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(Securities Code: 8331)
June 3, 2021

To Shareholders with Voting Rights:

Hidetoshi Sakuma
President
The Chiba Bank, Ltd.
1-2, Chiba-minato, Chuo-ku,
Chiba City, Chiba, Japan

NOTICE OF CONVOCATION OF THE 115TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

You are hereby notified that the 115th Annual General Meeting of Shareholders of The Chiba Bank, Ltd. (the “Bank”) will be held for the purposes as described below.

In due consideration of the situation, the Bank decided that it will hold this Annual General Meeting of Shareholders with appropriate measures in place to prevent the spread of COVID-19 infection.

In order to prevent the spread of infection, you are strongly advised to give top priority to your health and safety, exercise voting rights in writing or via the Internet, etc., as much as possible, and refrain from attending the Annual General Meeting of Shareholders in person, regardless of your health conditions.

- 1. Date and Time:** Friday, June 25, 2021 at 10:00 a.m. Japan time
(Reception scheduled to open at 9:00 a.m.)
- 2. Place:** 3F Main Hall, Head Office of the Bank,
1-2, Chiba-minato, Chuo-ku, Chiba City, Chiba, Japan
- 3. Meeting Agenda:**
 - Matters to be reported:**
 1. The Business Report and Non-consolidated Financial Statements for the Bank’s 115th Fiscal Year (from April 1, 2020 to March 31, 2021)
 2. Consolidated Financial Statements for the Bank’s 115th Fiscal Year (from April 1, 2020 to March 31, 2021) and results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
 - Proposals to be resolved:**
 - Proposal No. 1:** Appropriation of Surplus
 - Proposal No. 2:** Election of Six (6) Directors
 - Proposal No. 3:** Election of Four (4) Audit & Supervisory Board Members
 - Proposal No. 4:** Determination of Remuneration to Grant Restricted Stocks to Directors (Excluding Outside Directors)

Exercise of Voting Rights:

Exercise of Voting Rights by Attending the Meeting

When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk on the day of the meeting.

Date and time of the meeting:
Friday, June 25, 2021
at 10:00 a.m. Japan time
(Reception to open at 9:00 a.m.)

Exercise of Voting Rights in Writing

Please indicate your vote for or against the proposals on the enclosed Voting Rights Exercise Form and return it so that it is received by the deadline.

Deadline for exercise:
Thursday, June 24, 2021
at 6:00 p.m. Japan time

Exercise of Voting Rights via Electromagnetic Means (the Internet, etc.)

Please access the Bank's designated voting website (<https://www.e-sokai.jp>) using the "Voting Rights Exercise Code" and "Password" printed on the Voting Rights Exercise Form, follow the instructions on the voting website, and indicate your vote for or against the proposals by the deadline.

Deadline for exercise:
Thursday, June 24, 2021
at 6:00 p.m. Japan time

Handling of Duplicate Voting

If you vote both in writing on the Voting Rights Exercise Form and via the Bank's designated voting website on the Internet, only your vote placed via the Internet will be valid. In addition, if you submit your vote multiple times via the Internet or submit in duplicate via the computer and cellphone, only the last vote will be valid.

End

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- ◎ Of the documents that need to be attached to this notice of convocation, "Non-consolidated Statement of Changes in Net Assets," "the Notes to the Non-consolidated Financial Statements," "Consolidated Statement of Changes in Net Assets" and "the Notes to the Consolidated Financial Statements" are, in accordance with laws and regulations as well as Article 16 of the Articles of Incorporation of the Bank, posted on the Bank's website (<https://www.chibabank.co.jp/company/>). They are therefore not included in this document. The financial statements in the attached documents, and "Non-consolidated Statement of Changes in Net Assets," "the Notes to the Non-consolidated Financial Statements," "Consolidated Statement of Changes in Net Assets" and "the Notes to the Consolidated Financial Statements" are included in Non-consolidated Financial Statements and Consolidated Financial Statements, which were audited by the Audit & Supervisory Board Members and the Accounting Auditor in preparing the Audit Report and Accounting Audit Report.
 - ◎ Any updates to the Reference Documents, the Business Report, the Non-consolidated Financial Statements and Consolidated Financial Statements for the General Meeting of Shareholders will be posted on the Bank's website (<https://www.chibabank.co.jp/company/>).
 - ◎ Semiformal dress code (Cool Biz) will be implemented on the day of the meeting, and as such we would like to ask shareholders to follow the same dress code when attending.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal No. 1: Appropriation of Surplus

To prepare for changes in the business environment surrounding financial institutions, it is proposed that the surplus be appropriated as follows, taking into consideration the retaining of an internal reserve as well as the earnings performance for the fiscal year under review.

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| <p>1. Matters concerning year-end dividends</p> <p>(1) Type of dividend property
Cash</p> <p>(2) Matters concerning the allotment of dividend property to shareholders and the total amount
11 yen per share of common stock, for a total of 8,172,102,070 yen
Furthermore, as 9 yen was paid in December 2020 as an interim dividend, dividends to be paid for the full year amount to 20 yen per share.</p> <p>(3) Effective date of distribution of surplus
June 28, 2021</p> | <p>2. Other matters concerning the appropriation of surplus</p> <p>(1) Item and the amount of surplus to be increased
General reserve
30,000,000,000 yen</p> <p>(2) Item and amount of surplus to be decreased
Retained earnings brought forward
30,000,000,000 yen</p> |
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Proposal No. 2: Election of Six (6) Directors

The terms of office of four (4) Directors, Hidetoshi Sakuma, Tsutomu Yonemoto, Yuko Tashima and Yasuko Takayama will expire, and Director Yukihiro Inamura will resign at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of six (6) Directors is proposed.

The candidates for Directors are as follows:

Candidate No.	Name		Present position at the Bank
1	Hidetoshi Sakuma	Re-nominated	President (Representative Director)
2	Tsutomu Yonemoto	Re-nominated	Director and Senior Executive Officer
3	Kiyomi Yamazaki	Newly nominated	
4	Mutsumi Awaji	Newly nominated	
5	Yuko Tashima	Re-nominated, Outside Officer	Director (Outside Director)
6	Yasuko Takayama	Re-nominated, Outside Officer	Director (Outside Director)

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Bank held
1	Hidetoshi Sakuma (Oct. 1, 1952) Re-nominated	<p>Apr. 1976 Joined the Bank</p> <p>Jun. 2003 Director, General Manager, Corporate Planning Division, the Bank</p> <p>Jun. 2006 Director and Managing Executive Officer, General Manager, Head Office, the Bank</p> <p>Jun. 2007 Director and Managing Executive Officer, Executive Officer in charge of Treasury Division and Treasury Operation Division, the Bank</p> <p>Mar. 2009 President, the Bank (current position)</p>	62,212 shares
<p>○Reasons for nomination as a candidate for Director</p> <p>Hidetoshi Sakuma has been Director since June 2003. He has also been President since March 2009, and has the knowledge and experience necessary to perform the business administration of a bank in an appropriate, fair and efficient manner. As he has properly executed the duties of Director, the Bank has nominated him as a candidate for Director.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Bank held
2	Tsutomu Yonemoto (Jul. 9, 1964) Re-nominated	Apr. 1987 Joined the Bank	23,609 shares
		Jun. 2014 General Manager, Corporate Planning Division, the Bank	
Jun. 2016 Executive Officer, General Manager, Business Promotion Division, the Bank			
Jun. 2017 Director and Managing Executive Officer, Executive Officer in charge of Treasury Division and Treasury Operation Division, the Bank			
Jun. 2018 Director and Managing Executive Officer, Group Chief Business Officer, General Manager, Business Promotion Headquarters, the Bank			
Jun. 2019 Director and Senior Executive Officer, Group Chief Strategy Officer, General Manager, Corporate Planning Headquarters, the Bank			
Apr. 2020 Director and Senior Executive Officer, Group Chief Strategy Officer, Group Chief Digital Transformation Officer, General Manager, Corporate Planning Headquarters, the Bank			
		Apr. 2021 Director and Senior Executive Officer, the Bank (current position)	
○Reasons for nomination as a candidate for Director Tsutomu Yonemoto has the knowledge and experience necessary to perform the business administration of a bank in an appropriate, fair and efficient manner because he has served in various important positions including General Manager of Corporate Planning Division and General Manager of Business Promotion Division, and has been Director since June 2017. As he has properly executed the duties of Director, the Bank has nominated him as a candidate for Director.			
3	Kiyomi Yamazaki (Dec. 22, 1964) Newly nominated	Apr. 1988 Joined the Bank	19,500 shares
		Jun. 2014 General Manager, Sakura Branch, 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			
Jun. 2019 Executive Officer (in charge of Domestic Business), the Bank			
Jun. 2020 Managing Executive Officer, General Manager, Head Office and Saiwaicho Sub Branch, the Bank			
		Apr. 2021 Senior Executive Officer, General Manager, Business Promotion Management Division, Group Chief Business Officer, the Bank (current position)	
○Reasons for nomination as a candidate for Director Kiyomi Yamazaki has the knowledge and experience necessary to perform the business administration of a bank in an appropriate, fair and efficient manner because he has served in various important positions including General Manager of Business Promotion Division, General Manager of Chuo Branch and Keisei-ekimae Branch, and General Manager of Head Office and Saiwaicho Sub Branch. The Bank has thus nominated him as a candidate for Director.			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Bank held
4	Mutsumi Awaji (Apr. 2, 1966) Newly nominated	Apr. 1989 Joined the Bank Jun. 2016 Senior Deputy General Manager, Regional Revitalization Division, 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, the Bank (current position)	4,888 shares
<p>○Reasons for nomination as a candidate for Director</p> <p>Mutsumi Awaji has the knowledge and experience necessary to perform the business administration of a bank in an appropriate, fair and efficient manner because she has served in various important positions including General Manager of Regional Revitalization Division and General Manager of Corporate Business Division. The Bank has thus nominated her as a candidate for Director.</p>			
5	Yuko Tashima (Jul. 26, 1952) Re-nominated Outside Officer	Apr. 1979 Prosecutor, Tokyo District Public Prosecutors Office Apr. 1992 Registered as Attorney at Law, Tokyo Bar Association Attorney at Law, Sawayaka Law Office (current position) Jul. 2006 Outside Director, Meiji Yasuda Life Insurance Company Jun. 2015 Outside Director, the Bank (current position) Oct. 2015 Outside Company Auditor, Kyushu Financial Group Inc. (current position) Jun. 2016 Outside Audit & Supervisory Board Member, Tokio Marine & Nichido Life Insurance Co., Ltd. (current position)	0 shares
<p>○Reasons for nomination as a candidate for Outside Director and overview of expected role</p> <p>Yuko Tashima has a high level of expertise as an attorney at law and experience as Outside Director at other companies, as well as in government positions including as a member of the Financial System Council of the Financial Services Agency. The Bank determined that the corporate value of the Bank would increase over the mid- to long-term through further enhancement of the decision-making function and the supervisory function of the board of directors by leveraging her knowledge and experience in the management of the Bank.</p> <p>The Bank also expects that she would supervise the execution of duties by Directors and provide them with advice particularly from the viewpoint of an expert in compliance and legal affairs, and has thus nominated her as a candidate for Outside Director.</p> <p>She does not have experience of engaging in the business management of a company by any means other than by serving as an Outside Officer of a company in the past; however, for the reasons above, the Bank believes that she will properly perform her duties as an Outside Director and has thus nominated her as a candidate for the position.</p> <p>She will have served as Outside Director of the Bank for a period of six years as of the conclusion of this General Meeting of Shareholders.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Bank held
6	Yasuko Takayama (Mar. 8, 1958) Re-nominated Outside Officer	<p>Apr. 1980 Joined Shiseido Co., Ltd.</p> <p>Apr. 2006 General Manager, Consumer Information Center, Shiseido Co., Ltd.</p> <p>Oct. 2008 General Manager, Consumer Relations Department, Shiseido Co., Ltd.</p> <p>Apr. 2009 General Manager, Social Affairs and Consumer Relations Department, Shiseido Co., Ltd.</p> <p>Apr. 2010 General Manager, Corporate Social Responsibility Department, Shiseido Co., Ltd.</p> <p>Jun. 2011 Audit & Supervisory Board Member (standing), Shiseido Co., Ltd.</p> <p>Jun. 2015 Advisor, Shiseido Co., Ltd.</p> <p>Jun. 2015 Outside Director, the Bank (current position)</p> <p>Jun. 2015 Outside Director, Nippon Soda Co., Ltd.</p> <p>Jun. 2016 Outside Audit & Supervisory Board Member, Mitsubishi Corporation (current position)</p> <p>Jun. 2017 Audit & Supervisory Board Member, Yokogawa Electric Corporation (current position)</p> <p>Jun. 2019 Outside Director (Audit and Supervisory Committee Member), Cosmo Energy Holdings Co., Ltd. (current position)</p>	0 shares
<p>○Reasons for nomination as a candidate for Outside Director and overview of expected role</p> <p>Yasuko Takayama has been in charge of the Consumer Relations and Corporate Social Responsibility Departments as well as served as an Audit & Supervisory Board Member (standing) of Shiseido Co., Ltd., and gained experience as Outside Director at other companies. The Bank has determined that the corporate value of the Bank would increase over the mid- to long-term through further enhancement of the decision-making function and the supervisory function of the board of directors by leveraging her knowledge and experience in the management of the Bank.</p> <p>The Bank also expects that she would supervise the execution of duties by Directors and provide them with advice particularly from the viewpoint of an expert in corporate governance, and has thus nominated her as a candidate for Outside Director.</p> <p>She will have served as Outside Director of the Bank for a period of six years as of the conclusion of this General Meeting of Shareholders.</p>			

- (Notes)
1. There are no special interest relationships between the candidates and the Bank.
 2. Yuko Tashima and Yasuko Takayama are candidates for Outside Directors.
 3. Two (2) candidates for Outside Directors satisfy the Bank's Independence Standards, and are independent officers pursuant to provisions of the Tokyo Stock Exchange.
 4. Based on Article 427, Paragraph 1 of the Companies Act, the Bank has entered into a liability limitation agreement with Yuko Tashima and Yasuko Takayama, candidates for Outside Directors. The overview of the agreement is as follows:
 - If an Outside Director is held liable due to negligence of duties, the Outside Director will be responsible for such liability to the extent of minimum liability amount set forth in Article 425, Paragraph 1 of the Companies Act.
 - Limitation of liabilities mentioned above only applies when the relevant Outside Director has acted in good faith and is not grossly negligent in performing his/her duties.
 5. The Bank has entered into a directors and officers liability insurance agreement (the "Insurance"), as set forth in Article 430, Paragraph 3, Item 1 of the Companies Act, with an insurance company, naming Directors as insured parties (the "Insured"). The Bank intends to continue and renew the Insurance. In the event of re-election or election of each of the candidates for Directors, he/she shall be named as the Insured under the Insurance. The Insurance shall cover liability for damages and losses relating to legal costs incurred due to legal claims or actions brought to the Insured by a third party or shareholders' derivation suits arising from the execution of duties by the Insured including Directors of the Bank.

Proposal No. 3: Election of Four (4) Audit & Supervisory Board Members

The terms of office of Tomohiko Sakamoto and Kazuhiko Ishihara, Audit & Supervisory Board Members, will expire at the conclusion of this Annual General Meeting of Shareholders, and Audit & Supervisory Board Member Kazuyoshi Fukushima will resign at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of four (4) Audit & Supervisory Board Members is proposed.

We have obtained the approval of the Audit & Supervisory Board for this item.

The candidates for Audit & Supervisory Board Members are as follows:

Candidate No.	Name		Present position at the Bank
1	Kazuhiro Kikuchi	Newly nominated, Outside Officer	
2	Norikazu Takahashi	Newly nominated, Outside Officer	
3	Yuichi Katayama	Newly nominated	
4	Wataru Takahashi	Newly nominated, Outside Officer	

No.	Name (Date of birth)	Past experience, positions, and significant concurrent positions	Number of shares of the Bank held
1	Kazuhiro Kikuchi (Jan. 14, 1961) Newly nominated Outside Officer	<p>Apr. 1983 Joined the Ministry of Finance</p> <p>Jul. 2011 Director General, Fukuoka Local Finance Branch Bureau</p> <p>Jul. 2012 Director, Urban Renaissance Agency</p> <p>Jul. 2014 Councillor, Cabinet Secretariat</p> <p>Jul. 2016 Executive Director, Federation of National Public Service Personnel Mutual Aid Associations</p> <p>Jul. 2017 Senior Executive Director, Federation of National Public Service Personnel Mutual Aid Associations</p> <p>Jan. 2021 Attached to the Minister's Secretariat, Ministry of Finance (resigned)</p>	0 shares
<p>○Reasons for nomination as a candidate for Outside Audit & Supervisory Board Member</p> <p>Kazuhiro Kikuchi has a high level of expertise gained through experience as Councillor of Cabinet Secretariat and Senior Executive Director of the Federation of National Public Service Personnel Mutual Aid Associations, etc., as well as extensive knowledge in public administration overall. The Bank expects that further enhancement of the audit function would be ensured by leveraging his knowledge and experience in the management of the Bank, and has thus nominated him as a candidate for Outside Audit & Supervisory Board Member.</p>			
2	Norikazu Takahashi (Jul. 29, 1961) Newly nominated Outside Officer	<p>Apr. 1985 Joined the Bank of Japan</p> <p>Jul. 2005 Associate Director-General, Secretariat of the Policy Board, the Bank of Japan</p> <p>Aug. 2008 General Manager, Okayama Branch, the Bank of Japan</p> <p>May 2012 Deputy Director-General, Currency Issue Department, the Bank of Japan</p> <p>Nov. 2013 General Manager, Sendai Branch, the Bank of Japan</p> <p>May 2015 General Manager, Information System Services Department, the Bank of Japan</p> <p>Jun. 2016 Retired from the Bank of Japan</p> <p>Jun. 2016 Executive Director, The Center for Financial Industry Information Systems (current position)</p> <p>Jun. 2016 Auditor, The Financial Futures Association of Japan (current position)</p>	0 shares
<p>○Reasons for nomination as a candidate for Outside Audit & Supervisory Board Member</p> <p>Norikazu Takahashi has a high level of expertise gained through experience as General Manager of branches and General Manager of Information System Services Department of the Bank of Japan, etc., as well as extensive knowledge in finance overall. The Bank expects that further enhancement of the audit function would be ensured by leveraging his knowledge and experience in the management of the Bank, and has thus nominated him as a candidate for Outside Audit & Supervisory Board Member.</p>			

No.	Name (Date of birth)	Past experience, positions, and significant concurrent positions	Number of shares of the Bank held
3	Yuichi Katayama (Jul. 29, 1965) Newly nominated	Apr. 1988 Joined the Bank May 2014 General Manager, Matsugaoka Branch, the Bank Jun. 2015 General Manager, Operation Planning Division, the Bank Jun. 2018 Executive Officer, General Manager, EDP System Division, the Bank Apr. 2021 Advisor to the President, Chibagin Computer Service Co., Ltd. (current position)	12,200 shares
	<p>○Reasons for nomination as a candidate for Audit & Supervisory Board Member</p> <p>Yuichi Katayama has the knowledge and experience necessary to audit Directors' execution of their duties in an appropriate, fair and efficient manner because he has served in various important positions including General Manager of Operation Planning Division and General Manager of EDP System Division of the Bank. Therefore, the Bank has nominated him as a candidate for Audit & Supervisory Board Member</p>		
4	Wataru Takahashi (Oct. 31, 1952) Newly nominated Outside Officer	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 Mar. 2013 Retired from Chiba Prefectural Government Apr. 2013 Vice-Governor, Chiba Prefecture Apr. 2021 Retired as Vice-Governor of Chiba Prefecture	0 shares
	<p>○Reasons for nomination as a candidate for Outside Audit & Supervisory Board Member</p> <p>Wataru Takahashi has extensive knowledge mainly in public administration gained through holding numerous important positions including Vice-Governor of Chiba Prefecture. The Bank expects that further enhancement of the audit function would be ensured by leveraging his knowledge and experience in the management of the Bank, and has thus nominated him as a candidate for Outside Audit & Supervisory Board Member.</p>		
	<p>○Supplementary explanation regarding independence</p> <p>As a designated financial institution, the Bank engages in business with Chiba Prefecture, of which Wataru Takahashi used to be a Vice-Governor. The Bank also has other transactions with the prefecture such as deposits and loans. However, the aforementioned transactions are on an arm's length basis and profits generated from the said transactions account for less than 1% of the Bank's consolidated gross business profits. Hence the independence of Wataru Takahashi as an Outside Audit & Supervisory Board Member is adequately ensured.</p>		

- (Notes)
1. There are no special interest relationships between the candidates and the Bank.
 2. Norikazu Takahashi, a candidate for Audit & Supervisory Board Member, is scheduled to retire as both Executive Director of The Center for Financial Industry Information Systems and Auditor of The Financial Futures Association of Japan in June 2021.
 3. Kazuhiro Kikuchi, Norikazu Takahashi, and Wataru Takahashi are candidates for Outside Audit & Supervisory Board Members.
 4. Kazuhiro Kikuchi, Norikazu Takahashi, and Wataru Takahashi satisfy the Bank's Independence Standards. As they satisfy the requirements for independent officers that are set forth in the provisions of the Tokyo Stock Exchange and do not have any conflicts of interest with general shareholders, they will be newly appointed as independent officers.
 5. The Bank plans to enter into a liability limitation agreement with Kazuhiro Kikuchi, Norikazu Takahashi, and Wataru Takahashi, candidates for Outside Audit & Supervisory Board Members, upon approval of their appointment. The overview of the agreement is as follows:
 - If an Outside Audit & Supervisory Board Member is held liable due to negligence of duties, the Outside Audit & Supervisory Board Member will be responsible for such liability to the extent of minimum liability amount set forth in Article 425, Paragraph 1 of the Companies Act.

- Limitation of liabilities mentioned above only applies when the relevant Outside Audit & Supervisory Board Member has acted in good faith and is not grossly negligent in performing his/her duties.

6. The Bank has entered into a directors and officers liability insurance agreement (the “Insurance”), as set forth in Article 430, Paragraph 3, Item 1 of the Companies Act, with an insurance company, naming Audit & Supervisory Board Members as insured parties (the “Insured”). The Bank intends to continue and renew the Insurance. In the event of re-election or election of each of the candidates for Audit & Supervisory Board Members, he/she shall be named as the Insured under the Insurance. The Insurance shall cover liability for damages and losses relating to legal costs incurred due to legal claims or actions brought to the Insured by a third party or shareholders’ derivation suits arising from the execution of duties by the Insured including Audit & Supervisory Board Members of the Bank.

(Reference) The Bank's Independence Standards

<Independence Standards>

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

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

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

Proposal No. 4: Determination of Remuneration to Grant Restricted Stocks to Directors (Excluding Outside Directors)

In regards to the amount of remuneration for Directors of the Bank, at the 104th Ordinary General Meeting of Shareholders held on June 29, 2010, it was approved that the maximum amount shall not exceed ¥560 million per annum, in which employee salaries for Directors who concurrently serve as employees to be excluded, and that the amount of remuneration for Directors regarding stock acquisition rights as stock options shall, separately from the above remuneration limit, not exceed ¥140 million per annum.

As a part of the reconsideration of the executive remuneration system, for Directors of the Bank excluding Outside Directors (the “Eligible Directors”), in place of the remuneration system regarding the current stock acquisition rights as stock options, in addition to granting incentives to aimed at sustainable improvement of the corporate value of the Bank, separately from the above remuneration limit, the Bank proposes to newly provide remuneration to grant restricted stocks aiming to continue sharing the value with our shareholders.

Based on this proposal, the remuneration paid to grant restricted stocks for Eligible Directors shall be monetary claims, and the total amount shall not exceed ¥140 million per annum, which is considered as a fair amount in keeping with the purposes above. The specific timing and allocation will be decided by the Board of Directors.

Provided that this proposal is approved, the Bank will abolish the remuneration system regarding the current stock acquisition rights as stock options, and will not issue stock acquisition rights as stock options. The stock acquisition rights as stock options already granted to the Eligible Directors but those that have not yet been exercised shall be waived by the Eligible Directors, provided that this proposal will be introduced.

Therefore, in this fiscal year, as a transition measure from the stock acquisition rights as stock options, separately from the above remuneration limit for granting restricted stocks, remuneration for granting restricted stocks as same as the number of stocks (694,300 shares), which are with purposes of stock acquisition rights and were waived by the Eligible Directors, shall be paid not exceeding ¥959 million per annum, and remuneration limit for this fiscal year shall not exceed ¥1,099 million in total. Please be noted that this remuneration is what was already granted to the Eligible Directors in the past fiscal year, therefore, the Bank will not grant any new remuneration practically.

Currently the number of Directors is Eight (8), including Three (3) Outside Directors. Provided that the Proposal No. 2, “Election of Six (6) Directors”, is approved and passed as the original form, the number of Directors shall be Nine (9), including Three (3) Outside Directors.

In addition, the Eligible Directors shall, based on the resolution of the Board of Directors of the Bank, pay all the monetary claims paid under this proposal as contribution in kind assets, and shall receive the issuance or disposal of shares of common stock of the Bank. Thereby the total number of shares of common stock of the Bank to be issued or disposed shall not exceed 500,000 shares per year. As mentioned above, in this fiscal year, the Bank will separately set up to a total of 694,300 shares as a transition measure from stock acquisition rights as stock options. Provided, however, that in the event of a stock split, including the

allotment of the Bank's common stock without contribution, or the consolidation of shares of the Bank's common stock after the day this proposal is approved and passed, if any event arises that such total number of the Bank's common stock that are to be issued or disposed as other restricted stocks to be adjusted, such total number shall be adjusted within a reasonable amount. The amount to be paid per share will be determined by the Board of Directors based on the closing price of the Bank's common stock on the Tokyo Stock Exchange on the business day previous to the day of each resolution of Board of Directors, or the closing price on the most recent and previous trading day, if a transaction has not been completed on the same day, to the extent that the amount will not be particularly favorable for the Eligible Directors underwriting the common stock. In regards to the issuance or disposal of the Bank's common stock and the granting of monetary remuneration claims as contribution in kind assets, provided that Transfer Restricted Stock Allotment Agreement (the "Allotment Agreement), which includes the following contents, will be concluded between the Bank and the Eligible Directors.

(1) Transfer Restriction Period

The Eligible Directors shall not transfer, create a security interest in, or otherwise dispose of the shares of common stock of the Bank allotted under the Allotment Agreement (the "Allotted Shares") from the payment date of the Allotted Shares to the point in time immediately after Directors of the Bank's resignation of any position which has been determined beforehand by the Board of Directors (the "Transfer Restriction Period"). (Hereinafter collectively as a whole referred to as the "Transfer Restriction.")

(2) Treatment in the Event of Resignation

In the event of resignation of the Eligible Directors of the Bank from any position which has been determined by the Board of Directors of the Bank beforehand, in prior to the expiration of the period determined by the Board of Directors of the Bank (the "Service Period"), the Bank shall rightfully acquire the Allotted Shares without compensation for any reason other than the event of expiration of term of office, death, or any other legitimate reason.

(3) Removal of the Transfer Restriction

Notwithstanding the provision in (1) above, the Bank shall remove the Transfer Restriction with respect to the Allotted Shares in whole at the point of the timing of expiration of the Transfer Restriction Period, provided that, during the Service Period, the Eligible Directors continuously served in the position determined by the Board of Directors of the Bank. However, in the event (1) that the Eligible Directors leave any position, which was determined by the Board of Directors of the Bank beforehand, for any reason such as the event of expiration of term of office, death, or any other legitimate reason, or (2) that the Eligible Directors leave any position, which was determined by the Board of Directors of the Bank beforehand, for any reason other than any legitimate reason after the expiration of the Service Period and prior to the expiration of the Transfer Restriction Period, the number of the Allotted Shares subject to removal of the Transfer Restriction and the timing of removal of the Transfer Restriction shall be reasonably adjusted, as necessary. In addition, based on the provisions set above, the Bank shall rightfully, without

compensation, acquire the Allotted Shares which the Transfer Restriction has not removed yet at the point in time immediately after the removal of the Transfer Restriction.

(4) Treatment in the Event of Organizational Restructuring, etc.

Notwithstanding the provision in (1) above, during the Transfer Restriction Period, in the event that a merger agreement whereby the Bank will be the non-surviving party to the merger, or a share exchange agreement or share transfer plan whereby the Bank will become a wholly owned subsidiary of another party, or otherwise any matter concerning organizational restructuring, etc. is approved at the Annual Meeting of Shareholders of the Bank, or by the Board of Directors of the Bank if such organizational restructuring, etc. does not require any approval at the Annual Meeting of Shareholders of the Bank, under the resolution of the Board of Directors of the Bank, the Bank shall, prior to the effective date of such organizational restructuring, etc., remove the Transfer Restriction from the Allotted Shares which number shall be determined reasonably in keeping with the period from the beginning date of the Restriction Period to the date of approval of such organizational restructuring, etc. In addition, in the event provided above, the Bank shall rightfully, without compensation, acquire the Allotted Shares which the Transfer Restriction has not removed yet at the point in time immediately after the removal of the Transfer Restriction.

(5) Other Matters

Other matters concerning the Allotment Agreement shall be determined by the Board of Directors of the Bank.

[Reference] The Policy for Determination of the Contents of Individual Remuneration, etc. of Directors

Before	After
<p>1. Basic Policy The basic policy is that the remuneration for Directors of the Bank shall, in order to ensure transparency, fairness, and rationality, be determined by the Board of Directors in accordance with the remuneration rules determined by the Board of Directors after the deliberation by the Nomination, Compensation, and Management Advisory Committee, of which an independent Outside Directors have the majority. Specifically, the remuneration of Directors consists of basic remuneration and stock remuneration as fixed remuneration, while the remuneration of the Outside Directors who commit to supervisory function is fixed remuneration only.</p> <p>2. The Policy for Determination of Amount of Individual Remuneration, etc. of Basic Remuneration (Monetary Remuneration), Including the Policy for Determination of Timing and Conditions of Granting Remunerations, etc.</p>	<p>1. Basic Policy The basic policy is that the remuneration for Directors of the Bank shall, in order to ensure transparency, fairness, and rationality, be determined by the Board of Directors in accordance with the remuneration rules determined by the Board of Directors after the deliberation by the Nomination, Compensation, and Management Advisory Committee, of which an independent Outside Directors have the majority. Specifically, the remuneration of Directors consists of basic remuneration, performance-linked remuneration, and stock remuneration as fixed remuneration, while the remuneration of the Outside Directors who commit to supervisory function is fixed remuneration only.</p> <p>2. The Policy for Determination of Amount of Individual Remuneration, etc. of Basic Remuneration (Monetary Remuneration), Including the Policy for Determination of Timing and Conditions of Granting Remunerations, etc.</p>

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

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

From the perspective of focusing on soundness as a financial institution, although the Bank has not introduced performance-linked remuneration, etc., the Bank shall have the Nomination, Compensation, and Management Advisory Committee appropriately consider management enhancement by shareholders' point of view and executive remuneration system for performance improvement. The non-monetary remuneration, etc. shall, with the introduction of the stock remuneration stock option system to strengthen the linkage of stock price of the Bank and remuneration for Directors, and to raise contribution willingness for the improvement of corporation value and shareholder-first management awareness, be paid at a fixed time every year.

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

Referring to companies of similar size to the Bank and in related industries and business categories, in accordance with changes in the business environment as appropriate, the executive remuneration system for Directors and the remuneration ratio by kinds shall be considered by the Nomination, Compensation, and Management Advisory Committee, of which independent Outside Directors have the majority. Representing the Board of Directors, the President, as described in item 5 below, shall determine the contents of individual remuneration, etc. of Directors to the extent of remuneration ratio by kinds, paying respect to the Nomination, Compensation, and Management Advisory Committee. The guide ratio for each kind of remuneration, etc. shall be "basic remuneration : non-monetary remuneration, etc. = 80 : 20."

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

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

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

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

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

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

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

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

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