root as guidelines from which Bank and Group company employees can reflect on all their actions. Going forward, I look forward to even stronger cross-Group collaboration and to the provision of services of even higher quality to customers.

After the Bank was issued with the Business Improvement Order, adverse winds against the investment trusts and personal annuities business, a reexamination of incentive systems, and other factors probably caused some bewilderment on the ground in business operations, but business performance remained strong. When the plan was formulated, I felt that the net profit target of 75.0 billion yen for the final year of the plan would be challenging, but it is now firmly in sight. Shareholder returns have also been raised to a level that is comparable with other banks, and my assessment is that the Bank is being looked favorably on by the share market as well.

Tashima I felt the same way as you both. When I have accompanied the Audit & Supervisory Board Member on their on-site audits to the branches, I have seen that efforts to achieve the penetration of the Purpose and Vision have started with activities such as

displaying posters inside the branches and reciting them in unison. As time has gone by, Bank and Group company employees have started to consider what they should do themselves, and they are implementing initiatives such as in-house presentations at the branches. These kinds of actions have given me a sense of the progress being made with the penetration of the Purpose and Vision.

In circumstances where priority needed to be given to the business improvement plan in response to the administrative actions, the executive side combined that plan with the initiatives under the Mid-Term Plan and produced results. I was greatly impressed by that, and I look forward to seeing outcomes that exceed the plan in its second and third years as well.

What is your evaluation of the Bank's non-financial business initiatives?

Kiuchi In the Bank's growth strategy, expanding the non-financial business based on the expertise and assets that it has cultivated to date in financial services is extremely important

Outside Directors Discussion Meeting

for building sturdy businesses that can withstand changes in the external environment and for the sustainable enhancement of corporate value. In terms of the realization of the Purpose, the expansion of non-financial business is also necessary to solve the various problems faced by the region and bring about prosperous lifestyles for individuals. I hope that the Bank will leverage its strengths and proactively take on the challenge of new businesses that will contribute to the regional economy.

My particular focus has been on Chibagin Market and Himawari Green Energy. As planned, Chibagin Market turned its first profit in FY2023, the third year since its establishment. It started with Step 1, a crowdfunding site and an e-commerce site offering regional products, and it has now moved on to Step 2, a house purchase concierge service. Its future plans for Step 3 include developments in the area of “connections with people’s daily lives,” including health and nursing care, education, and food retailing. I look forward to its contributions to the realization of customers’ prosperous lifestyles.

Himawari Green Energy has as its purpose the strong promotion of decarbonization in the local community, achieved by the Bank Group independently conducting energy generation operations that utilize renewable energy. With the launch of the Asahi Power Plant in December 2023 and other moves, it will be able to provide clean energy through power generation with renewable energy.



The Bank was issued with administrative actions in June 2023. What approaches were taken to make improvements and prevent a recurrence?

Takayama When the business improvement plan was in the formulation stage, in Board of Directors and other forums, I called strongly for the entire Group to change its awareness of customers’ voices and to become more sensitive to them. I also recommended the establishment of a mechanism for the centralized management of the collection, analysis, improvement, and follow-up of customer feedback and the strengthening of organizational frameworks and systems to execute that mechanism.

In the execution of the business improvement plan, I have been closely monitoring the relationships between Group companies and the Bank.

In the strengthening of Group companies’ governance, I have focused on communication between Bank employees and the employees of Group companies, and I have mentioned any concerns at Board of Directors.

One strength of the Bank is its extreme swiftness in making and executing decisions. However, it does need to take care regarding points such as whether any risks have been overlooked, whether communication of information from the lower levels to the top is being obstructed, whether negative information from on the ground is reaching the management team promptly, and whether inter-organizational containment functions are functioning appropriately. I plan to keep checking these kinds of points in Board of Directors.

Kiuchi It is also important that employees of the Bank and Group companies are sincerely remorseful and make as much effort as possible to prevent the same thing from happening again. Unless they take fundamental, substantive actions, and not just superficial responses, they will never be able to completely prevent a recurrence. Analysis of the true causes revealed a tendency for sectionalism within the organization, a lack of openness, and problems with Group governance. I hope that these efforts to analyze the true causes will continue.

On the other hand, if Bank and Group company employees become excessively apologetic, business will stagnate, which will be to the further detriment of stakeholders. I hope that they will use that remorse as a springboard to challenge themselves proactively to achieve growth.

Tashima Regarding the high rate of complaints from customers compared with the number of active accounts, even though information came from the self-regulatory bodies, there was no proper recognition of how serious the situation was, and the situation was not being properly reported up to the management team. This was truly disappointing.

In the formulation of efforts to prevent recurrence, an investigative committee, whose members also included external attorneys, conducted an investigation and devised appropriate measures. In that process, the Outside Directors also received briefings and were given opportunities to express their opinions, and those opinions have been reflected in the business improvement plan.

After the formulation of the business improvement plan, Group companies also engaged seriously in improvement measures, and the entire Group has united to implement



the plan steadily. Also, since the administrative actions were issued, we, Outside Directors, have been attending more meetings than previously.

The additional meetings we are attending are primarily those related to Group companies, such as the Group Supervision Committee and the Group Promotion Committee. The Bank Group also regularly reports on progress of the business improvement plan to the authorities after a resolution by the Board of Directors.

In day-to-day business activities, it is important to gather and analyze customer feedback and check whether there are any problems or other matters that require action. Development of frameworks for analyzing and checking customer feedback using systems is underway. I plan to watch over the progress of these measures, while checking the situation on the ground, including continuing my visits to the branches.

Ms. Takayama, you were recently appointed Chair of the Board of Directors. What are your thoughts on the strengthening of governance?

Takayama Mr. Yoshizawa’s appointment as a new Outside Director in June 2024 has further increased the diversity of the Board’s membership. I hope to enhance the quality of debate and bring more energy to discussions, with a view to improving the effectiveness of the Directors and enhancing medium- to long-term corporate value.

I recognize that, to achieve this, appropriate agenda setting is an important role of the Chair.

Given the organizational design as a company with an audit & supervisory board, there tends to be a large number of proposals on the agenda

Outside Directors Discussion Meeting

of our meetings. By organizing those proposals into those related to strategy and those related to governance and risk and clarifying them from offensive and defensive perspectives, we have brought some balance to the pacing of deliberations. Improving the quality of the content of reports is also key, so I intend to ask that reports focus on the substantive issues and true causes from a macro perspective, and to move discussions forward based on such reports.

I also recognize that the supervision of management from an objective viewpoint is a role expected of me as an Outside Director entrusted with the position of Chair. I hope to move discussions forward while monitoring the Bank Group's initiatives from a bird's-eye perspective, always remaining conscious of whether strategies are appropriate given social and financial trends in Japan and overseas, whether those strategies deviate from customers' values and their expectations of the Group, how shareholders view the Group, and whether we are fulfilling our accountability toward shareholders.

What are your feelings about the penetration of the new Human Resources Development Policy and the changes in organizational culture?

Tashima About a year has passed since the new Human Resources Development Policy was established, and there are signs of changes in the organizational culture. However, I do believe that more time is needed for the policy to take firm root. Under the Purpose and Vision, it is important for each and every Bank and Group company employee to think about what they can and should do for customers and the local community, and about their vision for what they themselves want to become. I believe that taking advantage of the Chibagin Academy to learn, acquiring areas of specialization, and contributing to society are the right directions.

I also hope to listen to real opinions on the ground and to keep checking how the Human Resources Development Policy and various initiatives are being received and what further needs there are.

Mr. Yoshizawa, you have recently been newly appointed as Outside Director. What kind of role do you hope to fulfill?

Yoshizawa I hope to take advantage of the knowledge and insights that I have cultivated to date to contribute to the medium- to long-term advancement of the Bank and the enhancement of corporate value. I have experience working for a regional bank, a foreign-capital bank, and a foreign rating agency, so I have observed the banking industry from both inside and outside. In my analysis and evaluation of the banks of the world, I have deepened my understanding of the strengths and distinctive characteristics of Japanese banks.

In dialogues with various stakeholders, they express a wide variety of thoughts and opinions, but they all share a common ultimate goal of the enhancement of medium- to long-term corporate value. I hope to communicate properly with stakeholders to clarify what kind of pathways there are to reach our common goals and what kind of gaps there are between the Bank's thoughts and those of its stakeholders, and to make recommendations for the enhancement of corporate value.

Could you tell us your expectations of the Bank Group for the enhancement of medium- to long-term corporate value?

Takayama My view is that corporate value is the sum of trust in the Bank Group accumulated through its past and present business activities and social activities, and expectations for the future. With the recent issuing of the Business Improvement Order, I believe that the entire Group has recognized anew the importance of trust.

To further elevate that trust, based on the deep ties with regional customers that have been cultivated over many years, I would like to see the Bank Group focus its efforts more than ever on sustainable growth alongside the community. Further, in the promotion of new business initiatives, I hope that the Bank Group will actively extend new ties of trust with stakeholders beyond regional and sectoral boundaries.

Kiuchi The strengthening of Group governance and intra-Group collaboration is key. Progress has been made in unifying the Group through various mechanisms, including personnel

systems, risk management, and auditing, but the next challenge will be unification on the awareness front. The Purpose and Vision have penetrated considerably within the Bank, but there is still some way to go when viewed across the entire Group.

Further, to promote unification in terms of operations, it will be important to venture boldly into non-financial services to offer solutions that will help solve various issues faced by the region and deliver services of a higher quality.

In addition to strengthening collaboration between the Bank and the Group companies, I look forward to seeing the individual Group companies, which operate a variety of businesses, including securities, leasing, regional trading companies, energy generation businesses, and advertising, to carve out new businesses with their own identity and ingenuity. Expanding the profits of the Group as a whole with a good balance of Group unification and initiatives by individual Group companies will, I believe, lead to the realization of the Purpose.

Tashima I would like to see the continued steady promotion and advancement of the measures in the Mid-Term Plan, including new businesses in non-financial sectors. My hopes are that the Group will help solve customers' and

society's issues in its base of Chiba Prefecture and surrounding regions and contribute to the realization of a sustainable society. I also hope that it will demonstrate leadership in alliances with other banks and work hard for the advancement of regional banks as a whole.

Yoshizawa According to Ministry of Economy, Trade and Industry statistics, the growth in capital investment within Japan by medium-sized companies in the past ten years has been approximately double that of large enterprises. Regional financial institutions are being called on to provide large amounts of credit and services of high quality to meet the needs of those mid-tier companies. I consider the TSUBASA Alliance and collaborations with other banks as one solution to meeting such needs, and Chiba Bank is in a unique position in this regard. Research of financial institutions globally that have enhanced their corporate value shows that a common feature of such institutions is that they respond to the issues of their region of business and that they have their own unique qualities. I hope that the Bank will accurately identify the needs of the local community and its customers and promote and expand businesses that take advantage of the Bank's potential to realize further growth.



Message from the CRO

Strengthen the internal control systems and reform the organizational culture to restore confidence in the Bank

Masayasu Ono

Director and Managing Executive Officer
Group Chief Risk Officer (CRO)
General Manager in charge of Corporate Management



Strengthen the internal control systems with a sense of speed

Following the issuance of administrative actions (Business Improvement Order) in June 2023, the Bank and Chibagin Securities are currently implementing Group-wide measures to improve operations and prevent a recurrence based on the business improvement plan.

We recognize the root causes of the problems were issues concerning “operational management system”, “internal control system”, and “business management system”. As the Group CRO, I consider the insufficiency of our “internal control system” and our second-line capabilities for detecting and responding to risks to be a matter of the utmost gravity.

Following the formulation of the business improvement plan, in a move that clarified my responsibilities, I was appointed “the General Manager in charge of Corporate Management”. We are strengthening risk responsiveness by consolidating second-line functions in the Compliance and Risk Management Division for which I am responsible, increasing the workforce, and establishing “the Customer Support Monitoring Office”.

Moreover, to strengthen risk detection capabilities, we are preparing to introduce a system for collecting customer complaints, requests, opinions, and other feedback and for sophisticated analysis of this customer feedback while also introducing a recording system to establish highly transparent product explanation and sales processes. In addition, the Compliance and Risk Management Division periodically conducts questionnaire surveys and interviews of

customers and Group employees. We are putting in place systems to promptly detect problems and make improvements with a sense of speed.

Reform and inculcation of the organizational culture

The background to the administrative actions (Business Improvement Order) was the Group’s predisposition toward prioritizing the pursuit of profit. Alongside strengthening of the internal control system, reform of the organizational culture, in which this predisposition was accepted, is another key initiative for improvement and recurrence prevention.

In order to respond to customers’ increasingly complex and sophisticated needs, the Group has continuously endeavored to develop high-value-added products and services that transcend the boundaries of finance and non-finance, thereby enhancing its capabilities to maximize its usefulness for customers. Achieving high performance by being useful to customers is the high road to business success. As a matter of course, our starting point is “to be useful to customers”. Unfortunately, however, we have somehow misunderstood the order of things, and our starting point has always been “to improve business performance. I accept that this failure occurred and lament the fact.

We will receive appropriate compensation for our services and satisfaction of customers, and by improving our business performance and increasing the strength of the Group, we will increase our stock price and dividends so that we can receive stable investments, maintain stable employment, and expand our range of

services and growth through investments in new businesses and DX. By repeating this process, we will stay close to the community and contribute firmly to the sustainable growth of the region.

In order to return to the basics of what it means to be a regional financial institution, we have sent a message to all Group employees to share the joy and satisfaction we feel when we receive words of encouragement from customers, for example “I am glad I consulted you. thank you.”, as an important Group-wide value.

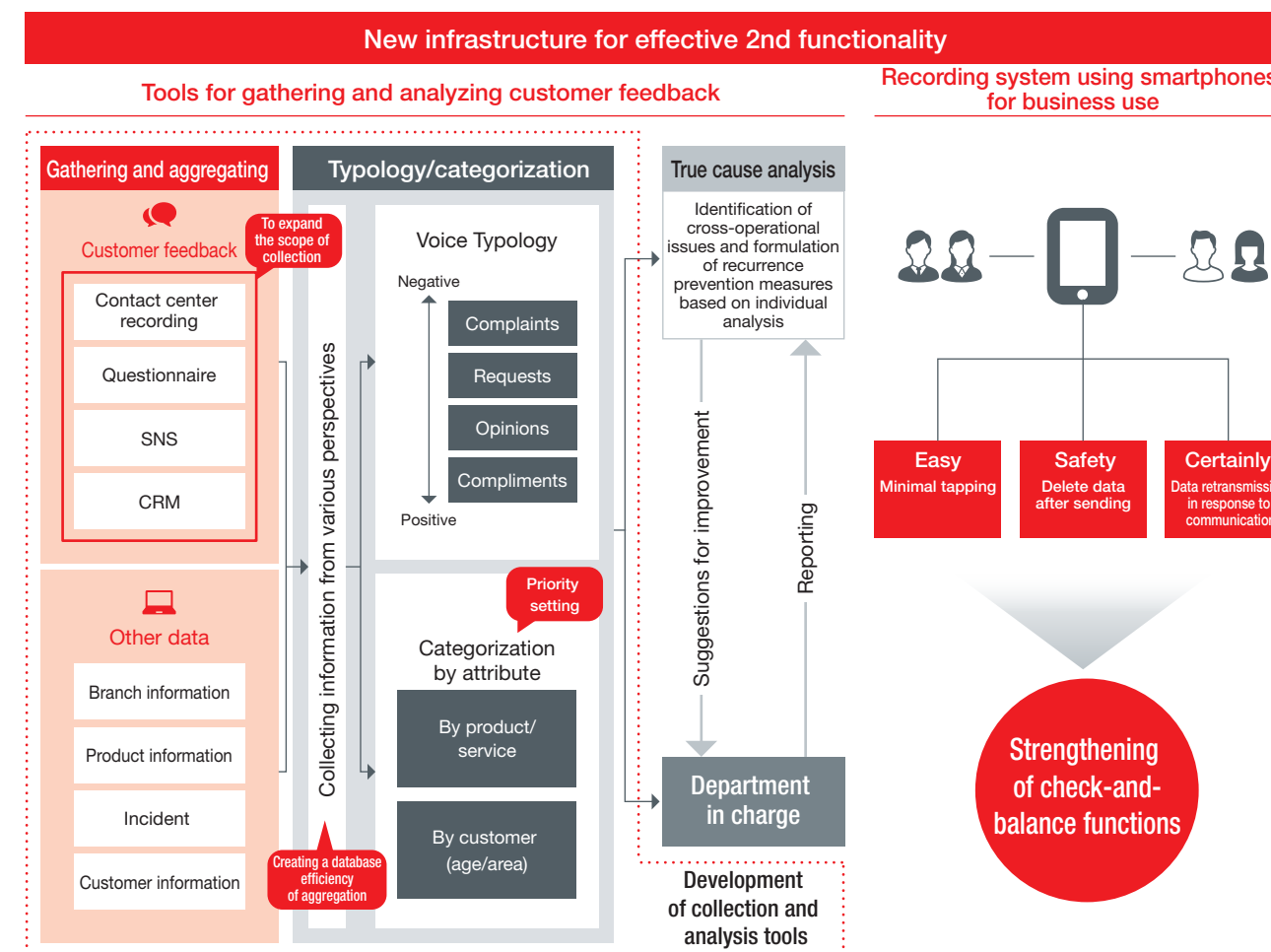
Purpose, Vision, and Three Pledges

We are committed to creating social value and accomplishing the Group’s Purpose, namely, “to create a local community better suited to bringing each person’s hope to life,” while offering practical value to achieve the Group’s Vision, “an Engagement Bank Group that works closely with the community.” We are inculcating the Three Pledges that are the action principles for

achievement of the Purpose and fulfillment of fiduciary duty to ensure that all Group officers and employees are always aware of these pledges. Through dialogue with Group employees conducted by all officers, our all-encompassing collaborative endeavor to restore trust within the framework of the Purpose, the Vision, and the Three Pledges is gaining momentum.

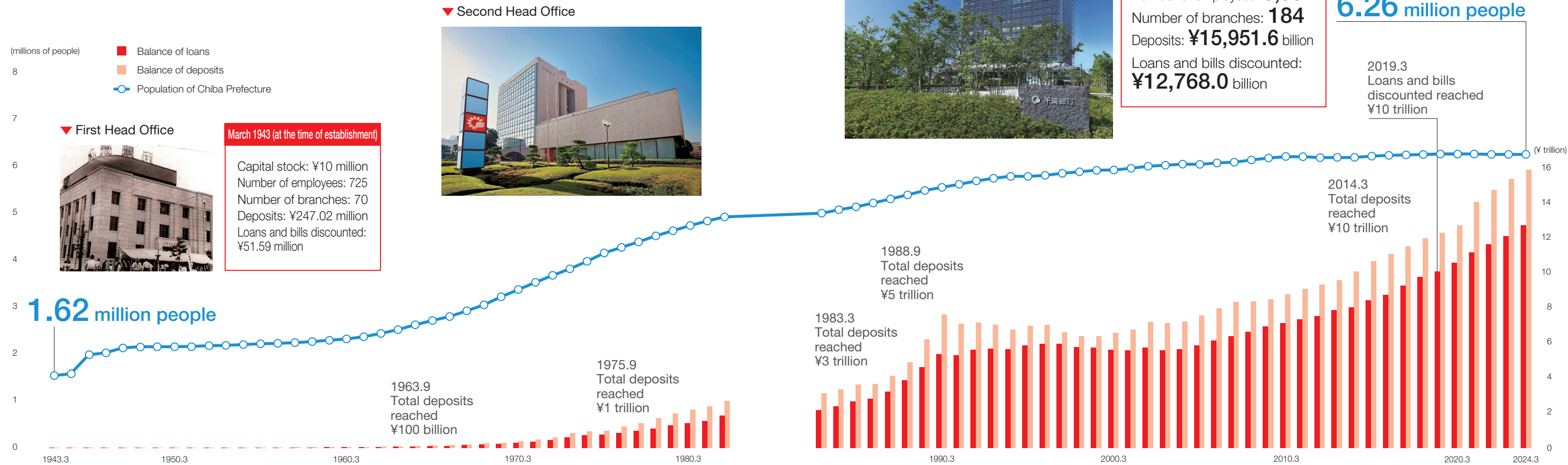
Whenever I receive words of encouragement or criticism from customers, I recall my maxim: “Know what is sufficient.” Remember, the point is not to constantly overextend yourself, it is not about you. The important thing is to proceed modestly and diligently, aware of the circumstances, and deriving satisfaction from the gratitude one earns. Exercise self-discipline while continuously endeavoring to remedy any insufficiency.

Ensuring that all our actions are informed by this attitude, we will steadily implement initiatives for improvement and recurrence prevention step by step, while doing our utmost to meet the expectations and earn the trust of our customers in the region.



History of the Chiba Bank Group

Chiba Bank marked the 80th anniversary of its establishment in March 2023. The scale of our business is growing, meeting the diverse needs of our customers as a regional financial institution. Looking ahead, the Chiba Bank Group will pursue continuous growth together with our regional communities.



Establishment-	1960s-	1980s-
<div>Our Transition</div> <p>1943.3</p> <p>Founded as a result of the merger of three banks, Chiba Godo Bank, Omigawa Agricultural and Commercial Bank, and the Kujuhachi Bank</p>	<p>1960-</p> <p>Deposits and loans grew in response to high economic growth</p>	<p>1986.10</p> <p>Appointed the first female Branch General Manager among Japanese banks</p>
	<p>1964.2</p> <p>Set a sunflower as the bank flower</p>	<p>1987.4</p> <p>Opened first overseas branch in New York</p>
	<p>1964.4</p> <p>Entered into an agreement with Chiba Prefecture to be a designated financial institution for business handling</p>	<p>1990.2</p> <p>Established Chibagin Research Institute</p>
	<p>1970.10</p> <p>Listed on the 2nd section of the Tokyo Stock Exchange</p>	<p>1991.10</p> <p>Established Oyumino Center</p>
	<p>1971.8</p> <p>Changed to the 1st section of the Tokyo Stock Exchange</p>	<p>1995.3</p> <p>Held the first "Chibagin Cup" (J. League pre-season match)</p>
	<p>1971.10</p> <p>Started operation of the first online system</p>	<p>1998.3</p> <p>Acquired Chuo Securities (currently Chibagin Securities) as a Group company</p>
	<p>1973.3</p> <p>Built the new Head Office building and relocated the Head Office from Chuo to Chiba-minato</p>	
	<p>1973.10</p> <p>Introduced the first CD machine at the Chiba Ekimae Branch Issued "Chibagin Cash Card"</p>	

2000s-	2020s-
<p>2015.10</p> <p>Launched the TSUBASA Alliance</p>	<p>2020.9</p> <p>Completed construction of Chibagin Head Office Building</p>
<p>2016.3</p> <p>Launched the Chiba-Musashino Alliance</p>	<p>2021.5</p> <p>Established Chibagin Market</p>
<p>2019.7</p> <p>Launched the Chiba-Yokohama Partnership</p>	<p>2023.4</p> <p>Established Himawari Green Energy</p>
	<p>2023.11</p> <p>Established TSUBASA-AML Center</p>

The "Chiba Bank's 80-Year History" Special Site (available in Japanese only)

In January 2024, a special site for the "Chiba Bank's 80-Year History" was launched on the Bank's website, as part of the Bank's 80th anniversary project. This site presents the Bank's history from its establishment in the Showa era through the Heisei era to the Reiwa era while focusing history of the most recent 10 years.



QR code to the site ▲

<https://www.chibabank.co.jp/company/info/80th/>

Strengths of the Chiba Bank Group

Operating Base

The Bank has a branch network of 184 domestic locations, mainly in Chiba Prefecture, and 6 overseas locations.

In Japan, we have secured contact points with customers, and provided optimal services that meet customers' needs in the region by opening branches in Ibaraki Prefecture and Saitama Prefecture in addition to central Tokyo, which is adjacent to Chiba Prefecture, while also consolidating existing branches and integrating functions of branches.

Overseas, we have branches in New York, Hong Kong, and London and representative offices in various locations in Asia (Shanghai, Singapore, and Bangkok), which constitute a top-level overseas branch network as a regional bank.

With this branch network, we have won an overwhelming share of the market in Chiba Prefecture (40.5% share of lending and 28.5% share of deposits in the prefecture), our main operating area, as we serve as the main bank for over 20,000 companies, supporting the business activities of customers, and we are the designated financial institution of 44 out of 55 local governments in the prefecture.

Financial Base

The total assets (consolidated) of the Bank amounts to approximately ¥21.3 trillion, and loans and bills discounted (non-consolidated) exceeds ¥12 trillion. In addition, our consolidated profit (profit attributable to owners of parent) is ¥62.4 billion, boasting a top-class asset size and profitability among the regional banks.

Meanwhile, the low expense ratio is our major feature, with ROE (consolidated) being 6.40%, increasing for three consecutive terms, and OHR (consolidated) being 48.76%, in the upper 40% range. The stable ROE and low OHR show our efficient business operations.

Our total capital ratio (consolidated) is 16.24% and common equity Tier 1 capital ratio (consolidated) is 16.20%. We also maintain a high level of financial soundness with non-performing loan ratio (non-consolidated) of 0.92%, which is less than 1%.

Thanks to these figures, the Bank remains high in external credit ratings (long-term) performed by credit rating agencies, such as A1 by Moody's, A- by Standard & Poor's, and AA- by Rating and Investment Information.

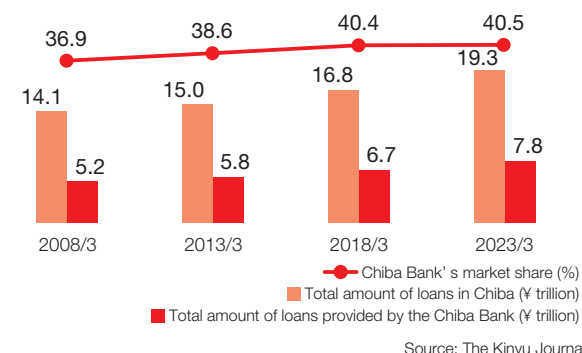
Alliances



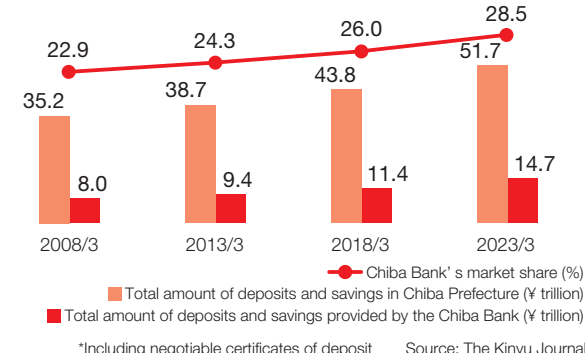
The Bank is deepening its alliances and partnerships with three main alliances, TSUBASA Alliance, Chiba-Musashino Alliance, and Chiba-Yokohama Partnership, and is collaborating with Sony Bank in various ways to improve our financial services through DX. The advanced alliance strategy which was established prior to other banks differentiates us from others at a maximum level and has increased our presence.

The annual effect of the alliances on the Bank's PL is approximately ¥6.0 billion for the top line and approximately ¥2.0 billion for cost reduction, making a total of around ¥8.0 billion, which leads to the Bank's low OHR. We will strive to enhance corporate value of the Bank and our partner banks by utilizing the strength of the alliances and deepening collaboration. (See pages 59-62 for specific initiatives)

Loans in Chiba



Deposits and savings in Chiba Prefecture*



(As of March 31, 2024 or for the fiscal year ended March 31, 2024, unless otherwise noted)

Business Base

Domestic Network*1 **184** locations

Overseas Network **6** locations

Branches: New York, Hong Kong, London
Representative Offices: Shanghai, Singapore, Bangkok

Market Share of Loans in Chiba*2 **40.5** %

Market Share of Deposits and Savings in Chiba Prefecture*2 **28.5** %

Designated Financial Institution for **44** out of 55 local governments

Coordination Agreement for Regional Revitalization Concluded with **26** out of 55 local governments

*1 181 branches and 3 money exchange counters

*2 Source: The Kinyu Journal, as of March 31, 2023

Top-Class Asset Size Among the Regional Banks

Total Assets (Consolidated): **¥21,323.8** billion

Loans and Bills Discounted (Non-Consolidated): **¥12,768.0** billion

Deposits (Non-Consolidated): **¥15,951.6** billion

Robust Capital

Total Capital Ratio (Consolidated) **16.24** %

Common Equity Tier 1 Capital Ratio (Consolidated) **16.20** %

Deeply Diverse Customer Base

Number of Accounts Used to Receive Salaries **862** thousand accounts

Number of Accounts Used to Receive Pensions **498** thousand accounts

Number of Customers Receiving Housing Loans **207** thousand customers

Number of Companies Using Chiba Bank as Their Main Bank* **21** thousand companies

* Source: Teikoku Databank

Top-Class Profitability Among the Regional Banks

Profit Attributable to Owners of Parent (Consolidated) **62.4** billion

ROE (Consolidated, based on Shareholders' Equity) **6.40** %

Low Expense Ratio

OHR (Consolidated) **48.76** %

Sound Loan Assets

Non-Performing Loan Ratio (Non-Consolidated and based on the Financial Reconstruction Act) **0.92** %

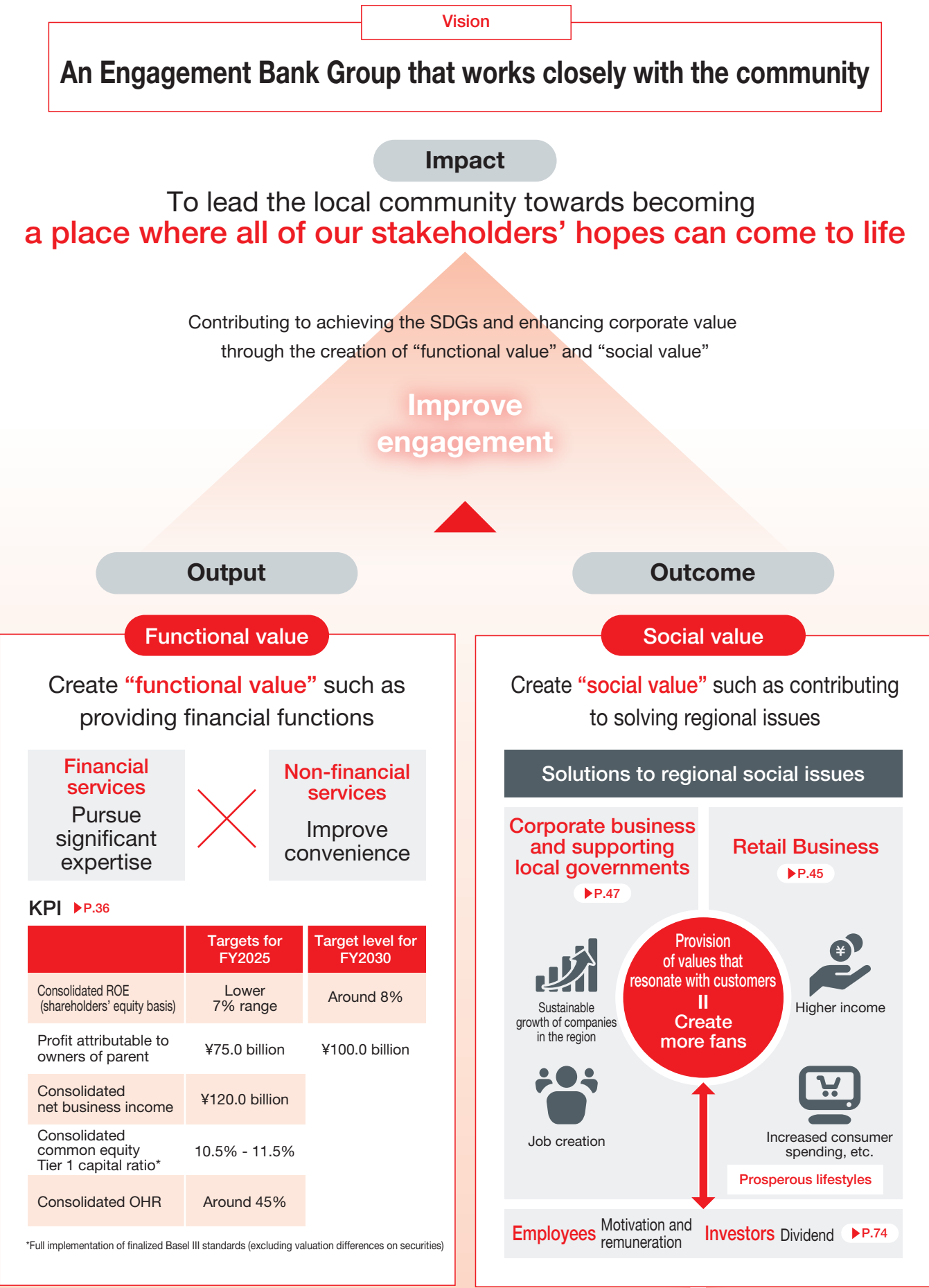
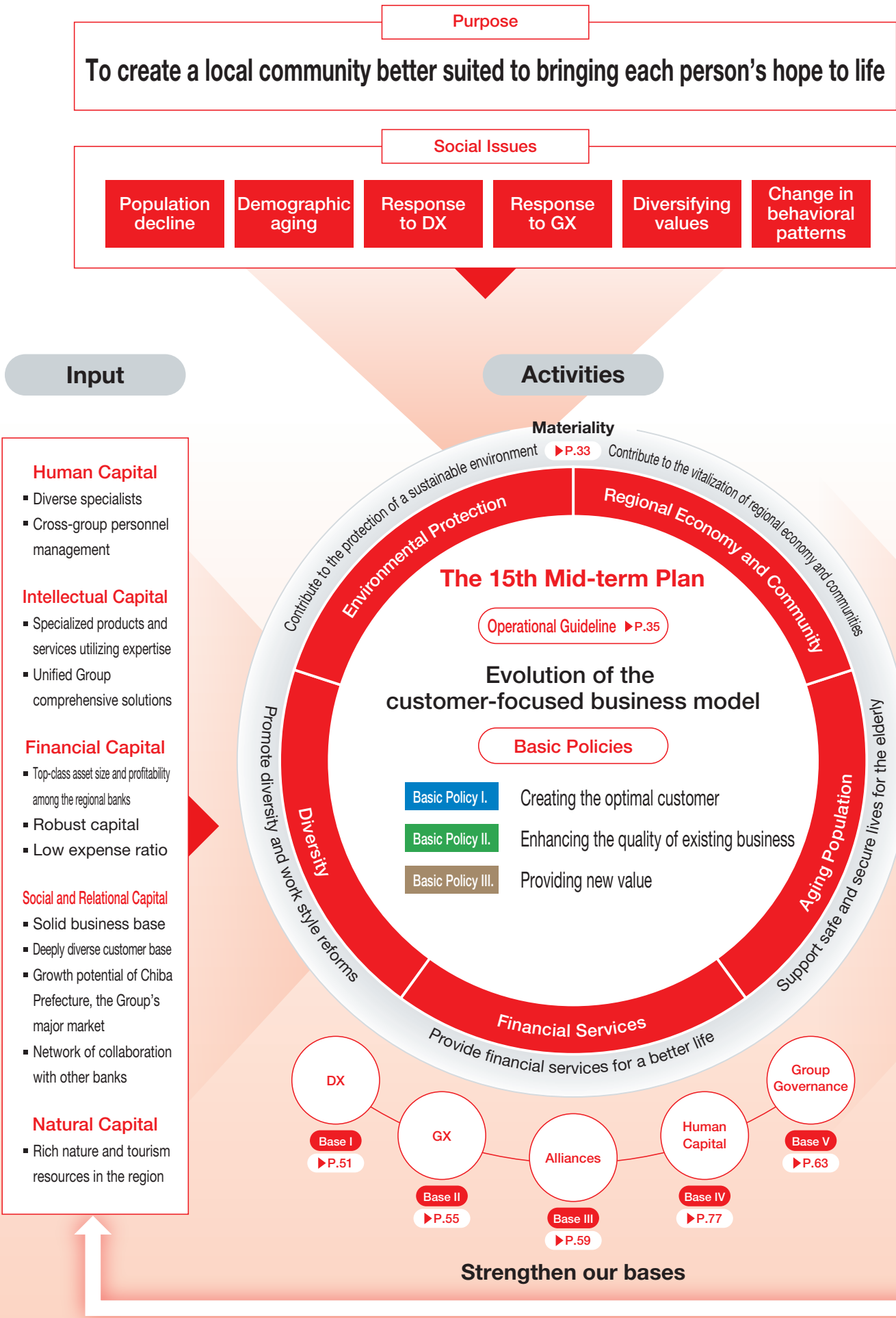
Excellent Ratings*

Moody's **A1** (Long-term) **P-1** (Short-term)

Standard & Poor's **A-** (Long-term) **A-2** (Short-term)

Rating and Investment Information **AA-** (Long-term) * As of July 1, 2024

Value Creation Process



Initiatives for “Sustainable Management”

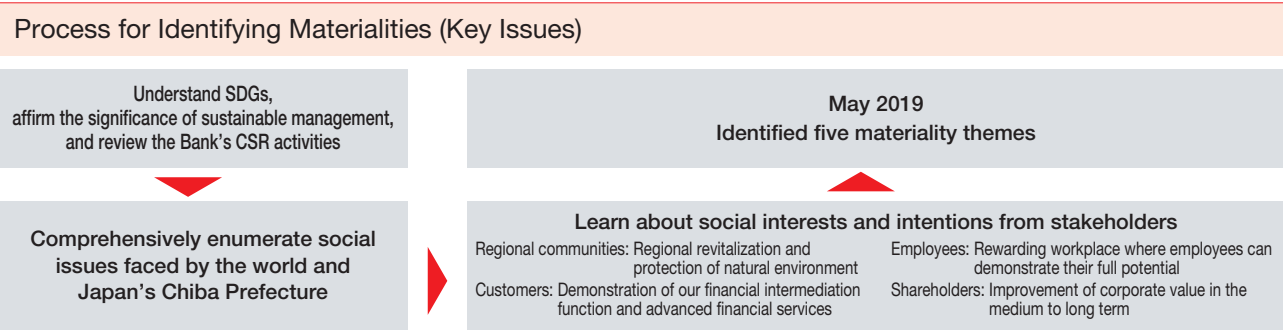
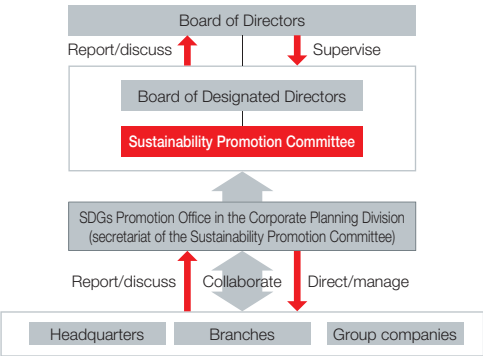
Sustainability Policies

The Bank Group works on initiatives for “sustainable management,” aiming at balancing economic value and social value over the long term.



Governance System for Sustainability and Process for Identifying Materialities (Key Issues)

The Bank Group has built a flexible and solid governance system for “sustainable management,” aiming at balancing economic value and social value over the long term. The Sustainability Promotion Committee is primarily responsible for the formulation and implementation of various measures for sustainability, and discusses and deliberates on the direction of sustainability management, specific activities and initiatives, and the identification and evaluation of risks and opportunities. Discussions and deliberations in the Committee are reported to and discussed by the Board of Directors.



Initiatives related to Materiality

Regional Economy and Community Contribute to the vitalization of regional economy and communities	● Support for regional revitalization (pages 49 and 50) ● Advisory services for business operators (page 47)	● Utilizing real estate funds (page 48)
Aging Population Support safe and secure lives for the elderly	● Inheritance-related services and trust business (page 46)	● Initiatives to prevent financial crimes including wire transfer fraud (page 96)
Financial Services Provide financial services for a better life	● Expanding features of the Chiba Bank app (page 52) ● Expanding features of Chibagin Business Portal (page 52)	● Promoting sustainable finance (page 55)
Diversity Promote diversity and work style reforms	● Human Rights Policy (page 34) ● Supporting balance between work and childcare (page 83)	● TSUBASA cross-mentor system (page 84)
Environmental Protection Contribute to the protection of a sustainable environment	● Response to climate change (pages 67 to 72) ● Response to natural capital (page 73)	● Initiatives for carbon neutrality in FY2030 (page 71)

Initiatives for Respecting Human Rights

Human rights are common universal rights everyone is born with. In the Bank Group, not only executives and employees but also customers and suppliers (to which our services are entrusted) are working on respect for human rights.

Human Rights Policy

The policy states that the Bank Group respects the human rights of all executives and employees to provide a suitable working environment, and will not tolerate discrimination, harassment, or human rights violation based on race, gender, nationality, etc. The policy also asks our customers and suppliers to respect, and not infringe, human rights.

For details of the Chiba Bank Group Human Rights Policy, see our website:
https://www.chibabank.co.jp/english/corporate/policy/human_rights/

Corporate Code of Conduct

We declared the Chiba Bank Group's Corporate Code of Conduct in April 2021. This code of conduct states the basic policy for carrying out ethical and responsible corporate activities as the Chiba Bank Group, which is a “company” to be a part of society and a “bank” to take social responsibility and public mission. For respecting human rights, the code of conduct states that the Chiba Bank Group respects the human rights of all people, including officers and employees, and customers.

For details of the Chiba Bank Group's Corporate Code of Conduct, see our website:
https://www.chibabank.co.jp/english/corporate/policy/behavioral_guidelines/

Complying with the UK Modern Slavery Act 2015

As Chiba Bank has a branch in London, the UK, we have published annual statements for compliance with the UK Modern Slavery Act 2015 since its establishment.

The statement states not only the operation in our London Branch but also an intention that we would eliminate the violation of human rights by slave labor, human trafficking, etc. in the Bank's overall operation to respect human rights, and also asks our suppliers to respect, and not infringe, human rights.

For details of the UK Modern Slavery Act 2015, see our website:
<https://www.chibabank.co.jp/english/corporate/pdf/ModernSlavery.pdf>

Supplier monitoring

The Chiba Bank Group clearly expresses the Chiba Bank Group Human Rights Policy and the Chiba Bank Group Procurement Policy to our suppliers and asks them to understand and comply with the policies. In addition, we conduct monitoring once a year to confirm that the suppliers have no violations of human rights.

For details of the Chiba Bank Group Procurement Policy, see our website:
<https://www.chibabank.co.jp/company/sustainability/policies/procurement.html>

Progress status of mid-term plan

As a strategy to realize our Purpose and Vision, we have set, for our operational guideline, the Mid-term Plan “Engagement Bank Group - Phase 1 -,” which aims for “Evolution of the customer-focused business model.” Under the Plan, we will further increase engagement with customers by changing our perspective in providing products and services and creating the optimal customer. Under the three “Basic Policies,” we will improve our customer service and strengthen the five “Value Creation Bases” that support these policies.

The 15th Mid-term Plan Engagement Bank Group

Phase 1 Plan Period: April 1, 2023 to March 31, 2026

Operational Guideline Evolution of the customer-focused business model

Basic Policies

Practice “Sustainable Management” by providing social value to the community

Basic Policy
I

Creating the optimal customer

Deliver personalized proposals utilizing a wide range of data.
Provide in-person, remote, and digital channels most-suited to the customer.

Basic Policy
II

Enhancing the quality of existing business

Further increase the quality of solutions designed to address customer issues.

Basic Policy
III

Providing new value

Provide new-found value to customers by entering into new business areas.

Value Creation Bases Expansion of “Value Creation Bases”

Base I
DX

Base II
GX

Base III
Alliances

Base IV
Human Capital

Base V
Group Governance

Target Figures

	(Reference)	(First fiscal year)	(Final fiscal year)	
	Results for FY2022	Results for FY2023	Targets for FY2025	Target level for FY2030
Consolidated ROE (shareholders' equity basis)	6.38%	6.40%	Lower 7% range	Around 8%
Profit attributable to owners of parent	¥60.2 billion	¥62.4 billion	¥75.0 billion	¥100.0 billion
Consolidated net business income	¥81.8 billion	¥91.7 billion	¥120.0 billion	
Consolidated common equity Tier 1 capital ratio*	10.57% (Before application of finalized Basel III standards)	11.87%	10.5% - 11.5%	
Consolidated OHR	47.37%	48.76%	Around 45%	

*Full implementation of finalized Basel III standards (excluding valuation differences on securities)

Progress toward targets

The abovementioned five management KPIs, including a consolidated ROE, are set as financial targets in the Mid-term Plan “Engagement Bank Group - Phase 1 -.”

As long-term targets, we are aiming for a consolidated ROE of around 8% and a profit attributable to owners of parent of 100.0 billion yen in FY2030.

Amid a drastically changing external environment, we worked to provide solutions to social issues such as transforming customer experiences by providing a highly convenient Chiba Bank app, sustainable finance, and accompanying support for business improvement by the Business Consulting Office, while also utilizing alliances. In addition, we have strengthened the entry into new business areas such as renewable energy power generation business and advertising business.

As a result, all figures in the first fiscal year of the Mid-term Plan made good progress, including ¥62.4 billion in profit attributable to owners of parent versus a target of ¥61.0 billion.

Future responses

We recognize that for the Chiba Bank Group to grow sustainably, we need to further enhance our strengths, continue to deepen our existing businesses and take on the challenge of new businesses as a growth strategy, and apply our business improvement plan to future growth.

While strengthening these initiatives, we will strengthen our profitability and improve capital efficiency to achieve five target figures in the final fiscal year through provision of values that resonate with customers.

Financial Results and Conditions

Financial Results for the Fiscal Year Ended March 31, 2024

Overview

While net interest income decreased by ¥3.7 billion year on year, net fees and commissions income were strong and increased by ¥1.4 billion year on year, reaching a record high. In addition, gains/losses related to bonds improved by ¥14.1 billion year on year due to the absence of the impact of foreign bonds loss-cutting conducted in the previous fiscal year. As a result, gross business profit increased by ¥12.6 billion year on year to ¥168.2 billion.

G&A expenses increased by ¥2.5 billion year on year due to investment in human capital and strategic investments, which are within the scope of our plan, and consolidated OHR has maintained a high efficiency of 48%.

Real net business income increased by ¥10.0 billion year on year to ¥83.1 billion. The Bank's core business income excluding gains/losses on the cancellation of investment trusts was strong, increasing for five consecutive terms to ¥87.4 billion.

Credit-related expenses were a provision of ¥5.8 billion. Credit-related expenses increased by ¥5.5 billion year on year primarily due to the absence of large recoveries of written-off claims in the previous fiscal year and making preventive provisions for some loans in light of the current environment.

Ordinary profit increased by ¥4.3 billion year on year to ¥86.0 billion, and profit increased by ¥2.4 billion year on year to ¥60.5 billion.

On a consolidated group basis, ordinary profit increased by ¥3.2 billion year on year to ¥90.2 billion and profit attributable to owners of parent increased by ¥2.1 billion year on year to ¥62.4 billion, both reaching record highs for two consecutive terms.

Net interest income

Net interest income decreased by ¥3.7 billion year on year to ¥136.6 billion mainly due to a decrease in gains on the cancellation of investment trusts.

Domestic net interest income increased by ¥0.7 billion year on year. Interest on loans and discounts increased by ¥3.9 billion year on year due to a steady increase in domestic loans and bills discounted as a result of our proactive responses to the needs of customers, and dividends from investment trusts increased on the back of rising stock prices, etc.

Overseas net interest income decreased by ¥4.4 billion primarily due to a decrease in gains on the cancellation of investment trusts.

Summary of financial results for the Fiscal Year Ended March 31, 2024 (¥ billion)			
(Non-consolidated)	2023/3	2024/3	YoY
Gross business profit	155.5	168.2	12.6
Net interest income	140.3	136.6	(3.7)
Net fees and commissions	28.6	30.0	1.4
Net trading income	1.3	1.1	(0.2)
Net other ordinary income	(14.8)	0.3	15.1
Gains/losses related to bonds	(20.0)	(5.8)	14.1
G&A expenses (-)	82.5	85.1	2.5
Real net business income	73.0	83.1	10.0
Core business income	93.0	88.9	(4.0)
Excl. gains/losses on the cancellation of investment trusts	85.3	87.4	2.0
Net provisions to general allowance for loan losses (-)	—	—	—
Net business income	73.0	83.1	10.0
Non-recurring gains/losses	8.7	2.9	(5.7)
Disposal of non-performing loans (-)	0.3	5.8	5.5
Reversal of loan loss reserves	0.9	0.3	(0.5)
Gains/losses related to stocks, etc.	8.3	9.3	1.0
Ordinary profit	81.7	86.0	4.3
Extraordinary gains/losses	(0.3)	(0.2)	0.0
Profit	58.1	60.5	2.4
Credit-related expenses (-)	0.3	5.8	5.5
(¥ billion)			
(Consolidated)	2023/3	2024/3	YoY
Ordinary profit	86.9	90.2	3.2
Profit attributable to owners of parent	60.2	62.4	2.1
(Reference)			
Consolidated net business income (before provision to general allowance for loan losses)	81.8	91.7	9.8

Breakdown of net interest income (¥ billion)			
	2023/3	2024/3	YoY
Net interest income	140.3	136.6	(3.7)
Domestic	131.5	132.2	0.7
Interest on loans and deposits	100.2	104.2	3.9
Loans and bills discounted	100.5	104.5	3.9
Interest and dividends on securities	28.7	26.0	(2.6)
Other (market operations, etc.)	2.5	1.9	(0.6)
Overseas	8.8	4.4	(4.4)
Loans and bills discounted	13.5	27.1	13.5
Foreign securities	19.1	27.0	7.8
Other (funding, market operations, etc.)	(23.8)	(49.7)	(25.8)
Net interest income (excl. gains on the cancellation of investment trusts)	132.6	135.1	2.4
Gains on the cancellation of investment trusts	7.6	1.5	(6.1)

Net fees and commissions

Net fees and commissions increased to ¥30.0 billion, reaching record high for four consecutive terms.

Attributable to proposals that were based on the needs of corporate customers, corporate solutions fees and commissions increased by ¥0.9 billion year on year to reach a record high and led the overall increase in net fees and commissions.

Fees and commissions from investment trusts and personal annuities declined overall by ¥0.3 billion year on year due to a decrease in annuities and whole-life insurance fees.

Trust/inheritance-related business fees and cashless operations fees increased to a record high.

Breakdown of net fees and commissions (¥ billion)			
(Non-consolidated)	2023/3	2024/3	YoY
Net fees and commissions	28.6	30.0	1.4
<Main breakdown>			
Investment trusts and personal annuities	6.3	5.9	(0.3)
Corporate solutions	15.7	16.6	0.9
Trust/inheritance-related business	1.4	1.5	0.0
Cashless operations	1.6	2.8	1.1
Payment and settlement transactions	12.5	12.9	0.3
Guarantee charges and group insurance costs (-)	13.0	13.9	0.8

Earnings Projections for the Fiscal Year Ending March 31, 2025

For the fiscal year ending March 31, 2025, gross business profit is projected to increase ¥14.7 billion year on year to ¥183.0 billion due to an increase in net fees and commissions and the absence of the impact of foreign bonds loss-cutting conducted in the previous fiscal year, in addition to an increase in net interest income due to an increase in domestic interest on loans and deposits as a result of an increase in loans and bills discounted and rising interest rates.

G&A expenses are projected to increase ¥3.4 billion year on year to ¥88.5 billion primarily due to wage increases and a rise in cost of strategic investments.

As a result, real net business income is projected to increase ¥11.3 billion year on year to ¥94.4 billion, and core business income excluding gains/losses on the cancelation of investment trusts is projected to increase ¥2.9 billion year on year to ¥90.4 billion.

Credit-related expenses, on the other hand, are conservatively projected to increase ¥1.6 billion year on year to ¥7.5 billion in light of the environment where impact on the economy has remained uncertain, such as rising prices and the yen's depreciation.

As a result, ordinary profit is projected to increase ¥8.2 billion year on year to ¥94.3 billion and profit is projected to increase ¥6.3 billion year on year to ¥66.9 billion.

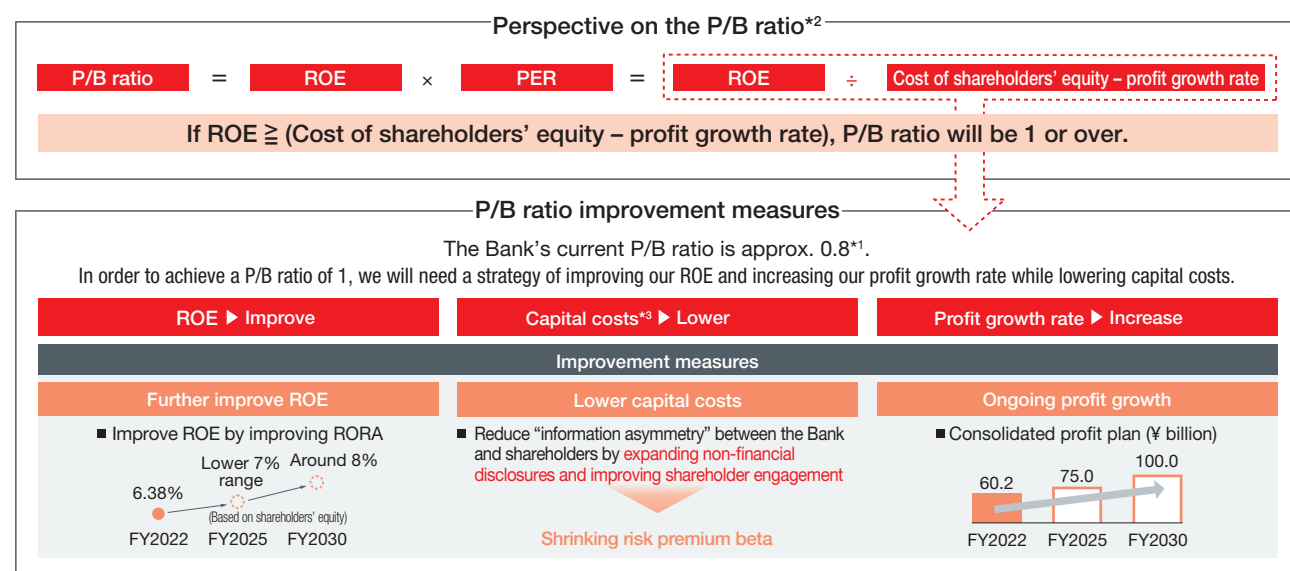
On a consolidated group basis, ordinary profit is projected to increase ¥7.6 billion year on year to ¥97.9 billion and profit attributable to owners of parent is projected to increase ¥5.5 billion year on year to ¥68.0 billion.

Earnings projections (¥ billion)			
(Non-consolidated)	2024/3	2025/3 (Plan)	YoY
Gross business profit	168.2	183.0	14.7
Net interest income	136.6	146.0	9.3
Net fees and commissions	30.0	31.7	1.6
Net trading income	1.1	2.2	1.1
Net other ordinary income	0.3	3.0	2.6
Gains/losses related to bonds	(5.8)	1.3	7.2
G&A expenses (-)	85.1	88.5	3.4
Net business income (before provision to general allowance for loan losses)	83.1	94.4	11.3
Core business income	88.9	93.1	4.1
Excl. gains/losses on the cancellation of investment trusts	87.4	90.4	2.9
Net provisions to general allowance for loan losses (-)	—	0.9	0.9
Net business income	83.1	93.5	10.4
Non-recurring gains/losses	2.9	0.7	(2.2)
Disposal of non-performing loans (-)	5.8	6.6	0.7
Reversal of loan loss reserves	0.3	—	(0.3)
Gains/losses related to stocks, etc.	9.3	7.0	(2.3)
Ordinary profit	86.0	94.3	8.2
Extraordinary gains/losses	(0.2)	(0.2)	0.0
Profit	60.5	66.9	6.3
Credit-related expenses (-)	5.8	7.5	1.6
(¥ billion)			
(Consolidated)	2024/3	2025/3 (Plan)	YoY
Ordinary profit	90.2	97.9	7.6
Profit attributable to owners of parent	62.4	68.0	5.5
(Reference)			
Consolidated net business income (before provision to general allowance for loan losses)	91.7	105.2	13.4

Improving our P/B Ratio

Improving our P/B Ratio

The Bank's P/B ratio is approximately 0.8*, which is a top-class figure for a regional bank. However, it has been trending below 1 for some time. In order to raise the ratio to a level higher than 1, we consider the ratio in terms of three factors: ROE, capital costs, and profit growth rate, and will implement a three-pronged improvement plan consisting of further improving our ROE, lowering capital costs, and sustainable profit growth.

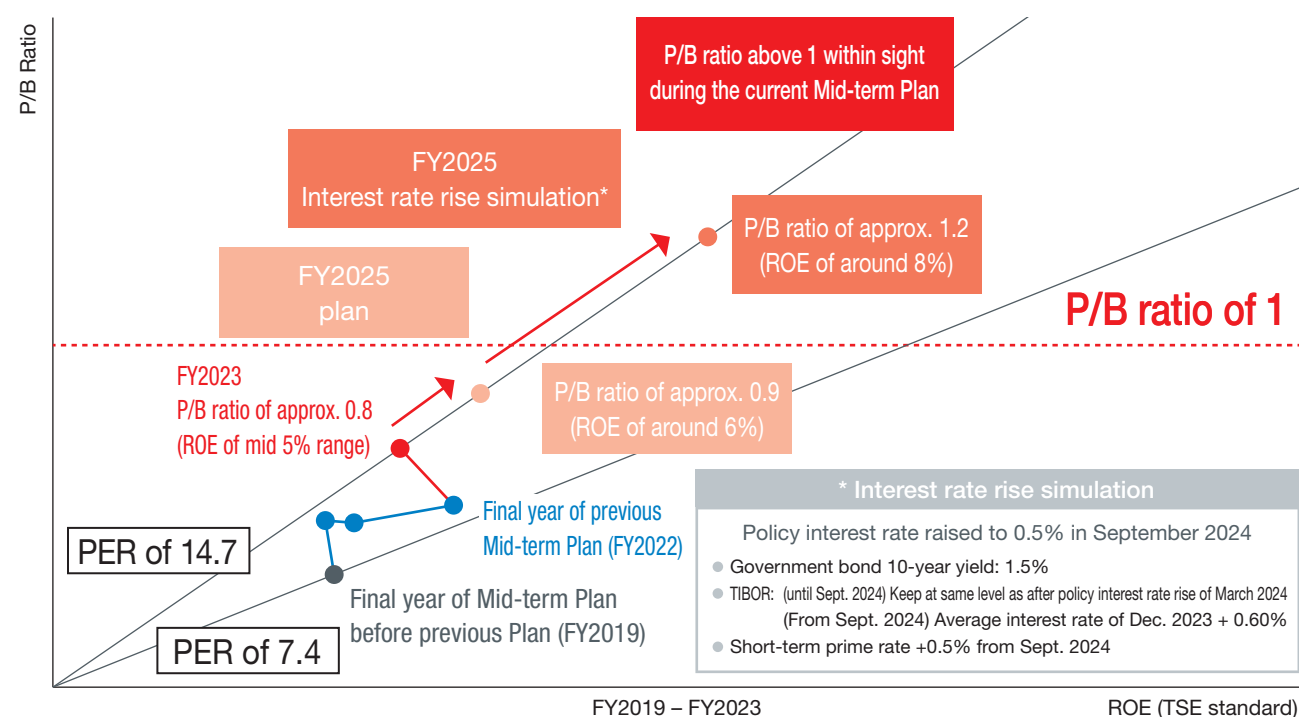


*1 Results for FY2023

*2 A more accurate formula is $P/B \text{ ratio} = 1 + (ROE - \text{cost of shareholders' equity}) \div (\text{cost of shareholders' equity} - \text{growth rate})$. The formula shown here is presented as a practical simplified version.

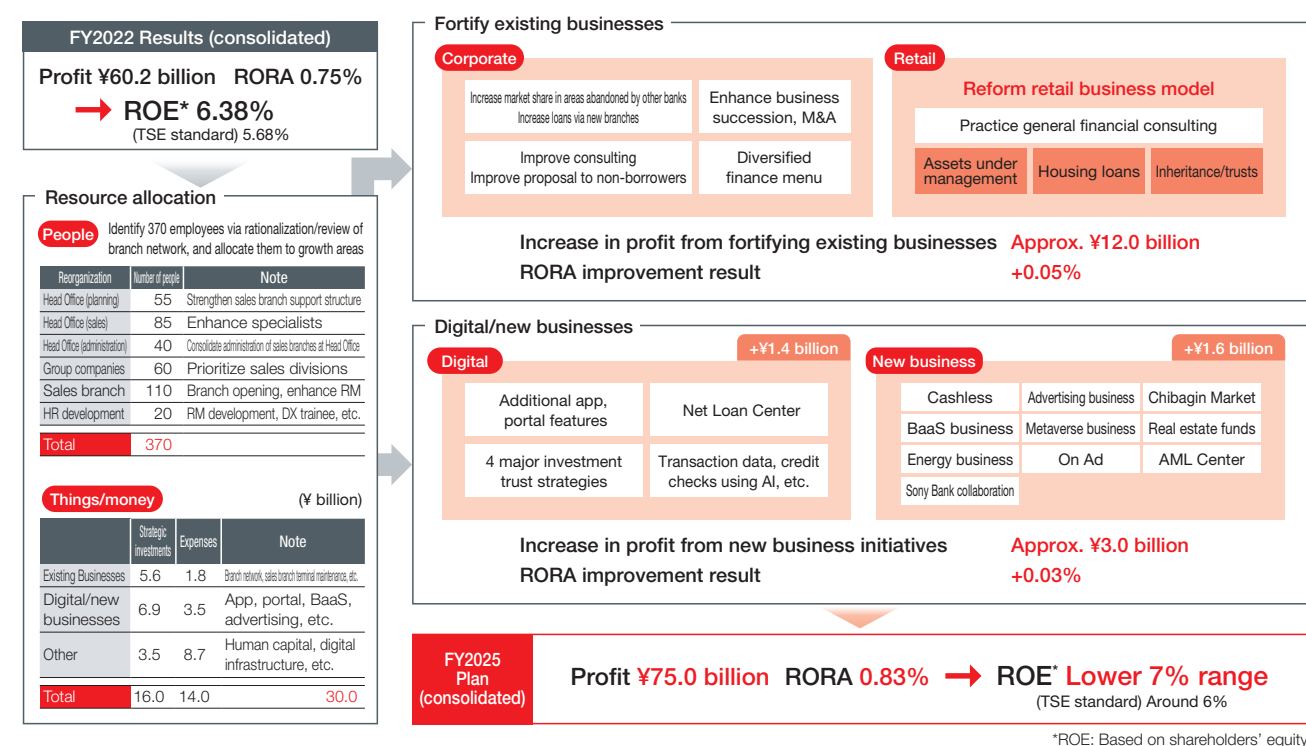
*3 The Bank's administrative capital costs are estimated using CAPM.

Trends in P/B Ratio and ROE



Growth Strategy

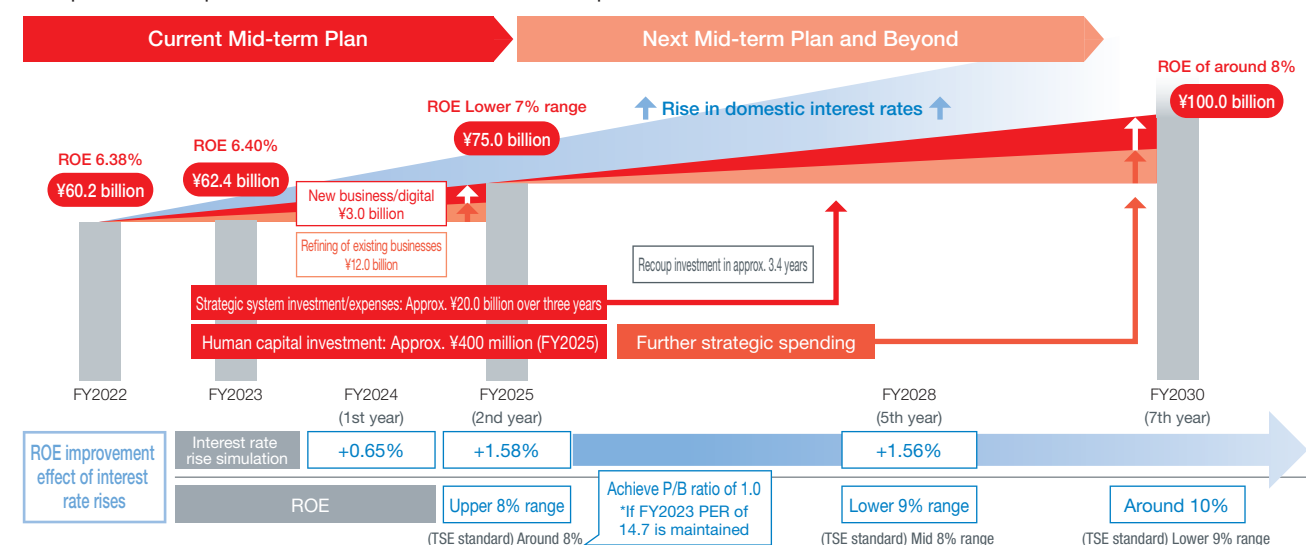
In order to increase its ROE, the Bank aims to improve its RORA, a measure of profitability relative to risk-weighted assets, while maintaining the capital ratio at a constant level. We aim to increase consolidated profit from ¥60.2 billion to ¥75.0 billion and RORA from 0.75% to 0.83% over the three years of the Mid-Term Plan by allocating resources to various fields in existing businesses and digital/new businesses.



*ROE: Based on shareholders' equity

Sustainable growth toward FY2030

In addition to the steady execution of growth strategies by refining existing businesses and fortifying new business and digital initiatives, we will aim for the further improvement of ROE while incorporating the positive impacts of interest rate rises in Japan.



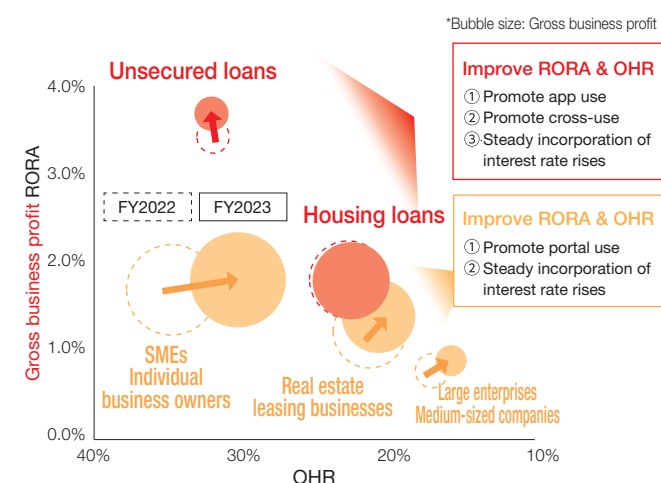
*All figures are on a consolidated basis

Improving our P/B Ratio

Improving RORA

By adopting strategies tailored to divisions and assets, in addition to raising topline RORA, we will work to raise bottom line RORA by bolstering fees and commissions.

Topline RORA and OHR by Asset and Division (based on FY2023)



*Calculations of division OHR tend to be low because they do not include Head Office expenses, etc.

*In the calculation of RORA, risk-weighted assets were converted based on full implementation of finalized Basel III standards.

OHR of other retail operations (FY2022 → FY2023)

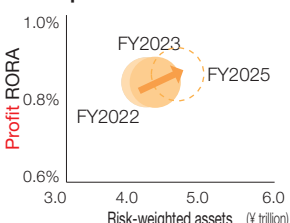
Financial product sales: 128% → 138%
Cashless: 70% → 70%
Trusts: 75% → 76%

• Divisions that do not use risk-weighted assets
• Work to reduce OHR through "use of digital technologies" and "general consulting for retail customers"

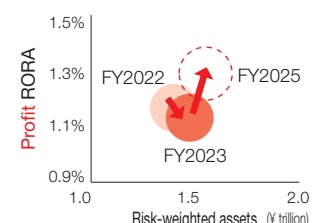
*Due to full fledging of JCB business, only cashless figures are consolidated. All other figures are non-consolidated figures.

Bottomline RORA

Corporate Division RORA

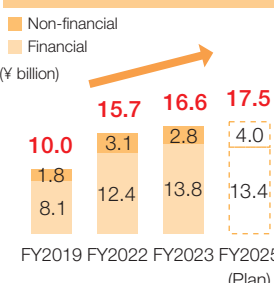


Retail Division RORA



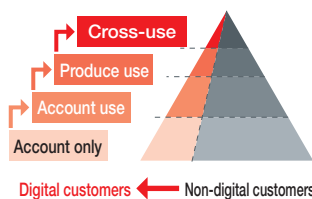
Strengthening of fees and commissions

Build up corporate solutions pipeline



Strengthening of fees and commissions

Deepen digital marketing Expand cross-use



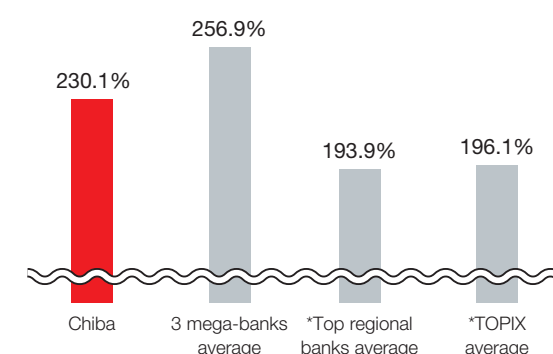
Shareholder returns

We aim to achieve a dividend payout ratio of more than 35% during the period of the Mid-term Plan and 40% in the long term. We will flexibly implement acquisitions of treasury shares so that common equity Tier 1 capital ratio* remains within the required range.

We will improve earnings by steadily carrying out various measures and continue to implement shareholder returns that take into consideration the balance between investment for growth and a sound capital base.

Total shareholder return (TSR)

[5 years from March 2019 to March 2024]



*Average of top five regional banks by total assets (4 banks excluding Chiba Bank)

*TOPIX average calculated from TOPIX index including dividends

*Average of other banks are simple averages calculated by the Bank

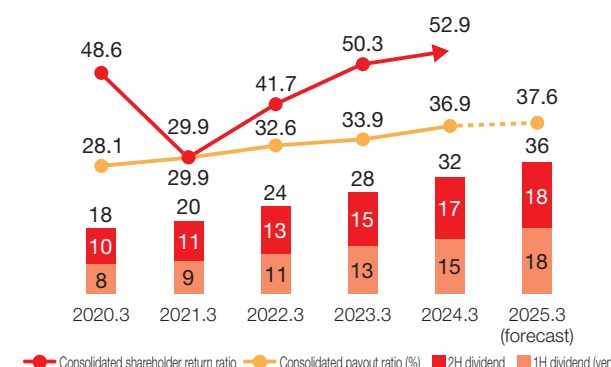
Reduction of cross-shareholdings

In terms of cross-shareholdings, our 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 local economy and the improvement of the Bank's corporate value through the maintenance and development of good relationships with business partners as a regional financial institution, while reducing overall cross-shareholdings after having sufficient dialogue with clients to control stockholding risk and capital efficiency, etc.

The quantitative effect of cross-shareholdings on listed stocks is determined using indexes, etc. calculated by deducting the deemed allowance for stocks and the capital cost for holding stocks, for each client, from income from deposits and loans, service income, and dividend income, etc. The Board of Directors verifies the validity of the rationale for cross-shareholdings for each individual issue, based on the economic rationale and future prospects for the value of the shares, taking into consideration the financial and performance details of each company.

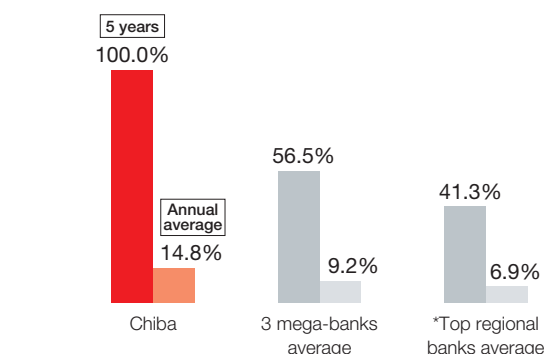
As of March 31, 2024, the amount of cross-shareholdings on the balance sheet (market value) was 201.6 billion yen, accounting for 17.06% of total capital (consolidated net assets).

Shareholder returns



Dividend growth rate (dividend amount per share)

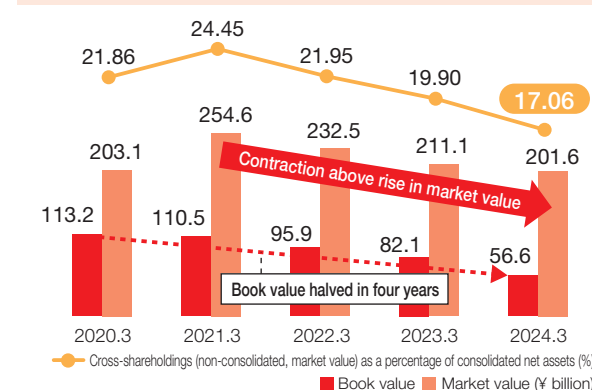
[5 years from March 2019 to March 2024]



*Average of top five regional banks by total assets (4 banks excluding Chiba Bank)

*Average of other banks are simple averages calculated by the Bank

Cross-shareholdings and ratio to total capital

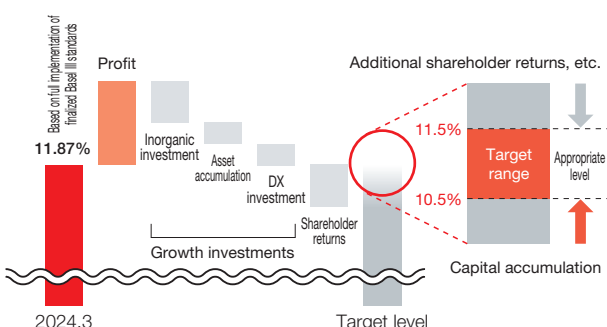


Capital Policy

Capital management viewpoint

Our basic policy is to control the consolidated common equity Tier 1 capital ratio* in the range of 10.5% to 11.5%. We will first use the capital accumulated through periodic profit to invest in growth, secure equity capital commensurate with growth investments, maintain appropriate capital, and then consider returning any surplus to shareholders. We will seek to improve ROE by improving RORA while maintaining an appropriate level of capital.

Consolidated common equity Tier 1 capital ratio*



*Consolidated common equity Tier 1 capital ratio excludes valuation differences on securities fully implemented by finalized Basel III standards

Message from the CBO



Delivering high-quality services tailored to each and every individual and corporate customer with the optimal timing

Kiyomi Yamazaki

Director and Senior Executive Officer (Representative Director)
Group Chief Business Officer (CBO)
General Manager in charge of Business Promotion

Understanding our customers well to deliver optimal solutions

I will talk in specifics about our retail and corporate businesses separately, starting with the retail business.

In October 2023, in a major change of direction for the retail business, the Bank abolished branch revenue targets and established an evaluation system that focuses on activity volume and fiduciary duties.

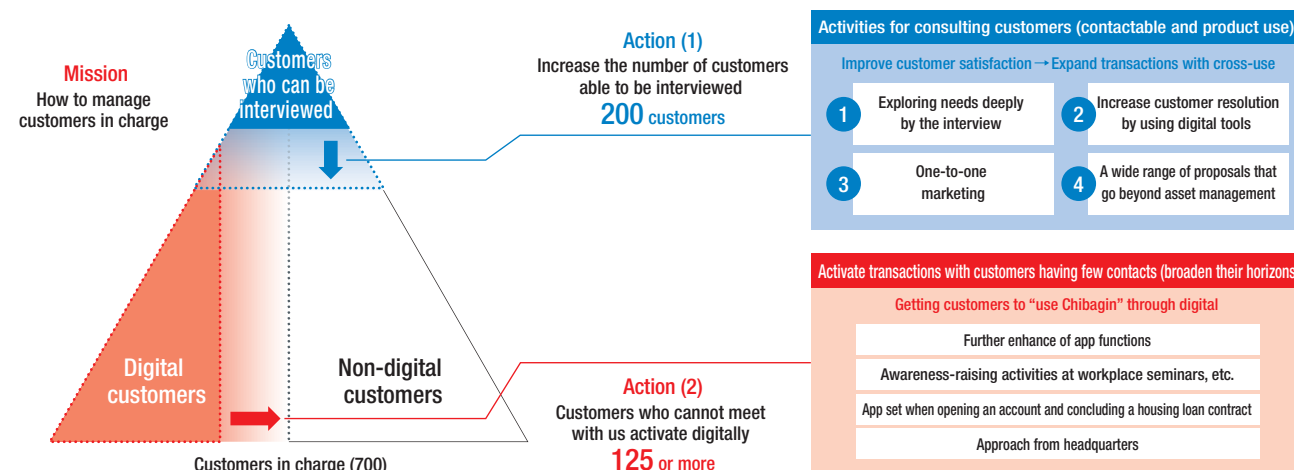
We will aim to improve customer satisfaction by deploying sales activities that pursue the best interests of our customers.

Given the infinite variety of the lifestyles and needs of our individual customers, we need to make optimal personalized proposals. To this end, we will strengthen our digital marketing that anticipates customer needs. By estimating individual customers' life events based on their various transaction data and predicting highly needed products, we will aim

To create a local community better suited to bringing each person's hope to life

If we are to realize the Purpose and Vision, it is important to have a better understanding of our customers and to identify their existing and latent needs. By understanding those needs and making optimal proposals for bringing customers' hopes to life and solving their issues, we will evolve our business model into a customer-oriented model in which the Bank will grow together with our customers.

Future Vision of Retail Business



to make the most appropriate proposals at the most appropriate times. We will share data analyzed by the headquarters with the branches and, as a "comprehensive money consultant," make a wide range of proposals, such as asset management, mortgage, auto and education loans, to support the prosperous lifestyles of individual retail customers. We will work on various initiatives to bring the hopes of many more customers to life, such as establishing new locations for mortgage loans services to respond to a wide range of customer needs and holding video-based inheritance seminars for inheritance-related services. I hope that our retail customers will feel free to consult with us about their needs.

Next, in the corporate business, as "an assistant to management," Head Office, the branches, and Group companies will work together to gain a full picture of the management issues of each corporate customers and promptly make proposals that will help support their core business.

Given the significant changes in the business environment surrounding our corporate customers, a particularly large number of customers currently face management issues related to GX and DX. The Bank is placing efforts into non-credit solution proposals, such as decarbonization and ICT consulting, and our track record in this area is growing steadily. For each case, we form a solutions team in which the branches, headquarters, and Group companies collaborate to consider the most appropriate proposals. In this way, the entire Group will work together to act swiftly to resolve customers' management issues.

In addition to assisting customers with their funding, we will stay close to our customers,

precisely identifying their latent needs and management issues, and continuing to propose solutions, in our efforts to solve social issues in the region.

Introduction of activity-based evaluation system

The Bank has introduced an activity-based evaluation system for both retail and corporate businesses.

To revise a review of previous evaluation systems, we introduced an evaluation system for the retail business that focuses on the volume of sales personnel's activities, such as the number of appointments made and the number of customers visited, and fiduciary duties. For the corporate business, we introduced an evaluation system that places more weight on the process up to the signing of contracts for solutions. We will have meetings with numerous customers to learn about their asset management needs and make proposals to solve their business management issues. Through changes in the way our sales personnel act, we will create more opportunities to make optimal proposals to a wider range of customers than ever. In particular, we will seek out opportunities to interact with new customers as well as existing customers. In this way, we will aim to revitalize transactions with many customers and turn them into fans of Chiba Bank.

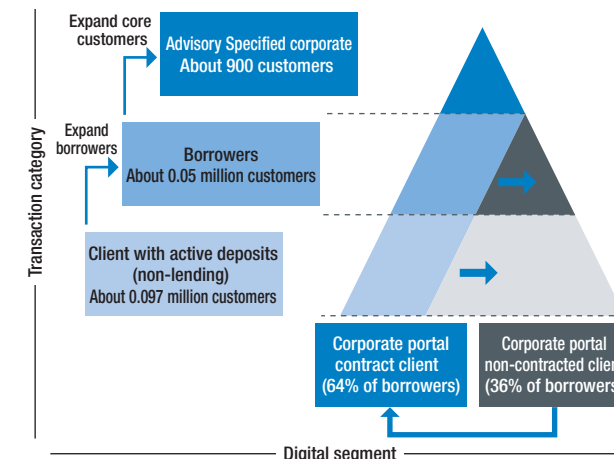
Continuing to grow alongside the region

Bank possesses rock-solid business foundations that can be attributed to the relationships of trust that we have built up with our customers over many years.

Since I first joined the Bank, I have always strived to respond swiftly and carefully to customers seeking consultations. That remains unchanged even now in my position as Group CBO. I believe that, as we accumulate more responses that exceed customers' expectations, customers will choose Chiba Bank over many other banks.

A strength of our sales representatives is their ability to place themselves in the shoes of customers seeking consultations and respond swiftly and empathetically to them. As well as leveraging that strength to further deepen our relationships with our existing customers, we will use it to develop new customers and take them with us into the future, in our aim to be a banking group that continues to grow alongside the region.

Process of expanding transactions in corporate business



Retail Business

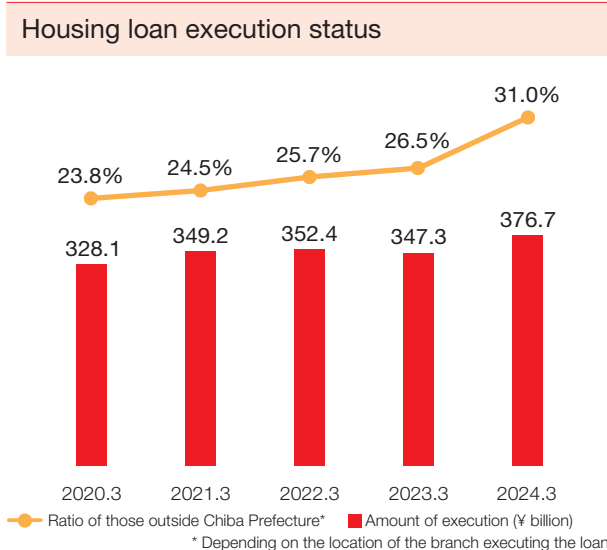
Individual values and lifestyles have diversified, and accordingly, the services that customers expect from financial institutions have changed. The Bank Group has worked to strengthen operational systems and various services to provide optimal services that meet the needs of retail customers.

Strengthening operational systems for housing loans in and outside of Chiba Prefecture

In order to flexibly respond to changes in the social environment including soaring housing prices and diversification of work styles and to closely support the wishes and intentions of our customers to purchase houses, we have strengthened our operational systems mainly by expanding the number of personnel specializing in housing loans.

In October 2023, personnel specializing in housing loans, available on bank holidays, was assigned to the Asahi Branch to respond to a wide range of inquiries and requests from customers in the Toso area.

In addition, in order to further strengthen sales in Tokyo, where demand for housing remains strong, we have expanded a system of the Tokyo Consumer Loan Center, and established the “Tokyo Consumer Loan Center Shinjuku Office” in the Shinjuku Nishi Corporate Banking Office in June 2024, to provide consultation services for housing loans in the West Tokyo area. We will flexibly review our operational systems in line with trends in housing needs and work to evolve products and systems that meets the trend of digitalization and the needs of customers.



MESSAGE

Housing loans to help customers realize their dreams

After going through career development training, I became responsible for operations at a branch counter and then for a loan liaison. Currently I am in charge of housing loans for retail customers.

I try to think what customers need and what they want from us, and I am committed to working with them to realize prosperous lifestyles beyond the loan.

I feel the joy of helping customers realize their wishes and dreams to build their own home, to live in a house where they can live with their favorite cats, or to renovate their new home to

Ayaka Usami

Consumer Loan
Business Division
Tokyo Consumer Loan Center



suit their own taste, in their home purchases, which is said to be the most expensive purchase in life.

I hope to continue to be the first person and bank that customers can consult when they or their loved ones are in need. To that end, I will make further efforts to build a relationship of trust with customers by sincerely listening to each customer's voice, and having the Bank provide total support in a wide range of areas, starting with housing.

Inheritance-related services and trust business

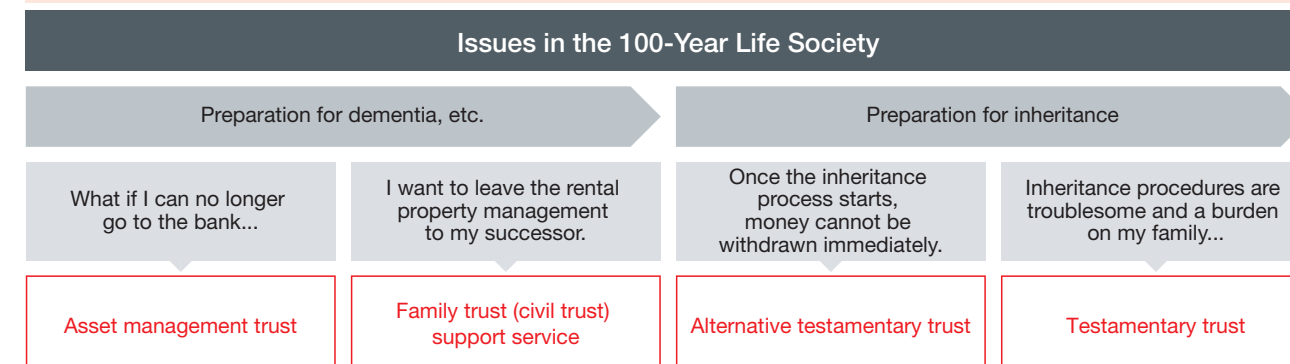
In 2006, the Bank obtained licenses for inheritance-related services and trust businesses and became the first regional bank in Japan to provide inheritance-related services by itself.

With the advent of the 100-Year Life Society, we provide a wide range of services to help solve various issues of customers from “preparing for dementia” in deposit management and rental property management to “preparing for inheritance” to ensure smooth asset succession.

In December 2023, in order to show customers in an easy-to-understand manner that testaments are effective for smooth asset succession, we started to hold “inheritance seminars,” which consists of dramatized video and commentary, at all branches. We will continue to realize more customers' wishes and intentions for their family.



Main lineup of our trust business and inheritance-related services



Chibagin's Support Service in the 100-Year Life Society

MESSAGE

Become a reliable advisor on “inheritance”

Amid growing interests in inheritance, with the “end-of-life planning boom,” the “revision of the Inheritance Tax Act,” and “an increase in the number of meditations in family courts for the division of estates,” I provide advice on inheritance and assistance with the preparation of testaments, as a person in charge of inheritance-related services.

I am working daily with customers to address the issue of “inheritance,” an issue that is difficult to discuss even with their family members, to realize smooth asset succession. I feel the real thrill of my job when I am able to provide better advice

Fumika Sato

Trust Business Division
Consulting Department



for customers and their family members who will inherit their assets by closely supporting them. When the testament is completed and the customer says “I am glad that I consulted with Chiba Bank,” or “I feel relieved that my wishes and intentions take shape,” that is the moment when I feel happy as a sales representative.

I will continue to make every effort so that each and every customer can consult with us with peace of mind, and to ensure that everyone in the regional communities can rely on Chiba Bank when it comes to inheritance.

Corporate Business



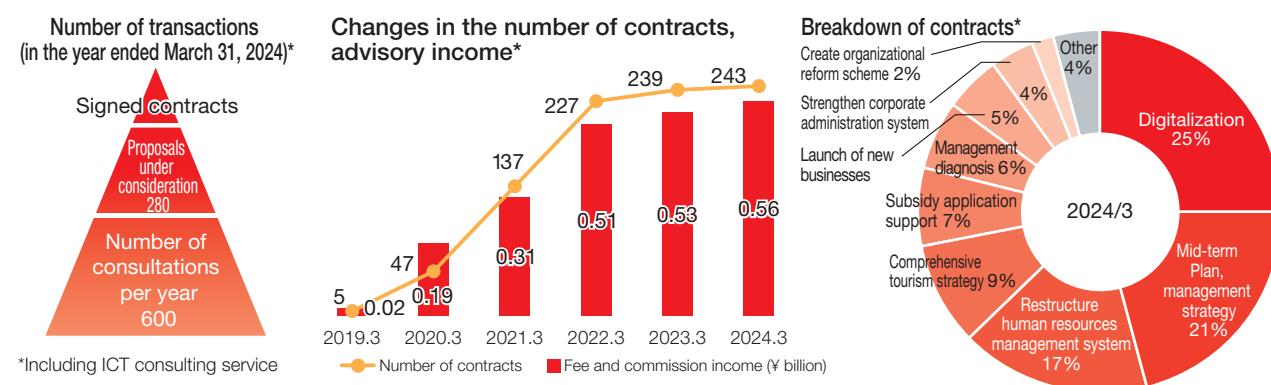
The business environment surrounding companies has been dramatically changing as seen in soaring material prices and labor shortages. The Bank Group conducts customer-oriented consulting by sharing management issues with various business operators, including individual business owners, small and medium enterprises, and major companies.

Main Initiatives

Advisory services for business operators

In advisory services for business operators, we provide various support, including support for forming management strategies and business plans in anticipation of business expansion, support for creating human resources management systems, and lateral support for starting a new business in response to changes in the business environment.

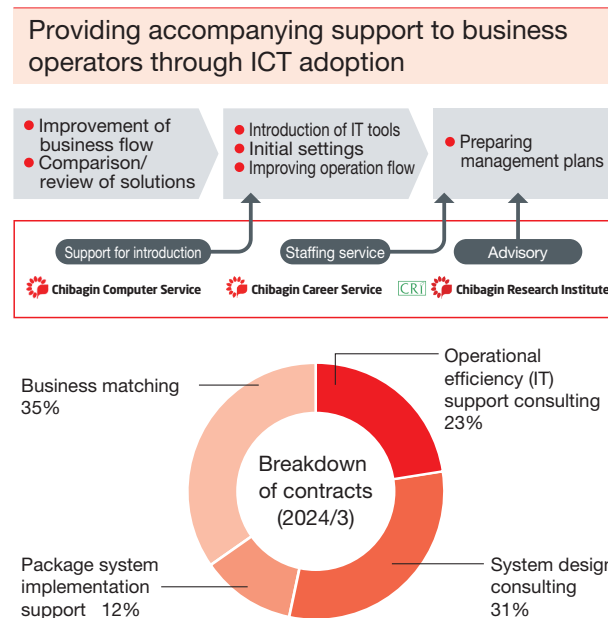
The number of contracts in FY2023 exceeded 200 for the second consecutive year, contributing to the increase in the Bank's commission income. As the specific number of consultations exceeds 600 per year and continues to increase, we will continue to provide sophisticated consulting on our customers' management issues.



ICT consulting service

In our ICT consulting service launched in April 2021, we provide services that support digitalization to help improve customer productivity. We offer consulting on the introduction of the optimal system and IT tools independently from IT service providers to help solve customer issues. The number of consultations in FY2023 has exceeded 250, and in addition to attendance management and salary calculation systems, we have increased consulting on the support for the introduction of no-code/low-code systems.

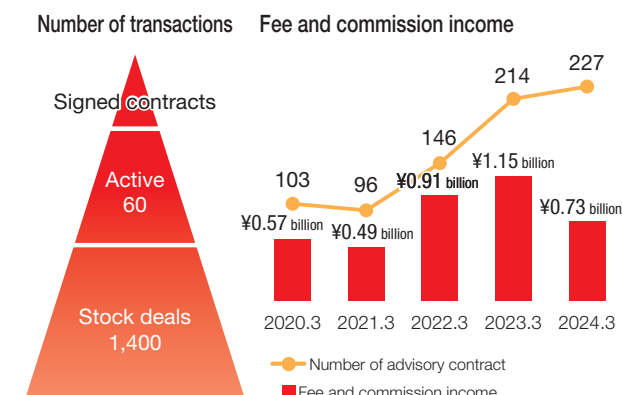
In addition, the Chiba Bank was selected for the "Regional Digitalization Support Promotion Project," a program established by the Cabinet Office for regional financial institutions. We will continue to strengthen our accompanying support services toward the digitalization of small and medium enterprises in the region.



Business succession consulting services

Our business succession consulting services provide one-stop, speedy support for all issues related to business succession.

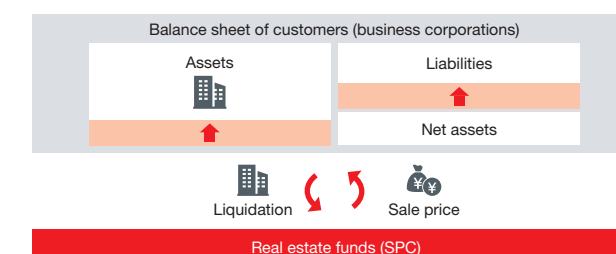
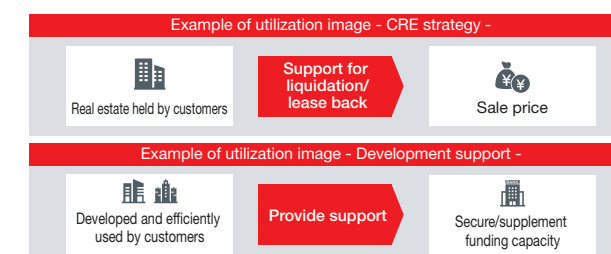
The number of support for business succession has steadily increased, and the number of stock deals, for which we will consider M&A in the future, has also increased to approximately 1,400. We will continue to provide detailed support tailored to each customer for their business succession needs in a timely and appropriate manner.



High-level solutions via real estate funds

To meet the increasingly diversified and sophisticated customer needs related to real estate, such as improving the balance sheet, raising growth capital, and realizing large-scale investments, we work with external experts to provide support utilizing real estate liquidation scheme.

We will continue to dig deeper into the management and financial issues of each customer from the perspective of real estate, thereby providing custom-made optimal solutions.



MESSAGE

Solve customers' issues by drawing on all the power of Chiba Bank

Ichinomiya Branch is located in Ichinomiya Town, which was the surfing venue for the Tokyo Olympic Games. We handle a comprehensive range of businesses with many transactions with local companies with a long history as well as new businesses established by people who have moved to the town.

In our corporate business, I try to share the future vision and concerns of business owners from the perspective of their management, and make proposals by drawing on all the power of Chiba Bank to realize their wishes and solve their issues. For example, for customers who suffer a shortage of human resources, I refer to Chibagin Career Service, and propose custom-made solutions in collaboration with headquarters, such

Seiya Maruyama
Ichinomiya Branch
General Manager



as personnel system review through Advisory services, enhancing corporate image with advertising, and improving operational efficiency through ICT consulting services.

It is also important to hone our skills in order to build a relationship of trust with customers so that they can confide their concerns to us. I instruct my subordinates to always learn and become a person of choice for customers, based on my experience where the skills of SME management consultant acquired through the Bank's learning support program have been successful. I feel the irreplaceable joy with my subordinates when our customers express their appreciation for proposals we have seriously considered over and over again.



Regional Revitalization

Support for green project in Chiba Prefecture

In February 2024, the Bank made a Green Loan to Chiba Prefecture for the first time in the prefecture, in cooperation with regional financial institutions in the prefecture.

Green Loans are limited to use for green projects*, and the transparency is ensured by reporting on the use of these loans and the performance of green projects after loans implementation.

This loan is a Green Loan that utilizes the Sustainability Finance Framework (hereinafter referred to as the “Framework”) formulated by Chiba Prefecture in August 2023. The second opinion has been obtained from Japan Credit Rating Agency, Ltd. for its suitability as a green loan. By limiting the use of funds to eligible projects such as river, coastal, and erosion control improvement projects, the Framework aims to contribute to improving the environment for society as a whole.

Chiba Prefecture, the recipient of the loan, is promoting initiatives to achieve the SDGs, involving a wide range of stakeholders, including residents and business operators. The goal is to use the Green Loans as an opportunity to promote understanding of Chiba Prefecture’s advanced efforts regarding the SDGs and to create momentum throughout the Chiba Prefecture for promoting the SDGs.

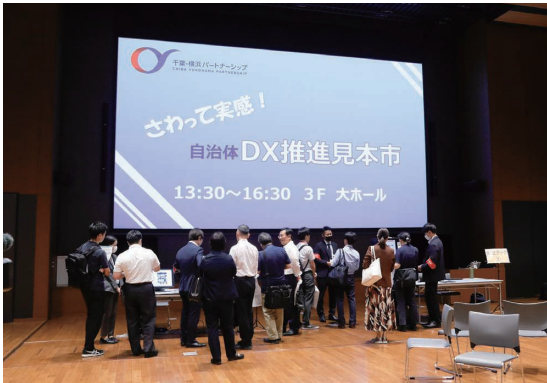
* Businesses such as renewable energy power generation facilities that contribute to solving global warming and other environmental problems.

Green Loan Outline	
Borrower	Chiba Prefecture
Contract date	Tuesday, February 20, 2024
Loan amount	¥5,000 million
Lending financial institution	Chiba Bank, Boso Credit Union, Chiba Kogyo Bank, Chiba Shinkin Bank, Choshi Shinkin Bank, Choshi Shoko Credit Union, Keiyo Bank, Kimitsu Credit Union, Sawara Shinkin Bank, Tateyama Shinkin Bank, Tokyo Bay Shinkin Bank, Tokyo Higashi Shinkin Bank (in alphabetical order excluding Chiba Bank)
Execution date	Monday, February 26, 2024
Third-Party Opinion	Japan Credit Rating Agency, Ltd.
Loan type	Term loan

Holding local government DX promotion trade fair

In July 2023, we held “Local Government DX Promotion Trade Fair + Hybrid Seminar” at the Bank’s Head Office building. To support local government officials to work on DX operations with more concrete image and a sense of reality, we displayed actual DX tools and demonstration equipment at the fair so that visitors can freely experience them.

At the same time, we also held seminars on a wide range of topics including business reform for local governments, development of digital human resources, and generative AI, providing information that would contribute to solving issues of local governments.



Support for Chiba Gastronomy Prefecture Project

In February 2024, ceremony was held for the “Chiba Gastronomy AWARD” by the “Chiba Gastronomy Prefecture Project,” which the Bank sponsored and cooperated in the management of.

The project aims to make the Chiba Prefecture a world-class gastronomy prefecture by recognizing outstanding restaurants and producers in the prefecture. From more than 500 entries, the top 30 were selected from each category of restaurants and producers. Chibagin Market participates in this project as the secretariat, and will consider matching producers with restaurants awarded in the Gastronomy AWARD and planning their collaboration to generate new appeal in the region. In this way, we will contribute to solving regional issues and providing social value to contribute to regional revitalization.



Operating the agricultural corporation Fresh Farm Chiba Co., Ltd.

The Bank established the agricultural corporation Fresh Farm Chiba together with 15 local companies in March 2018. This company has gradually expanded the amount of cultivated area to 11 hectares, and in FY2023, we harvested 37 tons of Koshihikari rice and 14 tons of Fusakogane rice. We opened a stall for Minayoshi rice and Komekoji Minayoshi Amazake at markets operated by a regional trading company Chibagin Market to communicate information directly to consumers.

In addition, we conducted a demonstration experiment to automate the weeding on the slopes, which is one of the issues facing the region and involves a heavy workload and danger. We will continue to take on the challenges of various initiatives together with the local community for the sustainable development of agriculture.



Initiatives in Narita area

In the area around Narita Airport, the construction of a new third runway and the consolidation of terminals and cargo areas at Narita International Airport, the full opening of the Ken-O Expressway, and the extension of the Kita Chiba Road, together with further functional enhancements to the airport, will significantly improve access to the transportation network in the Tokyo Metropolitan area. With various large-scale developments and community building underway, the area around Narita Airport has considerable potential for growth.

The Bank established the Narita Project Promotion Office in October 2018. For the development of the regional economy, we collaborate with nine cities and towns as well as business operators around Narita International Airport to support development projects and prospective developers.

Overseas business

Financial support utilizing the overseas network

The Bank has an overseas network of six locations (three branches and three representative offices).

We provide support for overseas business expansion through our six overseas locations and partner banks, including the latest information on the investment environment to businesses overseas and customers considering overseas expansion, market development, and financial support for local subsidiaries.



▲ Overseas network

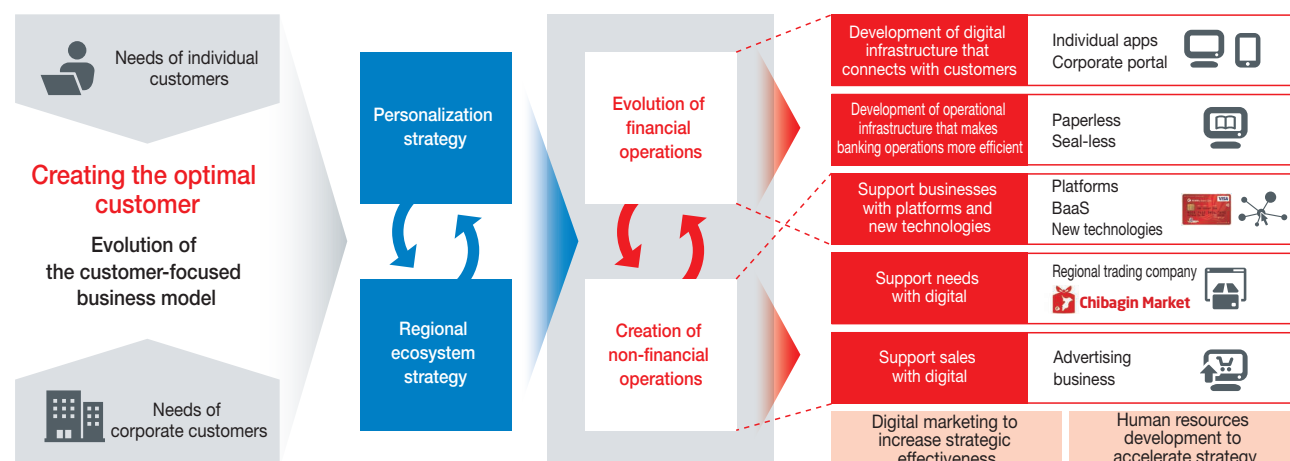
DX (Base I)

DX is an important management challenge for a company to maintain its competitiveness and grow. The Bank Group includes “DX (digital transformation)” as one of the value creation bases in its Mid-term Plan, and is working on various initiatives based on its DX strategy.

DX Strategy

In our DX strategy, one of our basic policies is “Creating the optimal customer” through the optimal utilization of our digital infrastructure such as the Chiba Bank app for individual customers and the Chibagin Business Portal for corporate customers, which we have developed to date, to provide customers with the best “Chibagin experience.”

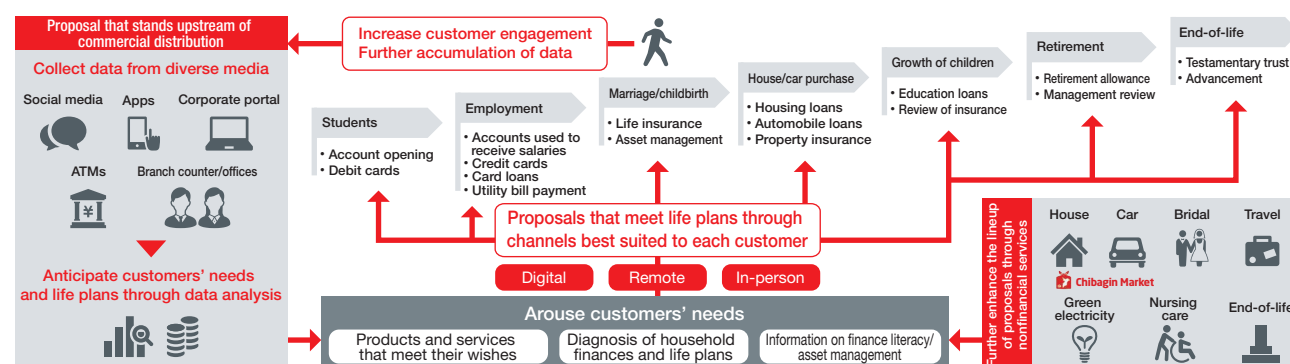
That policy is based on two pillars of “personalization strategy” that utilizes digital marketing to deliver optimal proposals to each and every customer, and “regional ecosystem strategy” that connects local customers with local businesses to develop an active economic cycle. To achieve these strategies, we will create non-financial services including advertising business and concierge services for home purchases while evolving our existing financial services such as Chiba Bank app development.



Digital Marketing

We are working to estimate customers' interests, concerns, and problems through data analysis and promote efforts to deliver solutions to them by the most appropriate channels and timing.

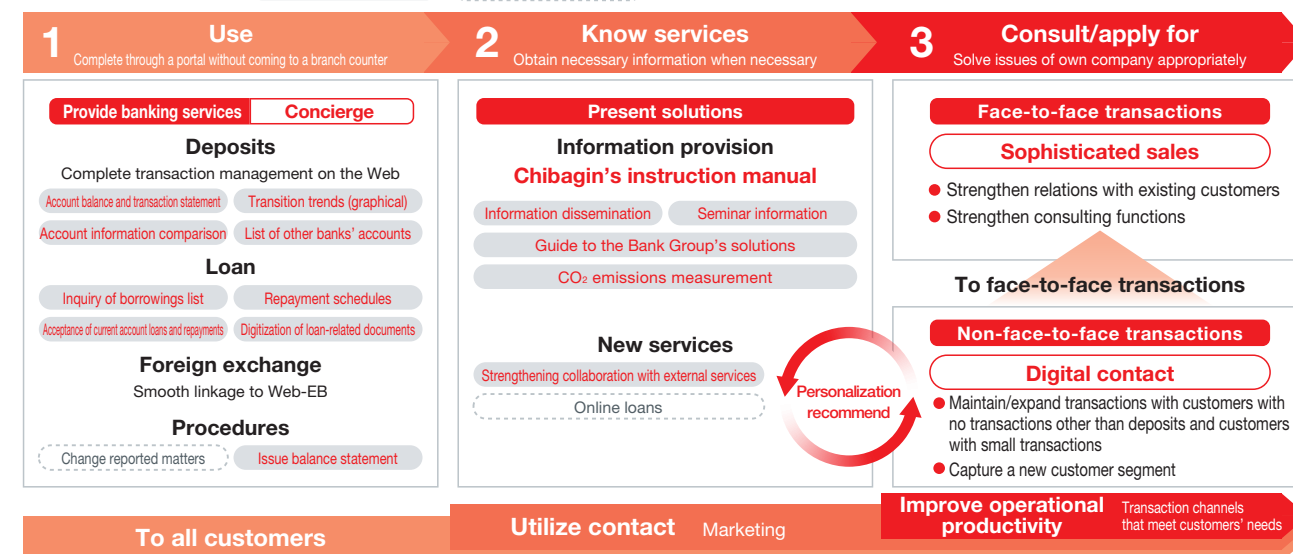
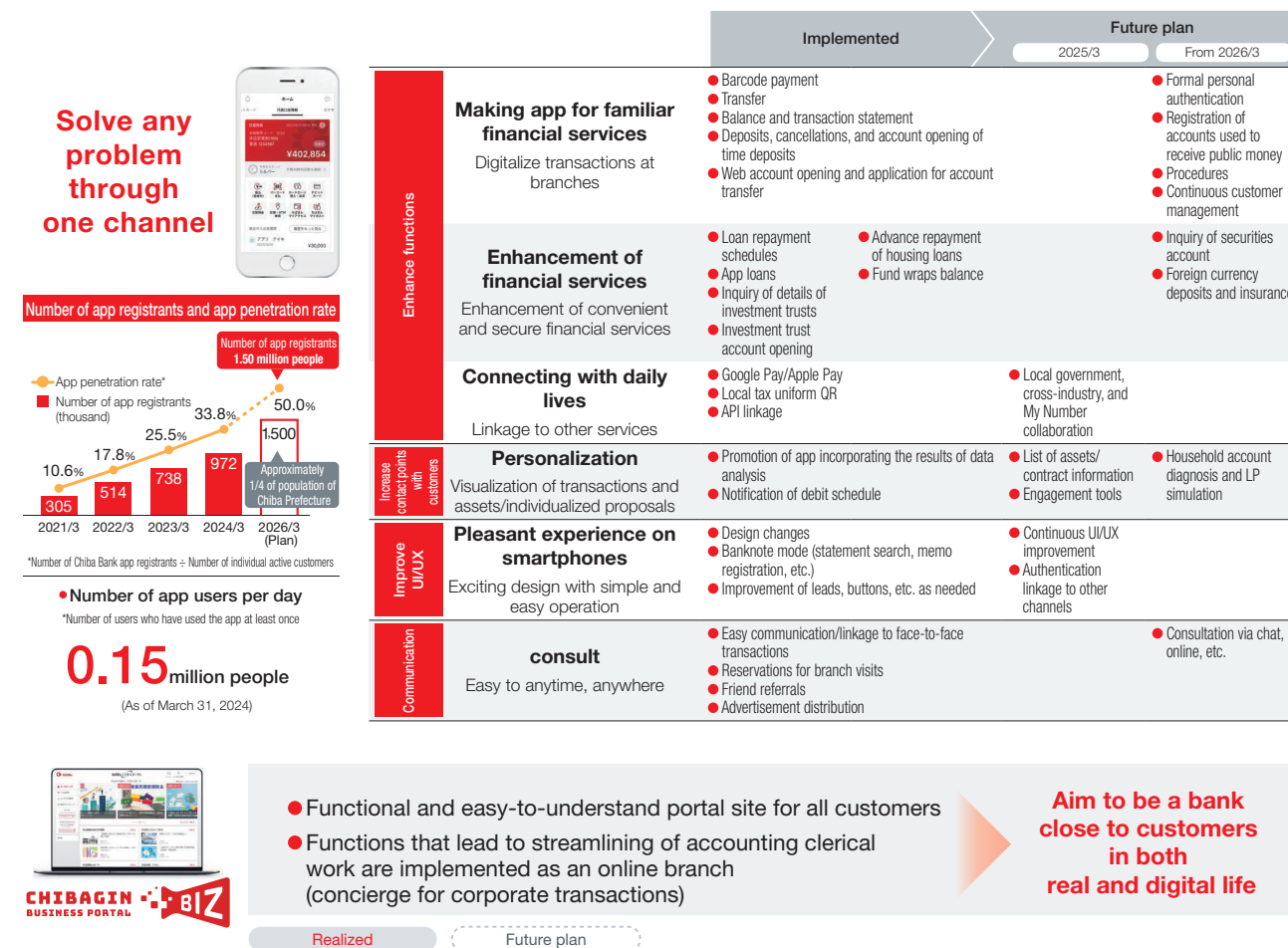
We will improve customer experience by grasping the results of analysis of the needs of customers, etc. in an integrated manner at branches and headquarters, and making appropriate proposals through all channels.



Apps/Portal

The Chiba Bank app and Chibagin Business Portal are digital infrastructures that connect with customers, and we are gradually adding new functions to them for creating the optimal customer.

For the Chiba Bank app, in addition to enhancing financial services, we will work to develop functions that connect with customers' daily lives and functions personalized to customers. For Chibagin Business Portal, we are enhancing basic functions as well as developing ancillary functions that are useful for customers' business activities.



Main Initiatives

Improve operational efficiency

By reviewing workflow and automating operations with RPA, we plan to reduce workload by 300,000 hours in three years, and we have reduced workload by 110,000 hours per year for the period from April 2023 to March 2024. We are also working to realize lightweight branches by consolidating clerical work at headquarters utilizing TSUBASA general-purpose paperless system, and establishing branches without counters utilizing Telepresence System “MADO” in November 2023.

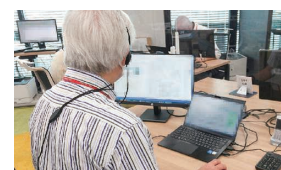
We will continue to expand features of non face-to-face digital infrastructure such as Chiba Bank app and Chibagin Business Portal so that customers can choose the best channel from in-person, digital, and remote, thereby moving closer to providing the “best customer experience.”

Introduced at Hamamatsucho Branch and Mito Branch (established in 2023)

Customers coming to a branch



Remote reception by an operator at headquarters



Remote check by a person in charge of inspection

Customers

Remote reception

(teller)

Remote inspection

(officer)

TSUBASA smile

Paperless for various reception

Telepresence System “MADO”

Experience as if the other person is present

PL base

Complete paperless for subsequent clerical work

MESSAGE

Struggling to develop systems with users' perspective in mind

Working together with the department in charge, I review existing workflow to determine the best flow for systemization, and mainly provide support in progress management, various adjustments, etc. in system development to realize that flow. Specifically, I have been involved in the development, including renewal of delinquency management system, implementation of an electronic contracting system, and realization of paperless investment trust contracts and paperless money transfer for insurance premium.

In developing systems, I place importance on the viewpoint of whether the system is easy to use

Yuka Kenmotsu

Digital Strategy Division
Operational Reform Department



for customers and people at branches who are users of such system, and whether the system will provide more convenience than before. To this end, I am not bound by the way things have been done so far, and sometimes consider starting with a review of clerical work and rules. When developing systems, we sometimes face problems and difficulties that we have not expected, however, this makes it very rewarding when the system is released and we receive compliments.

I will continue to work with customers' perspective in mind so that I can provide services that are more convenient for customers.

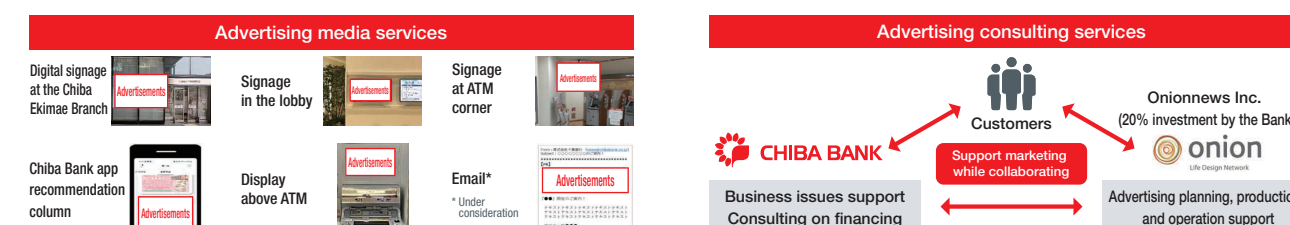
Advertising business New business

We officially announced the launch of the advertising business in May 2023, and have started operations at all branches since October 2023.

The advertising business is structured to provide two distinct services, an “advertising media services” and “advertising consulting services.” In the “advertising media services,” we place advertisements of customers in the region on advertising media including large signage for outside use in the Tokyo Head Office and the Chibagin INNOVATION LOUNGE in the Chiba Ekimae Branch, as well as lobby, ATMs, and Chiba Bank apps, which has been well received by customers as a new advertising venue.

In the “advertising consulting services,” we collaborate with Onionnews Inc., a company in which we have an equity participation, to provide customers who are considering advertisement on the internet with services such as creating websites and posting advertisement on the internet.

We will continue to contribute to the development of the regional communities by providing customers with unprecedented values through new media planning utilizing the Bank's data and enhanced consulting services.



Metaverse demonstration experiment New business

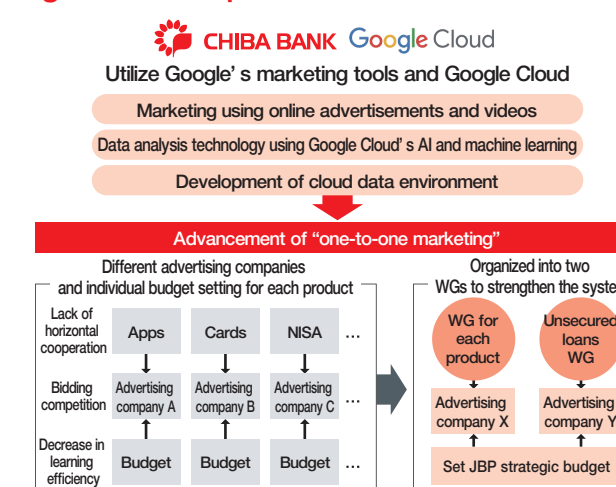
The Bank is considering the use of Metaverse space as one of the channels to provide new customer experiences and approach to new customer segments. In FY2022, we held Metaverse events for various segments including ones for prospective employees, employees of local governments, and child-rearing generation. We also conducted a survey of users' receptivity to Metaverse space. In FY2023, we provided a pilot “Metaverse Housing Exhibition Venue,” the first of its kind for a financial institution, in cooperation with a real estate company. Going forward, we will aim to officially develop the “Metaverse Housing Exhibition Venue” and provide new contents.



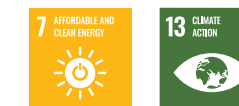
Joint Business Plan (JBP) agreement with Google Cloud Japan LLC

In January 2024, the Bank reached an agreement on Joint Business Plan (JBP) with Google Cloud Japan to advance our initiatives in the digital marketing field. In our JBP initiatives, we will promote the advancement in the field of marketing knowhow using online advertisements and videos, and data analysis technology using Google Cloud's AI and machine learning.

In addition, to accelerate the accumulation of such advanced knowhow within the Bank, we will organize our advertising operation systems, which have been dispersed by product, into two working groups to strengthen and improve efficiency on our operation system.



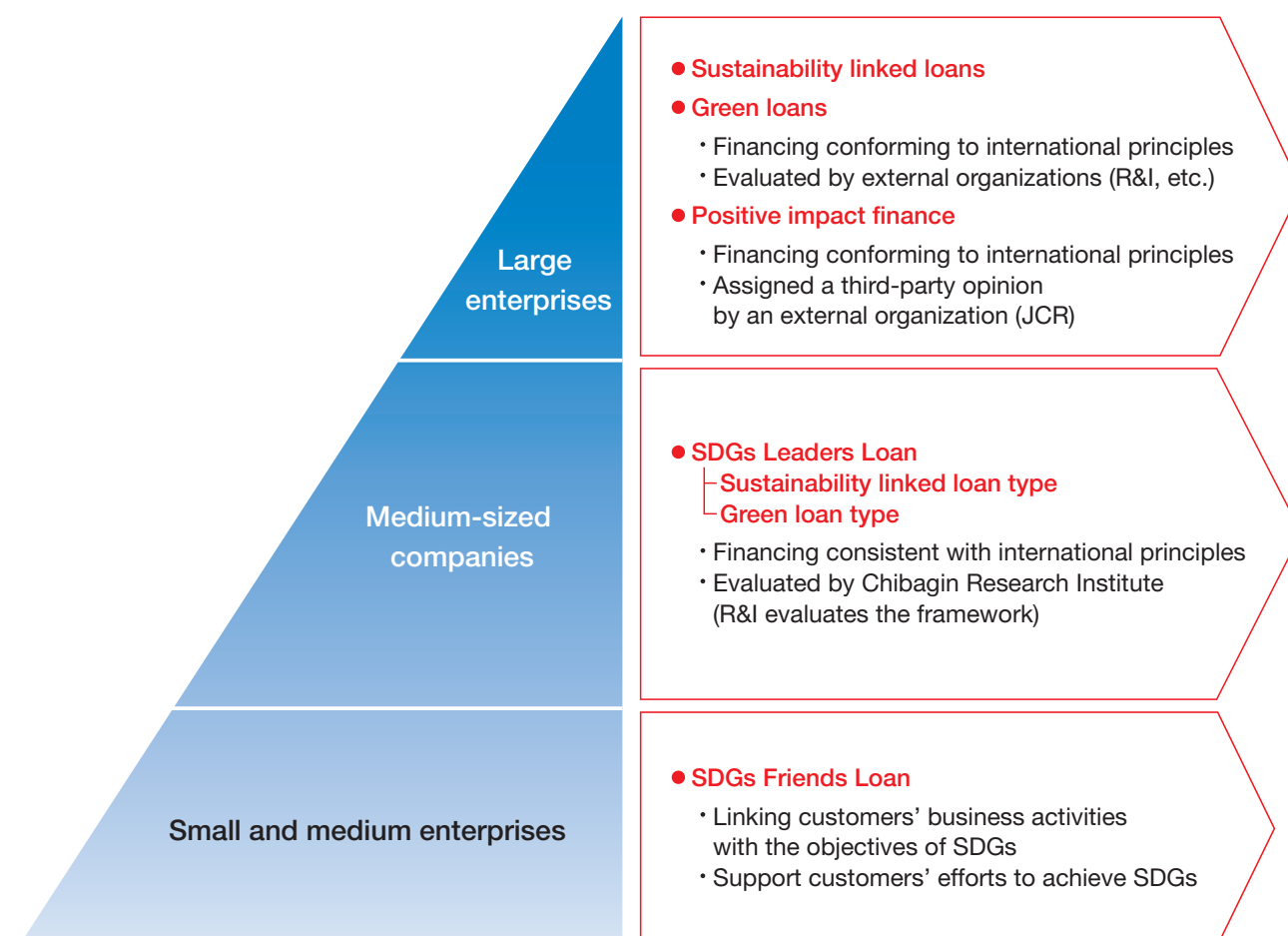
GX (Base II)



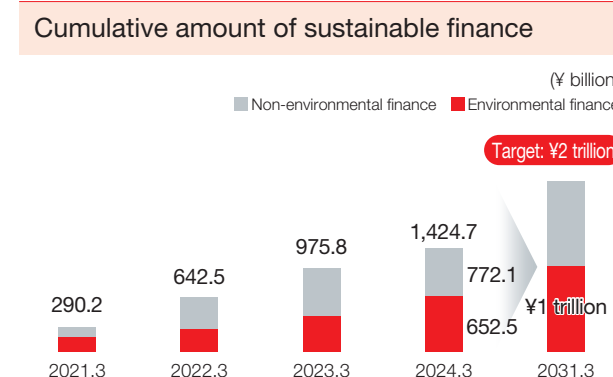
In a sustainable society, GX is an important social challenge to protect the most important “global environment.” The Bank Group will contribute to the realization of a decarbonization in the region through initiatives for sustainable finance and promoting the spread of renewable energy.

Sustainable finance

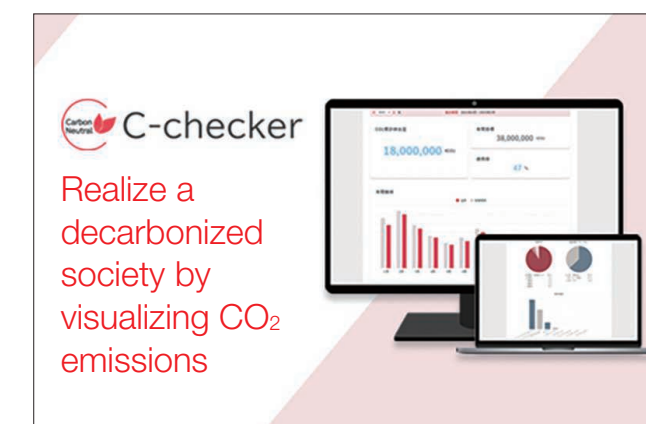
The Bank provides various loan products to promote customers’ GX in terms of finance. We offer a product lineup such as the Chiba Bank Sustainability Linked Loan and Chiba Bank Green Loan primarily for large companies, as loans conforming to the Sustainability Linked Loan Principles and other international principles. In January 2022, the Bank established the Chiba Bank SDGs Leaders Loan primarily for medium-sized companies. This is a loan program evaluated and implemented by the Chibagin Research Institute, in which specialized departments of the Bank provide support to businesses that are working on sustainability management for setting effective targets and so forth according to business size and management conditions. We have received a third-party opinion from Rating and Investment Information, Inc. (R&I) regarding the conformity of this product’s framework to international principles. In August 2022, we commercialized the Chibagin Positive Impact Finance for large and medium-sized companies after receiving a third-party opinion from Japan Credit Rating Agency, Ltd. The Chiba Bank SDGs Friends Loan has been used by many customers, primarily small and medium enterprises.



Target for the amount of sustainable finance and its results		
	Target amount (FY2019 to FY2030)	Actual amount [progress rate] (FY2019 to FY2023)
Sustainable finance	¥2 trillion	¥1,424.7 billion [71.0%]
Of which environmental finance	¥1 trillion	¥652.5 billion [65.0%]

CO₂ emission measurement tool “C-checker”

The Bank Group developed a CO₂ emission measurement tool “C-checker” in September 2023, and started offering it as a free service of the Chibagin Business Portal. Starting with the “C-checker,” which helps customers visualize their CO₂ emissions as a first step toward decarbonization, we support the formulation of CO₂ emission reduction plans and provide a solution menu such as solar power generation facilities and energy saving facilities in collaboration with business matching partners. In this way, we have established a system to support customers’ GX activities in a comprehensive manner.



MESSAGE

Supporting sustainable management through repeated trial and error

My job is to support customers’ efforts for sustainable management from both financial and non-financial aspects.

In financial aspect, commercialization of the “SDGs Leaders Loan” has expanded the range of customers involved in sustainable finance. When developing sustainable finance, I work through trial and error, considering what are the key issues for customers and what goals are ambitious level for them, while gaining knowledge from the Chibagin Research Institute and external evaluation companies.

Koji Kaminishi
Corporate Business Division
Business Solutions
Department

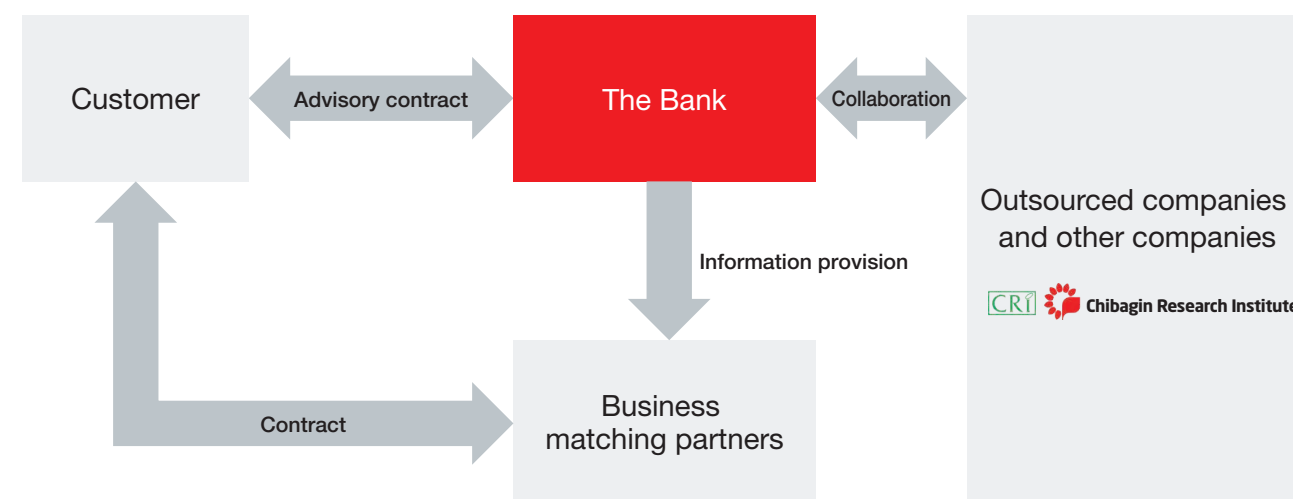


In the development of the “C-checker,” a CO₂ emission measurement tool, as a first step toward decarbonization, I worked very hard with a lot of anxiety, as that was my first experience working on system development and I had no specialized knowledge of system. I had faced problems many times before I achieved the system I envisioned, but I worked with people of the Chibagin Computer Service and related departments, and was finally able to release the Bank’s unique measurement tool.

Decarbonization Consulting

Consulting system

The Bank conducts various initiatives to support customers' decarbonization initiatives. We have a wide variety of solution menus and provide consulting services based on the needs of customers, including support for the visualization of greenhouse gas emissions and formulation of greenhouse gas emission reduction plans, and support for the introduction of solar power generation facilities and energy saving facilities in collaboration with business matching partners. In September 2023, we started providing CO₂ emission measurement tool "C-checker," strengthening a system to comprehensively support customers' decarbonization initiatives.



ESG evaluation sheet

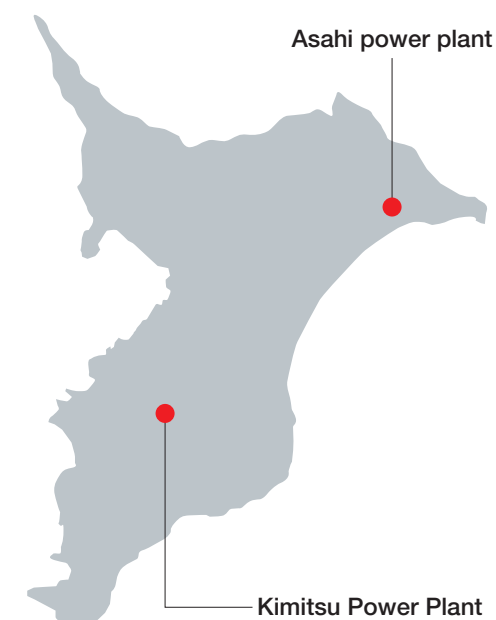
In order to support the sustainable management and decarbonization efforts of our business partners, we conduct business feasibility evaluations that utilize our independently-developed ESG evaluation sheet. The ESG evaluation sheet is a tool developed by the Bank in May 2022 to understand the status of our business partners' efforts to achieve the SDGs from the perspectives of E (environment), S (society), and G (governance). It also allows us to understand the calculation status of our business partners' greenhouse gas emissions. By promoting dialogue with business partners through this tool and identifying future risks and opportunities for business partners, we identify medium- to long-term management issues and potential funding needs, etc., and cooperate with related divisions to proactively propose solutions for decarbonization, etc.

Investment in GX Promotion Organization

In May 2024, we made an investment of ¥20 million in the GX Promotion Organization upon its establishment. The GX Promotion Organization is an authorized corporation established under the Act on Promotion of Smooth Transition to a Decarbonized Growth-Oriented Economic Structure (GX Promotion Law) in May 2023, with funding from the public and private sectors. This organization plans to provide financial support such as debt guarantees, operate the emission trading scheme, and collects fossil fuel levy, etc. in order to achieve the Japanese Government's goal of ¥150 trillion or more in GX investment over the next 10 years. The Bank has been involved in the formulation of the basic policy for realizing GX, with Mutsumi Awaji, Director and Senior Executive Officer of the Bank, having participated in the GX Implementation Council, which is chaired by Prime Minister, and has decided to make the investment in order to contribute to the realization of GX in Japan.

Himawari Green Energy Co., Ltd. started operations New business

Himawari Green Energy Co., Ltd., a subsidiary involved in energy generation established in April 2023, started its operations in December 2023. Currently, it is engaged in solar power generation business in Asahi City and Kimitsu City, whose annual power generation is equivalent to approximately 35% of the Chiba Bank Group's annual electricity consumption. In addition, in March 2024, it launched an intermediary business for non-fossil certificates, which can be used for carbon offsetting, as part of its decarbonization initiatives. It will continue to accelerate its business utilizing renewable energy to contribute to the realization of a decarbonized society in the regional communities.



▲ Asahi power plant



▲ Kimitsu Power Plant

MESSAGE

Promoting local production and consumption of renewable energy

Ren Ishii

President and Representative Director of Himawari Green Energy Co., Ltd.
Senior Deputy General Manager, SDGs Promotion Office, Corporate Planning Division, Chiba Bank



Himawari Green Energy was established in April 2023, with the aim of contributing to the realization of a decarbonized society in the regional communities. It is a new business, however, all staff members concurrently serve as the Bank's employees. We have already started solar power generation operations in two plants in the Prefecture, and our business is progressing at a faster pace than originally planned, including the launch of an intermediary business for non-fossil certificates.

I am concurrently involved in the operations of the SDGs Promotion Office of the Bank, and also responsible for accelerating the Chiba Bank Group's and customers' efforts to achieve the

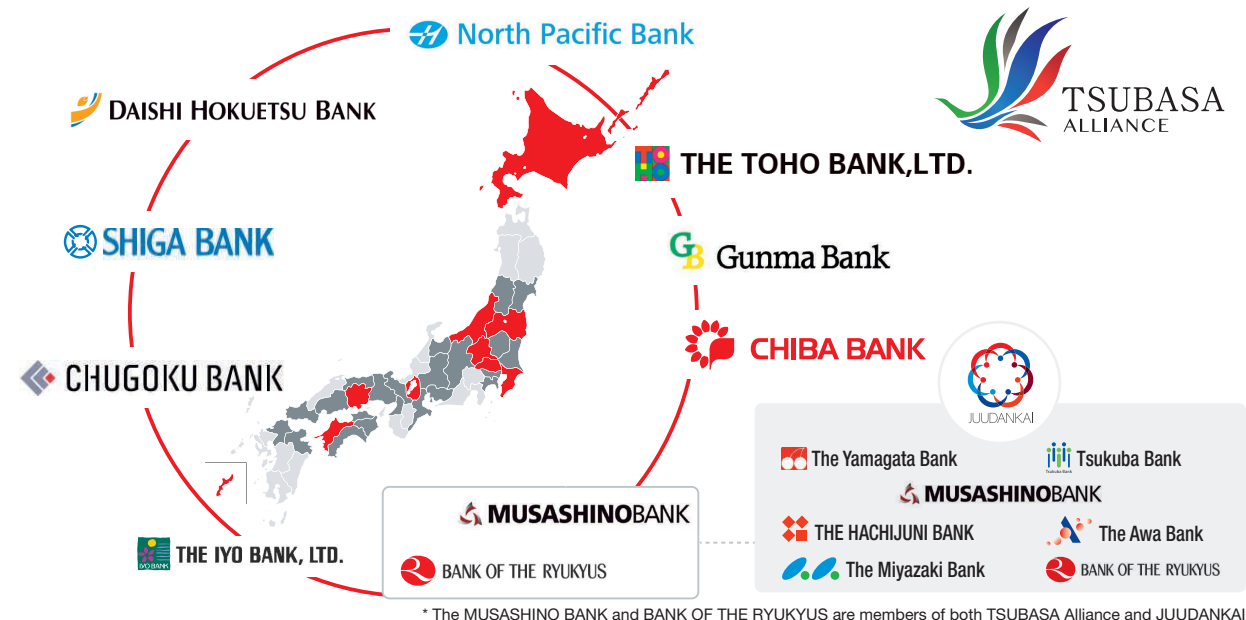
SDGs. I have experience working in five branches so far, and at each branch, I worked feeling strong ties with customers rooted in that community. I have a strong desire to make Chiba Prefecture, where many of our customers are located, a sustainable and more prosperous region. To achieve this, I believe that we need to further expand Himawari Green Energy's business.

In order to promote the spread of renewable energy use and local production and consumption, I hope to make aggressive investments by making the best use of the Bank's resources and information capabilities.

Alliances (Base III)

TSUBASA Alliance

TSUBASA Alliance is expanding in size year by year while firmly maintaining independence of each bank as the largest framework of regional alliances in Japan, consisting of 10 top regional banks with solid management bases. Since its launch in October 2015, we will further deepen collaboration and joint usage while consolidating the knowledge of 10 banks, and we will further advance initiatives to improve the top line and reduce costs using the advantage of scale such as FinTech, use of joint clerical work and systems, as well as inheritance-related services, development of syndicated loans, international business, and utilization of group companies.



TSUBASA/JUUDANKAI Joint Research Group

In March 2024, the two groups, which have a strong affinity for each other in terms of systems, launched the research group in order to share their knowledge and knowhow.

We will provide value-added services to regional communities and customers in cooperation with participating banks of the Research Group.

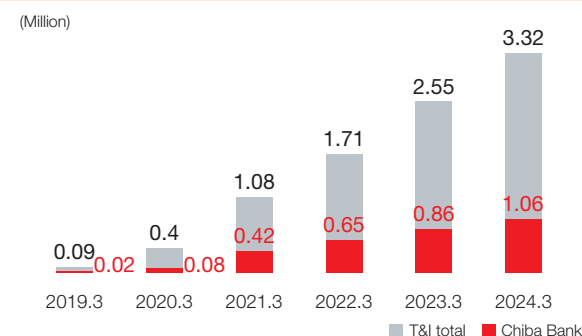
T&I Innovation Center Co., Ltd.

In July 2016, we established the T&I Innovation Center, which conducts FinTech surveys and research, and planning and development of financial services using FinTech.

The T&I Innovation Center develops and operates “TSUBASA FinTech common platform,” a platform for open API, and works with companies providing financial services to realize the speedy delivery of superior financial services.

- **System taskforce**
• Next generation systems, subsystems, digital field, AML measures
- **Operational efficiency improvement taskforce**
• Labor-saving measures for branches • Improve operational efficiency
- **Cybersecurity taskforce**
• Cybersecurity countermeasures • Cybersecurity risk management

T&I number of individual user IDs on the API platform



TSUBASA Alliance Co., Ltd.

In July 2020, we established TSUBASA Alliance Co., Ltd., the company jointly funded by TSUBASA Alliance participating banks.

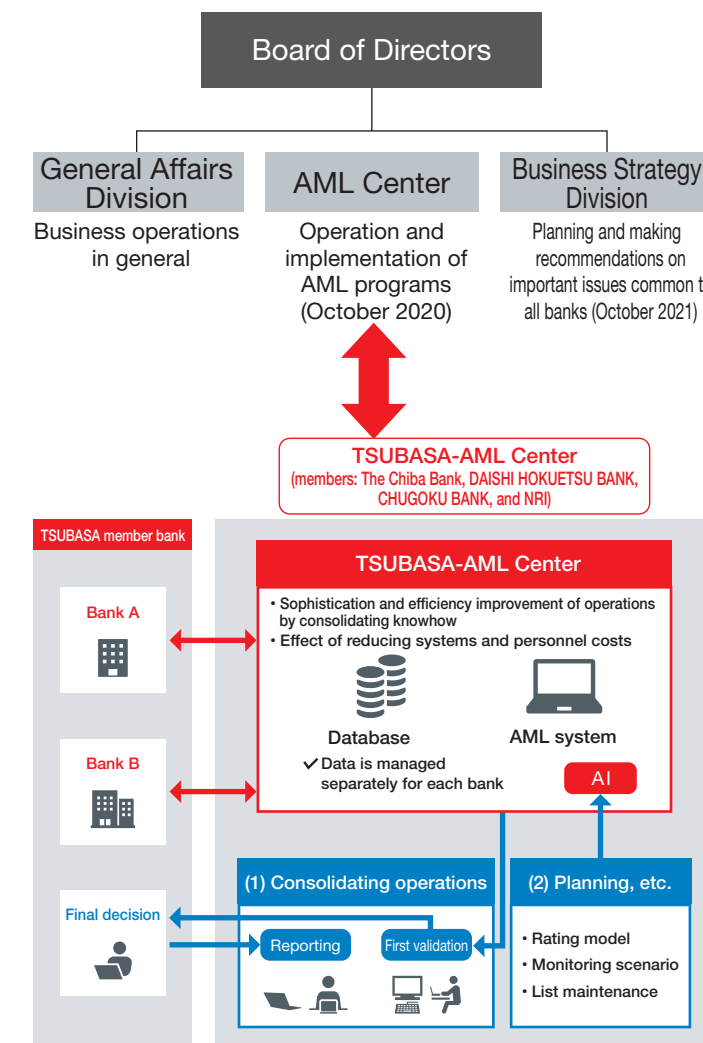
In October 2020, we established the AML Center that will work to prevent money laundering and financing terrorism, and in October 2021, we established the Business Strategy Division to plan and make recommendations on how to collaborate and consolidate important issues that are common to all banks.

Establishment of TSUBASA-AML Center Co., Ltd.

New business

In November 2023, together with DAISHI HOKUETSU BANK, CHUGOKU BANK, and Nomura Research Institute, Ltd. we established TSUBASA-AML Center, a joint venture to jointly operate measures to prevent money laundering and financing terrorism.

We will combine a wealth of practical knowledge and experience of TSUBASA Alliance participating banks with advanced financial IT solutions of Nomura Research Institute, Ltd. to accurately detect and eliminate transactions related to crime and terrorism, thereby contributing to the development of healthy finance and economy of the local community where our customers can use banks with peace of mind.



MESSAGE

To create a society free of criminal organizations by concentrating the power of Alliances

Kensuke Ueda

President and Representative Director of TSUBASA-AML Center Co., Ltd.
Senior Deputy General Manager, Compliance and Risk Management Division, Chiba Bank



Criminal organizations have obtained unjust profits through various means such as wire transfer fraud, which may damage customers' valuable assets. In addition, in a complex international situation, terrorist activities and development of mass destruction weapons are also serious issues. We will not be able to protect our peaceful way of life unless we stop the flow of funds to such organizations. TSUBASA-AML Center is an organization with experts in this field from TSUBASA Alliance participating banks to analyze and verify the flow of money through banks and cut off sources of funding for criminal

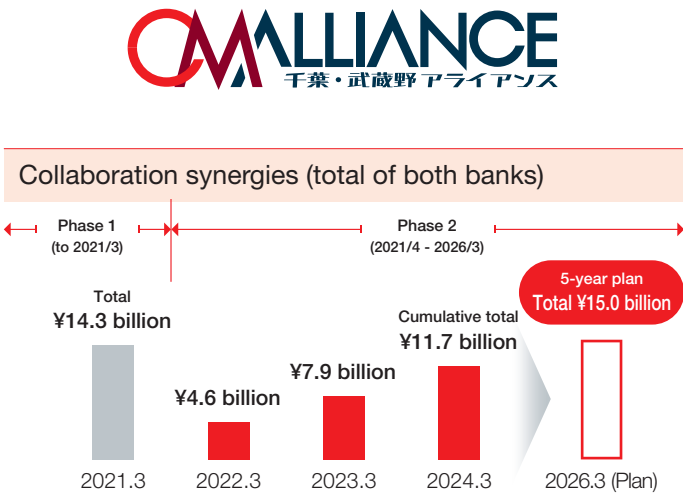
organizations, etc. We will work for the sound development of the local economy and create an environment where customers can use banks to realize their wishes with peace of mind by bringing together the knowledge of each bank to ensure that we identify and eliminate fraudulent transactions from the large volume of transactions that occur every day.

We will maximize the power of the TSUBASA Alliance with enthusiasm to make every place in Japan a safe and secure society free of criminal organizations through unified efforts of all banks that cover the entire region of Japan.

Chiba-Musashino Alliance

The Chiba-Musashino Alliance had collaboration synergies totaling ¥3.8 billion in FY2023. The cumulative effect of Phase 2 (April 2021 to March 2026), which started in April 2021 was ¥11.7 billion over 3 years. We are making steady progress toward the plan to achieve a 5-year cumulative total of ¥15.0 billion in collaboration synergies.

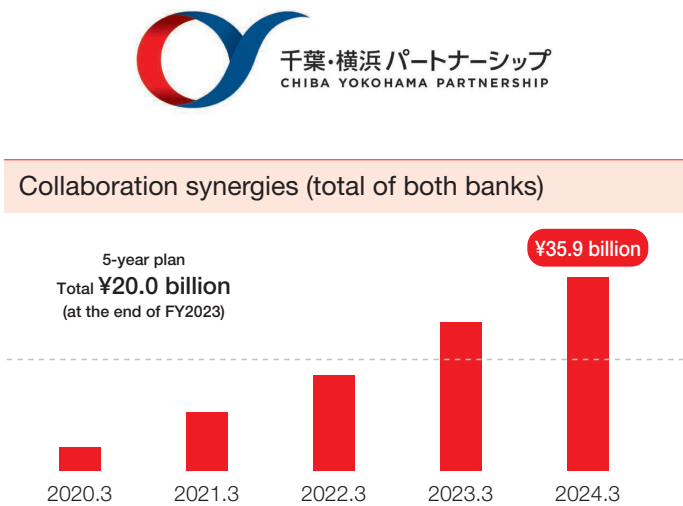
In FY2023, we conducted interactions of personnel in charge of corporate customer liaison at branches, in addition to interactions of head office manager-level personnel that have been ongoing since FY2021. We will continue striving to collaborate in various areas through sharing knowhow and ideas of both banks to further deepen mutual understanding.



5-year plan for the Chiba-Musashino Alliance from 2021 to 2025			
Mission	Provide added value and highly convenient services to our customers and the community by combining ideas of both banks.		
Vision	Realize an image of evolved regional banks as front-runners in regional bank collaboration.		
Measures	Concept	Front-runners in regional bank collaboration	Evolved regional banks
	Create Collaborate in new areas	Respond to digitalization (such as apps)	Create new business
	Match Accelerate standardization and joint usage	Expand the use of joint clerical work and standardization areas	Cooperation in cashless operations
	Advance Continue and deepen past initiatives	Strengthen existing measures such as assets and joint business Promote co-syndicated loans and co-financing, sharing of knowhow, and personnel interactions	

Chiba-Yokohama Partnership

Through joint efforts such as co-syndication of loans, co-development of SDGs Friends Loan, and co-introduction of asset management products, in addition to active mutual customer referrals, mainly in Tokyo, the Chiba-Yokohama Partnership achieved collaboration synergies of ¥9.1 billion in FY2023. The two banks achieved collaboration synergies of ¥35.9 billion total over five years since the start of the partnership, significantly exceeding its goal of achieving collaboration synergies of ¥20.0 billion total through FY2023.



Starting in FY2024, we have formulated a new 5-year plan for further cooperation.

In new plan, we have set the concept (what we aim to be) as “Improving the Presence in the Tokyo Metropolitan Area” - Creating Value for Customers that only Chiba and Yokohama can provide -, and target effect amount as ¥25.0 billion. We will further strengthen the ability to provide solutions to corporate and individual customers, and expand the scope of the partnership beyond the sales division, and consider collaborative efforts in the sustainability field with a view to strengthening the management base of both banks.

Corporate sector	● Expansion of cooperation among sales branches, mainly in Tokyo (Sustainable finance, real estate non-recourse loans, LBO loans) ● Exploration of overseas projects at overseas bases (Co-financing, seminars, business negotiation events)
Retail sector	● Collaboration that contributes to the realization of an asset management nation ● Efforts to implement for Fiduciary Duty (FD)
Digital sector	● Studying collaborative measures in the digital human resources development and advertising businesses ● Sharing knowledge and knowhow to create new digital businesses
Sustainability sector	● Strengthening efforts to contribute to the ESG strategies of both banks (Decarbonization, human resources capital, governance, etc.)
Others	● Consideration of joint investment etc., for in-organic growth of both banks

Business Partnership with Sony Bank

The business partnership with Sony Bank, for which a basic agreement was concluded in October 2022, is now in its second year.



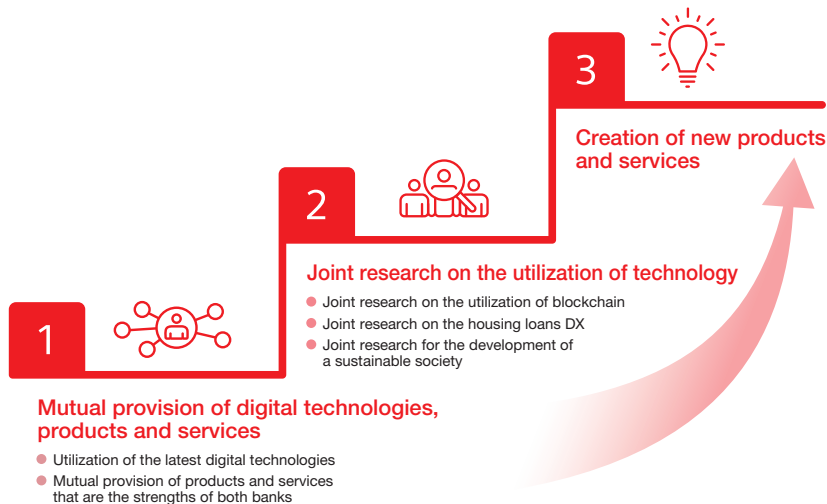
This partnership is a business partnership between the two banks focusing on our joint-initiatives in the digital field, with the aim of concretizing measures while deepening the relationship between the two banks to create new products and services.

In May 2023, Chibagin Market and Sony Bank signed “Collaboration Agreement on Crowdfunding,” with the aim of promoting companies (their products) nationally and supporting financing for companies taking on new business challenges, and we started collaboration with “Sony Bank GATE,” investment crowdfunding operated by Sony Bank.

This has enabled local business operators to procure funds while increasing the number of fans nationwide who resonate with their businesses and ideas.

At Mito Branch and Hamamatsucho Branch, newly established in November and December 2023, respectively, remote consultation using the Telepresence System “MADO,” utilized by Sony Bank, has been introduced, providing customers with experience as if they are in the same space with staff of the branch, even if they are far away from each other.

Going forward, we will complement each other’s strategies to generate significant synergies through cooperation of both banks with different business models (regional bank and online bank), aiming to achieve the sustainable growth of both banks and to enhance corporate value.



Group Governance (Base V)



Message from General Manager of the Group Strategy Division

Providing Diverse Solutions through Integrated Group Management Based on Strong Governance

Tatsuya Onishi

Group Strategy Division
Executive Officer and General Manager



Establishment of the Group Strategy Division

In order to provide customers with a wide range of solutions, the Bank Group's business area is expanding every year. We need to make the most effective use of expertise and information possessed by Group companies to realize customers' wishes.

To that end, the Bank established the Group Strategy Division in April 2023 that oversees overall business execution, including sales and administrative aspects of Group companies, to realize integrated group management, equivalent to a holding company structure, and promote sophisticated group governance.

The Group Strategy Division is stationed not in the headquarters building but in the Makuhari building, where many Group companies are headquartered, as the division close to the Group companies, to grasp the actual situation of the Group companies as well as try to deepen existing businesses and provide accompanying support services for new businesses.

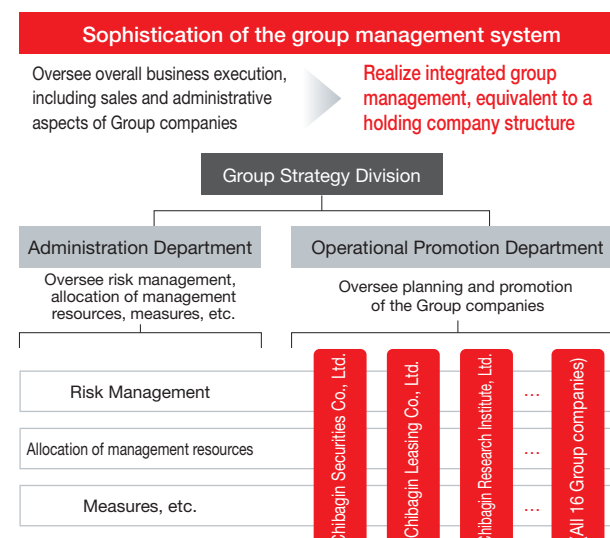
Collaboration with each division for accompanying support and grasping the actual situation

Currently, we have 16 Group companies in the Bank Group, each with its own expertise, and approximately 1,200 employees are working to provide customers with products and services with a sense of unity of the Group, with the Bank at the center. The Group Strategy Division promotes the enhancement of the integrated group management

and sophisticated Group governance, in collaboration with the "operations division," which mainly supports the sales aspect and the "group management department," which conduct management across the Group.

The system of the operations division that mainly supports the sales aspect used to involve multiple divisions working together to provide support. From the perspective of clarifying the support system and responsibility, one division from each company has been designated as that company's operations division, in conjunction with the establishment of the Group Strategy Division. As a result, we now have a system to support Group companies, mainly through the operations division.

In addition, the group management department, established in conjunction with the establishment of the Group Strategy Division, has implemented measures for each division including risk management, allocation of management



Leasing and venture capital

Chibagin Leasing Co., Ltd.
Chibagin Capital Co., Ltd.

Credit guarantees and management

Chibagin Guarantee Co., Ltd.
Chiba Servicer Co., Ltd.

Staffing service and outsourcing business

Chibagin Career Service Co., Ltd.
Chibagin Heartful Co., Ltd.
Sobu Co., Ltd.
TSUBASA-AML Center Co., Ltd.

Regional trading company

Chibagin Market Co., Ltd.

Research and consulting

Chibagin Research Institute Co., Ltd.
Chibagin Computer Service Co., Ltd.
T&I Innovation Center Co., Ltd.

Securities and asset management

Chibagin Securities Co., Ltd.
Chibagin Asset Management Co., Ltd.

Credit card

Chibagin card Co., Ltd.

Energy production business

Himawari Green Energy Co., Ltd.

CHIBA BANK
16
group companies
(As of April 1, 2024)

resources, and DX throughout the Group. In particular, it collaborates with departments in charge of risks to conduct risk assessments of Group companies to grasp risks faced by each company as well as implements risk mitigation measures.

The status of business execution and issues of Group companies grasped under these systems are reported monthly by the Group Strategy Division at the Bank's Board of Designated Directors. I believe that the establishment of the Group Strategy Division has clarified reporting lines to the Bank's management team and established a system for timely and appropriate discussion and reporting.

Toward sophistication of the integrated group management

I think that it is important to implement various measures throughout the Group in order for the integrated group management to be more sophisticated. Ensuring that the Purpose and Vision, and "Three Pledges" of the Group are understood and penetrate throughout the Group is an important role of the Group Strategy Division, and the Group Companies Subcommittee, a subordinate body of the Purpose and Vision PT, is one of our initiatives.

We are also working with each division to conduct questionnaire surveys and training for employees, which the Bank has been working on for some time, conduct evaluation of the effectiveness of the Board of Directors, and implement various measures for unified Group personnel management.

In addition, with the aim of strengthening the Bank's management team's understanding of the Group's overall situation by providing opportunities for direct communication with employees and officers of the Group companies, we took the lead to hold the group-wide "opinion exchange meetings with executives," which have been held at branches.

Close cooperation to achieve shared goals

Under the slogan of "close cooperation to achieve shared goals," I am engaged in operations of the Group Strategy Division that oversees overall business execution, including sales and administrative aspects of Group companies. We have always been committed to working together as one, with no one missing at any time.

Customers' needs are changing with changes in social conditions and economic structure. The Bank Group has Group companies with diverse abilities to provide not only financial services but also nonfinancial services such as Chibagin Market and Himawari Green Energy.

By providing solutions only Group companies can offer, we hope to establish unwavering trust from our customers and the local community through contributing to solving social issues in the region and realizing affluent life support, as well as strengthening group governance.

With flexible ideas not bounded by the past, we will foresee our customers' needs and economic and social changes as soon as possible, revitalize 16 Group companies of the Bank Group, and continue to take on the challenge of change to offer optimal solutions and find solutions.

Group Supervision Committee

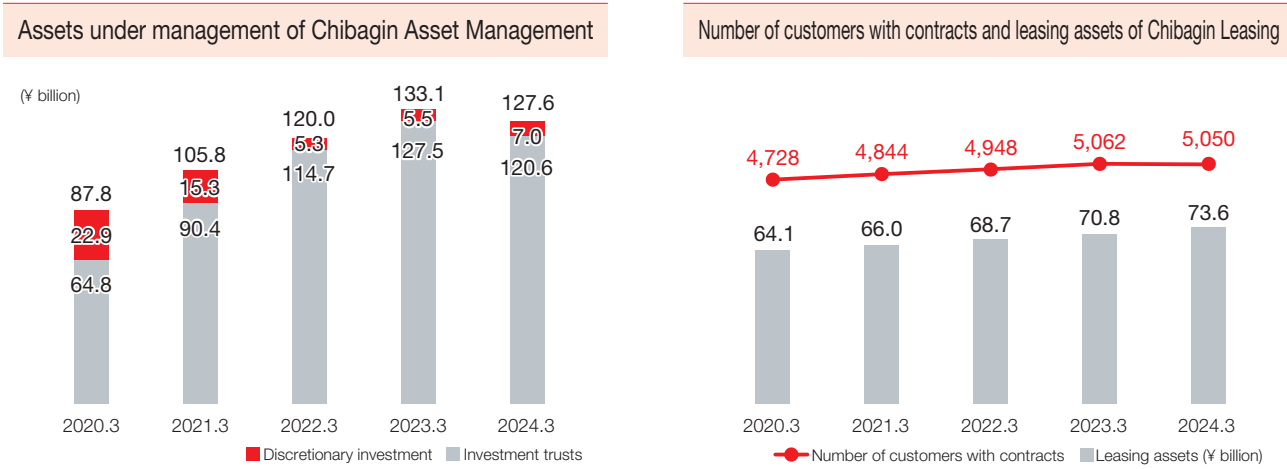
The Group Supervision Committee meets semiannually in order to further strengthen the management and supervision over Group companies by ensuring that the Bank’s management team understands the management status and various issues, progress in implementation of measures of Mid-term Plan, and future direction of each Group company, and provides appropriate instructions.

The Committee has so far focused on confirming the current performance and progress in implementation of measures of Mid-term Plan. In order to further deepen discussions on risks and management issues specific to each company and other issues, we have worked to share the management issues and measures for the future of each Group company by adding themes and attendance of Outside Directors and the Audit & Supervisory Board Members as observers in the second half of 2023.

In addition, from the first half of 2024, we have worked to share recognition between the Bank and Group companies by having the Bank’s executives serving as non-standing Directors of Group companies also provide explanations of current issues, etc.

Attendants	
Committee members	Group CxO, responsible Directors and Executive Officers of each company, General Manager of the operations division, General Manager of the Corporate Planning Division
	General Manager of the Compliance and Risk Management Division, General Manager of the Business Coordination Division, General Manager of the Group Strategy Division
	President of each company, Executives Officers, etc.
Observers	Outside Directors, Audit & Supervisory Board Members, General Manager of the Audit and Inspection Division, General Manager of the Group Improvement Office
Expansion measures	
Add attendants [Outside Directors/ Audit & Supervisory Board Members]	Promote sophisticated Group governance
Review themes	Further deepen discussions on risks specific to each company, management issues of each company, and other issues, in addition to current performance and progress in implementation of measures in the Mid-term Plan
Expansion of discussion time	Secure time for discussions
Presentation by responsible Directors on recognition of issues, etc.	Execute supervisory functions over the business execution of Group companies

Main coefficients of Group companies



Initiatives by Chibagin Market Co., Ltd. New business

C-VALUE crowdfunding and C-VALUE shopping

At “C-VALUE,” we promote supporting the marketing of local business operators and regional revitalization through crowdfunding and e-commerce website.

Since we started the crowdfunding operations in October 2021, we have released a total of 244 projects (as of March 31, 2024). We are also working with local sports teams on large projects.

On e-commerce website, we are expanding the product lineup with a focus on local specialties, and expanding customer services with a function that allows customers to make purchases with TSUBASA points.



▲ Altiri Chiba x Chiba City Monorail Project

Housing concierge services

As STEP 2 of the business, we are working on initiatives of “Housing Concierge in Chiba,” a service for customers considering the purchase of their own home.

This service involves listening to customers wishes regarding the purchase of their own home while providing consulting services on housing loans and their life plans and providing regional information, closely supporting each customer’s wishes, and referring to real estate companies that meet their wishes from a neutral standpoint.



▲ Chibagin Market's business roadmap

MESSAGE

Providing unprecedented value through the creation of new nonfinancial services

Chibagin Market was established in May 2021 as a regional trading company. As STEP 1 of the business, we launched a project called “C-VALUE” to create new value (VALUE) from Chiba (CHIBA), and have provided comprehensive sales and marketing support to local business operators, centered on purchasing-type crowdfunding and operation of an e-commerce website. In addition, we are considering new services related to housing and automobiles as a new service related to “life events,” which is positioned as STEP 2 of the business. This service is intended to be a new

Kengo Mashimo
Chibagin Market Co., Ltd.
President and Representative Director



business model that captures the potential needs of customers through the use of internal data of the Bank, etc. and provide services from the upstream of commercial distribution. By expanding the business area to include services that lead to “daily living,” STEP 3 of the business, in the future, we plan to play a role in the “regional ecosystem” that the Bank Group aims to achieve.

Chibagin Market will continue to take on the challenge of serving customers and the local community by providing value that has never been offered by any banking group, through the creation of new nonfinancial services.

Response to Climate Change (Efforts Toward TCFD Recommendations)



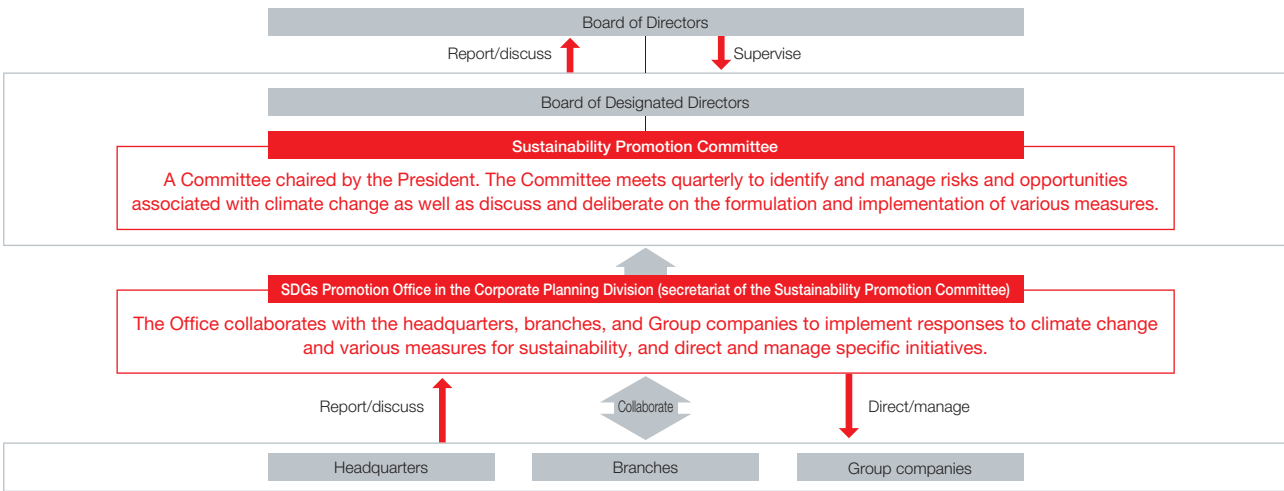
The Bank Group announced its endorsement of the TCFD recommendations in December 2019, and has since proactively disclosed information on its initiatives for climate change in accordance with items of the TCFD’s disclosure recommendations.

Efforts Toward the Task Force on Climate-related Financial Disclosures (TCFD) Recommendations

Governance

Governance system

The Bank Group has built a flexible and solid governance system to identify and manage risks and opportunities associated with climate change.



Supervision by the Board of Directors

The identification and management of risks and opportunities associated with climate change, and formulation and implementation of various measures are discussed and deliberated by the Sustainability Promotion Committee on a quarterly basis. Discussions and deliberations in the Committee are periodically reported to the Board of Directors.

Key initiatives for risks and opportunities associated with climate change are determined at or reported to the Board of Directors after separate discussion by the Board of Designated Directors.

Various policies, management plans, etc. related to responses to climate change

The Bank Group has incorporated items related to responses to climate change into “Chiba Bank Group Sustainability Policy” and various policies and management plans, and taken various measures.

Chiba Bank Group Sustainability Policy	The Chiba Bank Group Sustainability Policy states that we promote environmental initiatives including climate change throughout the entire Group.
Chiba Bank Group Declaration on SDGs	The Chiba Bank Group Declaration on SDGs stipulates that environmental protection is a key priority issue (materiality) to be dealt with, and various measures are being taken against climate change.
Chiba Bank Group Environmental Policy	Based on the recognition that addressing climate change risks is an important issue on the global environment, the Chiba Bank Group Environmental Policy states that the Group takes initiatives aimed at realizing a carbon-free society.
The 15th Mid-term Plan	GX (green transformation) is set as one of the value creation bases in the 15th Mid-term Plan, and initiatives for decarbonization are incorporated as an important strategy of the Mid-term Plan.

Strategy

Risks and opportunities associated with climate change

The Bank Group qualitatively analyzes risks (physical and transition risks) and opportunities associated with climate change over short- (less than five years), medium- (five to 10 years), and long-term (over 10 to 30 years) horizons. Specific risks and opportunities associated with climate change and their impact on the Bank’s business, strategy, and financial plan are as follows.

Risks and opportunities	Specific risks and opportunities and their impact on the Bank’s business, strategy, and financial plan	Time horizon*
Risks		
Physical risks		
Credit risk	Damage to the Bank’s real estate collateral due to large-scale storm and flood	Short to long term
	Deterioration in business performance due to stagnation of business of financing customers as a result of their operations being hampered by large-scale storm and flood to their business locations	Short to long term
	Financing customers closing down their operations due to damage from sea level rises to their business locations	Long term
Operational risk	Interrupting or discontinuing our branch operation as a result of large-scale storm and flood	Short to long term
Transition risks		
Credit risk	Deterioration in business performance of financing customers as a result of revision to climate change laws and regulations and taxes	Medium to long term
	Deterioration in business performance of financing customers as a result of a failure to invest in decarbonization technologies or excessive investment burden in new technologies	Medium to long term
	Deterioration in business performance of financing customers as a result of decreased demand for traditional products and services	Short to long term
	Deterioration in business performance of financing customers as a result of rapid fluctuations in resource prices due to progress toward a decarbonized society	Medium to long term
Reputational risk	Drop in our share price and difficulties in raising funds as a result of the deterioration of the Bank’s reputation due to its continued over-investments and loans in the fossil fuel sector	Short to long term
Opportunities		
Products and services	Profit increase due to initiatives for sustainable finances including renewable energy-related loans	Short to long term
	Profit increase from consulting services related to decarbonization support	Short to long term
	Profit increase due to increases in demand for funds driven chiefly by infrastructure investment for disaster countermeasures and business continuation	Short to long term
Cost reduction	Reduction of operation costs through high-efficiency operations such as saving of energy	Short to long term

*Short-term (less than five years), medium-term (five to 10 years), and long-term (over 10 to 30 years)

Initiatives for risks and opportunities associated with climate change

The Bank Group has identified and recognized risks and opportunities associated with climate change, and taken following measures as its main strategies.

CO ₂ emissions reduction	With the aim of realizing a carbon-free society, the Bank Group is striving to reduce its CO ₂ emissions from its own emissions. Promotion of energy saving in buildings and introduction of environmentally-friendly vehicles Introduction of electricity derived from renewable energy sources (facilities the Bank contracts) Installation of solar power plants through Himawari Green Energy Co., Ltd., a subsidiary designed to function as a company involved in energy generation
Support for decarbonization management	We are engaging in various activities to support our customers’ decarbonization management. Provision of CO ₂ emission measurement tool “C-checker” Decarbonization consulting Identification of greenhouse gas emissions and promotion of dialogue using the ESG evaluation sheet Promotion of customer engagement through measurement of Financed Emissions
Promotion of sustainable finance	We have strengthened our efforts in sustainable finance that will contribute to mitigation of and adaptation to climate change risks. Promoting renewable energy-related loans, such as financing the installation of solar power generation facilities Provision of various loan products including green loans, sustainability linked loans, and Chiba Bank SDGs Leaders Loan Active investment in green bonds and sustainability linked bonds Setting target for the amount of sustainable finance
Enhance climate change risk management	We have selected “delays in responding to climate change” as the Bank Group’s top risk and are strengthening risk management. Selecting and managing “delays in responding to climate change” as one of the top risks that are highly significant in terms of impact and probability Formulation of Policies on Loans and stricter credit to fossil fuel-related sectors Managing credit and operational risks associated with climate change through an integrated risk management system



Scenario analysis

The Bank Group analyzes resilience in its strategy, taking into consideration various climate change scenarios including a less than 2°C scenario.

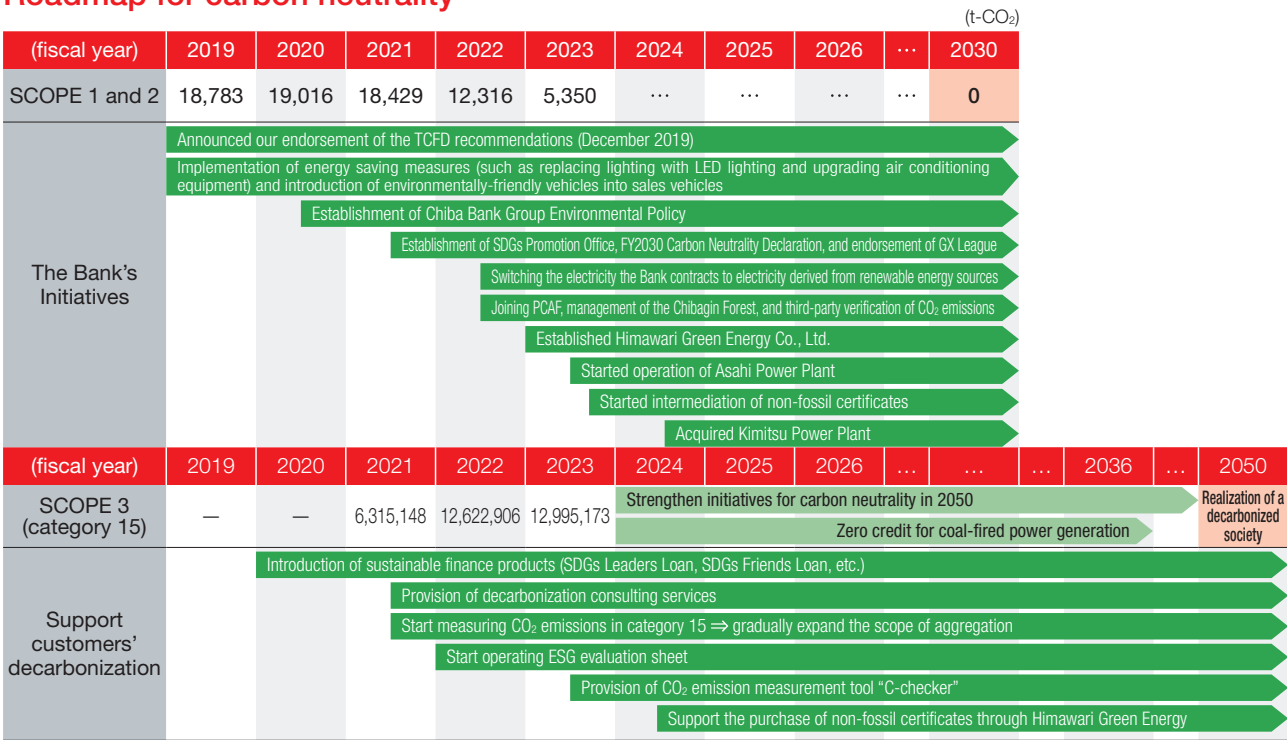
As a result of our analysis based on each scenario, physical risks will be ¥7.0 to 8.0 billion and transition risks will be up to ¥31.0 billion over the analysis period (up to 2050). Considering the Bank's business performance (¥62.4 billion of profit attributable to owners of parent (consolidated)) and other factors, we recognize that these risks do not pose a significant concern to the sustainability of the Bank's business at this point.

We will strive to sophisticate our analysis methods for physical and transition risks associated with climate change on a continual basis, to manage risks, take appropriate countermeasures, and disclose information.

	Physical risks	Transition risks
Scenario	RCP4.5 scenario and RCP8.5 scenario (4°C scenario) of the Intergovernmental Panel on Climate Change (IPCC)	IEA's NZE scenario Net Zero 2050 and Below 2°C scenario of NGFS
Analysis target	The Bank's real estate collateral (only that for general lending) The Bank's financing customers (general business corporations)	Oil and gas and coal industries Electric utilities industry Steel and chemical industries Air transport industry (added in FY2023)
Analysis method	Analyze the amount of increase in net credit costs based on the deterioration of business performance of financing customers, calculated based on the damage to the Bank's real estate collateral as a result of typhoon, torrential rain and other storm and flood damage and the percentage of the Bank's building site submerged	Analyze the amount of increase in net credit costs due to changes in borrower classification by estimating the business performance and financial status of financing customers through 2050, based on the IEA's NZE scenario and other factors
Analysis period	Up to 2050	Up to 2050
Analysis result	Increase in net credit costs: ¥7.0 to 8.0 billion	Increase in net credit costs: maximum ¥31.0 billion

*The risk status and risk ratio of building use site were analyzed with the support of a weather information company Weathernews Inc.

Roadmap for carbon neutrality



Risk Management

Risk identification and assessment

The Bank Group recognizes risks associated with climate change (physical and transition risks) as risks that have significant impact on the management of the Group, and has strengthened management of these risks after having identified and assessed their specific details by time horizon (short, medium, and long term). The Corporate Planning Division and the Compliance and Risk Management Division cooperate to identify and assess these risks, and report the analysis results at the Sustainability Promotion Committee and other meetings.

Top risk management

The Bank Group selects those risks surrounding our business that are highly significant in terms of impact and probability as “top risks” in the Board of Directors. In selecting and managing top risks, a risk map covering a wide range of risk events is produced and discussed, including by the outside directors and Group companies, after which a report is presented to the ALM Committee and the Board of Directors.

We select and manage “delays in responding to climate change” as one of top risks, to strengthen the management of risks associated with climate change.

Integrated risk management

The Bank Group assigns divisions to manage risks for each form of risk, and the Compliance and Risk Management Division centrally monitors these risks and discusses risk countermeasures. The Group Chief Risk Officer (CRO) reports the status of risks to the Board of Directors. In addition, to ensure an effective risk management system, the Audit and Inspection Division conducts audits to determine whether risks are appropriately managed and reports the audit results to the Board of Directors.

Risks associated with climate change are categorized into credit risk related to borrowers' business activities and operational risk in continuous operation of our branch locations, in light of the results of qualitative and quantitative analyses, and integrated into the above risk management system.

Formulation of Policies on Loans and stricter credit to specific sectors

The Bank Group has formulated and announced its Policies on Loans for businesses that are considered to involve significant environmental and social risks or negative impacts, and for specific sectors where lending efforts are expected to have a huge environmental and social impact. The Policies clarify the Bank's approach to credit including lending to coal-fired thermal power plants.

Furthermore, we have established a stricter credit examination system in which we determine the lending for fossil fuel-related sectors that are considered to have a huge impact on global warming after receiving opinions of divisions in charge of SDGs.

Policies on Loans (excerpt)

Policies on Specific Sectors

<Credit for Coal-fired Power Plants>

In principle, we will not extend credit to coal-fired thermal power plants for new construction or expansion of existing facilities.

However, in cases where support from the Government of Japan, international development organizations, etc. can be confirmed, as an exception to the above policy, we may carefully consider credit support after taking into account the factors and the background of each individual project, such as power generation efficiency performance and environmental impact, with reference to international guidelines, etc.*

*OECD Arrangement on Officially Supported Export Credit, etc.

For full text of the Policies on Loans, see our website:
https://www.chibabank.co.jp/english/corporate/policy/specific_sectors/



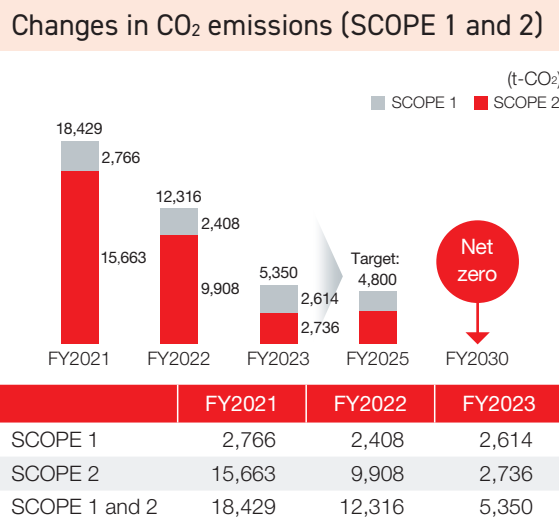
Metrics and Targets

Carbon Neutrality Declaration

The Paris Agreement came into effect in 2016 as an international framework on issues of climate change. The Agreement sets a common global long-term goal of keeping the global average temperature increase well below 2°C above pre-industrial levels and pursuing efforts to limit it to 1.5°C. The Bank supports the Paris Agreement and announced its goal of “achieving net zero CO₂ emissions (SCOPE 1 and 2) by FY2030” in March 2022, and has been working on reducing CO₂ emissions.

CO₂ emissions (SCOPE 1 and 2)

CO₂ emissions in FY2023 was 5,350 t-CO₂, a decrease of 56.6% from the previous fiscal year. We have taken measures to reduce CO₂ emissions, such as switching to electricity derived from renewable energy sources from October 2022, and offsetting CO₂ emissions with non-fossil certificates utilizing Himawari Green Energy, a subsidiary engaged in energy generation business, established in April 2023. We will continue to promote energy saving measures such as replacing lighting with LED lighting and introducing environmentally-friendly vehicles. We will strengthen various initiatives for the achievement of our interim target (4,800 t-CO₂) for FY2025 and carbon neutrality in FY2030.



CO₂ emissions (SCOPE 3)

The Bank has measured and disclosed CO₂ emissions in SCOPE 3 category 15 since FY2021, and further expanded the scope of measurement in FY2023. We will continue to expand the scope of measurement through utilization of PCAF database and other resources, while supporting our customers' efforts for decarbonization, and strive to reduce CO₂ emissions in SCOPE 3 category 15 to achieve a decarbonized society in 2050.

	(t-CO ₂)		
	FY2021	FY2022	FY2023
Category 1 (Purchased goods and services)	—	8,961	9,634
Category 2 (Capital goods)	—	35,222	24,536
Category 3 (Fuel- and energy-related activities not included in SCOPE 1 or 2)	—	2,855	2,824
Category 4 (Upstream transportation and distribution)	—	1,297	1,363
Category 5 (Waste generated in operations)	—	204	206
Category 6 (Business travel)	575	618	968
Category 7 (Employee commuting)	1,391	1,436	2,241
Category 15 (Investments*)	6,315,148	12,622,906	12,995,173

*For FY2021, only those companies that disclosed emissions, mainly listed companies, were measured. From FY2022 onwards, the scope of measurement was expanded, and estimate values were used for companies whose emissions were not measured or not disclosed. Loan amount of approximately ¥7.6 trillion in FY2023 for companies measured is equivalent to 94.0% of loans to general business corporations and individual business owners (excluding public and private funds).

Breakdown of SCOPE 3 Category 15 (FY2023)

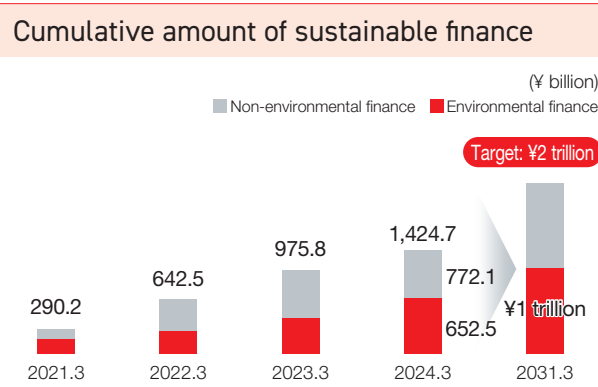
	Carbon intensity (t-CO ₂ /¥ million)	Emissions (t-CO ₂)
Agriculture	6.59	181,481
Paper and forestry	3.64	156,009
Beverage and food	4.38	562,089
Metals and mining	10.89	1,774,763
Chemicals	4.89	573,309
Oil and gas	6.31	59,741
Construction materials and capital goods	5.59	595,618
Automobiles	3.47	41,791
Electricity	26.44	629,319
Real estate management and development	0.67	495,774
Land transport	3.71	559,663
Marine transport	13.42	195,953
Air transport	7.57	25,611
Others	2.54	7,144,050
Total	—	12,995,173

Obtaining third-party assurance

In measuring and disclosing our CO₂ emissions, we have obtained independent third-party assurance from SOCOTEC Certification Japan for emissions (SCOPE 1 and 2) from FY2021 onwards to ensure reliability of the figures. We will continue to conduct third-party verification to ensure highly reliable information disclosure.

Promotion of sustainable finance

The Bank Group regards the type of investments and loans where proceeds are used to solve environmental and social issues as “sustainable finance,” and has strengthened its initiatives, setting the target of ¥2 trillion of the amount of sustainable finance from FY2019 to FY2030 (of which target for the amount of environmental finance ¥1 trillion). The amount of sustainable finance that has been executed by FY2023 (fiscal year ended March 31, 2024) is ¥1,424.7 billion (progress rate 71%), and that of environmental finance in it is ¥652.5 billion (progress rate 65%).



Key examples of sustainable finance	
● Sustainability linked loans	● Project finance for creating social infrastructure
● Green loans	● Funds for environmentally-friendly houses (Sustainable Housing Support Discount)
● Positive impact finance	● Environmentally-friendly renovation funds (renovation loan)
● Chiba Bank SDGs Leaders Loan	● Funds for purchasing environmentally-friendly vehicles (car loans)
● Chiba Bank SDGs Friends Loan	● Fixed income investment such as green bonds, sustainability linked bonds
● Chibagin SDGs Private Placement Bonds	
● Renewable energy-related loans	

Status of carbon-related assets

Based on the revision of the TCFD recommendations in October 2021, we have expanded the target sectors for carbon-related assets in FY2022 to include the energy*, transportation, materials and buildings, and agriculture, food, and forest products sectors. The loans, acceptances and guarantees, foreign exchange, and private placement bonds (hereinafter the Loans, etc.) for the carbon-related assets account for around 37.0% of the Bank's Loans, etc. as of March 31, 2024. Loans, etc. for coal-fired power generation account for 0.09% of the Bank's Loans, etc., and credit for coal-fired power generation is scheduled to be zero by the end of March 2037.

*Oil, gas, and electric (excluding renewable energy business) utilities

CDP climate change survey

The Bank obtained evaluation of “A-” in FY2023 climate change survey conducted by CDP*. The Bank obtained evaluation of “A-” for the third consecutive year.

*An international non-governmental organization that collects, evaluates, and discloses information on the environment from companies, local governments, etc.

Response to Natural Capital

(Efforts Toward TNFD Recommendations)



Forest management activities for the Chibagin Forest

Since 2003, the Bank has been implementing forest management activities using “Corporate Forest Business” in Chiba Prefecture. These activities strive to restore the coastal shelter forest, which has become sparse due to damage from pine weevils and the tsunami caused by the Great East Japan Earthquake. We thus aim to enhance disaster mitigation effects at the time of the tsunami and promote tourism by improving the landscape. We will continue to implement activities to conserve natural capital.



▲ Sixth Chibagin Forest at Tsurigasaki Beach in Ichinomiya Town

Efforts Toward the Task Force on Nature-related Financial Disclosures (TNFD) Recommendations

Chiba Bank Group will strengthen various initiatives based on the TNFD Recommendations for the conservation of natural capital, including biodiversity.

Governance	We employ a similar governance system for our responses to natural capital as that for our response to climate change. For the development and pursuit of initiatives, the Sustainability Promotion Committee discusses and deliberates directions, specific activities and initiatives, as well as the identification and assessment of risks and opportunities. The contents of those discussions and deliberations by the Committee are reported and proposed to the Board of Directors.		
Strategy	In February 2023, the Bank Group participated in the TNFD Forum in support of TNFD's initiatives. The Bank Group recognizes the risks and opportunities associated with natural capital over short-term (less than five years), medium-term (five to 10 years), and long-term (over 10 to 30 years) time horizons as follows:		
	Risks	Concerns about business continuity/deterioration in business performance of financing customers associated with natural capital degradation (medium to long term) Reputational risk associated with deterioration in reputation due to businesses that have negative impact on natural capital (short to long term)	
	Opportunities	Increase in opportunities for investment and loans for restoration of natural capital (medium to long term) Cost reduction associated with reduction of paper consumption and waste volumes (short to medium term)	
Risk Management	We conduct integrated risk management and implement the Policies on Loans to apply stricter credit to specific businesses and sectors that have negative impact on natural capital.		
	Measures under the Policies on Loans		
	Prohibition	Businesses that have negative impact on Ramsar wetlands and UNESCO World Heritage sites and businesses that violate the Washington Convention	
Indicators and targets	Strict response	When considering whether or not to commit to palm oil plantation development projects, deforestation projects, etc., we take into account the appropriate international certifications and the impact on the living environment of local communities and residents.	
	In terms of indicators and targets concerning natural capital, the Bank has established targets for amounts of sustainable finance. The volumes of resources consumption and waste associated with the Bank's business activities are as follows:		
	Target for amount of sustainable finance and results		
		Target amount (FY2019 to FY2030)	Actual amount [progress rate] (FY2019 to FY2030)
	Sustainable finance	¥2 trillion	¥1,424.7 billion [71%]
	Of which, environmental finance	¥1 trillion	¥652.5 billion [65%]
	Resources consumption and waste volumes (FY2023)		
	Water consumption (m³)	53,090	
	Paper consumption (t)	49	
	Waste volume (t)	361	
Data from the head office building, Oyumino Center building, and Soga Center building. Water consumption is the total volume of water and sewage.			

Communication with Stakeholders



Communication with Customers

The Bank utilizes customer feedback to improve management. Opinions, requests, and other feedback from customers, collected through Customers Feedback Cards available at branches, a dedicated toll-free number, our website, and other means are reported to the Quality Improvement Committee. We constantly take measures to utilize such feedback for service improvement.

Communication with Shareholders

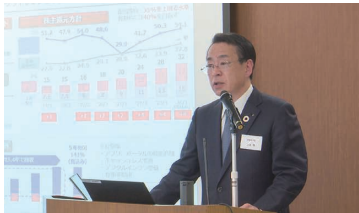
The Bank strives to enhance disclosure through the General Meeting of Shareholders, IR meetings, meetings with individual investors, and other IR events. In addition to IR meetings and individual meetings, we held briefings on the Mid-term Plan and other events in FY2023. Directors, including the President and outside directors, or Audit & Supervisory Board members participate in dialogues with shareholders and investors within a reasonable scope. In addition, feedback received in these dialogues are reported to directors and the Board of Directors. We will improve management based on that feedback.

Activity Results (FY2023)

Meetings, etc.	Number of times held	Presenter	Number of participants
The 117th Annual General Meeting of Shareholders	1	Directors, Audit & Supervisory Board members, etc.	117
Briefings for analysts and institutional investors			
IR meetings	2	President, CSO/CDTO	343
IR Day “The 15th Mid-term Plan”	1	President, CSO/CDTO, CHRO	61
Small Meeting for financial results announcement	2	CSO/CDTO	115
Briefings for individual investors	6	CSO/CDTO	1,521
Individual meetings with analysts and institutional investors	Total of 192 (of which 67 were conducted by executives and 72 were with overseas investors)		

Dialogue details

Dialogues are held on a variety of topics, such as business performance, capital policy, alliance strategy, DX strategy, sustainability, and human capital. Q&A sessions in briefings for analysts and institutional investors are disclosed on the Bank's website.



▲ IR Day “Growth Strategy” (April 2024)

Communication with Employees

Opinion exchange meeting with executives

To reflect the voice of frontline branch employees in management, we hold annual opinion exchange meetings with executives. In the opinion exchange meetings, we share our management policies and issues. Q&A sessions constitute the core part of the meetings, where branch employees ask questions related to management, share what they think of day-to-day work, and propose what measures should be taken. In FY2023, nine executives, including a Director and Senior Executive Officer, held opinion exchange meetings at a total of 145 branches. Feedback from branch employees is reflected in various measures.

Message from the CHRO

We will develop diverse professionals to bring the hopes of our customers and personnel to life

Takashi Makinose

Director and Managing Executive Officer
Group Chief Human Resources Officer (CHRO)



Aim to be “an organization that creates new value by bringing together diverse specialists”

The Chiba Bank Group views its “human resources” as its most important management capital. For the Group to deliver social value to our customers and the community, ongoing human resources development is essential. To this end, we aim to be “an organization that creates new value by bringing together diverse specialists” through the enhancement of human capital.

In particular, we have positioned “human resources development” and the “improvement of personnel engagement” as key challenges in human resources strategy. We will connect those challenges to the realization of the Group’s vision by giving employees a greater sense of reward in their work and establishing a workplace environment in which diverse personnel can demonstrate their capabilities.

“Human Resources Development Policy” for the realization of our Purpose

The Bank Group has established a new Human Resources Development Policy with the slogan “become someone who keeps fighting for the customer.” This slogan is used to share the personalities and ways of thinking desired by the Group among all employees and to inspire them to move forward to realize their own career aspirations. It was designed to encourage each of our employees to “be a partner who continues to keep fighting with customers, the community and colleagues.”

To help each of our employees to embody the Human Resources Development Policy, we undertook a review of our personnel evaluation systems. By drastically reviewing the previous evaluation items and replacing them with evaluation items based on the three elements of the Human Resources Development Policy, i.e., “Think things through,” “Utilize your own strengths,” and “Gain more supporters,” we will seek to enlighten our employees and instill these elements in them.

Develop personnel who bring customers’ hopes to life

The growth and advancement of human resources who can respond appropriately to our customers’ diverse values and to changes in the business environment are essential to the realization of our Purpose. In our aim to become an organization in which each of our employees has professional expertise and pride and is able to work with a sense of reward, we will actively promote investment in human capital with a focus on measures for human resources development.

We established our in-house academy, “Chibagin Academy”, as a learning environment in which each of our employees can obtain the knowledge and information that they need “anytime, anywhere.” A year after it opened, the Academy now has over 6,000 video courses, and we intend to continue enhancing the kind of learning content that employees need. The average time spent by employees learning with the Academy has reached 39 hours per annum, which indicates that a culture in which individual employees seek to acquire the knowledge that

they need of their own volition is gradually penetrating the Group.

To help our employees acquire expertise, we have actively implemented development programs to strengthen our employees’ consultation and proposal capabilities in both the corporate and retail businesses. This includes dispatching them as external trainees to different industries and rotating them among specialized departments at Head Office. We established a human resources development quota of 280 persons for the current Mid-term Plan, which is approximately double that in the previous Mid-term Plan.

We are also focusing on developing management personnel and have launched an individualized development program initiative, in which we select candidates for senior management and help them to acquire the knowledge and experience that they each lack.

Through such human resources development measures, we will aim to create a virtuous cycle in which professionals who can bring customers’ hopes to life are nurtured, those professionals then deliver “social value” to customers, by which local communities and the Group achieve sustainable growth, and the profits generated by that process are re-invested in our personnel.

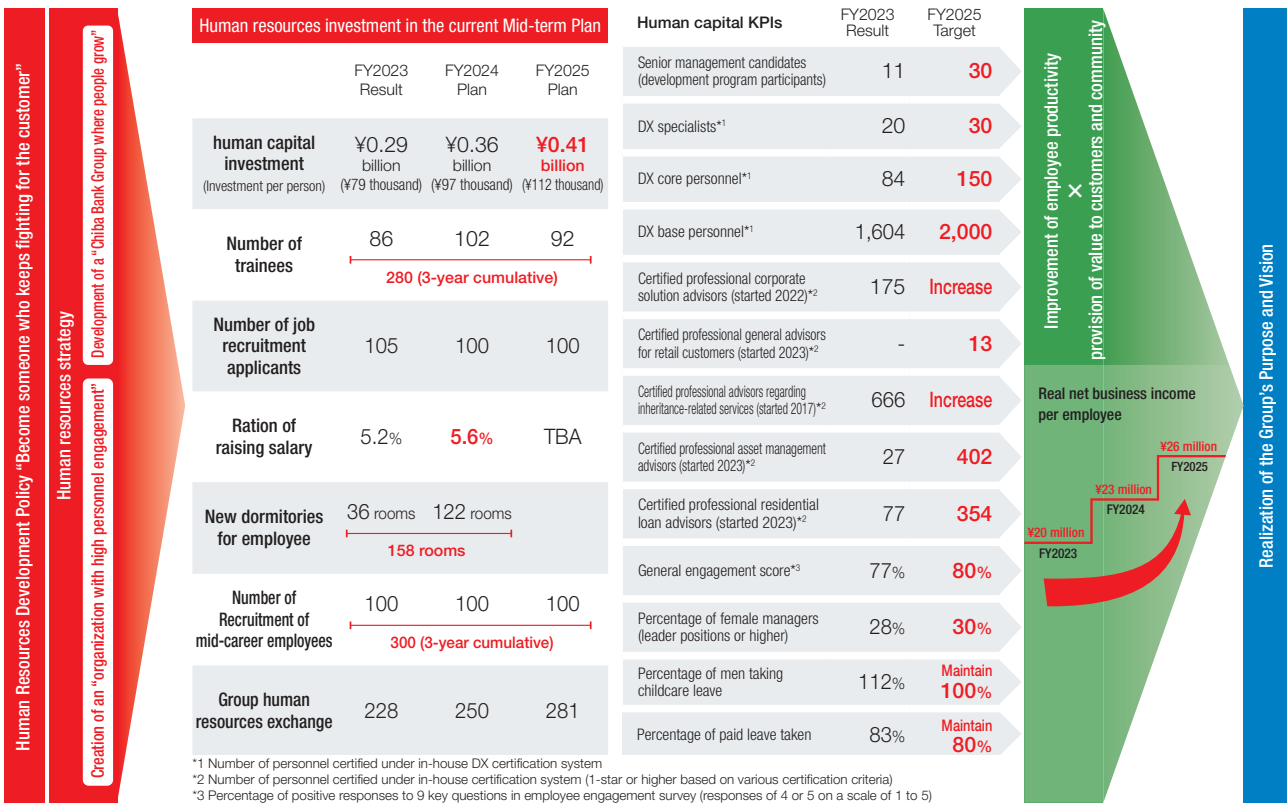
Bringing employees’ hopes to life

I believe that the realization of employees’ career aspirations at their companies and of their expectations of their companies will lead to the improvement of personnel engagement and allow them to demonstrate their full potential.

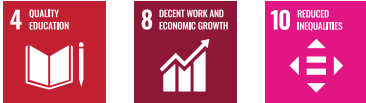
By listening carefully to each individual employees’ hopes, I am working to establish a workplace environment in which they can “work comfortably” and find “job satisfaction”. I am also working to promote diversity and inclusion and to conduct personnel exchanges among Group companies.

In my dealings with people, I am always conscious of “finding the good in others.” This is the same for everyone I encounter—customers, superiors, colleagues, subordinates and, of course, even family. When we consciously look for the good points in another person, we naturally come to acknowledge and respect that person. The fundamentals to doing a good job are to be sincere ourselves and to respect the people around us. I hope to foster a corporate culture in which each and every employee respects each other and strives to elevate each other.

Human resources strategy and human capital KPIs for the realization of the Purpose



Human Capital (Base IV)



Group Human Resources Development Policy

Chiba Bank Group Human Resources Development Policy

“Become someone who keeps fighting for the customer”

Three core elements

Think things through

Think through everything on your own, and take action and take on the challenge

Utilize your own strengths

Have your own strengths and expertise

Gain more supporters

Accomplish while connecting with others

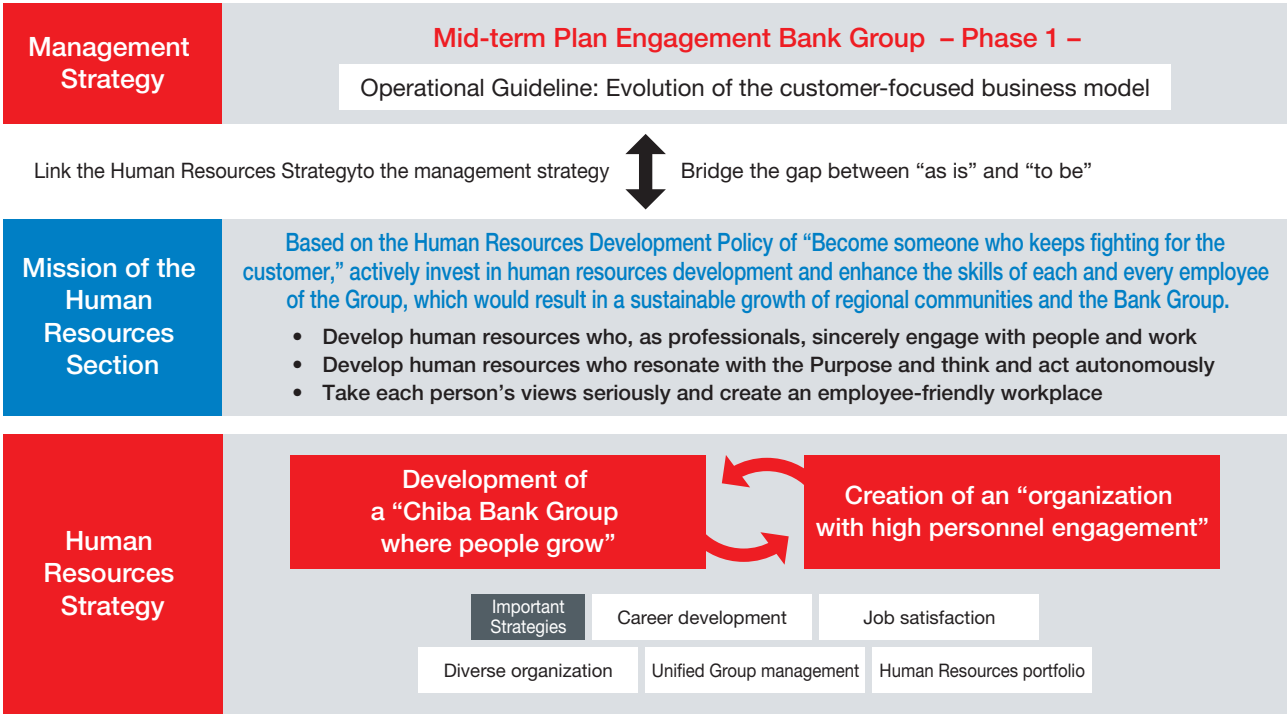
With the aim of the Bank Group becoming an organization that creates new value by bringing together diverse specialists, we have established the Human Resources Development Policy “Become someone who keeps fighting for the customer” with the idea that each and every employee should “be a partner who continues to keep fighting with customers, the community and colleagues.”

The three core elements of the Human Resources 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 opportunities for “training, challenges, and practice” so that employees can refine their own skills and maximize their capabilities.

Formulation of Human Resources Strategy That is Linked to Management Strategy

The Bank Group links its Human Resources Strategy to the management strategy to establish an organization that creates new social value toward the achievement of the Purpose and Vision.

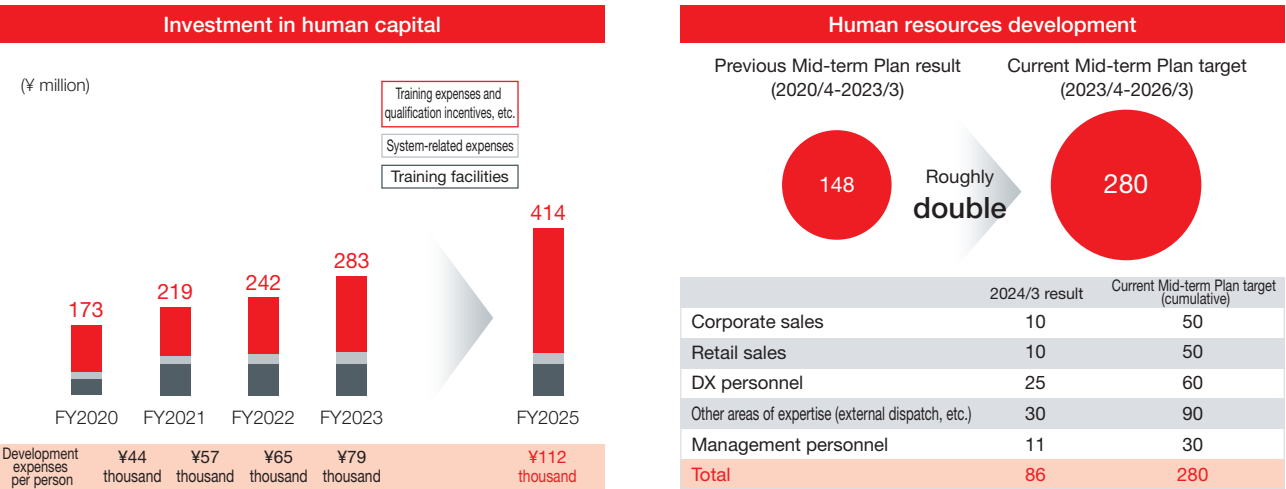
Under the two pillars of the Human Resources Strategy, which are the “development of a Chiba Bank Group where people grow” and the “creation of an organization with high personnel engagement,” we will bridge the gap between “as is” and where we aim “to be.” We will thus make the Bank Group an organization with diverse experts that provides new social value, and we will realize our customers’ hopes and the sustainable growth of the local community.



Investment in Human Capital

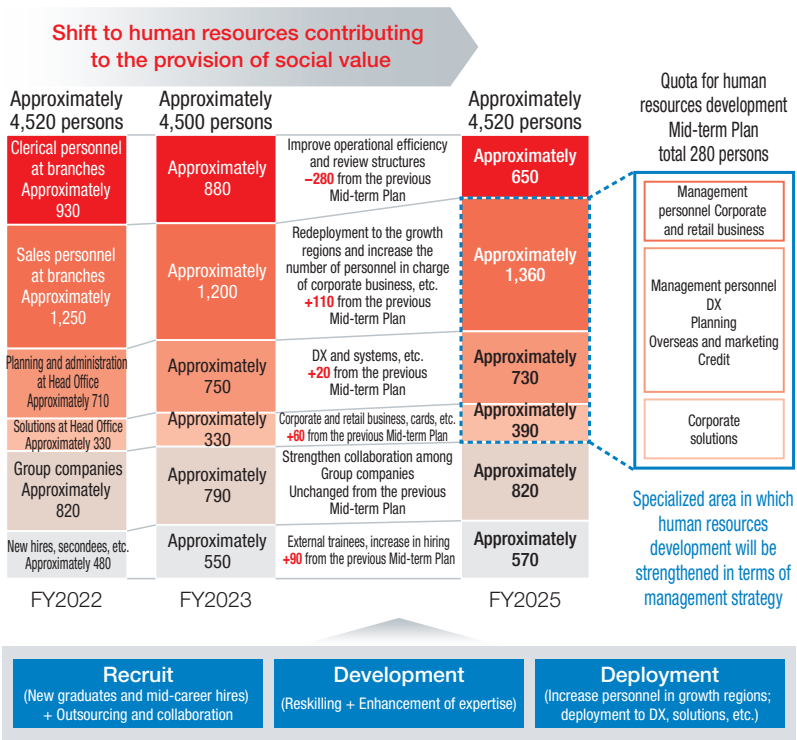
We believe that in order for the Bank Group to provide social value and achieve sustainable development together with the local community, developing human resources responsible for service provision is an urgent issue. Therefore, we will significantly expand our investment in human capital.

We will secure the budget for human capital investment in training and other human resources development, which is nearly double the previous budget, and expand external training and on-demand learning for specialists. In addition, we will establish a human resources development quota of 280 persons for the period of three years, and actively have them participate in programs to strengthen consulting proposal capabilities for both corporate and retail business, and dispatch them to different industries such as DX and ICT consulting. In this way, we will focus on continuously developing highly specialized personnel.



Human Resources Portfolio to Achieve Management Strategy

By developing specialists and improving employee engagement, we will develop the overall Group’s human resources portfolio in line with the management strategy. While maintaining the total workforce, we will review how personnel are deployed by improving operational efficiency and reviewing operational structures, transfer personnel to the digital and corporate solution fields, and shift our human resources to those contributing to the provision of social value. We will recruit personnel with high capabilities and potential, develop human resources to hone their expertise, and place the right person in the right job based on each person’s strengths and career aspirations. In this way, we will fill the gap in both the quality and number of human resources to create an organization that can achieve the management strategy.



Pillar of Human Resources Strategy (1) Development of a “Chiba Bank Group where People Grow”

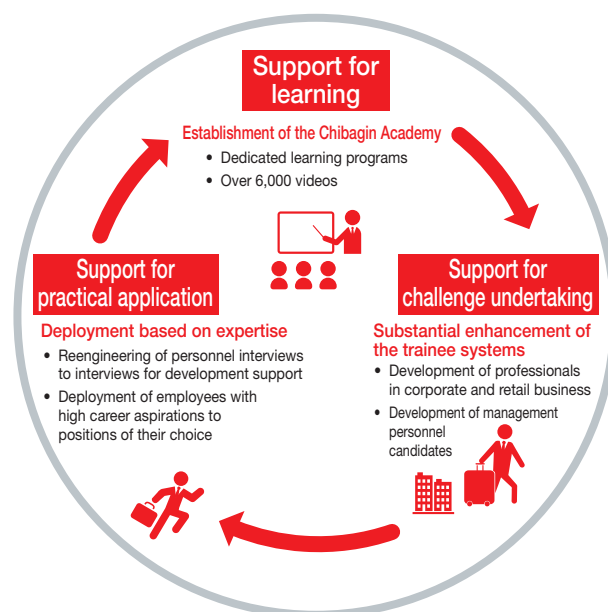
Career Step Support for Each Employee

The Bank believes that employees realizing careers which they themselves hope to pursue will lead not only to value provision to our customers but also to job satisfaction and improved engagement for employees themselves. We are enhancing our career step support initiatives, where we actively offer opportunities for each employee to learn, take on challenges, and apply practically what they learn to realize his/her career goals.

As an initiative to acquire business knowledge, etc. required to realize their career goals, we have established the Chibagin Academy, a learning management system. We have provided an environment where employees can learn anytime, anywhere, with over 6,000 videos. At the same time, we have also provided functions to recommend leaning contents in accordance with each employee's responsibilities and level.

In addition, employees are given opportunities to take on jobs of their choice. Specifically, job shadowing opportunities are available to allow employees to experience specialized work at the Head Office for a few days, and we are enhancing the FA system and the job recruitment system, where employees apply for new responsibilities.

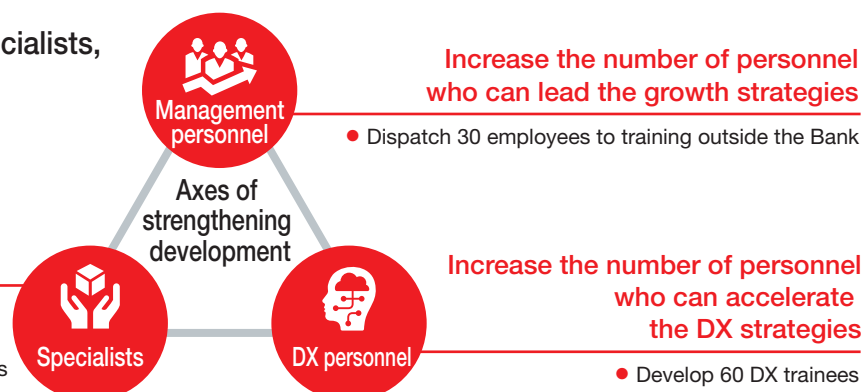
As career paths each employee pursues, we strengthen the three axes of “specialists, DX personnel, and management personnel” in our Mid-term Plan. We are developing human resources systematically by creating development systems for each area, such as the professional certification system, internal and external trainee systems, and the program for management personnel development.



Strengthen development of specialists, DX personnel, and management personnel

Increase the number of practical personnel who can provide value to customers

- Develop 50 trainees for corporate and retail business respectively
- Develop 90 Head Office specialist trainees

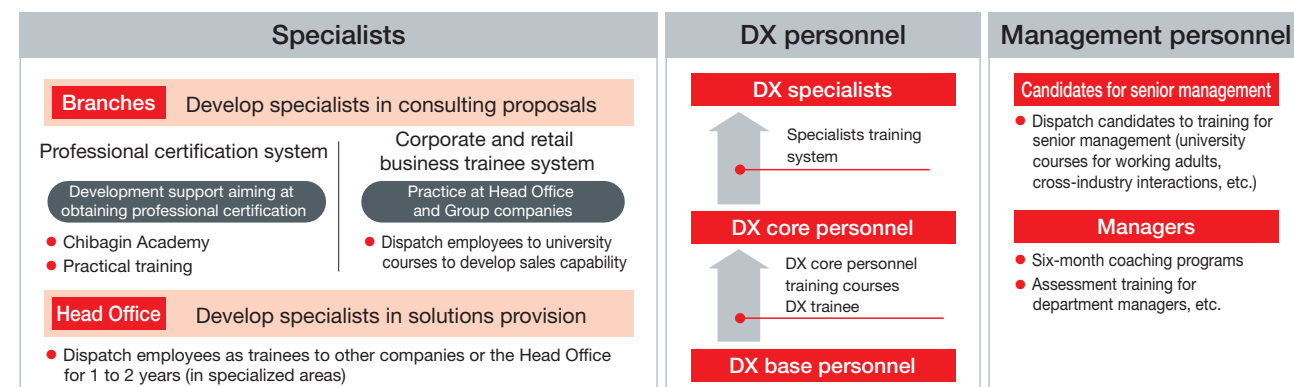


Increase the number of personnel who can lead the growth strategies

- Dispatch 30 employees to training outside the Bank

Increase the number of personnel who can accelerate the DX strategies

- Develop 60 DX trainees



Enhancement of Corporate and Retail Business Personnel Development at Branches and the Professional Certification System

The Chiba Bank is developing corporate and retail business specialists, who interpret customer needs at branches and make consulting proposals. To visualize the stage of each eligible employee's development and increase their motivation, we have launched the professional certification system, where one to four stars are awarded in accordance with the certification criteria based on each employee's performance and other quantitative elements.

Criteria are set in the four areas of corporate, inheritance-related services, sale of financial products, and housing loans, and the certification is carried out every six months. The stage of development is measured for eligible employees across the Bank.

Based on this system, in FY2023 we launched the corporate sales and retail sales development program, which is a framework to develop specialists at branches systematically and allow employees in charge at branches to gain practical skills and experience necessary for reaching a higher level. This is a practical one-year program where participants experience in rotation a wide range of solution offering jobs at the Bank Head Office and specialized departments at Group companies. Under the current Mid-term Plan, we plan to develop 100 specialists in total. Participants of the program are mainly employees who have a high interest in corporate and retail sales, recruited based on internal self-recommendation. Those who completed the program are assigned to branches where they can offer actual proposals to customers. We measure their performance after the participation in the program, thereby developing human resources systematically.

Number of employees in each area certified under the professional certification system

Corporate solutions	175 (System started in FY2022)	Sales of financial products	27 (System started in FY2023)
Inheritance-related services	666 (System started in FY2017)	Housing loans	77 (System started in FY2023)

Enhancement of Head Office Specialist Development and Trainee Systems

The Bank Group actively dispatches trainees internally and externally to develop Head Office specialists in such areas as DX, ICT consulting, corporate solutions, and international affairs. In FY2023, 55 trainees were dispatched internally and externally, including to companies in other industries. We will continuously focus on the development of specialists through personnel dispatch to fields with high-level expertise. In addition, we support self-development by paying qualification incentives of up to 300 thousand yen to employees who obtain highly advanced qualifications (Small and Medium sized Enterprise Consultant, etc.).

Number of trainees dispatched in FY2023		Number of employees who obtained specialist qualifications	
DX/ICT	25	CMA	70
Megabanks	5	Small and Medium sized Enterprise Consultant	60
Government-affiliated and other financial institutions	2	1st grade Certified Skilled Professional of Financial Planning	252
Consulting and research	6	Real Estate Transaction Agent	422
Securities companies	1	Labor and Social Security Attorney	14
Fintechs	2	Certified Public Accountant	1
Government agencies and economic organizations	3	Certified Public Tax Accountant	2
Market and international divisions	3	Licensed Real Estate Appraiser	1
Credit and audit divisions	8		

Enhancement of and Program for Management Personnel Development

The Bank has a program for management personnel development in place from the perspective of developing next-generation management personnel who lead the growth strategies. We expand the pool of next-generation management personnel by implementing a program where participants at each level learn decision-making skills, finance theories, organizational management frameworks, and other kinds of expertise required of management personnel, in accordance with age, position, and other elements. (There were 11 participants in FY2023.) In addition, we launched a development program in FY2023 for candidates for managerial positions, such as General Managers and Senior Deputy General Managers, from the perspective of developing management-level employees at branches, etc. This is a personalized program where each candidate can gain knowledge and experience they lack. Through this initiative, we are enriching the pool of management-level personnel.

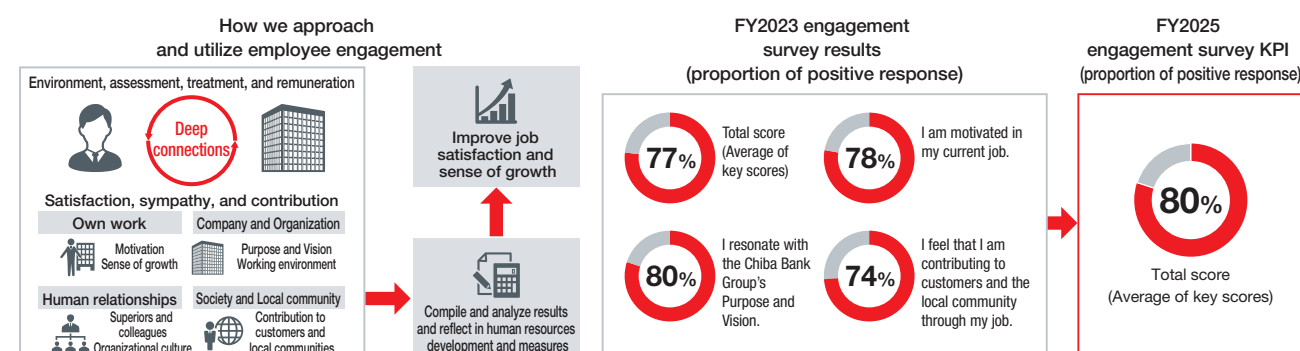
Pillar of Human Resources Strategy (2) Creation of an “Organization with High Personnel Engagement”

Improve Employee Engagement

The Bank Group believes that bringing employees’ hopes to life will increase employee engagement, and is working on various measures from the perspective of what employees expect from the Bank, including “human resources development,” “diversity,” and “development of workplace environment.”

To accurately understand the status of employee engagement, we conduct semiannual engagement surveys, with questions independently designed based on advice from an external consultant. We have set the standard (KPI) we aim to achieve by FY2025.

A 360-degree assessment is also conducted. The results, in combination with the engagement survey results, serve as employees’ voices and inform personnel measures and a better workplace environment. By driving forward such a system, we strive to improve engagement.

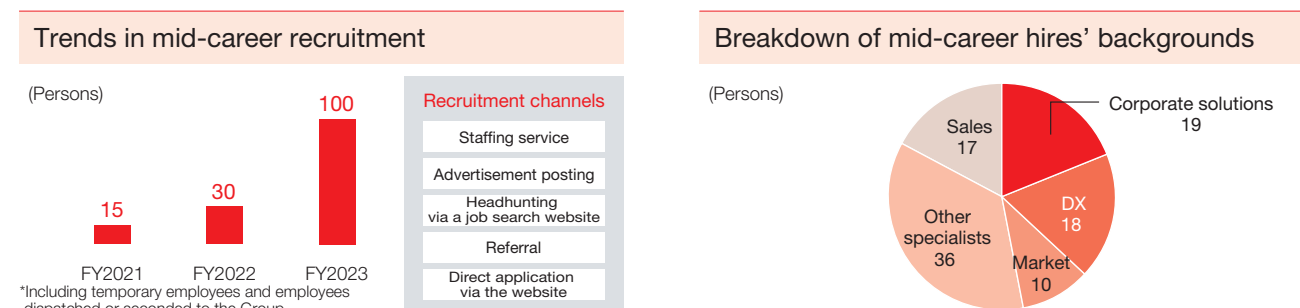


Enhancement of Human Resources Recruitment

When recruiting new graduates, the Bank Group focuses on the recruitment of human resources who resonate with our Purpose and Vision and keep fighting for the customer, not to mention the recruitment of human resources with high skills and potential. From FY2024 onward, the Chiba Bank will centrally recruit new graduates for the entire Group. The Bank Group thereby strives to provide diverse career paths and facilitates personnel exchanges within the Group.

We try to bridge the gap between what applicants wish to do and the actual job at the Bank by providing a number of opportunities to experience hypothetical jobs at the Bank Group in briefings and internships, as well as to speak with actual employees.

To respond to changes in customers’ values and behavior based on changes in the external environment and promptly advance progressive initiatives without being bound by preconceived ideas, we consider it important to secure human resources who have high levels of expertise from other industries and companies and can immediately play an active role. We have therefore enhanced mid-career recruitment substantially, hiring 100 persons in FY2023.



Health Management and Financial Wellness

To create a workplace where employees are physically and mentally healthy and find their work rewarding, the Bank has made the Health Management Declaration. We take measures to maintain and enhance employee health, such as organizing 1-on-1 meetings with the occupational physician for employees who work long hours, providing health checkups and cancer screenings, and holding walking events. We thus work to reduce presenteeism (decrease in work efficiency due to health issues) and absenteeism (leave or absence due to health issues).

We also believe that supporting financial wealth of employees (financial wellness) is important. In addition to the establishment of a corporate defined contribution pension plan and employees’ share ownership plan to encourage employees participation, we have concluded a corporate service agreement with On Ad Co. Ltd. to provide employees with asset management consultation services offered by On Ad as part of employee benefit, thereby strengthening relevant initiatives.

Better Treatment of Employees

To recognize each employee's hard work and improve engagement, we are raising our employees’ working conditions, including their pay, to a competitive level. The Bank increased employee wages by more than 5% in FY2023, and plans to further raise wages, including base salary, by more than 5.6% in FY2024.

Achievement of Flexible Work Styles and Correction of Long Working Hours

We actively engage in work style reform to create a workplace where employees can feel job satisfaction, as well as to let diverse human resources play an active role. We have introduced remote work, flextime, and staggered working hours, as well as reformed business operations by utilizing IT and reviewing business processes. Through such initiatives, we work to improve productivity by allowing flexible work styles and correcting long working hours. In addition, employees are encouraged to take paid leave. The percentage of paid leave taken was 83% in FY2023.

MESSAGE

Making a broader range of proposals while taking advantage of previous job experience

As an area manager, I give advice to retail sales representatives in the Yachiyo block on ways of sales promotion, in addition to engaging in my own promotional activities.

I previously worked in sales at a securities company, working in different locations across Japan for about 11 years. I, however, found it difficult to keep moving around the country when my third child was born. I became interested in working for the Chiba Bank and joined the Bank because I would be able to keep working in finance and retail sales, work in Chiba, where I am from, and make a wider range of proposals to

Shota Fujiwara
Area Manager Yachiyo Branch



customers than I had done at a securities company.

After starting at the Bank, I realized that the Chiba Bank is trusted by local people and offers a wealth of services that can respond to the trust. I believe that I have been able to offer services that meet a wider range of needs, while taking advantage of my previous job experience. Although I was initially nervous about being a mid-career hire, I now feel that employees are properly recognized for their activities whether they have joined the Bank as new graduates or mid-career hires, and am motivated in work.

Message from the General Manager of the Diversity Management Division



Promoting a cultural reform unconstrained by precedents to create a workplace where everyone can demonstrate their full potential and play an active role

Chikako Watanabe Diversity Management Division General Manager

As a management strategy to survive in the rapidly changing and unpredictable times, the Bank’s executives and employees are united in promoting diversity.

While diversity management is often discussed in the context of women’s empowerment, the principal aim is to create a workplace environment where each employee can demonstrate their full potential and play an active role regardless of gender or other attributes.

To this end, it is important to reflect diverse values in the measures we take. In planning measures, we work with the Diversity Management

Committee, comprised of diverse members from different position levels and departments.

In addition, all workplaces have a General Manager for Diversity Management (department manager) and a Diversity Management Leader. This creates a structure where the significance of diversity management is made known to every corner of the organization.

We will contribute to the improvement of the Chiba Bank Group’s corporate value by further spreading the importance of diversity management across the Group, while accelerating existing initiatives, such as controlling unconscious biases, ensuring psychological safety, respecting individuality in supporting career development, and improving engagement.

Initiatives for Promoting Diversity & Inclusion

Holding diversity forums

To ensure that all employees, including employees of Group companies, understand the importance of diversity management and take action, we hold a diversity forum every year. The forums are attended by all executives, as well as representatives from each workplace and Group companies. The program of the forums include messages from the top management, lectures by experts, opinion exchange between participants, and other workshops, creating a platform for mindset and behavior transformation toward diversity management.

Themes are chosen from timely topics. The FY2023 forum took place under the theme of “What we need to create organizations and workplaces that nurture engagement.” Participants deepened their understanding by complementing knowledge with lectures and exchanging opinions with each other after the lectures. At the end, each participant declared what action they would take, which leads to concrete changes in behavior.

Holding a formula and complementary food seminar for balancing work with parenting

As part of support for balancing work with parenting, we held a seminar featuring liquid formula for employees who are in the parenting age group. Reducing the burden of childcare by taking advantage of liquid formula and other products and services not only contributes to a smooth return to work after childcare leave but also facilitates active involvement in parenting regardless of gender by lowering the hurdle for taking care of children. In the seminar, male employees who fed liquid milk for the first time expressed confidence in their ability to take on the task. Encouraging couples to share parenting responsibilities in breastfeeding, where the burden tends to fall more on women, would help mothers work. By raising awareness toward the elimination of gender gap not only at work but also at home, we will promote the creation of an environment where everyone can work to their full potential.

Promoting diversity in the management team

Of the Bank’s nine Directors, three (33.3%) are women. In 2022, Outside Director Tashima became the first female chairperson of the Nomination, Remuneration and Corporate Advisory Committee. In April 2024, Director and Senior Executive Officer Awaji was given the right of representation to be the first female representative director. At the same time, Outside Director Takayama became the first female chairperson of the Board of Directors. We believe that diversity in the management team enables decision making based on multiple perspectives and helps drive innovation and enhance governance. To maintain diversity in decision-makers, we will develop diverse human resources, including women, as executive candidates, with an eye to improving corporate value.

TSUBASA cross-mentor

Banks in the TSUBASA Alliance have the TSUBASA cross-mentor system in place, which is a cross-organizational mentoring system. The Bank has been serving as the secretariat since the launch of the initiative. The purpose of the program is to support female employees who aim to be executive candidates, in terms of both skills and mindset. As mentees are matched with mentors from a different bank, the program offers fine-tuned advice on work from those in the same industry, as well as psychological safety that derives from speaking to someone in a different company.

In FY2023, an all-hands in-person meeting was held to strengthen the relationship between participants. We also introduced mentoring training to help participants put high quality mentoring into practice, thereby enhancing the effectiveness of the measure.

Major diversity-related initiatives and external evaluation

2007	Chibagin Heartful was certified as a special subsidiary pursuant to the Act to Facilitate the Employment of Persons with Disabilities as a regional bank.		
2014	Established the Diversity Management Division, and appointed the first female general managers (two persons).		
2015	Appointed female outside directors (two persons). Opened an in-house nursery facility “Chiba Institute of Technology Himawari Nursery School” jointly with Chiba Institute of Technology. Signed the Chiba City Iku-Boss Joint Declaration.		
2016	Obtained the Eruboshi (stage three) certification for good-standing companies.	Selected as Nadeshiko Brand (five consecutive years)	“Platinum Eruboshi” certified (the first bank)
2017	Appointed the first female Executive Officer. Obtained the Platinum Kurumin certification based on the Act on Advancement of Measures to Support Raising Next-Generation Children.		
2018	Became the first regional bank to be selected as Nadeshiko Brand by the Ministry of Economy, Trade and Industry and the Tokyo stock Exchange (selected for five consecutive years until 2022). Opened in-house nursery facilities “Himawari Nursery Chiba” and “Himawari Nursery Kashiwa.” * Closed on March 31, 2023	Selected as New Diversity Management Selection 100 Prime	Platinum Kurumin Plus certified
2019	Then-President Sakuma was awarded the Prime Minister’s Commendations to Contributors for Creating a Gender Equality Society by the Cabinet Office.		
2020	Became the first financial institution to be selected as New Diversity Management Selection 100 Prime by the Ministry of Economy, Trade and Industry.		
2021	Appointed the first female internal director. Became the first regional bank to win the Grand Prize in the Company Prize Advanced Division of the 2021 J-Win Diversity Award sponsored by nonprofit organization J-Win. Ranked first in the Nikkei DUAL survey “NIKKEI Top Companies Supporting Dual-income Parents with Childcare Needs”.		
2022	Became the first bank to obtain the Platinum Eruboshi certification based on the Act on Promotion of Women’s Participation and Advancement in the Workplace. TSUBASA Diversity & Inclusion Declaration. Appointed the first female Chairperson of the Nomination, Remuneration and Corporate Advisory Committee.		
2023	Obtained the Platinum Kurumin Plus certification based on the Act on Advancement of Measures to Support Raising Next-Generation Children.		
2024	Appointed the first female representative director, as well as the first female Chairperson of the Board of Directors		Certified Health & Productivity Management Outstanding Organization

Data on active participation of women

Number of women in senior positions (all items as of July 2024)

● Director: **3** ● Executive Officer and General Manager: **1** ● General Manager: **3**

● Positions of Senior Deputy General Manager, General Manager, etc.: **123**

Percentage of leadership positions held by women*: **29.4%**

(Percentage of supervisory and managerial positions held by women: **18.4%**)

*Staff with subordinates and staff in equivalent positions, such as branch manager, who are responsible for organizational management as responsible for operation.

Data on supporting balance between work and childcare

In-house nursery facilities: **2 in Chiba Prefecture** (As of July 2024)

Percentage of men taking childcare leave: **112.8%** (FY2023)

Data on number of employees with disabilities

Number of employees with disabilities: **151.5** (As of June 2023)

Directors, Audit & Supervisory Board Members and Executive Officers

Directors

(As of June 26, 2024)



President
(Representative Director)
Group Chief
Executive Officer

Tsutomu Yonemoto

- 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 in charge of Business Promotion, 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
- Apr. 2020 Director and Senior Executive Officer, Group Chief Strategy Officer, Group Chief Digital Transformation 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
- Apr. 2021 Director and Senior Executive Officer, the Bank
- Jun. 2021 President, Group Chief Operating Officer, the Bank
- Apr. 2023 President, Group Chief Executive Officer, the Bank
- Oct. 2023 President, Group Chief Executive Officer, in charge of Audit and Inspection Division and Group Improvement Office, the Bank (current position)



Director and
Senior Executive Officer
(Representative Director)
Group Chief Business Officer
General Manager in charge of
Business Promotion

Kiyomi Yamazaki

- Apr. 1988 Joined the Bank
- Jun. 2016 General Manager, Consumer Loan Business Division, the Bank
- Jun. 2017 General Manager, Business Promotion Division, the Bank
- Jun. 2018 Executive Officer, General Manager, Chuo Branch and Keisei-ekimae Branch, the Bank
- Apr. 2019 Executive Officer, Deputy to Executive Officer in charge of Prefectural Block, the Bank
- Jun. 2019 Executive Officer in charge of Domestic Business, 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, Payment Card Business Division, the Bank
- Apr. 2020 Executive Officer, General Manager, Head Office and Saiwaicho Sub Branch, the Bank
- Jun. 2020 Managing Executive Officer, General Manager, Head Office and Saiwaicho Sub Branch, the Bank
- Apr. 2021 Senior Executive Officer, Group Chief Business Officer, General Manager in charge of Business Promotion, the Bank
- Jun. 2021 Director and Senior Executive Officer, Group Chief Business Officer, General Manager in charge of Business Promotion, the Bank (current position)



Director and
Senior Executive Officer
(Representative Director)
Group Chief Strategy Officer
Group Chief Digital
Transformation Officer

Mutsumi Awaji

- Apr. 1989 Joined the Bank
- Jun. 2018 General Manager, Regional Revitalization Division, the Bank
- Jun. 2019 Executive Officer, General Manager, Regional Revitalization Division, the Bank
- Apr. 2020 Executive Officer, General Manager, Corporate Business Division, the Bank
- Apr. 2021 Managing Executive Officer, Group Chief Human Resources Officer, Executive Officer in charge of Human Resources Division and Diversity Management Division, the Bank
- Jun. 2021 Director and Managing Executive Officer, Group Chief Human Resources Officer, Executive Officer in charge of Human Resources Division, Diversity Management Division and General Secretariat, the Bank
- Apr. 2022 Director and Managing Executive Officer, Group Chief Digital Transformation Officer, Group Chief Human Resources Officer, Executive Officer in charge of Digital Innovation Division, Human Resources Division, Diversity Management Division and General Secretariat, the Bank
- Apr. 2023 Director and Senior Executive Officer, Group Chief Strategy Officer, Group Chief Digital Transformation Officer, Executive Officer in charge of Corporate Planning Division, Group Strategy Division, Digital Strategy Division, Public Relations Division and Corporate Administration Division, the Bank (current position)



Director and
Managing Executive Officer
Group Chief Human
Resources Officer

Takashi Makinose

- Apr. 1990 Joined the Bank
- Jun. 2018 General Manager, Corporate Planning Division, the Bank
- Apr. 2019 General Manager, Hong Kong Branch, the Bank
- Apr. 2021 Executive Officer, General Manager, Human Resources Division, the Bank
- Apr. 2023 Managing Executive Officer, Group Chief Human Resources Officer, Executive Officer in charge of Human Resources Division, Diversity Management Division and General Secretariat, the Bank
- Jun. 2023 Director and Managing Executive Officer, Group Chief Human Resources Officer, Executive Officer in charge of Human Resources Division, Diversity Management Division and General Secretariat, the Bank (current position)

Directors

(As of June 26, 2024)



Director and
Managing Executive Officer
Group Chief Risk Officer
General Manager in charge of
Corporate Management

Masayasu Ono

- Apr. 1990 Joined the Bank
- Jun. 2015 General Manager, Hong Kong Branch, the Bank
- Jun. 2017 General Manager, Corporate Administration Division, the Bank
- Dec. 2018 General Manager, Compliance Division, the Bank
- Apr. 2019 General Manager, Corporate Planning Division, the Bank
- Jun. 2019 Executive Officer, General Manager, Corporate Planning Division, the Bank
- Oct. 2020 Executive Officer in charge of New Businesses, the Bank
- Apr. 2021 Corporate Planning Division and Human Resources Division, (Supervisor of regional trading company business), the Bank
- May 2021 President and Representative Director, Chibagin Market Co., Ltd.
- Apr. 2023 Managing Executive Officer, Group Chief Risk Officer, Executive Officer in charge of Compliance and Risk Management Division and Service Quality Management Division, the Bank
- Jun. 2023 Director and Managing Executive Officer, Group Chief Risk Officer, Executive Officer in charge of Compliance and Risk Management Division and Service Quality Management Division, the Bank
- Oct. 2023 Director and Managing Executive Officer, Group Chief Risk Officer, General Manager in charge of Corporate Management, Compliance and Risk Management Division, the Bank (current position)

Outside Directors



Director (Outside Director, Chairperson of the Board of Directors)

Yasuko Takayama

- 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
- Jun. 2017 Outside Audit & Supervisory Board Member, Yokogawa Electric Corporation
- Jun. 2019 Outside Director (Audit and Supervisory Committee Member), Cosmo Energy Holdings Co., Ltd. (current position)
- Jun. 2024 Outside Director, Yokogawa Electric Corporation (current position)



Director (Outside Director)

Takahide Kiuchi

- Apr. 1987 Joined Nomura Research Institute, Ltd.
- Jun. 2002 Head, Japanese Economic Research Unit, Economic Research Department, Nomura Research Institute, Ltd.
- Jun. 2004 Deputy Head, Economic Research Department and Head, Japanese Economic Research Section, Financial & Economic Research Center, Nomura Securities Co., Ltd.
- Jun. 2007 Managing Director, Head, Economic Research Department and Chief Economist, Financial & Economic Research Center, Nomura Securities Co., Ltd.
- Jul. 2012 Member of the Policy Board, the Bank of Japan
- Jul. 2017 Executive Economist, Nomura Research Institute, Ltd. (current position)
- Jun. 2020 Outside Director, the Bank (current position)

Outside Directors

(As of June 26, 2024)



Director (Outside Director, Chairperson of Nomination, Remuneration and Corporate Advisory Committee)

Yuko Tashima

- 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 Director, Kyushu Financial Group Inc.
- Jun. 2016 Outside Audit & Supervisory Board Member, Tokio Marine & Nichido Life Insurance Co., Ltd.
- Jun. 2021 Outside Director (Audit and Supervisory Committee Member), Kyushu Financial Group Inc. (current position)

(As of June 26, 2024)



Director (Outside Director)

Ryoji Yoshizawa

- Apr. 1987 Joined The Ashikaga Bank, Ltd.
- Oct. 1998 Joined Westdeutsche Landesbank Girozentrale (WestLB)
- May 2001 Joined Standard & Poor's (current S&P Global Ratings)
- Apr. 2004 Director (Senior Analyst), Financial Institutions Ratings, Japan, Standard & Poor's
- Apr. 2017 Senior Director, Financial Institutions Ratings, Japan, S&P Global Ratings
- Nov. 2023 Managing Director, Financial Institutions Ratings, Japan, S&P Global Ratings
- Jun. 2024 Outside Director, the Bank (current position)

Audit & Supervisory Board Members

(As of June 26, 2024)



Standing Audit & Supervisory Board Member
Hironaga Fukuo

Apr. 1987 Joined the Bank
Apr. 2014 General Manager, Consumer Loan Business Division, the Bank
Jun. 2016 General Manager, Kashiwa Branch, the Bank
Jun. 2018 Executive Officer, General Manager, Human Resources Division, the Bank
Apr. 2021 Managing Executive Officer in charge of the Credit Unit, the Bank
Mar. 2023 Retired as Managing Executive Officer in charge of the Credit Unit, the Bank
Jun. 2023 Audit & Supervisory Board Member, the Bank (current position)



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

Apr. 1983 Joined the Ministry of Finance
Jul. 2011 Director General, Fukuoka Local Finance Branch Bureau
Jul. 2012 Director, Urban Renaissance Agency
Jul. 2014 Councillor, Cabinet Secretariat
Jul. 2016 Executive Director, Federation of National Public Service Personnel Mutual Aid Associations
Jul. 2017 Senior Executive Director, Federation of National Public Service Personnel Mutual Aid Associations
Jun. 2021 Outside Audit & Supervisory Board Member, the Bank (current position)



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

Apr. 1985 Joined the Bank of Japan
Aug. 2008 General Manager, Okayama Branch, the Bank of Japan
May 2012 Deputy Director-General, Currency Issue Department, the Bank of Japan
Nov. 2013 General Manager, Sendai Branch, the Bank of Japan
May 2015 General Manager, Information System Services Department, the Bank of Japan
Jun. 2016 Executive Director, The Center for Financial Industry Information Systems Auditor, The Financial Futures Association of Japan
Jun. 2021 Outside Audit & Supervisory Board Member, the Bank (current position)



Non-Standing Audit & Supervisory Board Member
Chigusa Saito

Apr. 1988 Joined the Bank
Oct. 2014 General Manager, Diversity Management Division, the Bank
Jun. 2016 General Manager, Human Resources Division, the Bank
Jun. 2017 Executive Officer, General Manager, Human Resources Division, the Bank
Jun. 2018 Executive Officer, General Manager, Operation Planning Division, the Bank
Apr. 2020 Executive Officer in charge of Special Appointment, the Bank
Jun. 2020 President and Representative Director, Chibagin Heartful Co., Ltd.
Jun. 2023 Audit & Supervisory Board Member, the Bank (current position)
Jun. 2023 Standing Audit & Supervisory Board Member, Chibagin Computer Service Co., Ltd. (current position)



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

Apr. 1975 Joined the Chiba Prefectural Government
Apr. 2008 Secretary General, Prefectural Assembly, Chiba Prefectural Government
Apr. 2009 Executive Director, Commerce, Industry and Labor Department, Chiba Prefectural Government
Apr. 2010 Executive Director, Policy and Planning Department, Chiba Prefectural Government
Apr. 2012 Executive Director, General Affairs Department, Chiba Prefectural Government
Apr. 2013 Vice-Governor, Chiba Prefecture
Jun. 2021 Outside Audit & Supervisory Board Member, the Bank (current position)

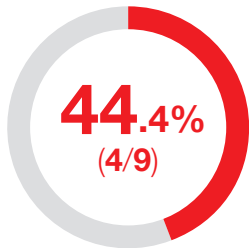
Executive Officers

(As of June 26, 2024)

Managing Executive Officer (In charge of Market and International Business)
Nobukazu Odaka
Managing Executive Officer (In charge of Chiba Prefecture Business)
Yoichi Matak
Managing Executive Officer (In charge of Credit Unit)
Kyota Izumi
Managing Executive Officer (Group Chief Information Officer)
Kazunari Tanaka
Managing Executive Officer (In charge of Business Outside Chiba Prefecture)
Yukio Mikami
Managing Executive Officer (General Manager of Funabashi Branch)
Masayuki Sugihara
Managing Executive Officer (General Manager of Head Office and Saiwaicho Sub Branch)
Masaki Miyauchi
Executive Officer (General Manager of Business Coordination Division)
Akihiro Nagaoka
Executive Officer (General Manager of Human Resources Division)
Atsushi Imai

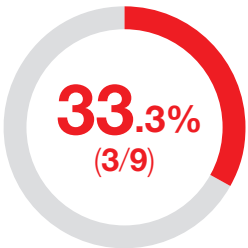
Executive Officer (General Manager of Corporate Planning Division)
Akira Eshita
Executive Officer (General Manager of Digital Strategy Division)
Hideki Shibata
Executive Officer (General Manager of Corporate Business Division)
Shinichi Ito
Executive Officer (General Manager of Operation Division)
Yumiko Mitsuoka
Executive Officer (General Manager of Narita Branch)
Yoshitaka Furumoto
Executive Officer (General Manager of Chuo Branch and Keisei-ekimae Branch)
Ryosuke Terauchi
Executive Officer (General Manager of Group Strategy Division)
Tatsuya Onishi
Executive Officer (In charge of Special Appointment)
Taro Kanzawa
Executive Officer (General Manager of Tokyo Head Office)
Shigeru Saito

Ratio of Independent Outside Directors



- Organizational structure: Company with an audit & supervisory board
- Number of Directors: 9
- Number of outside directors: 4 (All of them are independent officers)
- Number of female directors: 3
- Number of 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: 18
 - Number of female executive officers: 1
 - Attendance rate of the Board of Directors meetings*: 98.6% (attendance rate for outside directors: 98.0%)
- *For the Board of Directors meetings held in FY2023

(As of June 26, 2024)

Skills Matrix

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

Name/Position	Specialties and Experience of Directors and Audit & Supervisory Board Members						
	Corporate management	Corporate finance and accounting/ Finance	Risk management/ Legal affairs	Regional sales	International businesses/ Market operations	IT/DX	Sustainability
Tsutomu Yonemoto	President (Representative Director) Group Chief Executive Officer	●	●	●	●	●	
Kiyomi Yamazaki	Director and Senior Executive Officer (Representative Director) Group Chief Business Officer, General Manager in charge of Business Promotion		●	●	●		
Mutsumi Awaji	Director and Senior Executive Officer (Representative Director) Group Chief Strategy Officer, Group Chief Digital Transformation Officer		●			●	●
Takashi Makinose	Director and Managing Executive Officer Group Chief Human Resources Officer		●	●	●		●
Masayasu Ono	Director and Managing Executive Officer Group Chief Risk Officer, General Manager in charge of Corporate Management	●	●		●		
Yuko Tashima	Director (Outside Director, Chairperson of Nomination, Remuneration and Corporate Advisory Committee)	●	●				
Yasuko Takayama	Director (Outside Director, Chairperson of the Board of Directors)		●				●
Takahide Kiuchi	Director (Outside Director)	●	●		●	●	
Ryoji Yoshizawa	Director (Outside Director)	●	●		●		●
Hironaga Fukuo	Standing Audit & Supervisory Board Member	●	●	●			
Kazuhiro Kikuchi	Standing Audit & Supervisory Board Member (Outside Audit & Supervisory Board Member)	●	●		●		●
Norikazu Takahashi	Standing Audit & Supervisory Board Member (Outside Audit & Supervisory Board Member)	●	●		●	●	
Chigusa Saito	Non-Standing Audit & Supervisory Board Member	●	●	●			
Wataru Takahashi	Non-Standing Audit & Supervisory Board Member (Outside Audit & Supervisory Board Member)	●	●				

Contents of each skill item
[Corporate management] Experience as a top executive of a company or other organization, with the ability to execute in order to maximize business results
[Corporate finance and accounting/Finance] Knowledge of banking finance and accounting, and financial business backed up by business experience
[Risk management/Legal affairs] The ability to correctly identify and assess the risks involved in banking. Knowledge of legal matters related to the banking industry and the ability to perform their duties in an appropriate and sound manner
[Regional sales] Familiarity with the products and services offered by the Bank, and to have the knowledge, experience and ability to contribute to the resolution of issues faced by regional customers
[International businesses/Market operations] Global perspective based on overseas experience, and to have knowledge, experience, and ability related to overseas business and market operations
[IT/DX] Knowledge of IT and DX, and able to contribute to the enhancement of the DX promotion system and the associated human resource development, utilization of new technologies, and advancement of cyber risk management
[Sustainability] Knowledge, experience and ability to contribute to the sustainable growth of the Bank by addressing environmental, social and community issues

Corporate Governance Structure

The Bank Group bases all of its corporate activities on the Chiba Bank Group's Corporate Code of Conduct. In addition, in the mid-term plan, we have included "Group Governance" as one of our value creation bases as part of our drive to advance the level of corporate governance.

In complying with the Code and realizing these policies in our efforts to further strengthen and enhance corporate governance, we will contribute to the realization of a sustainable local community through appropriate cooperation with diverse stakeholders and strive for sustainable growth and the improvement of corporate value in the medium to long term.

Initiatives to Strengthen Governance

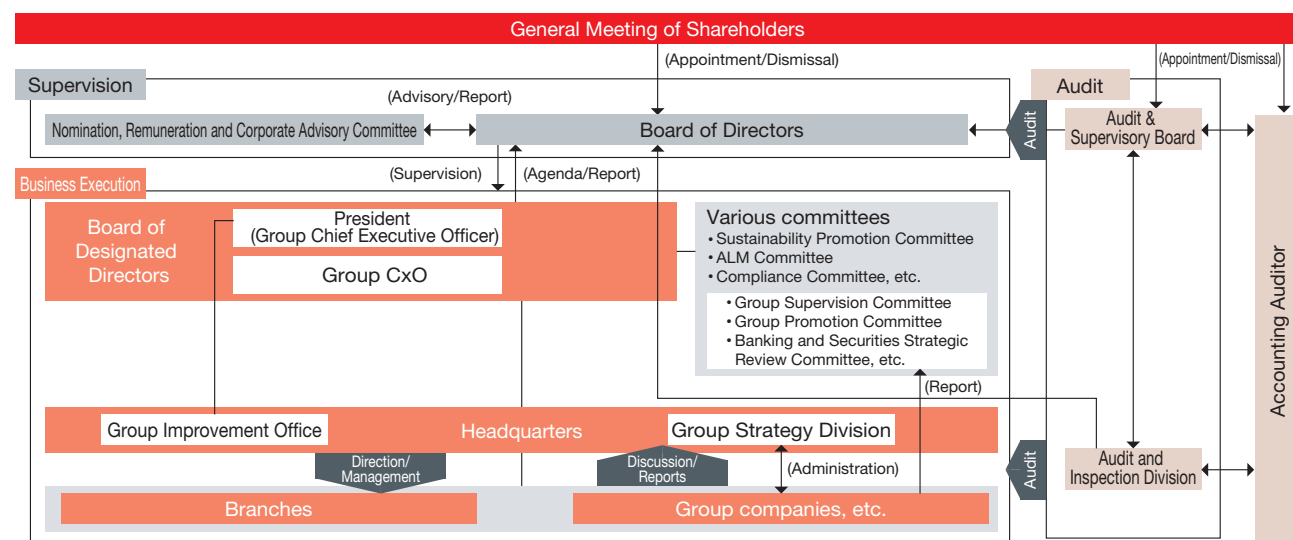
Corporate governance has been enhanced through such measures as the executive officer system introduced in 2003 and the appointment of outside directors which began in 2013.

Currently as of June 26, 2024, we have a 44.4% ratio of independent outside directors (4 out of 9) and a 33.3% ratio of female directors (3 out of 9).

2003	Introduced the executive officer system	2020	Assigned Group Chief Digital Transformation Officer (CDTO)
2010	Abolished directors' retirement benefits Introduced equity-based remuneration in the form of stock options	2021	Assigned Group Chief Human Resources Officer (CHRO) Revised the director remuneration framework (Introduced restricted stock remuneration system) Abolished the position of Advisor role and reviewed the content of Advisor to the President Assigned the first female internal director
2011	Put the Audit and Inspection Division under direct control of the Board of Directors	2022	Appointed an outside director as the Chairperson of the Nomination, Remuneration and Corporate Advisory Committee
2013	Appointed an outside director	2023	Established the Group Strategy Division that oversees overall business execution of Group companies
2015	Began evaluating the effectiveness of the Board of Directors Appointed two female outside directors Established the Corporate Advisory Committee (currently the Nomination, Remuneration and Corporate Advisory Committee)	2024	Appointed an outside director as Chairperson of the Board of Directors Assigned the first female representative director Changed the term of office of a director (shortened from 2 years to 1 year) Revised the director remuneration framework (Introduced the performance-linked restricted stock remuneration system)
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		
2019	Conducted evaluation on the effectiveness of the Board of Directors by collaborating with an external evaluation firm Formulated the "Policy on Corporate Governance"		

Corporate Governance Structure

As of June 26, 2024



Board of Directors

The Board of Directors consists of nine directors, including four independent outside directors (the ratio of independent outside directors is 44.4%). 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.

In response to the issuance of Business Improvement Orders by the Kanto Local Finance Bureau to Chiba Bank and Chibagin Securities in June 2023, we acknowledge the importance of actions such as advancing the level of Group governance, and we are engaging in efforts such as strengthening supervision by the Board of Directors, including appointment of an outside director as the Chairperson of the Board of Directors in April 2024.

Main Agenda Items and Decisions in FY2023		
1st quarter	<ul style="list-style-type: none"> ● Status of cross-shareholdings ● Policy on response to human capital disclosure ● Dialogue with shareholders 	<ul style="list-style-type: none"> ● Progress status of non-financial and new businesses ● Evaluation of the effectiveness of the Board of Directors ● Initiatives for improving P/B ratio
2nd quarter	<ul style="list-style-type: none"> ● Compliance with the 2015 UK Modern Slavery Act and status of SDGs initiatives ● Submission of the business improvement report ● Partial revision of the internal audit plan 	<ul style="list-style-type: none"> ● Group companies' activity reports ● Progress status of DX strategy ● Establishment of a joint venture with The Daishi Hokuetsu Bank, Ltd., The Chugoku Bank, Ltd., and Nomura Research Institute, Ltd.
3rd quarter	<ul style="list-style-type: none"> ● Report on business execution by Group Chief Strategy Officer ● Status of holding of meetings of the Nomination, Remuneration and Corporate Advisory Committee ● Status of initiatives for human resources strategy 	<ul style="list-style-type: none"> ● Revision of the Policy on Customer-oriented Business Operations ● Report on business execution by Group Chief Digital Transformation Officer ● Policy on activities of the Group Improvement Office
4th quarter	<ul style="list-style-type: none"> ● Progress status of mid-term plan ● Selection of additional top risks ● Change of the term of office of a director and partial amendment to the Articles of Incorporation 	<ul style="list-style-type: none"> ● Initiatives for enhancement of corporate value ● Business performance plan ● Revision of the executive remuneration system

Audit & Supervisory Board

The Bank has adopted the form of a company with an audit & supervisory board 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.

Nomination, Remuneration and Corporate Advisory Committee

We have established the Nomination, Remuneration and Corporate Advisory Committee as an advisory body to the Board of Directors. To ensure objectivity, timeliness, and transparency of procedures, this Committee comprises four independent outside directors and three internal directors appointed by a resolution of the Board of Directors. In addition, since October 2022, an outside director serves as its chairperson to ensure the Committee's independence.

Policies for Appointment and Dismissal of Directors and Nomination of Directors and Audit & Supervisory Board Members

<Candidates for Internal Directors>
Candidates for internal directors are determined by the Board of Directors, following deliberations by the Nomination, 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 Nomination, 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 Nomination, 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 Nomination, Remuneration and Corporate Advisory Committee the majority of which comprise independent outside directors, based on the President's recommendations of persons who mainly 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 in view of the skill matrix.

<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 Nomination, 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 Nomination, 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 Nomination, 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 Nomination, 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 Nomination, 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
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.
Takahide Kiuchi (June 2020)	Has both domestic and international experience as an economist and, in addition to having accumulated significant expertise, was responsible for carrying out deliberations regarding monetary policies as a member of the Policy Board, the Bank of Japan.
Ryoji Yoshizawa (June 2024)	Has experience in credit analysis of financial institutions as Managing Director of Financial Institutions Ratings, Japan at a major rating agency and in supervision of rating standards and analysis techniques for banks around the world as a member of the agency's highest internal council for analysis.

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
Kazuhiro Kikuchi (June 2021)	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.
Norikazu Takahashi (June 2021)	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.
Wataru Takahashi (June 2021)	Has extensive knowledge mainly in public administration gained through holding numerous important positions including Vice-Governor of Chiba Prefecture.

Support Systems for Outside Directors and Audit & Supervisory Board Members

<Outside Directors>
The Bank has placed staff in the General Secretariat and Corporate Planning Division to support the outside directors and provides them 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 supervisors of the management. We continuously give outside directors opportunities for deepening their understanding about the Bank's management strategy and activities with the aim of enhancing 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 at main committee meetings, engaging in dialogues with directors as well as general managers, 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 for Audit & Supervisory Board members to conduct audits, etc., and to operate the Audit & Supervisory Board smoothly, the Audit and Supervisory Support Office was established independent of the executive officers. The general manager of the Audit and Supervisory Support Office promptly reports to the Audit & Supervisory Board members and liaises and cooperates closely with them. In order to ensure independence from directors, the Bank obtains the consent of Audit & Supervisory Board members regarding personnel changes, etc. 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

The remuneration system for Directors and the percentage of remuneration by type are considered by the Nomination, 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. 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 Nomination, Remuneration and Corporate Advisory Committee to ensure transparency, fairness, and rationality.

Remuneration Structure and Components
<p>Directors (Excluding Outside Directors)</p> <ul style="list-style-type: none">● Remuneration consists of basic compensation (70%), bonuses (10%), and equity-based remuneration (fixed RS: 10%, performance-linked RS: 10%). (RS: Restricted stock)● The amount of basic compensation, bonuses, and equity-based remuneration (fixed RS: 10%, performance-linked RS: 10%) is determined based on rank.● The Bank introduced fixed RS and performance-linked RS remuneration plans with the objectives of more clearly linking the remuneration for Directors with the Bank’s performance and share value, granting incentives aimed at sustainable improvement of the corporate value of the Bank through the achievement of the performance targets set forth in the Mid-term Plan and the medium- to long-term improvement of the Bank’s performance, as well as further sharing value with shareholders. <p>Outside Directors</p> <ul style="list-style-type: none">● 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.” <p>Audit & Supervisory Board Members</p> <ul style="list-style-type: none">● In order to ensure independence, remuneration for Audit & Supervisory Board members is not linked to performance, but is limited to “basic remuneration.”

Group Management Systems

Group Chief Officers* (CxO) are assigned responsibility for their areas of supervision, thereby creating a Group-wide corporate management system. Efforts are made to ensure proper operations in the Group. In addition to the assignment of responsible directors to supervise each Group company, the dispatch of Audit & Supervisory Board Members, audits by the Bank’s Audit Division, and other initiatives under the Group Companies Management Regulations, Group companies are required to consult with and report to the Bank about their important business execution in accordance with the Prior Consultation and Reporting System. In FY2023, the Group Supervision Committee met twice with the aim of understanding the management status of each Group company and their various issues. The Group Promotion Committee also met twice with the aim of demonstrating synergy effects through further collaboration between the Bank and Group companies. The Group Strategy Division has been established to oversee overall business execution, including sales and administrative aspects of Group companies, to realize integrated group management and sophisticated Group governance. In addition, from the perspective of clarifying responsibility, one division from each company has been designated as that company’s operations division, and a group management department has been established to realize optimal allocation of management resources in addition to the management of risk across the Group that has taken place until now.

*The following Group Chief Officers are assigned:
<ul style="list-style-type: none">● Group Chief Executive Officer (CEO)● Group Chief Strategy Officer (CSO)● Group Chief Risk Officer (CRO)● Group Chief Business Officer (CBO)● Group Chief Information Officer (CIO)● Group Chief Digital Transformation Officer (CDTO)● Group Chief Human Resources Officer (CHRO)

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 FY2023, in order to objectively verify the effectiveness of the Board of Directors, we conducted questionnaires and interviews for each Director and Audit & Supervisory Board Member with the support of a third-party professional organization, and evaluated the effectiveness by referring to their evaluations, based on the fact that five years have passed since the last external evaluation by a third-party professional organization and that the Bank has received the Business Improvement Order. The evaluation covered the roles and functions of the Board of Directors, the content of its discussions, the status of its operations, and its composition, as well as the status of the Nomination, Remuneration and Corporate Advisory Committee and the self-evaluation of each individual Director and Audit & Supervisory Board Member. We also examined the state of group governance as an important issue. Some major Group companies were also assessed for effectiveness with the support of a third-party professional organization, while other Group companies were assessed for effectiveness by means of questionnaires. The overview of the results of the evaluation of the effectiveness of the Board of Directors for FY2023 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 for the continuous growth of the Chiba Bank Group together with the local community. This is done through the provision of value based on the Purpose, against a backdrop of deep connections with stakeholders, including customers, employees, and shareholders. They are also deepening debate on key strategies, such as DX strategy, GX strategy, alliance strategy, and human resources strategy, and freely exchange their opinions based on mutual understanding with a strong sense of unity.
 - Board discussions are displaying increasing depth as internal directors voice opinions based on their rich experience in every area of the financial business, and outside directors and Audit & Supervisory Board members make recommendations based on their specialized knowledge in diverse fields and voice their opinions from an independent and objective standpoint.
 - The quality of debate in the Board of Directors has been improved by strengthening the provision of information to outside directors through such means as visits to Group companies and business offices, accompanying Audit & Supervisory Board members on on-site audits, interviews with senior management employees, and information exchange with Audit & Supervisory Board members.
 - Efforts are also being made to further improve the effectiveness of the Board of Directors by strengthening the administration of requests and recommendations in the Board of Directors and reporting the status of responses.
 - With the aim of enabling Group Chief Officers to further fulfill their roles, each CxO verified and grasped issues from the customers’ perspectives in each management area, including Group companies, and reported to the Board of Directors, thereby strengthening Group governance.
 - The Nomination, Remuneration and Corporate Advisory Committee also deepened its discussion not only on nomination and remuneration but also on matters related to important management issues and fulfilled its role appropriately. Efforts to ensure the objectivity, timeliness, and transparency of this committee were also made, including reporting by the outside director who chairs the committee on the committee’s work to the Board of Directors.
- (2) Based on the results of the evaluation, the Bank will further improve the effectiveness of the Board of Directors, improve business, and prevent recurrence by addressing the following issues. In addition, we will improve the objectivity of the Board of Directors by appointing an Outside Director as its chairperson from FY2024.
- The Bank has established the Purpose at the same time as the current Mid-term Plan, and are promoting the transformation of the organizational culture through the instilling of the Purpose. The Board of Directors will also monitor the instilling of the Purpose and ensure that all initiatives are based on the Purpose.
 - Recognizing the need to reflect customer views in the management of the Bank Group, we will further enhance the collection and analysis of customer views and reflect them in our policies and measures.
 - In order to enhance Group governance, we will strengthen our involvement in Group companies by ensuring fulfillment of the roles of the Group Chief Officers.

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 and thereby contribute to the achievement of management goals. 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 fiscal year and approved by the Board of Directors. The division reports the results and findings of internal audits to the Internal Audit Committee and the Board of Directors, both of which, as a general rule, meet once a month. Problem areas from the perspective of compliance and risk management and improvement measures are examined during this process. Moreover, the division strives to increase the sophistication of internal audits by implementing measures, such as enhancing the check and supervisory functions, adapting to changes in the environment, improving the audit quality (including external evaluation), training specialized human resources, and strengthening audits of overseas branches and Group companies. Considering the issuance of the Business Improvement Order by the Kanto Local Finance Bureau to the Bank and Chibagin Securities to be a matter of the utmost gravity, we are implementing recurrence prevention measures, including the strengthening of collaboration between the Bank’s Audit and Inspection Division and Chibagin Securities’ Audit and Inspection Division and strengthening of the audit function.

Compliance

The Bank Group is a corporate group that fulfills its social responsibility and public mission as a part of society. To instill awareness of compliance more firmly, the Group established the Chiba Bank Group’s Corporate Code of Conduct in April 2021. To continue to be a bank that is trusted by customers, we are committed to thorough compliance and undertake business activities in an ethical and responsible way.

Compliance Structure

The Bank positions compliance as 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 works to instill compliance across its operations.

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 instill compliance. The Compliance and Risk Management Division oversees the Bank’s overall compliance-related tasks such as through the administration of compliance regulations and manuals, the preparation and monitoring of training programs, and periodic checks on the compliance and risk management situations. In addition, each division of the headquarters monitors branch-level compliance and provides advice.

Consistent Implementation of Basic Policies and Formulation of Compliance Program

We established The Chiba Bank Group’s Corporate Code of Conduct to clarify the code of conduct for employees. We also established our Compliance Manual, which contains specific guidelines, to instill these rules.

Every fiscal 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 the Compliance Committee.

The Chiba Bank Group’s Corporate Code of Conduct

- 1. Establishing Unwavering Trust
- 2. Providing High-Quality Financial Services
- 3. Contribution to Regional Economy and Community
- 4. Thorough Compliance with Laws, Rules and Other Fundamental Principles
- 5. Transparent Management
- 6. Respecting Human Rights
- 7. Responsibility to Help Realize a Sustainable Society
- 8. Opposition to Antisocial Forces and Prevention of Money Laundering, Etc.

Protecting Customers and Personal Information

To protect customers and offer them greater convenience, all 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.

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.

Initiatives to Prevent Money Laundering, etc. and Financial Crimes

In accordance with the Anti-Money Laundering and Anti-Terrorist Financing Policy, responding to changes in the internal and external environments, the Bank appropriately evaluates risks of money laundering, financing of terrorism, proliferation financing, and other violations of economic sanctions involved in transactions it carries out, and implements measures according to the risks involved. In addition, we are reinforcing measures to protect customers’ assets from a variety of financial crimes such as wire transfer fraud.

Moreover, to respond appropriately to the expected increase in the complexity and sophistication of money laundering, etc. and financial crime techniques, we are devising measures to address these risks with the banks participating in the TSUBASA Alliance. In November 2023, the Bank, Daishi Hokuetsu Bank, Ltd., the Chugoku Bank, Ltd., and Nomura Research Institute, Ltd. established a joint venture company TSUBASA-AML Center Co., Ltd. Going forward, TSUBASA-AML Center will conduct transaction monitoring, filtering, etc. utilizing a joint system, and strive to enhance the measures and improve efficiency.

Initiatives to Strengthen Compliance and Risk Management of the Group Companies

The Compliance and Risk Management Division is enhancing capabilities to oversee and manage Group companies by determining the status of compliance and the risk management of each Group company in a timely and appropriate manner and providing necessary support and guidance, etc. through mutual and detailed exchanges of opinions between the Division and the Group companies.

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

Customer-oriented Business Operations

To improve our service and the marketability of the Group’s financial products and various services, we compile feedback, including requests and complaints from customers and the opinions of branches, and step up our responses in our efforts to increase customer satisfaction. As a regional financial institution that works closely with its customers, we will continue to pursue customer-oriented business operations (fiduciary duties).

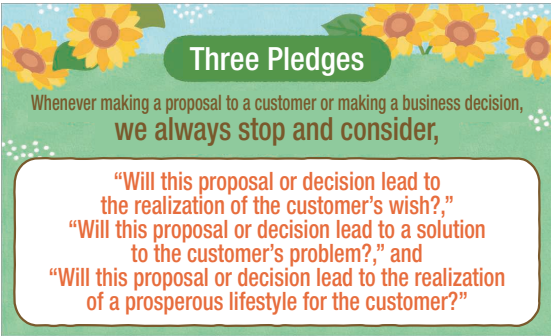
Customer-oriented Business Operations (Fiduciary Duties)

Initiatives for Instilling Customer-oriented Business Operations (Fiduciary Duties)

On June 23, 2023, the Bank and Chibagin Securities received administrative actions (Business Improvement Order) for situations where a problem related to the protection of investors is recognized regarding the financial instruments intermediary business. Recognizing these to be matters of the utmost gravity, the Group is further strengthening customer-oriented initiatives to prevent recurrence and recover trust.

Specifically, we position the Policy on Customer-oriented Business Operations (Fiduciary Duties) as an important pillar for achievement of the Purpose and realization of customer-oriented business operations and have prepared the Fiduciary Duty Handbook, which outlines the mindset for customer-oriented business operations, and established the Three Pledges, which are action principles for putting customer-oriented business operations into practice. A card on which the Three Pledges are printed is distributed to officers and employees so the will always be aware of fiduciary duties.

Monthly study sessions are held at workplaces, including Group companies, using these items. Moreover, we established monthly “Fiduciary Duty Day.” On Fiduciary Duty Day, video messages from the president, Group Chief Risk Officer, and Group Chief Business Officer are sent to officers and employees of the Group to communicate the management team’s aspirations. In this way, we are striving to instill customer-oriented business operations.



Policy on Customer-oriented Business Operations (Fiduciary Duties)

In asset management-related services, based on our Policy on Customer-oriented Business Operations (Fiduciary Duties), we strengthened customer-oriented initiatives while regularly disclosing the status of these initiatives and reviewing the policy appropriately in an effort to further improve business operations. However, treating the issuance of the Business Improvement Orders by the Kanto Local Finance Bureau to the Bank and Chibagin Securities as a matter of the utmost gravity, as of October 31, 2023, we revised the policy to be more specific, easier to understand, and to help prevent recurrence from the perspective of being “customer-oriented.”

Policy items	
1. Pursuing the Best Interests of Customers	4. Provision of Important Information in an Easy-to-understand Manner
2. Appropriate Management of Conflicts of Interest	5. Provision of Services Suitable for Customers
3. Clarification of Fees, etc.	6. Frameworks, etc. for Appropriately Motivating Employees

The Policy on Customer-oriented Business Operations (Fiduciary Duties) is available on our website (Japanese only).
<https://www.chibabank.co.jp/company/info/fd/pdf/fd.pdf>

Pursuing the Best Interests of Customers

Pursuing the best interests of our customers, we recommend asset diversification and time diversification, such as “long-term, diversified, and savings investments.” Attending to our customers as their partner in life, we support the realization of affluent lifestyles through personalized, goal-based proposals for which we use our proposal tool “Okane no Basket.”

Moreover, to measure the extent to which the Policy on Customer-oriented Business Operations (Fiduciary Duties) is practiced and the best interests of customers are pursued, we have established quantitative indicators (KPIs) and conduct regular monitoring. We also conduct qualitative evaluation through interviews with employees and other means. Necessary improvements are made based on the results of such evaluation.

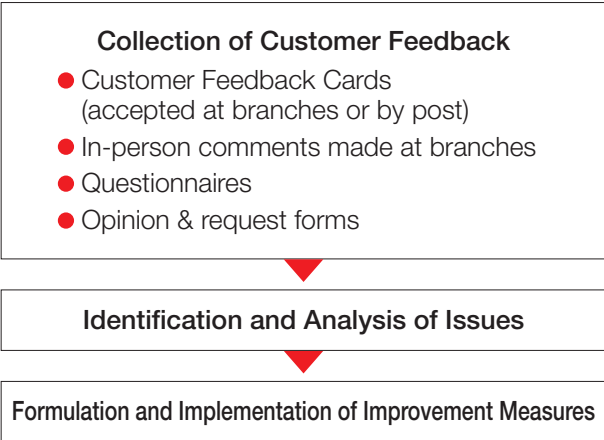
Major Quantitative Indicators (KPIs)		
Actions for and awareness of fiduciary duties	Benefits to customers	Evaluation by customers
<ul style="list-style-type: none">• Sales ratio via Okane no Basket• Ratio of sales by Group companies• Investment trust fund cancelation rate• Number of holders of financial planner qualifications• Number of seminars held	<ul style="list-style-type: none">• Ratio of customers by investment profit/loss (investment trust funds, foreign currency-denominated insurance products, fund wraps)*• Ratio of customers holding two or more investment trust funds• Number of customers periodically purchasing investment trust funds and amount of automatic transfer• Number of active Tsumitate NISA accounts and balance• Cost return and risk return* of top 20 investment trust funds on assets under management• Cost return* of top 20 foreign currency-denominated insurance products	<ul style="list-style-type: none">• Customer satisfaction questionnaire survey

Marked with * are indicators based on the “common KPIs comparable across investment trust distributors” and “common KPIs comparable across foreign currency-denominated insurance distributors” published by the Financial Services Agency in June 2018 and January 2022, respectively.

For the status of KPIs, please refer to the Status of Initiatives in FY2023 under the Policy on Customer-oriented Business Operations (Fiduciary Duties) available on our website (Japanese only).
<https://www.chibabank.co.jp/company/info/fd/pdf/fd.pdf>

Efforts to Improve Service Quality by Listening to Customer Feedback

We will step up guidance and oversight for the headquarters and branches with the aim of improving the quality of the Group’s products and services by compiling a wide variety of feedbacks including requests and complaints from customers and opinions of branches. Specifically, for requests and complaints directly received from customers and gathered through questionnaires and other means, after analyzing the trends and causes we will create or revamp products and services from the customer’s perspective. We will also test the effectiveness of these efforts and make further improvements to raise quality.



Risk Management

As part of our efforts to maintain sound management, the Bank Group has developed a Basic Policy on Risk Management, which focuses on accurate understanding and analysis of risks, promotion of risk quantification and management through figures, and timely and appropriate reporting. We are working in line with this basic policy to build a robust risk management system to manage a variety of risks, including credit risk, market risk, liquidity risk, and operational risk.

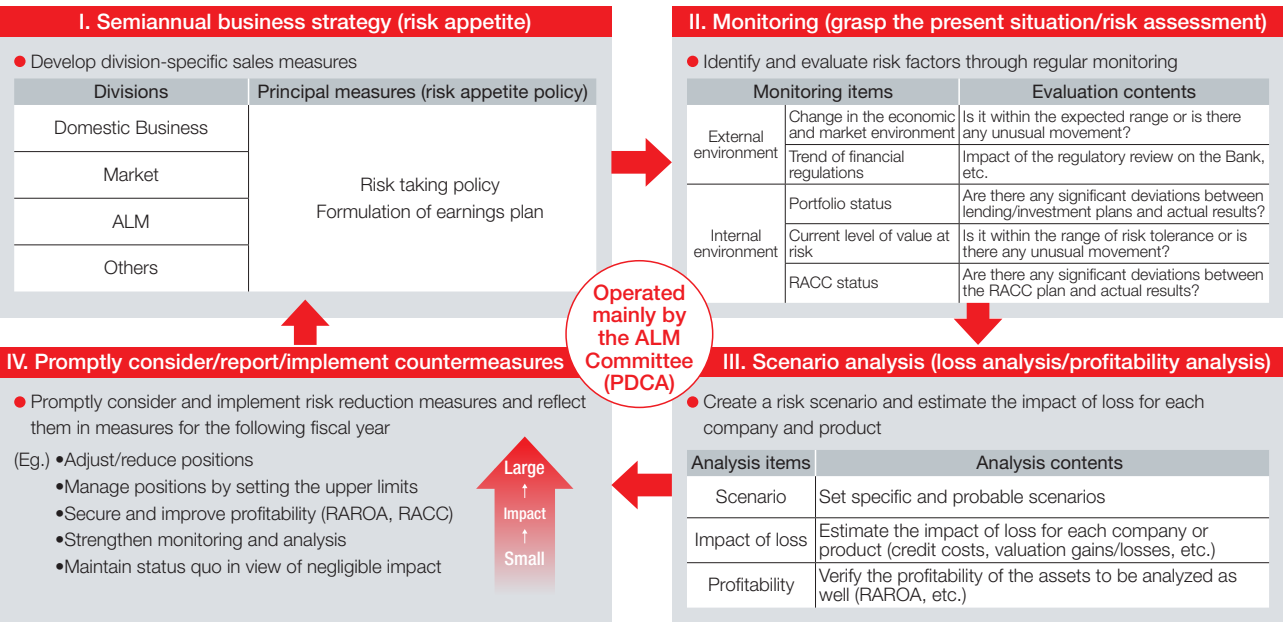
Risk Appetite Framework (RAF)

The Bank utilizes a risk appetite framework (RAF), which is 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 highly probable scenario analysis that takes into account changes in the internal and external environment.

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

Overview of Risk Appetite Framework



*RAROA: Risk Adjusted Return on Asset

Top Risk Management

The Chiba Bank Group selects and manage those risks to our business that are highly significant in terms of impact and probability as “top risks.” In selecting top risks, a risk map covering a wide range of risk events inside and outside the Group is produced, also reflecting the opinions of eternal experts. Then, after discussion, including by the outside directors and Group companies, the Board of Directors selects top risks. For the selected top risks, risk scenarios (alarm points) are set under the management of Group CxO in charge of each top risk, and specific measures are considered and implemented. Through such top risk-based operations, we are striving to ensure deeper risk communications and sharing of risk awareness within the Group, leading to forward-looking risk management.

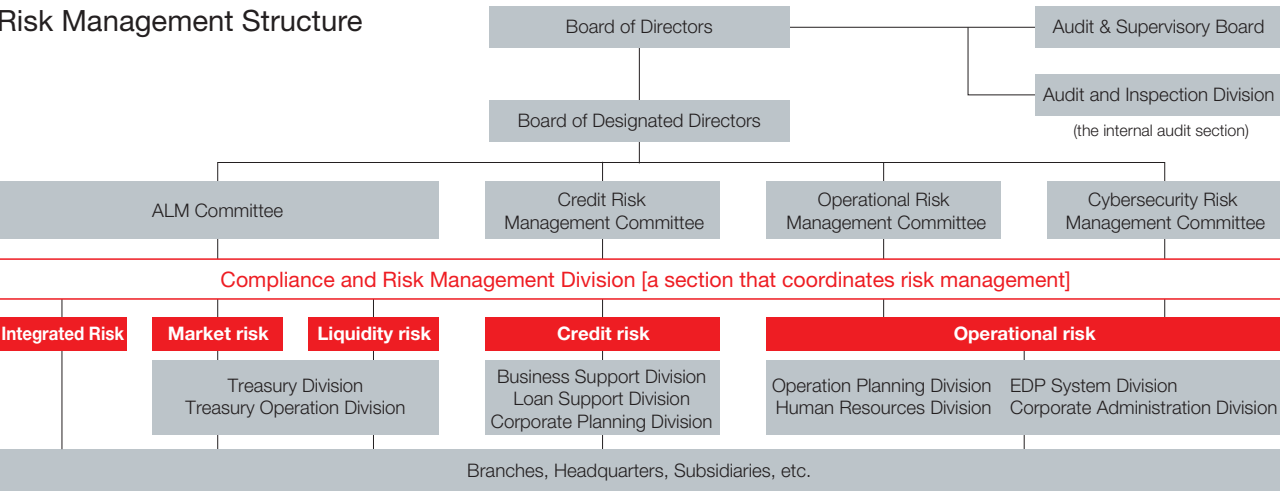
Top Risks in FY2024	
Top risks	Risk countermeasures (examples)
Decline in profitability due to deterioration in operating base	Expansion of revenue base through business expansion into new industries and new business lines Response to regional revitalization by providing accompanying support to local public bodies, etc.
Delays in digital transformation	Expanding app/portal features, systematic development of DX personnel
Stagnation of sustainable growth due to lack of human resources and talent	Enhancing staff engagement, providing support for career development, and strengthening recruitment
Loss of trust due to insufficient customer-oriented business operations	Thorough implementation and instilling of customer-oriented business operations (fiduciary duties)
Inappropriate acts or omissions by officers and employees	Ensuring fair and honest behavior and strengthening the instilling of appropriate corporate culture
Inadequate measures against money laundering	Thorough filtering and screening
Increase in credit costs	Vigorous management support, core business support, and business succession support to poorly performing customers
Decline in value of owned assets	Setting and managing profit/loss alarm points for each asset and issue
Cyberattack	Strengthening cybersecurity countermeasures
Major system failure	Prevention of occurrence and development of contingency plans
Suspension of business due to large-scale natural disaster, etc.	Reinforcement of business continuity preparedness through effective training, etc.
Delay in response to climate change	Sophisticated simulation of transition and physical risks

Integrated Risk Management System

The Bank Group assigns departments to manage risks for each form of risk, the Compliance and Risk Management Division centrally monitors these risks, and each committee discusses risk countermeasures. The Group Chief Risk Officer (CRO) reports the status of risks to the Board of Directors.

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

Risk Management Structure



Three lines of defense: The Bank's risk management system has been built in accordance with the three lines of defense model that the Basel Committee on Banking Supervision recommends in its Corporate Governance Principles for Banks.

First line: Operations divisions, which autonomously manage risks while conducting business operations in compliance with regulations, procedures, and other rules.

Second line: Corporate divisions that have jurisdiction over individual operational risks and the section that comprehensively oversees and manages the broader risks of the Group.

Third line: The internal audit section that evaluates and verifies the appropriateness and effectiveness of the Group's internal management systems from an independent standpoint.

Risk Management

Integrated Risk Management

The term “integrated risk” refers to the sum of the measurements of credit risk, market risk, and operational risk, which are forms of risk that can be managed by means of risk quantification. In the Group, verification of the adequacy of capital with respect to quantified integrated risk is conducted and the results are regularly reported to the Board of Directors and stress tests are also conducted. Stress tests are a means of verification of capital adequacy that involves the assumption of certain stress scenarios and forecasting the increase in the value at risk based on the scenarios. The results of stress tests are also reflected in capital policies such as dividends and acquisitions of treasury shares.

Furthermore, as a framework for integrated risk management, the Group has introduced and utilizes a risk capital allocation system to set and manage the maximum amount of risk capital used to control the occurrence of losses.

Credit Risk	Market Risk	Liquidity Risk		Operational Risk
		Funding Risk	Market Liquidity Risk	
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 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	The risk of incurring a loss due to failure to maintain funding 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	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	The risk of incurring losses due to the inappropriateness of business processes, activities of directors and employees, or systems or external events

Credit Risk Management

The Group 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 Group implements appropriate write-offs and provisions.

The Credit Risk Management Committee meets regularly, in order primarily to consider credit risk management policy and to monitor the operation of the internal credit rating system and the credit portfolio.

Market Risk and Liquidity Risk Management

The Group manages risk by setting risk limits for the amount of market risk determined by VaR for each product, such as securities investments and other market transactions or loans and deposits, in an effort to ensure management soundness. In regard to market transactions, moreover, the Group 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 (Treasury Division and overseas branches) and the business administration unit (Treasury Operation Division), and the risk management unit (Market Risk Management Department in the Compliance and Risk Management Division) has been established, creating a reciprocal and mutually reinforcing management structure.

At the Bank, funding risk is managed by investing funds within a set limit so as not to procure excessive amounts of funds on the market and by maintaining a certain minimum level of assets that can be converted to cash in a short time. Market liquidity risk is controlled by setting position limits for each market transaction.

The section that manages risk strives to avoid increases in liquidity risk by identifying and assessing various factors that affect liquidity risk and monitoring the observance of limits.

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 funding.

Operational Risk Management

The Group categorizes the various forms of operational risk into clerical risk, system risk and cybersecurity risk, human risk, tangible asset risk, and reputational risk, and the corporate divisions that have jurisdiction over operational risks collaborate in performing risk management under the overall management of the Risk Management Department in the Compliance and Risk Management Division.

The Group has established an Operational Risk Management Committee and developed a management structure for monitoring the state of operational risk losses and improving and correcting problem areas. In addition, to ensure the effectiveness of management, the Group has introduced Control Self Assessment (CSA).

Clerical Risk	System Risk	Cybersecurity Risk	Human Risk	Tangible Asset Risk	Reputational Risk
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 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	The risk of incurring a loss from the occurrence of a risk event that falls under system risk due to cyber-attacks	The risk of incurring a loss due to workplace safety, discrimination, or the like	The risk of incurring a loss from damage to buildings or facilities, or the like	The risk of incurring a loss due to loss of public confidence resulting from deterioration of the Bank’s reputation or the like
Operation Planning Division	EDP System Division		Human Resources Division	Corporate Administration Division	Compliance and Risk Management Division Risk Management Department

* The Compliance Management Department in the Compliance and Risk Management Division and the corporate divisions that have jurisdiction over operational risks jointly manage legal risk and compliance related risk included in the various risk categories.

<System Risk and Cybersecurity Risk Management>

At the Bank, the EDP System Division and the Risk Management Department in the Compliance and Risk Management Division work together to implement various measures in response to system risks and cybersecurity risks, which have become increasingly important and noteworthy in recent years.

As specific measures against system risk, the Bank duplicates hardware and circuits for backbone systems to ensure continuation of business even in the event of a failure. In addition, the Bank has implemented the preparation of a contingency plan to provide for unforeseen circumstances such as large-scale disasters and conducts training in preparation for ATM failure on bank holidays.

As measures against cybersecurity risk, we have implemented measures to prevent the intrusion of unauthorized programs including computer viruses and have developed steps to ensure the data protection of important computer systems. We also carry out regular training to ensure the effectiveness of the management and readiness systems that we have developed for the event of a cyber-attack.

Regarding the internet based services that we provide to customers, we take measures to prevent denial-of-service attacks and computer system access by unauthorized persons as well as strictly confirm that each transaction is made by the actual customer. We regularly pursue initiatives to raise the awareness of our employees regarding the increasing sophistication of impersonation e-mails, as well as the handling of suspicious or unfamiliar e-mails.

As a result of the various measures, we have not experienced a cyber risk event such as a data breach. However, as cyber-attacks are becoming more sophisticated each year, we will continue to collect information and implement measures at appropriate times.

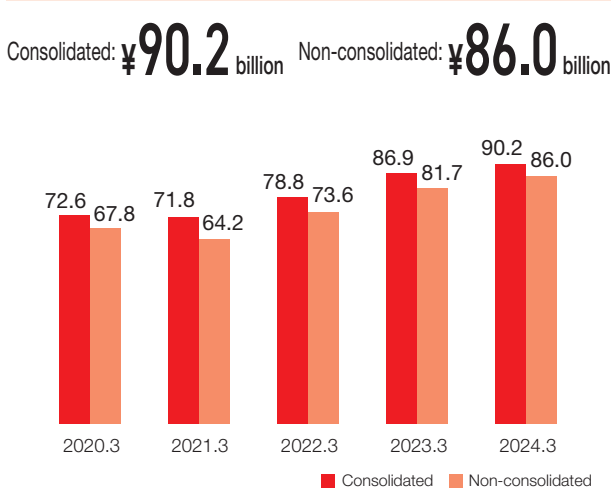
In addition, we endeavor to ensure the security of the laptops, video conferencing software, and other tools that the employees use when working from home or remotely. With these and many other measures, we seek to enhance customer safety and security.

Business Continuity System

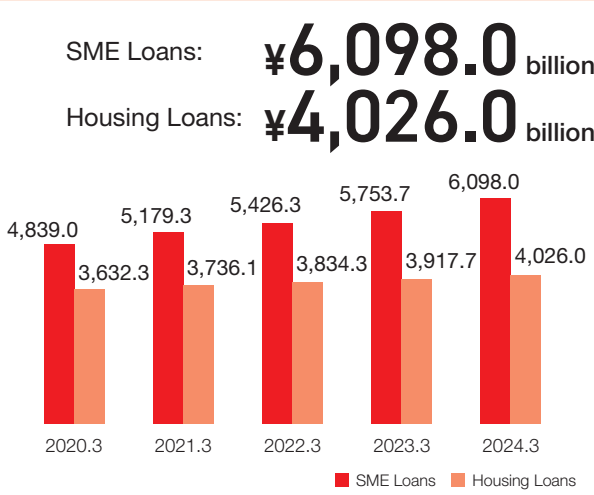
In addition to the risk management system described above, the Bank maintains a business continuity system to allow essential operations to continue for the preservation of the financial system during an unexpected disaster such as an earthquake or pandemic as well as the rapid restoration of operations that the Bank would be forced to suspend during an emergency and mitigation of the impact to strengthen resilience. While keeping in mind that human life is our first priority, in order to continue providing stable services to customers, 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 including storm and flood damage, which has become increasingly severe in recent years, and epidemics.

Financial Highlights

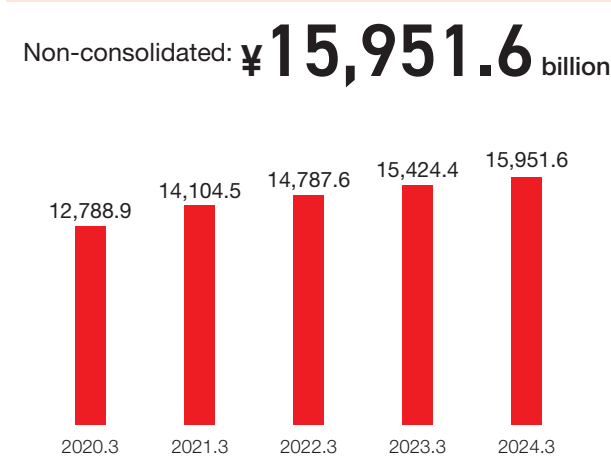
Ordinary Profit (Consolidated/Non-consolidated/¥ billion)



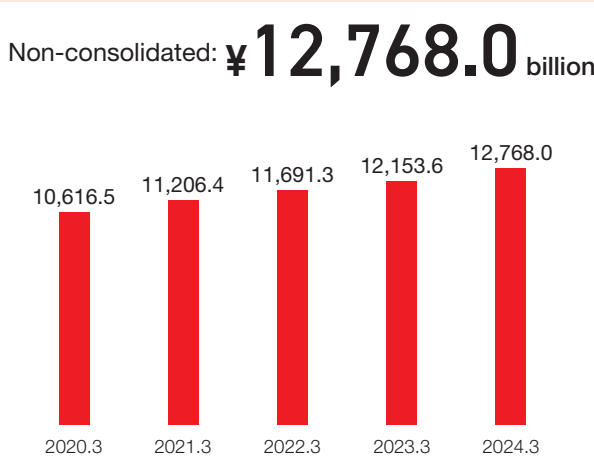
SME Loans/Housing Loans (Non-consolidated/¥ billion)



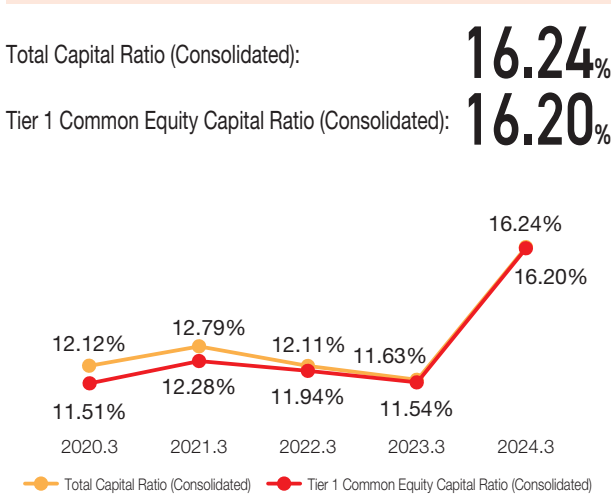
Deposits (Non-consolidated/¥ billion)



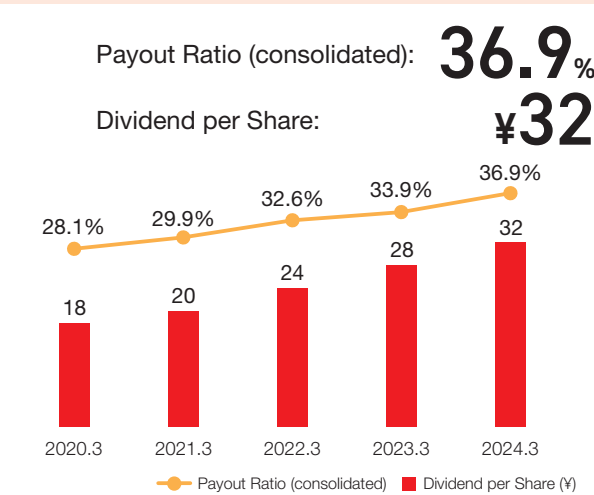
Loans and Bills Discounted (Non-consolidated/¥ billion)



Capital Ratio

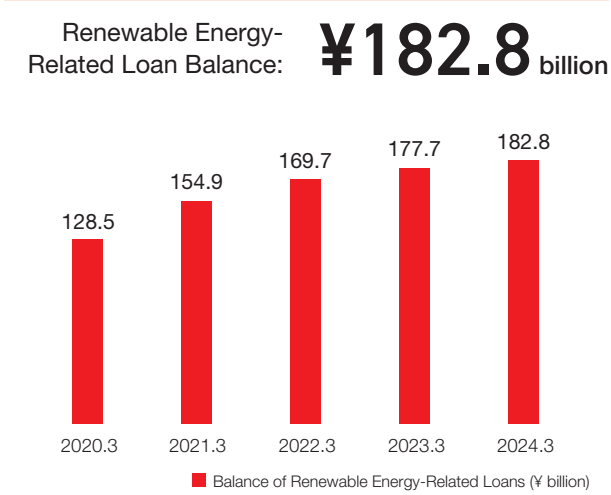


Dividends Paid

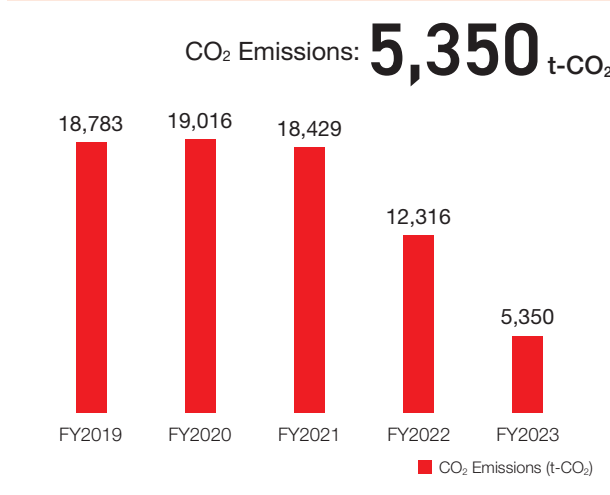


Non-financial Highlights

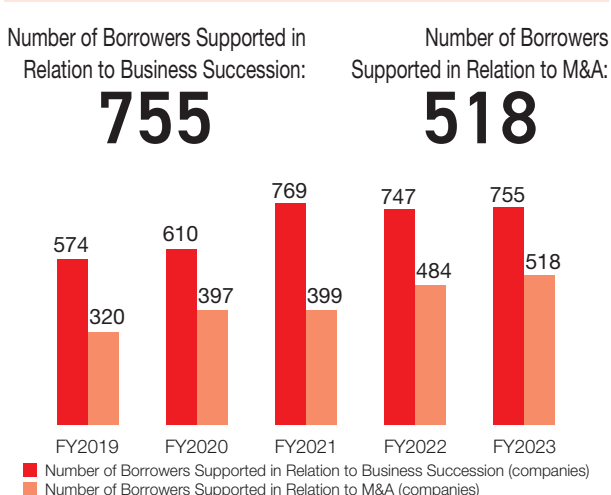
Initiatives to Promote Renewable Energy



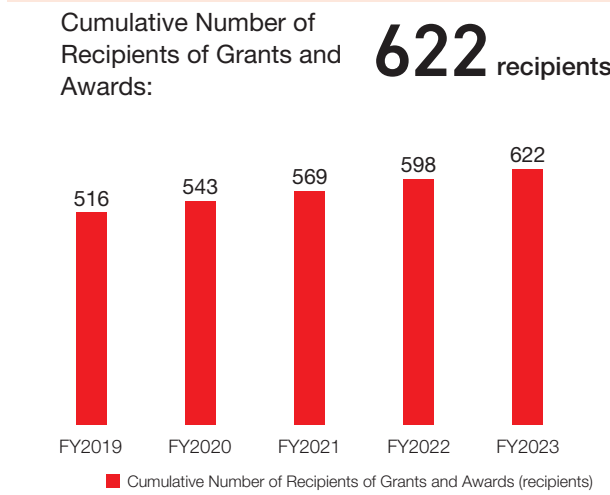
CO₂ Emissions (Scope 1 and 2)



Number of Borrowers Supported in Relation to Business Succession/M&A



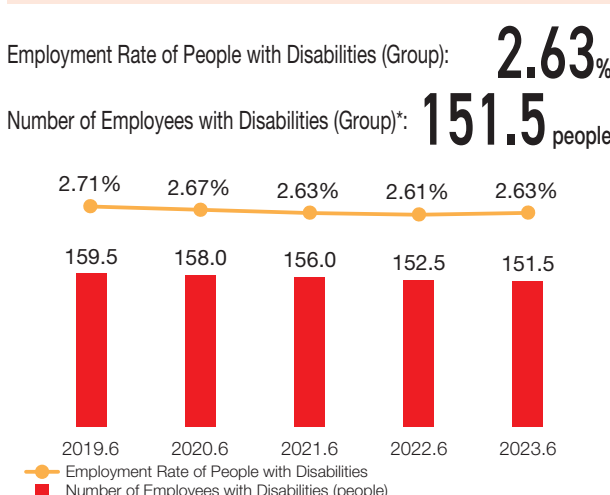
Support for Industrial Development and Technological Innovation



Initiatives to Promote the Active Participation of Women



Efforts Toward the Employment of People with Disabilities



*The numbers of employees with disabilities may include a fraction of less than one as they are the figures used for calculating the employment rate of people with disabilities.

Financial and Corporate Data

Five-Year Summary (Consolidated)

The Chiba Bank, Ltd. and Consolidated Subsidiaries
Years ended March 31

	Million of Yen*1					Thousands of U.S. Dollars*2
	2024	2023	2022	2021	2020	2024
For the Year						
Total Income	¥ 311,701	¥ 278,467	¥ 236,185	¥ 232,943	¥ 242,984	\$ 2,058,656
Total Expenses	221,032	191,797	157,807	161,481	174,208	1,459,830
Profit before Income Taxes	90,668	86,670	78,378	71,462	68,775	598,826
Profit	62,440	60,276	54,498	49,641	48,037	412,392
Profit Attributable to Non-controlling Interests	—	—	—	—	—	—
Profit Attributable to Owners of Parent	62,440	60,276	54,498	49,641	48,037	412,392
At Year-End						
Total Assets	¥21,323,895	¥19,787,882	¥19,104,764	¥17,898,168	¥15,609,936	\$140,835,451
Loans and Bills Discounted	12,721,829	12,107,066	11,646,721	11,166,329	10,565,697	84,022,389
Securities	2,906,067	2,576,106	2,482,224	2,401,246	2,118,588	19,193,363
Deposits	16,307,293	15,903,940	15,324,161	14,543,283	13,216,977	107,702,883
Net Assets	1,181,503	1,061,115	1,059,091	1,041,756	929,334	7,803,338
Capital Ratio (BIS guidelines)	16.24%	11.63%	12.11%	12.79%	12.12%	16.24%
PER (Times)	14.57	10.36	9.86	10.85	7.39	14.57
PBR (Times)	0.76	0.58	0.50	0.51	0.37	0.76

	Yen					U.S. Dollars
Per Share						
Profit	¥ 86.53	¥ 82.52	¥ 73.47	¥ 66.82	¥ 63.99	\$ 0.57
Net Assets	1,651.46	1,464.45	1,436.74	1,401.40	1,250.41	10.91

*1 Japanese yen amounts are presented in millions of yen by rounding down figures below one million. As a result, the totals in Japanese yen in the supplementary information do not necessarily agree with the sums of individual amounts.

*2 U.S. dollar amounts are shown solely for the convenience of the readers of this Integrated Report and are translated at the rate of ¥151.41 to \$1.00, the exchange rate prevailing at March 31, 2024.

Consolidated Balance Sheet

The Chiba Bank, Ltd. and Consolidated Subsidiaries
As of March 31, 2024

	Million of Yen*1		Thousands of U.S. Dollars*2
	2024	2023	2024
Assets			
Cash and Due from Banks	¥ 4,689,382	¥ 4,065,850	\$ 30,971,418
Call Loans and Bills Bought	391,822	335,089	2,587,824
Receivables under Resale Agreements	—	17,999	—
Receivables under Securities Borrowing Transactions	1,950	5,446	12,885
Monetary Claims Bought	23,121	22,612	152,708
Trading Assets	27,426	162,444	181,138
Money Held in Trust	10,903	9,279	72,016
Securities	2,906,067	2,576,106	19,193,363
Loans and Bills Discounted	12,721,829	12,107,066	84,022,389
Foreign Exchanges	6,084	5,375	40,189
Other Assets	378,746	320,687	2,501,461
Tangible Fixed Assets	123,612	124,473	816,409
Intangible Fixed Assets	14,633	14,222	96,648
Net Defined Benefit Asset	28,707	18,578	189,601
Deferred Tax Assets	3,128	3,088	20,660
Customers' Liabilities for Acceptances and Guarantees	27,565	31,822	182,060
Allowance for Loan Losses	(31,087)	(32,260)	(205,319)
Total Assets	¥21,323,895	¥19,787,882	\$140,835,451
Liabilities			
Deposits	¥16,307,293	¥15,903,940	\$107,702,883
Call Money and Bills Sold	1,499,383	810,859	9,902,800
Payables under Repurchase Agreements	44,481	17,160	293,779
Payables under Securities Lending Transactions	203,429	337,074	1,343,568
Trading Liabilities	21,450	18,618	141,671
Borrowed Money	1,523,260	1,206,808	10,060,500
Foreign Exchanges	1,171	724	7,738
Bonds Payable	120,792	110,038	797,783
Borrowed Money from Trust Account	15,564	13,439	102,798
Other Liabilities	305,193	237,725	2,015,678
Net Defined Benefit Liability	688	4,476	4,550
Provisions for Directors' Retirement Benefits	192	160	1,273
Provisions for Reimbursement of Deposits	637	910	4,210
Provisions for Point Loyalty Programs	790	838	5,222
Reserves under Special Laws	24	24	161
Deferred Tax Liabilities	60,070	21,742	396,739
Deferred Tax Liabilities for Land Revaluation	10,401	10,402	68,700
Acceptances and Guarantees	27,565	31,822	182,060
Total Liabilities	¥20,142,392	¥18,726,767	\$133,032,113
Net Assets			
Capital Stock	¥ 145,069	¥ 145,069	\$ 958,121
Capital Surplus	122,185	122,146	806,981
Retained Earnings	796,209	755,517	5,258,630
Treasury Shares	(72,800)	(62,943)	(480,817)
Total Shareholders' Equity	990,662	959,789	6,542,915
Valuation Difference on Available-for-sale Securities	159,893	83,907	1,056,028
Deferred Gains or Losses on Hedges	16,279	10,408	107,521
Revaluation Reserve for Land	9,929	9,921	65,580
Remeasurements of Defined Benefit Plans	4,738	(2,911)	31,295
Total Accumulated Other Comprehensive Income	190,840	101,326	1,260,423
Total Net Assets	¥ 1,181,503	¥ 1,061,115	\$ 7,803,338
Total Liabilities and Net Assets	¥21,323,895	¥19,787,882	\$140,835,451

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Consolidated Statement of Income

The Chiba Bank, Ltd. and Consolidated Subsidiaries
For the year ended March 31, 2024

	Millions of Yen*1		Thousands of U.S. Dollars*2
	2024	2023	2024
Income			
Interest Income:			
Interest on Loans and Discounts	¥140,388	¥119,514	\$ 927,210
Interest and Dividends on Securities	49,166	44,035	324,723
Other Interest Income	9,027	6,025	59,626
Trust Fees	93	122	619
Fees and Commissions	63,127	60,106	416,931
Trading Income	1,438	1,995	9,497
Other Ordinary Income	7,239	7,615	47,811
Other Income	41,219	39,052	272,237
Total Income	¥311,701	¥278,467	\$2,058,656
Expenses			
Interest Expenses:			
Interest on Deposits	¥ 29,148	¥ 12,942	\$ 192,516
Interest on Borrowings and Rediscounts	3,428	1,222	22,641
Other Interest Expenses	33,360	18,891	220,331
Fees and Commissions Payments	22,262	19,744	147,035
Other Ordinary Expenses	6,870	22,448	45,380
General and Administrative Expenses	92,225	88,982	609,111
Other Expenses	33,736	27,565	222,817
Total Expenses	¥221,032	¥191,797	\$1,459,830
Profit before Income Taxes	90,668	86,670	598,826
Income Taxes—Current	28,847	21,611	190,525
Income Taxes—Deferred	(619)	4,781	(4,091)
Profit	¥ 62,440	¥ 60,276	\$ 412,392
Profit Attributable to Owners of Parent	¥ 62,440	¥ 60,276	\$ 412,392

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Non-Consolidated Balance Sheet

The Chiba Bank, Ltd.
As of March 31, 2024

	Millions of Yen*1		Thousands of U.S. Dollars*2
	2024	2023	2024
Assets			
Cash and Due from Banks	¥ 4,685,342	¥ 4,061,582	\$ 30,944,735
Call Loans	391,822	335,089	2,587,824
Receivables under Resale Agreements	—	17,999	—
Receivables under Securities Borrowing Transactions	1,950	5,446	12,885
Monetary Claims Bought	18,007	10,982	118,933
Trading Assets	26,519	161,660	175,148
Money Held in Trust	2,103	2,079	13,895
Securities	2,876,803	2,554,340	19,000,087
Loans and Bills Discounted	12,768,009	12,153,618	84,327,384
Foreign Exchanges	6,084	5,375	40,189
Other Assets	296,726	228,007	1,959,755
Tangible Fixed Assets	116,991	117,499	772,682
Intangible Fixed Assets	14,379	13,976	94,974
Prepaid Pension Cost	21,889	19,009	144,573
Customers' Liabilities for Acceptances and Guarantees	25,345	29,727	167,396
Allowance for Loan Losses	(24,702)	(25,819)	(163,150)
Total Assets	¥21,227,274	¥19,690,575	\$140,197,309
Liabilities			
Deposits	¥16,391,141	¥15,979,239	\$108,256,662
Call Money	1,499,383	810,859	9,902,800
Payables under Repurchase Agreements	44,481	17,160	293,779
Payables under Securities Lending Transactions	203,429	337,074	1,343,568
Trading Liabilities	21,450	18,618	141,671
Borrowed Money	1,505,734	1,194,268	9,944,747
Foreign Exchanges	1,171	724	7,738
Bonds Payable	120,792	110,038	797,783
Borrowed money from Trust Account	15,564	13,439	102,798
Other Liabilities	247,446	166,448	1,634,278
Provisions for Reimbursement of Deposits	637	910	4,210
Provisions for Point Loyalty Programs	732	502	4,835
Deferred Tax Liabilities	51,428	18,834	339,664
Deferred Tax Liabilities for Land Revaluation	10,401	10,402	68,700
Acceptances and Guarantees	25,345	29,727	167,396
Total Liabilities	¥20,139,139	¥18,708,250	\$133,010,631
Net Assets			
Capital Stock	¥ 145,069	¥ 145,069	\$ 958,121
Capital Surplus	122,185	122,146	806,981
Retained Earnings	725,618	686,795	4,792,408
Legal Retained Earnings	50,930	50,930	336,373
Other Retained Earnings	674,688	635,865	4,456,035
Treasury Shares	(72,800)	(62,943)	(480,817)
Total Shareholders' Equity	920,072	891,067	6,076,693
Valuation Difference on Available-for-Sale Securities	141,853	70,926	936,883
Deferred Gains or Losses on Hedges	16,279	10,408	107,521
Revaluation Reserve for Land	9,929	9,921	65,580
Total Valuation and Translation Adjustments	168,062	91,257	1,109,984
Total Net Assets	¥ 1,088,134	¥ 982,325	\$ 7,186,677
Total Liabilities and Net Assets	¥21,227,274	¥19,690,575	\$140,197,309

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Non-Consolidated Statement of Income

The Chiba Bank, Ltd.
For the year ended March 31, 2024

	Millions of Yen*1		Thousands of U.S. Dollars*2
	2024	2023	2024
Income			
Interest Income:			
Interest on Loans and Discounts	¥140,522	¥119,557	\$ 928,093
Interest and Dividends on Securities	53,102	47,905	350,719
Other Interest Income	8,921	5,930	58,922
Trust Fees	93	122	619
Fees and Commissions	53,478	48,970	353,201
Trading Income	1,128	1,353	7,454
Other Ordinary Income	7,228	7,627	47,743
Other Income	13,311	13,927	87,918
Total Income	¥277,787	¥245,394	\$1,834,670
Expenses			
Interest Expenses:			
Interest on Deposits	¥ 29,150	¥ 12,943	\$ 192,524
Interest on Borrowings and Rediscounts	3,373	1,187	22,278
Other Interest Expenses	33,349	18,881	220,260
Fees and Commissions Payments	23,521	20,459	155,352
Other Ordinary Expenses	6,870	22,448	45,380
General and Administrative Expenses	85,754	82,123	566,371
Other Expenses	9,984	5,989	65,944
Total Expenses	¥192,004	¥164,033	\$1,268,108
Profit before Income Taxes	85,783	81,361	566,561
Income Taxes—Current	25,858	18,897	170,785
Income Taxes—Deferred	(646)	4,336	(4,270)
Profit	¥ 60,571	¥ 58,127	\$ 400,046

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Group Companies

The Chiba Bank Group, which comprises the Bank and 16 group companies, provides customers with a wide-ranging lineup of financial products and services.

Securities and asset management businesses

Company	Principal business	Corporate profile	
Chibagin Securities Co., Ltd. Chiba Chuo Twin Building, 2nd Tower 2F, 2-5-1, Chuo, Chuo-ku, Chiba-shi, Chiba 260-0013	Securities business	Established: Capital: Bank's voting rights:	March 27, 1944 ¥4,374 million 100%
Chibagin Asset Management Co., Ltd. 2-13-7, Kotobashi, Sumida-ku, Tokyo 130-0022	Investment management, investment advice	Established: Capital: Bank's voting rights: Subsidiaries' voting rights:	March 31, 1986 ¥200 million 40% 30%

Research and consulting business

Company	Principal business	Corporate profile	
Chibagin Research Institute, Ltd. Chibagin Makuhari Building, 1-10-2, Nakase, Mihama-ku, Chiba-shi, Chiba 261-0023	Research, surveys, and consulting	Established: Capital: Bank's voting rights: Subsidiaries' voting rights:	February 28, 1990 ¥150 million 31.77% 68.23%
Chibagin Computer Service Co., Ltd. Chibagin Makuhari Building, 1-10-2, Nakase, Mihama-ku, Chiba-shi, Chiba 261-0023	Software development, commissioned computation tasks	Established: Capital: Bank's voting rights: Subsidiaries' voting rights:	April 1, 1980 ¥150 million 48.67% 51.33%
T&I Innovation Center Co., Ltd. KABUTO ONE Building 11F, 7-1, Nihonbashi Kabuto-cho, Chuo-ku, Tokyo 103-0026	Research and investigation of IT and financial technologies, development and sales of software	Established: Capital: Bank's voting rights:	July 1, 2016 ¥100 million 40%

Leasing and venture capital business

Company	Principal business	Corporate profile	
Chibagin Leasing Co., Ltd. Chibagin Makuhari Building, 1-10-2, Nakase, Mihama-ku, Chiba-shi, Chiba 261-0023	Leasing	Established: Capital: Bank's voting rights: Subsidiaries' voting rights:	December 15, 1986 ¥100 million 49% 51%
Chibagin Capital Co., Ltd. Chibagin Makuhari Building, 1-10-2, Nakase, Mihama-ku, Chiba-shi, Chiba 261-0023	Operation and management of investment funds, M&A advisory business	Established: Capital: Bank's voting rights: Subsidiaries' voting rights:	May 29, 1984 ¥100 million 30% 70%

Credit card business

Company	Principal business	Corporate profile	
Chibagin Card Co., Ltd. World Business Garden Marive East 9F, 2-6-1, Nakase, Mihama-ku, Chiba-shi, Chiba 261-7109	Credit card and credit guarantee business	Established: Capital: Bank's voting rights: Subsidiaries' voting rights:	February 16, 1989 ¥100 million 48.49% 51.51%

Staffing service and outsourcing business

Company	Principal business	Corporate profile	
Chibagin Career Service Co., Ltd. Chibagin Makuhari Building, 1-10-2, Nakase, Mihama-ku, Chiba-shi, Chiba 261-0023	Staffing service business, accounting and general administration entrustment service business	Established: Capital: Bank's voting rights:	December 22, 1989 ¥20 million 100%
Chibagin Heartful Co., Ltd. 4-1-10, Masago, Mihama-ku, Chiba-shi, Chiba 261-0011	Outsourcing of operational business	Established: Capital: Bank's voting rights:	December 1, 2006 ¥10 million 100%
Sobu Co., Ltd. Chibagin Makuhari Building, 1-10-2, Nakase, Mihama-ku, Chiba-shi, Chiba 261-0023	Rental and maintenance of the Chiba Bank's office buildings and welfare facilities, purchase and sale of supplies and consumer goods	Established: Capital: Bank's voting rights:	September 7, 1959 ¥20 million 100%
TSUBASA-AML Center Co., Ltd. 1-5-5, Nihonbashi Muromachi, Chuo-ku, Tokyo 103-0022	Exchange transaction analysis business	Established: Capital: Bank's voting rights:	November 1, 2023 ¥82.5 million 51.51%

Credit guarantees and management business

Company	Principal business	Corporate profile	
Chibagin Guarantee Co., Ltd. 3-17-5, Inage-higashi, Inage-ku, Chiba-shi, Chiba 263-0031	Loan guarantees, fee collection services	Established: Capital: Bank's voting rights: Subsidiaries' voting rights:	May 1, 1978 ¥54 million 45.63% 54.37%
Chiba Servicer Co., Ltd. Chibagin Makuhari Building, 1-10-2, Nakase, Mihama-ku, Chiba-shi, Chiba 261-0023	Management and collection of claims	Established: Capital: Bank's voting rights:	October 1, 2001 ¥500 million 100%

Regional trading company

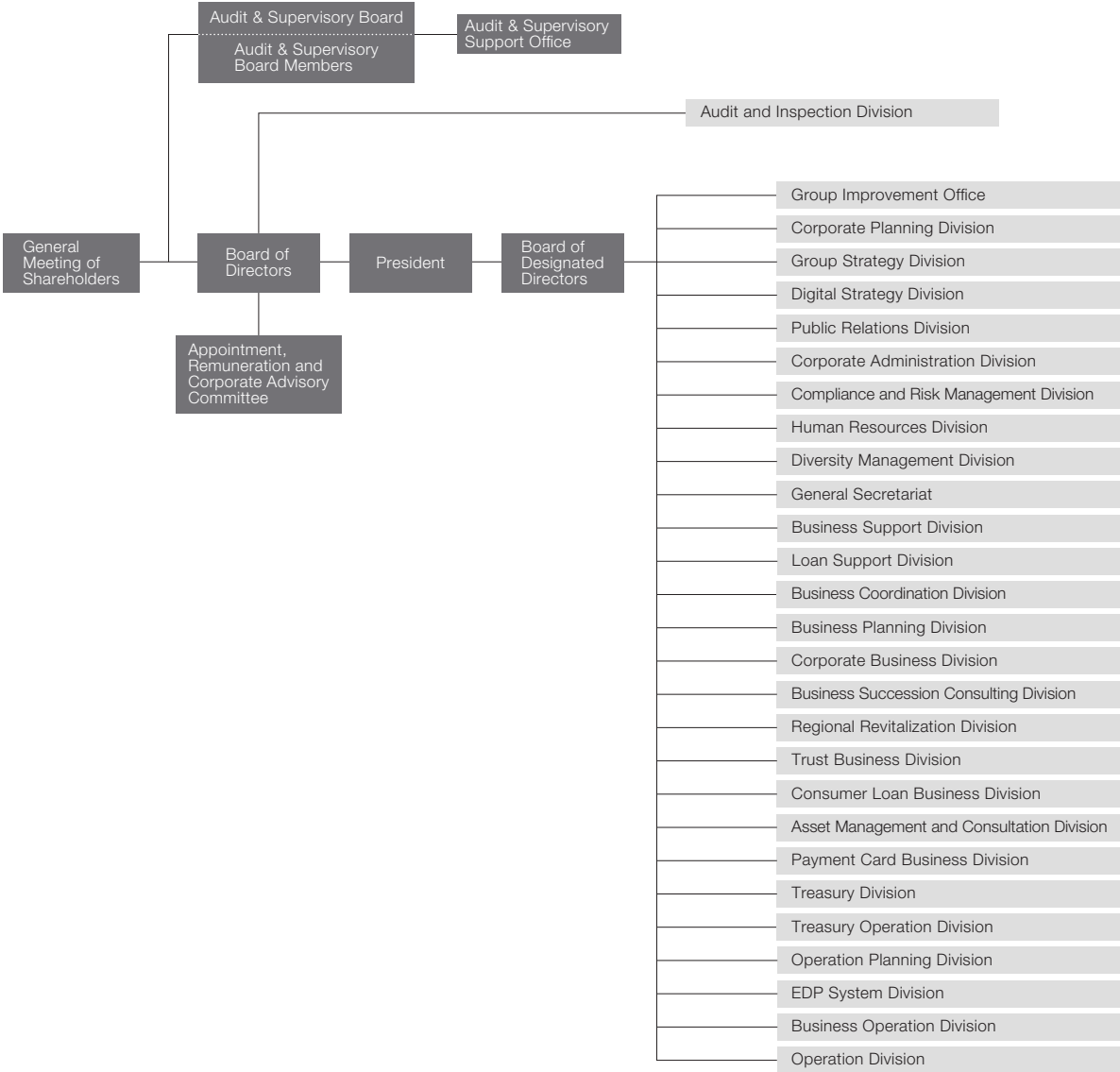
Company	Principal business	Corporate profile	
Chibagin Market Co., Ltd. Tsukamoto Dai-chiba Building 2F, 2-3-1 Fujimi, Chuo-ku, Chiba-shi, Chiba 260-0015	Regional trading company	Established: Capital: Bank's voting rights:	May 10, 2021 ¥100 million 100%

Energy generation business

Company	Principal business	Corporate profile	
Himawari Green Energy Co., Ltd. 1-2 Chiba-minato, Chuo-ku, Chiba-shi, Chiba 260-8720	Renewable energy power generation/ sales operations	Established: Capital: Bank's voting rights:	April 28, 2023 ¥50 million 100%

Organization

The Chiba Bank, Ltd.
As of June 26, 2024



Corporate Data

The Chiba Bank, Ltd.
As of March 31, 2024

Principal Shareholders

The ten largest shareholders of the Bank and their respective shareholdings as of March 31, 2024 were as follows:

	Number of Shares (in thousands)*1	Percentage of Total Shares Issued*2 (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	101,178	14.14
Custody Bank of Japan, Ltd. (Trust Account)	40,452	5.65
STATE STREET BANK AND TRUST COMPANY 505223	27,376	3.82
Nippon Life Insurance Company	26,870	3.75
The Dai-ichi Life Insurance Company, Limited	18,361	2.56
SUMITOMO LIFE INSURANCE COMPANY	18,302	2.55
Meiji Yasuda Life Insurance Company	17,842	2.49
Sompo Japan Insurance Inc.	14,037	1.96
STATE STREET BANK WEST CLIENT - TREATY 505234	13,747	1.92
SBBTC CLIENT OMNIBUS ACCOUNT	10,827	1.51

Excluded from the figures above are 100,093 thousand treasury shares in the name of the Chiba Bank, Ltd. (Excludes one thousand shares which, although registered in the name of the Chiba Bank, Ltd. on the shareholder list, are not actually owned by the Bank.)

*1 Rounded down to the nearest thousand

*2 Rounded down to two decimal places

Corporate Profile

Established	March 1943
Network	181 offices (161 branches, 17 sub branches, 3 virtual branches)
	3 money exchange counters
	50,916 off-branch ATM locations (including 11,624 E-net ATM locations at convenience stores, 25,505 ATM locations jointly with Seven Bank, Ltd., 13,541 ATM locations jointly with Lawson Bank, Inc.)
	3 branches (New York/Hong Kong/London)
	3 representative offices (Shanghai/Singapore/Bangkok)
Number of Employees*	3,982
Total Assets	¥21,227.2 billion (Non-Consolidated)
Deposits	¥15,951.6 billion (Non-Consolidated)
Loans and Bills Discounted	¥12,768.0 billion (Non-Consolidated)
Capital Stock	¥145.0 billion
Total Capital Ratio (BIS guidelines)	16.24% (Consolidated) 15.18% (Non-Consolidated)
Authorized Number of Shares	2,500,000 thousand
Number of Issued Shares	815,521 thousand
Number of Shareholders	37,278
Stock Listing (Code)	Tokyo Stock Exchange (8331)
Transfer Agent	JAPAN SECURITIES AGENTS, LTD. 1-2-4, Nihonbashi Kayabacho, Chuo-ku, Tokyo 103-8202

Figures as shown are rounded down in principal.

* Number of employees includes transferred employees but excludes temporary staff and one-year contract employees.

International Directory

The Chiba Bank, Ltd.
As of June 26, 2024

Head Office 1-2, Chiba-minato, Chuo-ku, Chiba-shi, Chiba 260-8720, Japan Telephone: 81-43-245-1111 https://www.chibabank.co.jp/english/	New York Branch 1133 Avenue of the Americas, 15th Floor, New York, N.Y. 10036, U.S.A. Telephone: 1-212-354-7777 Fax: 1-212-354-8575 SWIFT Address: CHBAUS33	Shanghai Representative Office Room 707, Shanghai International Trade Center, 2201 Yan-An Road (West), Shanghai, P.R.C. 200336 Telephone: 86-21-62780482 Fax: 86-21-62780422
Treasury Operation Division 1-5-5, Nihonbashi Muromachi, Chuo-ku, Tokyo 103-0022, Japan Telephone: 81-3-3270-8459 Fax: 81-3-3242-1735 SWIFT Address: CHBA JPJT	Hong Kong Branch Unit 2510, One Pacific Place, 88 Queensway, Hong Kong Telephone: 852-2840-1222 Fax: 852-2840-0507 SWIFT Address: CHBAHKHH	Representative Office Registered in Singapore 50 Raffles Place, #10-06 Singapore Land Tower, Singapore 048623 Telephone: 65-6438-4525 Fax: 65-6438-6890
Treasury Division 1-5-5, Nihonbashi Muromachi, Chuo-ku, Tokyo 103-0022, Japan Telephone: 81-3-3231-1285 Fax: 81-3-3242-1736	London Branch 3rd Floor, Regina House, 1 Queen Street, London EC4N 1SW, The United Kingdom Telephone: 44-20-7315-3111 Fax: 44-20-7236-2205 SWIFT Address: CHBAGB2L	Bangkok Representative Office No.98 Sathorn Square Office Tower, 20th Floor, Room 2008, North Sathorn Road, Silom, Bangrak, Bangkok 10500, Thailand Telephone: 66-2-163-2723 Fax: 66-2-163-2725

Editorial Policy

This document has been edited in order for stakeholders to easily understand the overview and business strategies of the Chiba Bank Group. The International Integrated Reporting Framework advocated by the IFRS Foundation (former IIRC) and other guidelines were used for reference in the editing of this report. This report contains forward-looking statements, including financial outlook. They are based on future outlook and forecasts, which the Bank deems reasonable at the time of publication. They do not constitute a promise by the Bank that these will be realized. Actual results may differ from those expressed in the forward-looking statements due to changes in conditions.

Reporting Period: April 2023 - March 2024 (The document includes some information from April 2024 onwards.)
Bank employees' positions are as of June 26, 2024.

THE CHIBA BANK, LTD.

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